Secretary DeVos Set to Testify on FY 2021 Budget Proposal

The House Appropriations Subcommittee for Labor, Health and Human Services, Education, and Related Agencies will hold a hearing on Thursday, February 27, to discuss the Department of Education’s budget request for Fiscal Year (FY) 2021. Secretary of Education Betsy DeVos has been confirmed as the select witness for the hearing. The Administration’s budget proposal for the Department of Education would cut spending by nearly 8 percent, which the Secretary will be expected to defend. These cuts include eliminating valuable programs for graduate education, including the Graduate Assistance in Areas of National Need, the Fulbright-Hays program, and the Public Service Loan Forgiveness program. CGS responded to the budget proposal with a statement expressing concern for the direction of the President’s request. As appropriations discussions continue to happen in Congress, CGS is committed to working in a bipartisan fashion to secure critical funding for graduate education.

Legislators Reintroduce Bill Related to Institutions’ Foreign Gifts

Republican Senators Rob Portman (R-OH), Marco Rubio (R-FL), and Tom Cotton (R-AR) reintroduced the Foreign Influence Transparency Act, which was legislation in the previous Congress that would require universities to disclose foreign gifts or contracts over $50,000. The current requirement for disclosure is $250,000. The bill also requires organizations operating in the United States that are run by international governments to register under the Foreign Agents Registration Act. The legislation follows a bipartisan 2019 report released by Senator Portman, Chairman of the Permanent Subcommittee on Investigations, and Senator Tom Carper (D-MD), Ranking Member, which detailed the lack of transparency in how American institutions manage internationally managed organizations, such as the Confucius Institutes. Additionally, the Department of Education released a notice for an Information Collection Request that would remove the request that institutions submit “true copies” of contracts and gift agreements, as originally included in the proposed rule on Sec. 117. This provision has been a source of concern for institutions. CGS joined comments in November on the Department of Education’s
Information Collection Request regarding foreign gift and contract disclosure and will continue to monitor legislative developments made in Congress.

Attorneys General Respond to Proposed Title IX Rule

On February 18, twenty Attorneys General signaled opposition to the Education Department’s recent proposed changes to Title IX regulations. The letter to Secretary Betsy DeVos outlines concerns with the newest proposed rule that would expand criteria for granting religious exemptions to the anti-discrimination requirements of Title IX. The Attorneys General argue that expanding the basis for which schools can receive an exemption from providing students with protection against discrimination based on sex opposes the text and objectives of Title IX. The letter also notes, “the proposed rule fails to account for the harm it will inflict on students subjected to discrimination—including sexual harassment and violence—and fails to provide basic due process protections for students enrolling in or enrolled in a school that is exempt from Title IX.” The comments from the Attorneys General are the latest opposition to an ongoing effort by Secretary DeVos to adjust various aspects of Title IX regulations.

Institutions Selected to Participate in Federal Work-Study Pilot

On February 19, Secretary of Education Betsy DeVos announced 190 institutions invited to participate in the new pilot program involving Federal Work-Study (FWS). The Department of Education created the pilot in an attempt to boost private sector involvement in the program. With the majority of existing Federal Work-Study funding currently being used for on-campus jobs, the new program seeks to expand opportunities for students working for private-sector employers as interns or apprentices. The pilot program will remove the 25 percent cap on FWS dollars that may be used to pay wages of students employed by private organizations. Institutions invited to participate in the pilot program submitted a letter of interest and were approved by the Department of Education. The Department will release a list of institutions that accept the invitation and agree to participate at a later date.

Senators Express Concerns with Lenders’ Use of Educational Data

On February 13, a group of Senators led by Sherrod Brown (D-OH), Ranking Member of the Senate Banking Committee, questioned Upstart and other lenders about their use of educational data to make credit determinations. The letter comes after a recent report from the Student Borrower Protection Center shows that lenders’ use of educational data has disproportionate effects on students who graduated from Historically Black Colleges and Universities (HBCUs) and Hispanic-serving Institutions (HSIs). The Senators note that although they welcome lenders’ innovation in improving access to credit, the Equal Credit Opportunity Act prohibits discrimination in any aspect of a credit transaction. The letter requests an array of information regarding the lenders’ decision making by February 28.