NASFAA's "Off the Cuff" Podcast – Episode 369 Transcript

Summer Catch-Up: Funding, Repayment, FAFSA, and More

Melanie Storey:

Hello, hello, hello, and welcome back to "Off the Cuff" inside the Beltway, our first episode of the new year. So glad to see everyone, or hear everyone, or just have everyone out there. I know it hasn't felt necessarily like much of a summer. Call it the August of all summers. I know it has been an incredibly busy time for all of our members implementing the July 1 OB3, various provisions, welcoming students back on campus, trying to explain all of the new rules. So understand that it probably didn't feel as much as many summers do, as relaxing, but I hope that everyone did find some time to recharge and rest sometime between, let's say, July and now. How about you, Karen? Welcome. Good to see you.

Karen McCarthy:

Yes. Good to see you.

Melanie Storey:

Of course, I get to see you all summer anyway.

Karen McCarthy:

Yeah.

Melanie Storey:

But how about you? Anything interesting this summer?

Karen McCarthy:

Not too much this summer. We elected not to do a summer vacation because we have been planning for a really long time to go to the Grand Canyon this fall. And so now all of our plans are up in the air because of the flooding that happened.

Melanie Storey:

Yeah.

Karen McCarthy:

Yeah, so we made our plans to stay inside the park, on time. A year ago, as soon as the reservations open, we had our hotel reservations inside the park. And as of now, none of that lodging is open because of the water situation there.

Melanie Storey:

Oh, no.

Karen McCarthy:

Yeah. So I was like, "No good deed goes unpunished."

Melanie Storey:

Indeed.

Karen McCarthy:

I was on the ball and got the good hotel. So now we have backup hotels. Yeah, we're on plan C, I think now, but I am going. I will see it.

Melanie Storey:

[inaudible 00:01:57] you forego your summer, and then unfortunately another natural disaster gets in the way.

Karen McCarthy:

I know.

Melanie Storey:

So sorry.

Karen McCarthy:

But I am going. I will see the Grand Canyon in some shape or form from some location.

Melanie Storey:

I love it.

Karen McCarthy:

Yeah. Excited.

Melanie Storey:

Excellent. That's great. That's great. Yeah, I had a busy summer, busy here with NASFAA and travel, but I did manage to squeak out a good beach vacation, which is really a happy place for me and to take in some salt air, which is always refreshing for me. But I'll be honest, that was-

Karen McCarthy:

[inaudible 00:02:33]

Melanie Storey:

What was that?

Karen McCarthy:

Didn't you have a speaking engagement in the middle of your beach vacation? You did a-

Melanie Storey:

I did. I did interrupt my vacation. Now, to be fair, it was a lengthy vacation. It was two full weeks, which is quite luxurious. But I hadn't aligned my calendar properly and I had accepted an invitation to speak at

NACUBO with Kara Freeman, the president of NACUBO, and Ted Mitchell, the president of ACE. And I really felt that it was important to be on that stage and to have all of us talking about collaboration around the implementation of OB3. So yes, I did do quite a journey from the coast of North Carolina over to Anaheim.

Karen McCarthy:

Yeah, not even close. Not even a close conference.

Melanie Storey:

Not even close. But again, I had committed to doing it without aligning my calendar. And then when I realized it, I was like, "Well, I guess this will be a journey." But it didn't interrupt. It was a very big vacation with my whole extended family. And while I love them all dearly, a couple of days maybe in the middle of it without 22 people in the house maybe wasn't the worst thing in the world. Just saying.

Karen McCarthy:

Yeah.

Melanie Storey:

Don't tell anyone.

Karen McCarthy:

Yeah.

Melanie Storey:

Anyway, it's good to be back. It's good to see everyone. It doesn't feel like we had quite the rest we might have wished, but I hope that now that we are through August and into mid-September ... I'm always going to be the optimist to hope for some calm. So as we are barreling towards the midterms, of course, that always impacts the congressional calendar and activity. That is the case this summer and into this fall. So I don't know, Karen, you want to talk a little bit about what's been going on and what we expect to see going forward?

Karen McCarthy:

Yeah. So as you mentioned, we have the midterms coming up. That tends to slow down general congressional activity. So I can talk about a couple of bills that have been introduced, but it is generally pretty quiet. But one big thing is that while we do not have a budget for the next fiscal year that starts on October 1, we have managed to avoid the last minute drama that we have seen in recent years. At the end of September, will we have a shutdown? Will Congress sign something? What's going to happen? That seems to be our regular cadence over the last few years. We have avoided that. So there's a little bit of timing drama that we have avoided. But what that means is that, while we don't have a budget, we do have a CR. The CR has already been signed and was ... I don't know. I didn't see a ton of coverage of it because it was not at the last minute. Agreed to by Congress, signed by President Trump last week. It runs through December 11th. So crucially, that is after the big midterm elections.

Everybody involved seems to have agreed that they wanted to get past the election before they have the annual funding fight. So we've deferred it a little bit. We won't be doing it at the end of September. So, key to the budget negotiations is that when they do start these again in December, we will know who won in the election in November. So that changes all of the political calculus so you know who has leverage, who won and who did not. The people who won have less fear of unpopular votes or votes for shutdowns, which nobody likes. So it does change a lot of the dynamics. So we'll see. We'll pick it back up in December. We do not yet have a budget, but we do have a little bit of a breather in terms of that last minute end of the fiscal year drama.

Melanie Storey:

Yeah, it's always interesting. We'll have a lame duck Congress picking up the budget negotiations in December. And as you said, either there's no change in, say, the House, and then you still have the Republicans dominating there, or you have the Democrats taking the House, who then want to make sure they have more influence over the budget. It just changes that fight, particularly around a shutdown, and difficult votes, but that'll be leading into the holidays. And of course, the new Congress doesn't get seated right away. So yeah, it's nice to not be worrying about it going into October 1 in a shutdown. I'm not sure we will have totally avoided it come the end of the year. But we have a little-

Karen McCarthy:

Yeah, it's a delay.

Melanie Storey:

It's a delay, but we have a little breathing room for now, and I'll be grateful for small victories. So, there you go.

Karen McCarthy:

Yes. Yes, yes. And we also had a couple of bills that have been introduced over the last couple weeks that I can mention. One is the SIMPLE Act that was introduced by Bonamici. SIMPLE is an acronym. I think of this as the auto-enrolling delinquent borrowers into IDR. And that's basically what the bill would do. It's not a new concept in any way. I was surprised to learn that it was first introduced way back in 2016. So here we are-

Melanie Storey:

I know.

Karen McCarthy:

... 10 years later-

Melanie Storey:

10 years later.

Karen McCarthy:

... still talking about auto-enrolling delinquent borrowers into income driven repayment plan. And so, what this would do would be to reach out to delinquent borrowers at about 31 days delinquency, let them know. I mean, they get a lot of contacts once you start to go delinquent, to let them know about available repayment plans, what their payments would be under each of the available repayment plans. And then to tell them that if you do not enroll yourself in an income driven repayment plan or otherwise resolve your delinquency, then at the 75-day point, the Department will move you into an income driven repayment plan. And it also allows the Department to access the tax information from the IRS in order to figure out the borrower's enrollment in the income driven repayment and what their monthly payment would be. It does say that they will enroll those delinquent borrowers in ... If they're eligible for multiple income driven repayment plans. That has gotten a lot more complicated now with the OB3 bill in terms of what plans you're eligible for.

It does say it will enroll the borrower into the IDR plan that has the lowest monthly payment. So yeah, it's a reintroduction. Don't know if it will actually move, but I do like to say, this is why we follow all of these bills, that nothing ever dies. It just sits on the shelf. You never know when the environment will be right.

Melanie Storey:

10 years ago.

Karen McCarthy:

Yes-

Melanie Storey:

You and I were probably dealing with this 10 years ago from other positions.

Karen McCarthy:

Yeah. I was like, "2016, is that right?" And yes, it was first introduced in 2016. And we did support this bill, I should mention. Multiple times now we've supported the SIMPLE Act. And then, also one other bill that is a little bit outside of our scope but affects us a lot, it reflects the current political environment that we have concerning Israel, it's called the Protect Economic and Academic Freedom Act. And what it would do, brings in institutional eligibility to participate in our programs and by including a provision in the program participation agreement that the institution will not refuse to engage in business activities with Israel. So it adds to that eligibility criteria that in order to participate in the Title IV programs, you agree to this. It would also institute for those institutions that participate in Title VI programs, and those are programs related to funding international education and foreign language programs, that they must submit an annual certification to the Department that they will permit students and faculty to participate in such programs in Israel at the same level as they would for programs in any other country.

So that annual certification is related to Title VI participation, but the PPA, obviously that's our PPA in terms of Title IV. So the situation, the political environment concerning Israel has looped us in, I would say, in this particular bill.

Melanie Storey:

Yeah, this is something I talk about a fair amount, that it isn't Financial Aid's responsibility, these things, but because HEA, Title IV, Title VI, those funds are really the most powerful lever that the federal government has around compliance and how they want to regulate and control higher education, we often see these things come through our work. And so this is a really strong, big example, changing the PPA for something that is totally unrelated politically from the Higher Education Act and the awarding of Title IV funds that often interrupts our work.

Karen McCarthy:

But yeah, if you want institutions to do things, this is a great way to do it.

Melanie Storey:

That's the lever.

Karen McCarthy:

Yep.

Melanie Storey:

That's the regular lever. I may be mistaken, but I think we may have seen at least one more bill, and I know there's a number of these bills, around the graduate and professional definition too. We don't have to get into them. We know there's several of them. But just acknowledging that that continues, as it's in the courts, there does seem to continue to be congressional interest in that as an issue over the summer. And I think there was maybe another standalone bill. Whether or not those have any legs, but there might have been one other one that I saw come through.

Karen McCarthy:

Yeah. And those are all various flavors. Some of them tackle individual programs, some say, "Let's just go back to the way that it was before." They all kind of do different things. And so far none of them have advanced at all, but yeah, there are multiple.

Melanie Storey:

But to your point about everything that's old is new again or that we track everything, again, going and circling back to appropriations and they'll be re-debating it again in December, these are the kinds of things that sometimes ... I'm not predicting anything, but that sometimes get attached to appropriations bills because those pass. So it's important to watch some of these kind of things that happen here because we don't know what the appropriations fights are going to look like in December. While none of them are moving, this is the kind of thing that sometimes gets tagged on to those stuff.

Karen McCarthy:

Particularly if there were a change in control. Yes. Yes.

Melanie Storey:

So always important to keep a wide view of these things that are going on. So some other things that I know we've been seeing a fair amount on are some data related issues on cohort default rates, GE/FVT reporting. You want to give us a little download on what's going on in the data world?

Karen McCarthy:

Yeah, I think let's do GE/FVT first, in that the-

Melanie Storey:

The old is new again and keeps coming around.

Karen McCarthy:

I know, I know. Yes. First, I do want to say that we have revised our GE/FVT Web Center. I don't know that I even let you know that yet, Melanie-

Melanie Storey:

Great.

Karen McCarthy:

... to now address the new stats reporting. And man, we had over the years been adding onto that with each iteration of GE/FVT, and recently looked at, we're like, "Oh, this thing is a beast." There's a lot of really good information there if you're looking for the historical background and how did we get here and what years did we ... Yeah, but it's really a lot of information. So we pared all that down so the stats information, the newest regulations are right in the front, and all the historical information is a few clicks back if you want to look back at that. But we're trying to keep the most recent information that schools need to know front and center. So that Web Center, it's still in the same place, but it has been revamped. And I think that's when I realized that there is really a lot of information, a lot of things going on here.

So recently the Department issued a Dear Colleague Letter, GEN 26-49, where they let everybody know, the new administration, this was their announcement of their plans regarding GE/FVT reporting and moving forward with stats. If everybody recalls, we had the old GE/FVT reporting deadlines that were ... It was a very confusing time because the original deadline was around the time when we were transitioning between the administrations. So that would've been early 2025. And eventually we at NASFAA reached out to the incoming politicals and said, "Hey, look at this data carefully. We don't think you have everything. Schools are really rushing to try to comply. It was a really clunky system. We don't think your data's that great. Just want to give you that heads-up before you decide what you're going to do with it." They said they needed to get their sea legs, figure out what their priorities were going to be, and they would revisit that at some later point. And ultimately, the new Trump administration did ultimately delay that deadline again until fall of 2025 while they figured out what their plans were.

This GEN 26-49 was their announcement of their plans regarding GE/FVT reporting. And so what they announced in that Dear Colleague Letter is that they looked at all of the old reporting. So that would've been from 2024 and 2025. There were many institutions who, per their records, and I say that deliberately, per their records, either did not submit or they were missing certain files. And attached to that Dear Colleague Letter was a listing of all of the schools and what their status was for each of the years. In that Dear Colleague Letter they said, "We're really serious now. These missing files for '24, '25, you have to do the reporting. Now due January 15th, 2027." So that's this upcoming January. And they used very firm language in the Dear Colleague Letter. They are not going to extend it again. "You need to complete this reporting if you did not do it when it was due." And I think their last extended deadline was September 30th and October 1st of 2025. So yeah, that was a long time ago, almost a year ago.

Melanie Storey:

A year ago, yeah.

Karen McCarthy:

Yes. So we're working through on that list. There were some institutions who thought they shouldn't be on the list, "I thought I did this." So they're working through what's missing. Were there errors that didn't get resolved? So institutions are working through all of that right now, hopefully, reaching out either to maybe the clearinghouse, if they use the clearinghouse, the Department. If they thought they were good but the Department's records show that they are not good, that discrepancy needs to be resolved. And all of that is going on at the same time that we're coming up against the regular October 1st reporting deadline for the 2026 reporting year. So we have several deadlines going on. The most imminent deadline is October 1. That's the current deadline. And then we also have to fix any old records that might be missing for prior years. That deadline is January 15th of 2027. So, multiple things going on there at the same time.

In the announcement, the department did say that ultimately they intend to publish derived data, they didn't really have a lot of detail there, based on the information that schools are reporting publicly next year during 2027. So I know a lot of schools, particularly with the old data, are saying, "What is Ed going to do with this? Why am I doing this? It's a lot of work, very burdensome. What are they going to do with it?" In the Dear Colleague Letter, they said they do plan to make it publicly available. They did say in the announcement though, that they will have a draft. It sounded like they will publish draft data and institutions can review it and request any changes, fix any errors before things are finalized. But they do plan to do that, publish that information in 2027.

Melanie Storey:

And just on the list of non-compliance, if I recall correctly, they actually have already updated that list and they have committed to continuing to update it as schools resolve issues or submit missing items, etc.

Karen McCarthy:

Yeah, I think they said about every four to six weeks. So hopefully if a school was on it and they are resolving it, then the next report that comes out, they can clearly see that they are no longer on that.

Melanie Storey:

I don't remember the number, but I feel like a significant number came off with the first revision of the list.

Karen McCarthy:

Yeah.

Melanie Storey:

So whether that was just some system issues or other ... I mean, don't need to speculate. But just so folks are aware, there will be some ongoing dialogue to get you to compliance by that- [inaudible 00:21:12]

Karen McCarthy:

Particularly for our members who might have a little PTSD to the last time that everybody was fully engaged in this reporting for GE/FVT, there were a lot of struggles from the tech side of things and getting things to go through. We did ask the new folks at the Department of Education, "Is it the same system as the last time? Have you worked on it? Have you made improvements?" And they didn't share a lot of detail, but they did say they think they have gotten the kinks out. So I'll be interested to hear from our schools that are getting back in there probably for the first time in a while how that goes, and hopefully it will be smoother than the last go around.

Melanie Storey:

Excellent. Okay. There's a lot going on there.

Karen McCarthy:

Yeah.

Melanie Storey:

Cohort default rates. I got to be honest, Karen, sometimes I look at the cohort default rates and I'm like, "Wait, what year? How many years? Wait, were we still in the non-repayment time?"

Karen McCarthy:

Oh my gosh. Yeah, before we got on, we were both talking about how bad we are with the dates of CDRs.

Melanie Storey:

I was like, "Wait, is that '23? What were we doing in ..." I mean, I know what I was doing in '23, but I was like, "What was happening with cohort defaults in '23?"

Karen McCarthy:

I mean, to be honest, I was always bad with the dates on CDRs-

Melanie Storey:

Same.

Karen McCarthy:

... and what time period we're looking at. And now that we've had the repayment pause .. And I know that internally we said, "Well, the repayment pause ended here," but then there was the on-ramp. We're like, "Oh, the on-ramp, forgot all about that."

Melanie Storey:

How does that feed into it? When is that? Yeah.

Karen McCarthy:

Yes.

Melanie Storey:

Under the best of circumstances, I struggled to track it, and it's even worse for me now.

Karen McCarthy:

Yes. Yeah, we have mapped it all out. We're trying to figure out how we can make that into some kind of user-friendly visual.

Melanie Storey:

Great.

Karen McCarthy:

So no promises yet, but we're hopeful we'll have something.

Melanie Storey:

I'll put it promptly on my wall in the office.

Karen McCarthy:

But as everybody knows, the official cohort default rate comes out sometime later in September. We did confirm they haven't announced any specific date. It's always just close to the end of the fiscal year in late September. So that will be the official cohort default rate for FY23. So that covers borrowers who entered repayment in October of 2022 through September of '23. So during that fiscal year, fiscal year 2023. And those borrowers who entered repayment during that time and then subsequently defaulted anytime from that same date, October 2022 through September of 2025. So we now have a three-year window that we're looking at. And so everybody remembers in that window from '22 to '25, there was a lot going on, because we did. We started it in the repayment pause-

Melanie Storey:

I think I have PTSD.

Karen McCarthy:

Yes, I know. We started it in the repayment pause. We had the end of the repayment pause. We had the one-year on-ramp. And so during that whole time, nobody was going into default.

Melanie Storey:

Right.

Karen McCarthy:

But we did have the end of the one-year on-ramp during that window.

Melanie Storey:

Late in the window though, right?

Karen McCarthy:

Yes. Yes.

Melanie Storey:

Yeah.

Karen McCarthy:

So the window is a three-year window. And one year, the very last year of that three-year window, so that would have been October of 2024 to September of 2025, we were in a normal year. We were out of the pause and out of the on-ramp. So people were in, quote, "normal repayment" almost all the way, except for the SAVE forbearance people. So there were some people who were in forbearance because they were in the SAVE plan. And if you are in forbearance, you are not entering default. But for other borrowers, you should have been in active repayment. You theoretically could have defaulted during that timeframe. And so this CDR won't be a 0% CDR like we saw during COVID and during the pandemic because it was impossible for anybody to default. It is possible that there will be some defaulters because of that one-year window where people could theoretically have defaulted during the timeframe that we're looking at.

So I think this is the first CDR where we are starting to come out of the pandemic and see a more normal CDR. It will take several years before that entire window is out of all of that repayment pause and on-ramp, but we're starting to enter that uptick to what will be the new normal in terms of the CDR. And everybody out there expects that defaults in general will be higher than they were pre-pandemic. I did hear a representative from loan servicers say once when we were talking about this at some panel somewhere, they said, "Well, of course defaults are going to be higher. During the entire pandemic, we kept extending the repayment pause and saying, "Oh no, repayment starts here. Just kidding, it's going to go here. It's going to go here." Which, it's nobody's fault. Nobody could have predicted that. But over that period of time, I think borrowers started to learn that they could ignore the messages that they were getting about repayment actually starting. And so now it's like a whole retraining of borrowers that will take some time to happen.

So I think that's to be expected and normal, no matter how good a job anybody is doing in terms of the repayment space and getting borrowers back to good repayment. I think that is just inevitable because of the pandemic.

Melanie Storey:

I mean, they got a lot of mixed messages.

Karen McCarthy:

Yep.

Melanie Storey:

Layered on top of that, of course, was the Biden administration's repeated attempts at various forgiveness purchase, which of course did not and should not have prevailed.

Karen McCarthy:

Yeah, we didn't even talk about that. I was just talking about the pause and ... Yeah.

Melanie Storey:

But just, yeah, what the borrowers were hearing was really difficult. And remember that also, some of these borrowers, they were in repayment pre-pandemic and then they weren't. But there's also these whole cohorts who entered repayment when there wasn't repayment, for lack of a better term.

Karen McCarthy:

Right. During the pause.

Melanie Storey:

Like new graduates and people who left. So they never had made a payment. We're not retraining them. We're training them, right?

Karen McCarthy:

Yes.

Melanie Storey:

They weren't even in the system. And so I appreciate the Department is also doing a lot and seeking all the support and help that they can to get the message out on repayment and the options available and how to manage that. But it's a big task. It's a big task. Unfortunately, it probably is going to take for some borrowers to see really scary notices about their default and the impact of default before they take action. And we don't want that, but there's a little bit of human nature I think that happens there. So these cohort default rates, depending on what they look like in the coming weeks, will definitely hit the media and the press and will put more of a spotlight, I think, on these issues.

Karen McCarthy:

Yeah. It will take several years, I feel like, before we see the full impact.

Melanie Storey:

Well, it took us several years to get into it, into the mess, and now it's going to take us a little while to get out of it. Let's see. Just a couple other things we'll cover. Let's talk a little bit about OB3 or the Working Families Tax Cut Act or One Big Beautiful Bill or whatever name we're going with. I don't know. I'm starting to vacillate. Of course, as I said at the top, it's been a very busy summer for everyone managing through all of the new provisions and trying to process and package all of their students. A couple of things have happened. The Department continued their open office hours and their webinars, although important to notice that they did reschedule. I think one of the later Schedule of Reductions or what ... Again, this is a name change. They're no longer using Schedule of Reductions. I'm going to look over here.

Karen McCarthy:

Oh, what are they calling it?

Melanie Storey:

Annual Loan Limits for Less Than Full-Time Students Webinar. I still got to go with SOR because that's just a lot of words. I got to be economical in my words more. So I don't believe they've announced a rescheduling of that, but we'll be keeping an eye on that reschedule. There's also obviously just been lots of conversation here at NASFAA, in our communities, across the various Washington and loan-based organization. I mean, really everyone who is impacted continues to talk about it. I was really pleased, and thanks to the NASFAA team for covering. I did an event at AEI, American Enterprise Institute, around private lending and the landscape for that with a number of really top-notch researchers and other folks in the space. So, trying to forge and figure out what the world ahead looks like. That one was focused on private lending.

So we're slogging through it. If I'm being candid about it, we know there's still a lot of questions out there. I don't think a day goes by, whether you or I or someone else on the team, continue to get questions around the guidance for estimated time to credential, which we were operating based on a FAQ from, I believe in May. And then in mid-August it seemed like there was some reinterpretation or change to that interpretation and trying to sort through that. We know that the Department is continuing to get questions around schedule of reduction. The Department is working hard to resolve and answer all of these questions. It's hard for them, it's hard for us, but it's hardest for those of our members that are sitting in front of students trying to get them answers and when the answers aren't clear.

Karen McCarthy:

You know what, Melanie, have you been talking ... I've been talking to a lot of reporters and even during presentations, talking a lot about the importance of the master calendar. And what we're seeing now all you can trace back-

Melanie Storey:

This is the result.

Karen McCarthy:

... to the need for us to follow the master calendar, in that Congress had this short effective date and this is what happens.

Melanie Storey:

Which, the Department did not ... It was hard on them too. Right again, right?

Karen McCarthy:

Right.

Melanie Storey:

The master calendar isn't just for folly and to delay. The point is to help sort through all of these questions to have a full and robust negotiated rulemaking, the writing of the final rule, the answering of the ... And sorting through, because the devil's always in the details. It's in the implementation. And those details manifest with individual students who are sitting in front of individual financial aid professionals on our campuses and the answers are not clear.

Karen McCarthy:

I know.

Melanie Storey:

It's a lot. And we know there's ongoing escalations the Department is taking care of as we think about what I call the legacy provisions and how COD is treating them and how we resolve them. I know our colleagues at the Department continue to work hard on that, but I will have to say at NASFAA, we continue to want to see written clarifications. It's important for our members to make sure they are compliant. It is important for them to be able to document it when they are talking to students about how they are basing their decisions, and that it is backed by written guidance from the Department of Education. So, continues to be some swirl there, but I do think at least in the last few days, I don't want to in any way minimize the fact that there's still outstanding concerns and questions.

But I will say that at least over my last, say, week or so when I've been talking to members, they're like, "Well, we're forging ahead. We're doing what we can to forge ahead." We're well into the fall semester for most traditional programs. At some point they have to proceed and make sure that students have the funds that they are owed. And I think we're trying to work through it. But as you know, outside of just the guidance issues, there are a number of things that are caught up in legal in the courts and challenges, certainly around the graduate and professional degree definition. There's also some other legal proceedings around PSLF and other things. And so your team has done a great job. The courts have become a more active part of our work, really since the previous administration with all of the efforts toward forgiveness when the courts were involved in that as well. You want to talk a little bit about what your team has put together to help us sort through this new angle of our world?

Karen McCarthy:

Yeah. Like so many things, we developed a tracking mechanism internally to help us keep track of something, and then we decided, "Hey, why don't we put this up on the website so our members can benefit?" So we have a new Litigation Tracker page on our website and we were joking that I'm so glad that it's really easy to find, because it's NASFAA.org\litigation. So you only need to know how to spell two words and you'll get there. Because all of these things happen, they're not in the news broadly. The Department of Ed doesn't push out any kind of preliminary guidance while these things are going on. So if you haven't heard something in a long time, you're not really sure, "Did I miss it or is nothing happening on that case? Where does that stand?" the whole point of the Litigation Tracker is just to keep everybody updated on where things are. And particularly, what's the next thing that will happen? Because we do tend to know, roughly, dates, particularly when things are due from the plaintiff, from the Department of Education.

We don't always know when decisions will happen, but we somewhat have an idea. Particularly you will know, "Are we likely to know something before X date?" and you can estimate that, which is crucial information for schools as they're trying to plan, "How should we move forward? Will we get more information or will we not? Or is it completely up in the air?" I think that is one of the most common questions that we get.

Melanie Storey:

Yeah. And the legal details of when there's a hearing or if there's a stay or a temporary injunction, it gets very complicated. And things can be extended or a hearing can be delayed. And like you said, it doesn't always rise to being reported in mainstream media. Our team is pretty good at trying to track those things as they come through and we'll update that litigation page. But yeah, it's just become a more important part of our work, trying to track how the court decisions are going to impact some of the work that our members are trying to sort through.

Karen McCarthy:

Yeah, and our policy team and our comm team are really trying to, particularly in the coverage of the court cases, to explain what this actually means. So I think this is one of the positives to none of us being lawyers, is that we don't understand. Like, "What does that mean?" Practically speaking-

Melanie Storey:

Can you tell me like I'm a 5-year-old? I need a plain English definition-

Karen McCarthy:

Practically speaking, what does that mean?

Melanie Storey:

What does this mean? Right. Yes.

Karen McCarthy:

And also, at the end of the articles to say what happens next.

Melanie Storey:

Right.

Karen McCarthy:

Because in court speak, other people understand what the next step is, but we at NASFAA, and particularly a lot of our members, don't understand court speak. So we are trying to turn a lot of this coverage into plain language speak so that we can all have a better understanding.

Melanie Storey:

I love it. I'm a big fan of the, "So, what?

Karen McCarthy:

Yeah.

Melanie Storey:

So, what? And I- [inaudible 00:38:35]

Karen McCarthy:

You know what? You do, "So, what?" and mine is, "Why do we care?" Yeah, but it's the same thing.

Melanie Storey:

Right.

Karen McCarthy:

Yeah.

Melanie Storey:

I've always been like, "So, what?"

Karen McCarthy:

Yes.

Melanie Storey:

Yeah. So there you go. So just a couple more quick things. Actually, one cause for celebration I think, is just that the Department did certify that the FAFSA will launch by October 1, and we know that because the FAFSA has already launched. And so, I'm really-

Karen McCarthy:

On the beta version, right? The beta version.

Melanie Storey:

The beta version.

Karen McCarthy:

Yeah, yeah, yeah.

Melanie Storey:

But I think in recent years, the beta version has been very strong. It does allow them to make real-time changes, which is such an improvement. But we haven't seen dramatic changes, at least to the user experience, which is brilliant, from the beta version to the final October 1 version. And I put air quotes here when I'm doing that because what we know now is that they are getting more and more adapted at doing real-time updates as they need to improve functionality where they can. But we're only a few years out from really painful times for the FAFSA. And so I don't think ever in my career I will not celebrate a successful opening of the FAFSA, because we took it for granted for the better part of 25 years or so, and then really learned horribly painfully how disastrous that could be. And so kudos to our colleagues at the Department and to Federal Student Aid. We're on track for a strong opening on October 1, which I think is great.

And then lastly, I know we've had a little bit of a longer session, but welcome back from summer. Lots of things to report on. We have started to get questions from folks about, have we heard anything about the FSA conference and will there be an FSA training conference? The Department had previously announced that they intended to return to their December conference schedule. I think folks are, as we are now mid-September, eager to know more. Let me just say at the top, we don't have any certain information. We don't know. But here's one little thing we can report out, which is, when any federal agency, and the Department of Education of course is included here, puts out a request for proposal or a solicitation for services, a vendor of any sort, that is public information. Well, they had put out a request for RFP and recently updated the RFP that they published for what we call a site selection vendor. That's what we call it at NASFAA when we're site selecting for our annual conferences. And basically, they're seeking a vendor to help them select where to have the conference.

What they have put in that RFP is that they are seeking a site in the D.C. metropolitan area on December 14 through 16. So that is later than what we usually anticipate as the FSA conference. It's usually that first week of December after Thanksgiving. It appears that they are looking to host it again somewhere in the DMV or the Washington general area, that middle of December timeframe. And the RFP also suggested for an approximate size of about 2,000 people. I'm not going to speculate on what that means. First of all, this is just an RFP for the vendor. The vendor has to be selected. They have to go through the site selection. None of this is certain because I don't know if there is a place in D.C. that can hold 2000 people on those dates. The Department doesn't know either. They're trying to see if they can secure it. There's lots of unknowns in that, but sometimes you get little peeks into progress on these things in systems that are buried deep in the bowels of the federal government, and these procurement sites are part of that. We're always looking closely.

We are excited that the Department is moving forward. We, of course, much prefer a December timeframe to the spring that they had to deliver last year. And so my recollection, if I have it right, was that the proposals for site selection vendors was maybe a week or so ago, were due about a week ago, which means the Department's evaluating them, and then they issue it and they go forward. So good news is they seem to be moving forward. It's going to be a tight timeline. I imagine we'll get a save the date as soon as they're able to secure their location and all of that. But questions are starting to bubble up as we head into the fall and people are trying to plan. And so, while we can't share anything with certainty, we can give you a little bit of the insight into what we're seeing in terms of what the Department is seeking for their training conference.

Karen McCarthy:

Yeah, one other tidbit in that solicitation I saw, Melanie, is that they ... Remember way back in March they only had general sessions at the-

Melanie Storey:

Yes.

Karen McCarthy:

... in-person? So in the solicitation they're looking for both general session rooms and breakout rooms. So I know that some people have asked, "Do you think they're just going to do only general sessions like they did in March?" And it appears that they hope to have breakout sessions as well.

Melanie Storey:

Great. Yeah. Yeah, again, you never know what the final contract will say, but this is what they're seeking.

Karen McCarthy:

Yes.

Melanie Storey:

And so, that's great. So that's good news, and so we'll continue to look forward to more formal announcements on that. So I think that's all we have. So a long welcome back again. Good to be back, back in the "Off the Cuff" inside the Beltway. Appreciate everyone listening. Thanks everyone, and have a great day.