

NASFAA's "Off the Cuff" Podcast – Episode 341 Transcript

OTC AskRegs Experts: Unpacking the RISE Neg Reg Committee

Speaker 1:

Financial aid is complex, but managing it doesn't have to be. That's why colleges and universities trust PowerFAIDS by College Board. Built with compliance at its core, PowerFAIDS helps aid offices stay ahead of regulations. With decades of expertise and tools designed for today's challenges, PowerFAIDS makes it easier to focus on what matters most, supporting students and their success.

Tim Maggio:

All right, welcome to another episode of Off the Cuff. I'm Tim with the communications team here at NASFAA.

Jill Desjean:

And I'm Jill with the policy team at NASFAA.

Tim Maggio:

Jill, it's good to see you in a virtual format. We got to see each other in person, which doesn't happen a ton anymore since we're fully remote, and we had a lot of time spent laughing about a recent ride-share experience that you had. I think that it could probably go in the Guinness World Book of Records for most crazy just wild trips. So I don't know, I was thinking our members, I don't know if they could relate to it, but it might be a fun laugh that people could have. Could you tell us a little bit about your dedication to getting to the NASFAA conference and presenting and connecting with our members?

Jill Desjean:

Yeah, I hope people can't relate, because I hope this was a unique experience. I came in really hot, literally and figuratively to the conference because my Uber on the way out of the airport just bumped a curb kind of a thing. I've said this to other people and I've been like, as we all do, and a lot of people have kind of been like, oh, I don't know. I hit curbs fairly regularly. This guy didn't seem super fazed by it, it kind of gave me like a, "Hey, oops, hit that little curb, hope that didn't disturb you." And I was like, it's fine. And he was a super nice guy, so we're chatting and pretty shortly into the ride he's like, "Oh, I think I might have damaged my tire a little." And I could see there was a little light up on his screen. And then I started hearing-

Tim Maggio:

That was your first time?

Jill Desjean:

... that thud, thud, thud, and there was a tire right behind me. And I'm like, "Hey, Ken, I think you have a flat." And he was like, "Oh, it's okay. We're pretty close to the hotel." And I was like all right. We're on the highway. You drove from the, or Tim, you took a ride from the airport to the hotel [inaudible 00:02:10].

Tim Maggio:

Yeah, it's not that close.

Jill Desjean:

And then it was a very loud, and I was like, "Hey, you know what? It's a really flat tire and we're going kind of fast. You should probably pull over." And he's like, "It wouldn't be safe to pull over. I just want to get you where you're going." I'm like, "Okay." And then I could see people cruising by us and having these looks on their faces as they, like looks of horror as they're looking at the car that I'm in, pointing and yelling. I could see pieces of the tire flying off.

Tim Maggio:

Oh my God.

Jill Desjean:

And then I could hear ultimately the unmistakable sound of metal on pavement while we're still on the highway. And he's like, "I just got to get you over this bridge." And I'm like, "Oh my God. Not a bridge." So when we pulled up, it was just one of those things, it's embarrassing to be making a scene. I really don't like being noticed very much. So I like to sneak in places and that was not what I did at NASFAA. And it's one of those things where in most cases you're just like, I'm never going to see any of these people again. And yet, I was pulling up to this pretty small hotel that I knew was full of people who knew me.

So it wasn't just going to be like, I saw this lady pull up in this falling apart Uber that was almost on fire. It was like, I saw Jill pulling up to NASFAA in this falling apart car. So yeah, it was quite an adventure, I have to say. Yeah, I was going to say, I told my family about it and they asked how many stars I gave him. And do you want to guess how many stars they gave the guy?

Tim Maggio:

I mean, if you could give him six, you should. That man was super dedicated to getting you to the presentation.

Jill Desjean:

I said five. I gave him five. And my kids are like, [inaudible 00:03:52]. I'm like, well, I don't know. He was super nice. He was just trying to help. It wasn't his fault. And I'm like, also, I think this cost him a ton of money.

Tim Maggio:

Oh my god.

Jill Desjean:

He made like \$22 off of me, and it's going to cost him thousands of dollars to fix his car. So I was like, you know what? Five stars can, like he's a hero.

Tim Maggio:

Yeah, yeah. He was dedicated to getting you to NASFAA, and if anyone ever questions the dedication that our policy team has to members, I mean, think about that. That was making sure we get there. So Jill, I have one more thing to do with you before we get into the meat of this podcast. I warned you

about this, that I had a little game for us to play. It comes from, if you're familiar with Wait, Wait, Don't Tell Me by NPR.

Jill Desjean:

Oh, yeah.

Tim Maggio:

So I NASFAA-tized that a little bit. So Maria, if you can in the editing, cue the game show music. This is called FAFSA or Fantasy. So Jill, I've got three headlines from the world of Financial Aid News this week. Two of them are completely ridiculous, absurd, made up nonsense, but one is a 100% true story. All right, Jill, this is FAFSA, which is the real, or fantasy, fake. Are you ready to play?

Jill Desjean:

I'm ready.

Tim Maggio:

All right, let's go. A, massive enrollment spike tied to viral TikTok trend where students film themselves printing and hugging their FAFSA submission summary. That's our first headline. Our second is, new training module required for all aid staff. How to correctly pronounce the acronym ISIR, I-S-I-R, and FAFSA without cringing. Or is it C, resolution to ongoing IDR and PSLF buyback backlog advances. What do you think?

Jill Desjean:

I'm going to go with C, Tim.

Tim Maggio:

That's true. That is the deadline that we ran in Today's News earlier this week. I know those other two were tempting, but not the correct answer. All right.

Jill Desjean:

It would've been fun.

Tim Maggio:

It would've been fun. I've got one last trivia question for you. Okay. So many of our familiars are familiar with R2T4, return of Title IV funds. It's a dreaded process for many, but today I'm not going to test you on R2T4. Instead, I'm going to test you on R2-D2. So R2-D2 is one of the most famous droids in cinematic history. What is one thing R2-D2 did that it's most famous for in an original Star Wars movie? Is it A, delivering the Death Star plans to Princess Leia, B, serving as the primary financial planner for the Skywalker family, or C, auditing the Rebels' alliance emergency cast distribution to new recruits?

Jill Desjean:

That is A, Tim.

Tim Maggio:

You are correct. I didn't know that you were a big Star Wars fan.

Jill Desjean:

I do like me some Star Wars, not going to lie.

Tim Maggio:

Well, that's all we have for today's FAFSA or Fantasy. So are you ready to get into the meat of things and me quit playing around?

Jill Desjean:

That was actually very fun, Tim, and I'm not going to lie, even though I expressed some enthusiasm in Slack when you said there was going to be a game, I was a little like, okay, Tim. That was fun. Thank you.

Tim Maggio:

Of course. So negotiated rulemaking, I don't know how to transition to that in a fun way after our game show, but I know that's what we're here to talk about today and that's what folks might be interested in is the RISE Neg Reg. So can you give us a quick summary of what is this and why are people, why should they be paying attention?

Jill Desjean:

Yeah, this is fun for me sadly, but it is. Yeah, we're doing Neg Reg basically to implement provisions of the One Big Beautiful Act or the One Big Beautiful Bill Act, forgive me, or the OB3, because I can't ever say that full act name without screwing it up. Basically Congress rights laws that are sort of intentionally light on details or vague and they trust agencies to implement them through regulations. They use their expertise to sort of iron out or fine tune the details. And so that's what Neg Reg is. The department gathers stakeholders around a literal negotiating table and hashes out the details of how the intent of Congress should be reflected in regulations to make sure that it is beneficial to all of the people who are impacted by those regulations.

Tim Maggio:

So why are we doing this Neg Reg?

Jill Desjean:

So this one is to implement the provisions of the OB3. So there are student loan provisions, lots of changes there, as well as changes to Pell grants. There's a brand new workforce Pell program, and so we need to figure out the how. Congress has told us the what, do this, do that. Now the department gets together with stakeholders and they figure out how do we implement these new laws.

Tim Maggio:

Right, and you mentioned that Ed has to do this Neg Reg, but not all departments within the federal government have to do this. Is there a benefit to our members that Ed has to go through this process, and why should we care about that?

Jill Desjean:

Yeah, it's really important for the department to conduct negotiable making. Even though they are required to do it, it is still a good thing to get people around the table to hash out the details of the law, the really fine points that matter a lot to institutions, to financial aid administrators, to students, to borrowers, to whoever is impacted by these changes. To hear from them directly to say, "This is a good thing. This will be hard to do, we should do it this way," those are all really important pieces of feedback that the department needs to have. They are experts, but they're not doing this stuff every day. So if anything from a law actually trickles down to other people, you need to hear from those people to figure out how it impacts. So yeah, Neg Reg is really important in that respect.

Tim Maggio:

Right. And you said that there's a variety of stakeholders who are on this committee, so those are from a variety of different places, but it sounds like we might not have financial aid constituency this go around. What are the impacts of that?

Jill Desjean:

So we are accustomed to having a seat at the table at Neg Reg. Obviously when you're talking about Title IV changes, which OB3 has a lot of, we're not the only stakeholder, but we're a pretty big stakeholder. Financial aid administrators are the ones who actually have to implement those rules on their campuses. They need to explain them to their students, and they're the ones who see firsthand how changes impact their students. And so it's a really important voice to have at the table. And we've got great people at the negotiating table this session, but we don't have financial aid administrators in primary seats.

So we are fortunate that we have two financial aid administrators serving as alternates, but their constituency is the constituency for their institution types of four-year publics, four-year privates. And so it makes a lot more sense for someone to be able to speak just for financial aid administrators. These financial aid administrators who are alternates at the table need to be thinking about institutions as a whole. And of course they're adding a lot to the conversation from the perspective of financial aid administrator, but also they're alternates, so they don't have a final vote at the table, so they will not be able to contribute to whether the committee comes to consensus or not.

Tim Maggio:

Okay. So just to make sure I'm understanding that correctly, so these alternates, they're still an active part of the conversation, but when it comes down to voting, that's where their voice is lost?

Jill Desjean:

Exactly, exactly. Yeah.

Tim Maggio:

Okay. So there's some things that are being discussed at this table. So what is being discussed? What are maybe some of the controversial things that are being brought to light in this session?

Jill Desjean:

Yeah, so in this RISE committee, this is strictly student loan related pieces of the OB3 legislation. So we're talking about the new annual aggregate and lifetime loan limits. We're talking about the elimination of the grad PLUS loan, talking about loan proration for less than full-time enrollment. And I'd

say the, hard to say which the most controversial is, some controversial things for sure, the definition of what is considered a professional student. This is one of those kind of nerdy, weedy things. There's always been a definition of a professional student in the regulations, but it's never really mattered because student eligibility has never hinged on whether you are a grad or a prof student. Grad, prof students were just kind of grouped together. They all qualified for the same level of loans, they all qualified for the grad plus loans. So it's kind of like why does it matter if you're a professional student?

OB3 makes a distinction between graduate and professional students in terms of annual and aggregate loan limits. So suddenly everyone is very interested in whether their program is a professional program, because it means your annual loan limit would be \$50,000 instead of \$20,500. That becomes super important in the absence of the grad PLUS loan to make up the difference. So yeah, that is one of the really big things that's popped up, and unfortunately we haven't really gotten anywhere. The department has said that current definition that they have in the regulations that the law cites, it's pretty narrow. It's a lot of health professions. So it's MD, veterinary, dentistry, podiatry, optometry, I won't be able to name them all, but those are some examples. Law and theology are considered professional programs. That's it. It's 10 total programs. The department can change that definition, but they have said during this Neg Reg, they're not interested in doing that.

They said, "We're not touching that definition." So they get a lot of pushback from negotiators. They did come back with an interim professional definition as a compromise to get toward consensus where they said basically, "Okay, schools, if you have programs that are not technically professional programs per that definition, you can admit students through '26, '27." So for one more year, consider them to be professional students if you already consider them professional. So you can't just suddenly just be like, "Oh, hey, MBA is a professional program." But if all of your materials that you put out to students described it as a professional program, if it led to licensure, if it was just kind of a thing where you just never bothered to classify it as professional because there wasn't any impetus to do that, you could treat those students as professional students for one additional year. So better for students, really complicated to administer.

So it's a compromise. It's not amazing. I think there are questions about whether it's going to get to consensus because I know there's one negotiator at the table that is really concerned the cost to taxpayers. And so it only takes one person to blow up consensus and I'm not sure if this would be the thing that would kind of put them over the edge and say that they couldn't come to agreement. So who knows if that interim will even make it in, but that's where those conversations about the professional student classification are at the end of week one anyway, and then we've got another week to talk.

Tim Maggio:

Okay. And they're also talking about things like loan proration for less than full-time enrollment as well?

Jill Desjean:

Yeah, yeah. So that's one of those things, it's like three lines in the statute, just kind of, hey, if someone isn't full-time, you need to prorate their loans to reflect their enrollment. Sounds pretty simple. And immediately, as soon as this got brought up at the table, the financial aid administrators at the table were like, "We have questions," because of course everyone knows student enrollment is not just like you are a full-time student and you're a part-time student. Okay, here we go. Student enrollments change at the beginning of the year. They're changing all the time. So it's just like, at which point do we mean? At the time of disbursement, at the end of add drop? Is there going to be some kind of census date? What do you mean by a full-time student when? And then also the question of just when do we adjust loans?

Because it's a strange thing. It's not like Pell grants where your award amount for a term is based on your enrollment. They're talking, the law changes it to make it a proration based on your annual enrollment. And so people were sort of saying, "Okay, well what if I drop a class in the fall, but then I don't return in the spring? Have I been over-awarded for the fall?" So just lots of very technical weedy questions that financial aid administrators are amazing at coming up with because they've seen all of these things in their offices and they know that it's going to be an issue. So essentially it got to a point where the department sort of said, "Let's just wait. We need to talk about this internally for a couple of weeks and we'll bring it back for week two," because they just didn't have any answers to the questions that people had because I don't think they expected it to be as complicated as they quickly learned that this would be. So that's another thing we're going to be watching for week two.

Tim Maggio:

So sort of a clear demonstration on why our voice needs to be at the table because we see how those things impact our students and our institutions and it's a lot more complicated than what it looks like on paper when you're not dealing with this day to day. So that is super helpful, Jill. We've also been hearing a lot of rumblings from our members, from lots of different people about legacy provisions or grandfathering certain aspects that were in before OB3 came to light. So this is something that is, I think that some of our members might kind of be getting lost in the shuffle of where we're at with these things. And then Neg Reg maybe makes it even more confusing for folks who I know things might change, but where are we at currently and what's the current platform that folks are on?

Jill Desjean:

Yeah, so this is about those changes. All these changes become effective July 1st, 2026. And the issue is that in many cases you're talking about students who are currently enrolled who would be impacted by these changes. And so Congress knew that and they built in some legacy protection for students who are currently enrolled to say, "The new rules don't apply to you if you already were enrolled in a school and you were already borrowing loans." So these legacy protections apply to graduate PLUS loans, which have been eliminated. They apply to the new parent PLUS loan limits because there's a new annual and aggregate limit on parent PLUS loans, and they would apply to the new graduate and professional annual and aggregate limits as well. So for people who are already enrolled, they would sort of be able to continue under the existing loan programs, existing loan limits, so long as they continue to be enrolled in the same program of study at the same school basically.

And that's until they complete their degree or up to a maximum of three years. So it won't capture everybody because some people will take longer than three years to finish their degree. They are cut off at three years, but they'll at least have this legacy protection built in for three years where they can still get a grad PLUS, or their parents can still borrow a parent PLUS at the higher limits, or they can still receive the old limits of grad PLUS loans and the old aggregates as well. The department sort of muddy at the waters a little bit with a lot of this in terms of who actually qualifies for this legacy exemption. One thing they did that I think kind of is logical, they said you need to be continuously enrolled. So the law just says same program of study up to three years until you complete your program.

And the department said, "Also, it has to be continuous enrollment." So if you're a freshman and you borrowed a loan and then you withdraw, if you come back for your second year at some later point, your parents are stuck with the new PLUS loans at the new \$20,000 limits, or if you're a grad prof student, you're eligible for the new limits, not the old ones. That wasn't very controversial. That doesn't seem to be too much, even though it does add on to what the law says. It seems to be in keeping with the law. The place where they muddy the waters was that they talked about, this was in a September

webinar, so this was before Neg Reg started. Someone just kind of dropped out there, oh, and by the way, same program of study means major for undergraduate students, and so a student has to be at the same school in the same major to qualify for the legacy provisions.

And a lot of financial aid administrators were like, "What?" I think something like 30% of students change major at some point during their undergraduate career. A lot of students start out as undeclared. They have to change their major at some point. You can't graduate with an undeclared major, and to lose the legacy eligibility just because your major changed when you're still at the same school, you're still pursuing the same degree type, it's very different at the undergrad level than it would be say at the graduate level where if you went from getting an MPH to an MBA, you would actually be leaving one program and starting another one.

I get why they wouldn't want to give legacy protection to that group of students because the idea is not to let people continue forever getting the old treatment. But for a change major, that seems like such a common thing that happens and really not a change from the point of view of the student really. A change of major is filling out a piece of paper. You don't even fill out paper anymore, you check a button. It's not like enrolling in an entirely different degree program. So they did add to their transcript from that webinar a little note that said, "Oh, by the way, this is subject to Neg Reg." So I think they recognized shortly after that maybe from the blow-back they heard from financial aid administrators like, oh, this might be something that we need to talk about more.

It seems to me like the law definitely allows for a change of major and it even seems like the regulations that they propose so far also allow for that. They haven't explicitly said anywhere in Neg Reg that they mean to exclude students who change majors from these legacy provisions, but we do need to hear them say that out loud and make sure that we're all on the same page here only because they said something different during a webinar back in September. I don't think anybody would've been questioning this otherwise. So yeah, we'll see what comes out of week two of Neg Reg, but I expect the negotiators, the financial aid administrators for sure to be making sure that their voice is heard on that, to make sure that the department knows that we disagree that change of major should disqualify you from getting legacy treatment.

Tim Maggio:

Yeah, that's great, because I even remember from my undergrad, I was a public relations major and then my department just updated the programming and changed the name of it. So I was still technically the same major, but would I become unqualified due to university changes that were kind of forced upon me? So really great that our community raised that point. So hopefully we see some traction there. So we also know that our health professionals have had a lot of questions all the way back from dating from FAFSA simplification, but Neg Reg has created new questions for this group. Can you catch us up on what are these folks paying attention to or what should folks with health professional programs be paying attention to?

Jill Desjean:

Yeah, so this is definitely where things get super weedy because we talked about that distinction between graduate and professional, and many health profession students will be classified as professional. We talked about the doctors and the veterinarians and the chiropractors and that element of people who would be eligible to get \$50,000 in annual unsub instead of \$20,500. But some subset of that population, MD students explicitly, masters in public health students and some others, have actually always been eligible for a little more, or actually sometimes a lot more unsubsidized loan due to what we colloquially call the HEAL limits. There was a program called the HEAL Loan, the Health

Education Assistance Loan, I think is what it stood for. It was administered by the Public Health Service Act. It fell under the Public Health Service Act and was administered by the HHS for a long time. It got moved over to the Department of Education, but it's still authorized under that other piece of statute. It's not authorized in the ATA, but the unsubsidized loans that used to come from the HEAL limits basically sort of transferred over to the unsub limits and allow health profession students to get more. The question at Neg Reg was, "Well, do the HEAL limits still apply? Are those still a thing? Because they're authorized in a different section of the law. OB3 doesn't talk about HEAL at all. So do professional students, like say medical students who are classified as professional get \$50,000 from unsub plus that additional \$20,000 from HEAL, or is HEAL no longer a thing?" Congress didn't explicitly take it away, but it's a question. So the department did not know, and they're taking it back to Congress to get some clarity and find out what their intent was there.

Tim Maggio:

All right, so it sounds like part of the Neg Reg benefit is identifying some questions we need to get answered, but I think the question that might be on everyone's minds is when are we going to have final regs so people can start thinking about how any of this applies to them and their institution?

Jill Desjean:

That's a great question. It's a question I have as well. Sorry. It's weird because usually we know, right? We're usually operating under master calendar rules where the department is holding Neg Reg in the fall, fall slash winter, and they're issuing regulations the next year by November for then an effective date of the following July. We're working on this super compressed timeframe where congress passed a law on July 4th of one year, and is expecting it to be implemented by July 1 of the next year. So master calendar's out the window. So usually we can always kind of predict when regs will be out, because we're like, by November 1. In this case, they obviously aren't going to be out by November 1 because the second week of this Neg Reg is not until November 3rd. They need to wrap that up, then they need to actually draft rules and obviously they need to get this implemented by July 1 despite the master calendar, and so they can use some kind of emergency authority.

There are ways to get around the master calendar requirements and one of them is if it's to comply with another law. So the department has the authority to issue regs after November 1 and still make them effective July 1, but now they're not locked into any kind of timeframe. So that's why I'm just kind of like, huh. I don't know. Technically speaking, I think they have until June 30th. The rules don't have to be effective until July 1. That obviously would be awful, and I'm sure they don't mean to do that. So my expectation, if I were to guess, I would say optimistically February and less so April. I would hope they wouldn't be out until after that, but that gives schools a really short on ramp to be able to get all of this implemented on their campuses if they don't have final rules until a couple of months before the effective date.

Tim Maggio:

Yeah, because a lot of these things that we've been talking about here would have really big impacts on an aid administrator's daily, I mean, I'm thinking about the legacy provision specifically, having to monitor almost what seems like endless subsections of students of how do they qualify? Do they qualify for this legacy provision in monitoring that, monitoring changes within enrollment depending on how the laws or the regs shake out? It seems incredibly taxing, and I think we need as long of a ramp up to that as we can. But I guess in knowing that we don't exactly know when we're going to get those final regs, what can aid administrators start thinking about now?

Jill Desjean:

I think they should be talking to their financial aid management systems providers. I know that they're all very much plugged into this because this impacts them kind of first, because as much as the financial aid administrators have to have it in place by July 1, their systems need to be able to accommodate it before then. But having conversations and just making sure, hey, you're following this, right? And what are you thinking? How do you think this is going to look? How do you think this is going to work? Just so you don't get surprised.

Can your office be ready? Look at your own internal policies, your publications, if you're talking about things like loan limits, just be, you can't update them necessarily right now because you don't know who's a professional student, but you can at least mark what needs to be updated once you have answers from the final week of Neg Reg, any websites, just kind of identifying what's going to need to be updated once we know what's happening. I think something schools should be thinking about too is just whether the department can be ready and having, I hate to even bring up FAFSA simplification, but I will. When the department doesn't have a system in place for you, how do you still get through? How do you award financial aid without ISIRs?

What would you be able to do if COD wasn't ready to accept the new loan limits when you're originating loans in the spring slash summer? What if COD wasn't ready to accept disbursements for those new loan months? There's going to have to be some programming in there. So at least just kind of knowing that that's a possibility. And I'm not saying that's going to happen. I'm sure the department is prioritizing this stuff, but like we saw with FAFSA simplification, when you've got a short timeframe and you've got big systems to update, things can go wrong. And it's just hard to anticipate what could go wrong until you actually start doing it. And I think to your of those legacy provisions and like, oh, well, when did you enter and did you ever withdraw? And all of these different permutations, we would rely on NSLDS to tell us that, right?

We get our ISIRs, we have an NSLDS history in there. We have handy little comment codes in the front of the ISIR that say the student is close to you or over their aggregate limits. Those messages all need to get updated now because they need to be tied to different sets of aggregate and annual limits depending on whether the student, depending on when the student enrolled, when they borrowed, all kinds of different possibilities of enrollment statuses and borrowing types. And again, what are you going to do if NSLDS is not updated in time for you to start packaging in the spring? Can you really rely on those results to be able to tell you that a student is close to or over their aggregate limits? So yeah, just things to be keeping in mind. For your current students, you're good in terms of legacy provisions, but for your new students who are going to be subject to the new limits, will they be reflected in [inaudible 00:30:48], or will you be doing some digging on your own or doing some math on your own?

Tim Maggio:

I can just hear the Advil, Tylenol and Ibuprofen bottles shaking. Sounds like a big headache.

Jill Desjean:

Yeah, I think our members have big bottles on their desks already, so they won't have to make an investment, which is good.

Tim Maggio:

Right, right. They were proactively prepared. And I guess this is probably a good note too of as we're talking about all these things and you're thinking about the impacts at your institutions, send us some comments into our Off the Cuff form and let us know what are you thinking about and what is really top

of mind for you when we're kind of discussing all of these things. Maybe there's something that we're not currently thinking about that you want to make sure you flag for us, make sure you're sending those comments into us. But the other thing, Jill, that's on my mind and probably on a lot of people's mind is as of today, Thursday, October 23rd, I think we're still in a shutdown.

So how is that going to impact next month's Neg Reg session? Because of the shutdown, could it possibly be canceled or rescheduled? And this just kind of fits into that timeline question again because this stuff is going to kind of keep pushing us back, and implementation. I'm sure people are also worried about staffing at Ed. Will they be able to have the staffing available for that? But I guess we'll keep it kind of focused in on the shutdown though. What do you think is going to happen with Neg Reg and the shutdown? Are we still going to have Neg Reg next month?

Jill Desjean:

Yeah, I don't think we know for sure. I haven't heard it definitively said either way. But the shutdown did happen halfway through the first week of Neg Reg, and the department affirmatively said, "We will go on. We will continue in person." They had said for a minute, "We're going to switch to virtual." And then in the chaos of an impending shutdown, they quickly sort of said, "Actually, no, we're good. We're going to have it in person." So they designated the people who needed to be in the room as they didn't use the word essential, I can't remember the word, but essentially people who work during a shutdown.

I presume that's going to be the case for week two as well. So more to be announced as we get closer to the date. But the department knows that this is super high priority. They know that they need to get this stuff implemented ASAP so that schools are ready in July. They're pretty highly motivated to get this done. So I would say the worst case would probably be that they went to virtual, but I can't imagine that they would delay this. And hopefully they'll still do it in person. It'll be just like it was in week one.

Tim Maggio:

All right. All right. So we'll keep our fingers crossed and stay in touch with Today's News. I'm sure that's where we'll keep putting out some information about where things are updating in this section with Neg Reg. So I guess the last question that might be on people's mind is we've talked about a lot of different issues that are coming to our members and coming their way. What's NASFAA doing? How are we helping them out?

Jill Desjean:

Yeah, so we are attacking this from a lot of different fronts because there's not just the system stuff or how do I package it or whatever it might be, but there's the big picture stuff of the changing landscape of borrowing. So I don't think these have been announced yet, but I have heard that we have some webinars coming up that will get announced shortly that talk about sort of kind of brushing everybody up on the student loan markets, just kind of private loan markets. Pardon me, like what's out there? What kind of products are out there? How do I put together a preferred lender list, if you haven't had one. Just getting ready for an influx of private loan products, given the absence of graduate PLUS and the lower limits on parent PLUS loans that will likely drive people to the private loan market. We're also working to create some resources.

We understand that schools are, obviously, if you've got grad and professional students, you want to look at the impacts of the loss of grad PLUS and the impacts of the new loan limits on your student populations, identify what kinds of funding gaps they might have in the event that you're looking to fill in those gaps with institutional loan programs or even to just identify the need for private loans. And so we're working on some things to try to help people anticipate the impacts on their campuses. Also

working on kind of checklist, implementation checklist type things like we did for FAFSA simplification where it's just kind of like, how to be ready on your campus for everything that's coming, what to do now, what to do later, who to be talking to on your campus. And we want to get those out, obviously sooner rather than later so that you can all start having conversations on your campuses as quickly as you can so that you're ready for July 1.

Tim Maggio:

Awesome. Thank you, Jill. So we'll look forward to putting those out to our members and making sure they have access to those. But I definitely think if you've been listening to this episode, it's worth having a conversation maybe internally with your team to kind of start thinking about the things that Jill had brought up here today and say, "Let's kind of go point by point, all of the points that were brought up in today's podcast, and how is this going to affect us?" And like you said earlier, Jill, start flagging those things.

We might not be able to make changes now because we need to wait, but let's start flagging those things so that way if we have a shorter ramp to go up to, we're at least a little bit more prepared on our end. So thanks so much, Jill, for catching us up in the arena of Neg Reg. So we'll stay in touch with Today's News. Please subscribe to us on Spotify, wherever you can find podcasts. Make sure you leave us some comments for Off the Cuff, and we'll look forward to seeing you again in the coming weeks with some more updates.