

# **The Federal Update for March 8, 2024**

From: Michael Brustein, Julia Martin, Steven Spillan, Kelly Christiansen

Re: Federal Update

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## Legislation and Guidance

### House Passes Appropriations Package Ahead of Spending Deadline

The House passed a fiscal year (FY) 2024 appropriations package Wednesday that includes the six accounts that will expire Friday night but not funding for the U.S. Department of Education (ED).

The appropriations “minibus” was passed with significant Democratic support in the House, with 237 Democrats and 132 Republicans voting yes. Lawmakers will now turn to finalizing the remaining six appropriations bills, which includes funding for ED. Funding for those six appropriations accounts will expire on March 22.

The Senate is working to consider the House-passed package under expedited procedures in order to avoid a partial government shutdown over the weekend, but with some senators calling for votes on amendments, the process may take longer.

Meanwhile, with the delays in the FY 2024 funding cycle, lawmakers and the administration are also beginning to work on FY 2025 budget items, which is the fiscal year that begins on October 1 and the education funds that will be distributed to grantees on July 1, 2025. The House Budget Committee held a meeting on Thursday to mark up a budget resolution for FY 2025, which includes top-line spending levels for the upcoming fiscal year and plans for future fiscal years. However, the budget resolution is non-binding and may not be a reliable indicator of actual spending levels for the upcoming fiscal year, but it allows the majority party to set out its policy and funding priorities.

In addition, the President delivered his State of the Union address on Thursday, which will be followed by the submission of administration’s FY 2025 budget request to Congress on Monday.

Author: KSC

## News

### President Biden Delivers 2024 State of the Union

President Biden delivered his 2024 State of the Union address Thursday evening, highlighting several education issues as policy priorities. In his speech, the President discussed early childhood, K-12, and career and technical education, as well as his student debt relief initiatives.

The President’s education discussion aligned with the K-12 priorities the administration outlined earlier this year, including increasing access to early childhood education, and expanding summer learning and tutoring opportunities for children. He praised early childhood education as giving young children a “good start” and improving long-term educational outcomes, as well as suggesting a raise for public school teachers.

The President also emphasized career and technical education (CTE) opportunities as an alternative to a traditional four-year college degree and a pathway to employment. The administration has made CTE a priority previously, through the President’s prior budget requests and through policy action at the U.S. Department of Education, including a memorandum last year encouraging grantees to use Perkins Career and Technical Education funds to support apprenticeship and pre-apprenticeship programs. The President stated in his address that he is “connecting businesses and high schools so students get hands-on experience and a path to a good-paying job whether or not they go to college.”

Finally, the President highlighted his administration’s work on student loans. Noting that the U.S. Supreme Court had struck down his first effort at sweeping student loan forgiveness, Biden said that secondary efforts had forgiven loan balances of nearly $138 billion, including a large portion which went to “nurses, firefighters, and others in public service.” He also argued that student debt relief is “good for the economy because folks are now able to buy a home, start a business, even start a family.” Among his guests for the address was a teacher who received loan relief under the Public Service Loan Forgiveness Program. The Public Service Loan Forgiveness program has been plagued with issues over the years, with loan servicers often not counting valid payments and employment toward credit in the program, but the Biden administration has taken some action to address these issues and allow for more eligible borrowers to receive forgiveness.

The State of the Union provides the country with a preview of the administration’s priorities for the upcoming year, which are likely to be reflected in the President’s fiscal year 2025 budget request that will be released on Monday.

Resources:

Evie Blad, “Biden Calls for Teacher Pay Raises, Expanded Pre-K in State of the Union,” *Education Week*, March 7, 2024.

Author: KSC

### Foxx Asks GAO to Examine ED’s Responsiveness to Requests

Chairwoman of the House Committee on Education and the Workforce, Virginia Foxx (R-NC) submitted a letter to Comptroller General Gene L. Dodaro this week calling on the Government Accountability Office (GAO) to investigate the U.S. Department of Education’s (ED’s) failure to respond to multiple congressional inquiries in a timely manner.

In the letter to GAO, Foxx reiterates the Committee's oversight authority over the general management of ED and lists specific areas the Committee has sought to oversee, including the restart of student loan payments, loan forgiveness, and the release of the new Free Application for Federal Student Aid. However, Foxx writes that Secretary of Education Miguel Cardona has not timely or completely responded to requests for information from the Committee.

Foxx specifically references her letter in May 2023 that requested information on borrower defense claims, which she did not receive a response to until four months later. Even then, she says that the response was not complete. Other requests have gone unanswered, Foxx says, including information on how ED planned to transition back to student loan repayments after the three-year pause.

Foxx is requesting that GAO examine ED’s process for responding to requests from Congress and the agency’s timeliness in responding.

[The full letter can be found here.](https://edworkforce.house.gov/uploadedfiles/engmnt_ltr_to_gao_ed_cmte_requests_final.pdf)

Author: BNT

### ED OIG Launches FraudGram Newsletter

On Tuesday, the U.S. Department of Education’s Office of Inspector General (ED OIG) announced the release of the first issue of its FraudGram newsletter. FraudGram will provide recent investigative cases, notices on known scams and how to avoid them, and other information on avoiding and reporting instances of fraud, waste, and abuse in ED programs.

The first issue includes warnings about student loan scams and schemes where individuals falsely claim they are from an Office of Inspector General or the Council of the Inspectors General on Integrity and Efficiency, telling callers that they must send them large sums of money. The newsletter also lists six recent investigations, including a financial aid advisor who fraudulently obtained almost six million dollars in federal funds and an almost 45-million-dollar scheme through the operation of online charter schools.

[The first issue of FraudGram can be found here.](https://oig.ed.gov/sites/default/files/document/2024-02/fy24_fraudgram_2.22.24v100.pdf)

Author: BNT

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