

FEDERAL AND LOAN PROGRAMS UPDATE PACWEST WEBINAR

U. S. Department of Education
February 24, 2022



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Policy Coordination Group
Office of Postsecondary Education

AGENDA

1. Negotiated Rulemaking Updates
2. Statutory Updates
3. Policy Updates
4. Distance Education and Innovation Regulations
5. COVID-19 Relief for Student Borrowers
6. Operational Updates and Reminders
7. Other Updates



NEGOTIATED RULEMAKING UPDATES

NEGOTIATED RULEMAKING

- The Department convened multiple committees to develop proposed regulations on the affordability of postsecondary education, and Federal student loans, and institutional accountability
- Negotiations on affordability and Federal student loans completed December 2021
- Negotiations are currently in progress for institutional accountability
- Publication of the Notice of Proposed Rulemaking (NPRM) for the Affordability session in the Federal Register is anticipated for 2022
- More information available at [OPE's negotiated rulemaking website](#)



NEGOTIATED RULEMAKING TOPICS

- Changes of institutional ownership
- Certification procedures for participation in *Title IV* programs
- Administrative capability
- Ability to benefit
- Borrower defense
- Total and Permanent Disability (TPD) loan discharge
- Closed school loan discharges
- Loan repayment plans
- Loan discharges for false certification of student eligibility
- Public Service Loan Forgiveness (PSLF)
- Mandatory pre-dispute arbitration and prohibition of class action lawsuits provisions in institutions' enrollment agreements and associated counseling
- Financial responsibility
- Gainful employment
- Pell Grant eligibility for prison education programs
- 90/10



STATUTORY UPDATES

FAFSA SIMPLIFICATION

- The Fostering Undergraduate Talent and Unlocking Resources for Education (FUTURE) Act was signed into law December 19, 2019
 - Authorizes direct data exchange with the IRS for purposes of the FAFSA, income-driven loan repayment plans, and total and permanent disability (TPD) loan discharges
- The Consolidated Appropriations Act, 2021 was signed into law December 27, 2020
 - Included the FAFSA Simplification Act, which will significantly alter the need analysis formula
 - Full implementation requires a broad redesign and overhaul of the Department's systems, with a planned launch for the 2024-25 award year



FAFSA SIMPLIFICATION

- Minimum and maximum Pell Grant awards will be determined as a function of the student's dependency status; marital and tax filing status of the student or student's parent; AGI; family size; state of residence; and the poverty guideline value
- EFC will change to Student Aid Index (SAI), which will be used to calculate eligibility for:
 - Pell Grants between the maximum and minimum amounts
 - Need-based *Title IV* assistance, including Direct subsidized loans



REPEAL OF 150% SUBSIDY LIMIT

- The Consolidated Appropriations Act, 2021 also directed the Department to repeal the 150% Direct Subsidized Loan Limit
- [Repeal of the 150% Subsidized Usage Limit Applies \(SULA\)](#) Federal Register notice published June 14, 2021
- The subsidized usage limit will not apply to any borrower that receives a Direct Subsidized Loan first disbursed on or after July 1, 2021, regardless of the award year associated with the loan
- For borrowers with outstanding subsidized loans as of July 1, 2021, who previously lost interest subsidy, the Department adjusted the borrower's account to remove the interest that accrued and reapply the borrower's payments



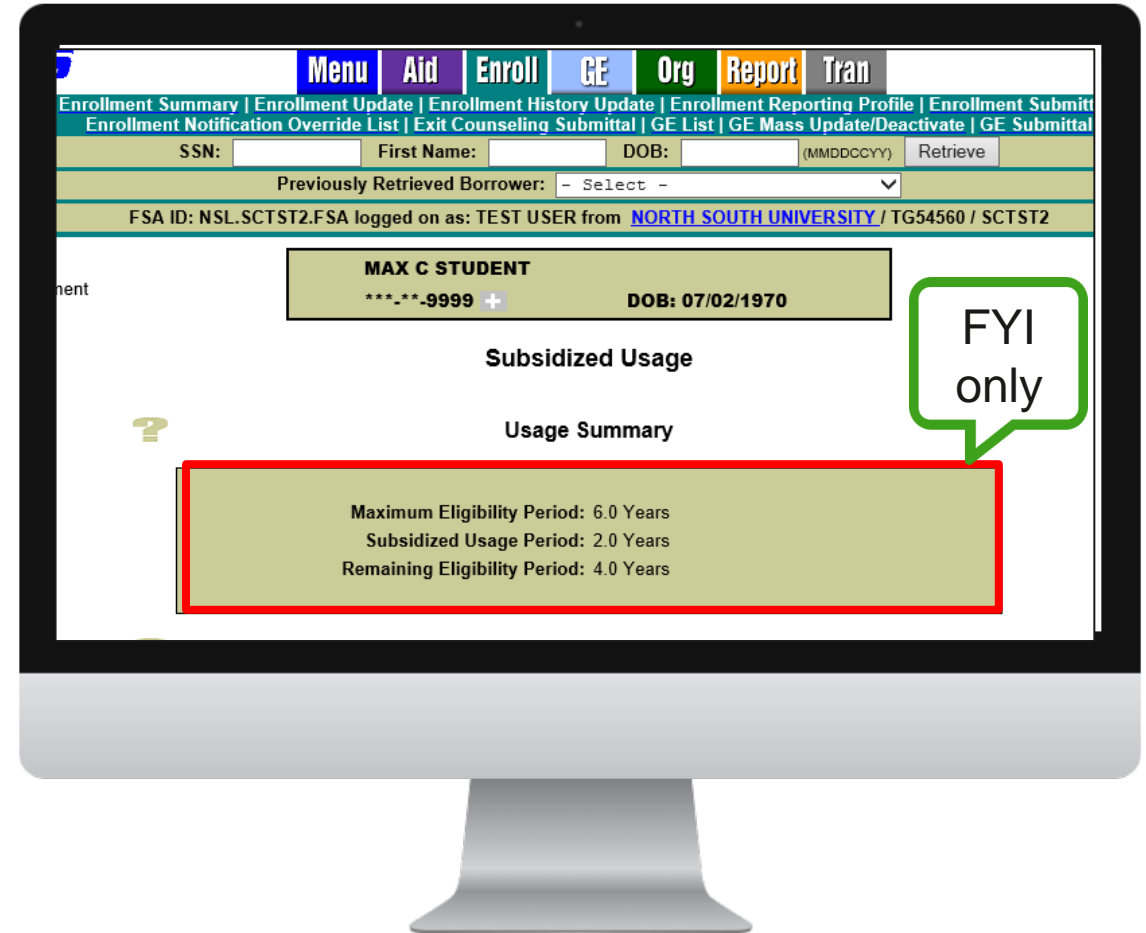
NSLDS AND THE SULA REPEAL

Calculating Losses and Reinstatements

AS OF JULY 1, 2021, NSLDS:

✗ No longer calculates Loss of Subsidy for any Direct Subsidized Loans

✓ Displays Reinstatements on prior Losses for all subsidized loans with a balance greater than zero on July 1, 2021, once confirmed by the Federal Loan Servicer



150% SULA UPDATES

Loans that lost subsidy and had a \$0 balance on July 1, 2021, will continue to display a Loss of Subsidy

MAX C STUDENT
 ***-**-9345 + DOB: 10/12/1996

Loss of Subsidy Grants Subsidized Usage Limit Applies

Loan History

Aggregate Loan Information

Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Undergraduate			Award Year: 2021
Subsidized		\$0	

Loan Summary

D0 - DIRECT STAFFORD SUB (SULA ELIGIBLE)		Status: PF as of 10/21/2019		Loan Detail	
NORTH SOUTH UNIVERSITY - 06789900					
Approved Amt:	\$5,500	Disbursed Amt:	\$5,500	OPB:	\$0
Loan Date:	10/23/2017	Sep. Loan Ind:	A	Loan Period:	08/28/2017 - 05/07/2018
Last Disb. Date:	01/11/2018	Last Disb. Amt:	\$2,750	Acad. Lv:	4
ED Servicer:	DEPT OF ED/Guaranty-ED Servicer Organization - 000				
				Loss of Sub:	Y

ED Servicer: DEPT OF ED/Guaranty-ED Servicer Organization - 000

D0 - DIRECT STAFFORD SUB (SULA ELIGIBLE)		Status: PF as of 10/21/2019		Loan Detail	
NORTH SOUTH UNIVERSITY - 00289900					
Approved Amt:	\$5,500	Disbursed Amt:	\$5,500	OPB:	\$0
Loan Date:	10/23/2017	Sep. Loan Ind:	A	Loan Period:	08/28/2017 - 05/07/2018
Last Disb. Date:	01/11/2018	Last Disb. Amt:	\$2,750	Acad. Lv:	4
ED Servicer:	DEPT OF ED/Guaranty-ED Servicer Organization - 000				
				Loss of Sub:	Y

Notes:
 ⓘ For the determined award year and academic level displayed, the dependency status is/was Independent.

PRIVACY ACT OF 1974 (AS AMENDED)

FOIA | Privacy | Security | Notices WhiteHouse.gov | USA.gov | ED.gov

SELECTIVE SERVICE AND DRUG CONVICTION

- The FAFSA Simplification Act directed the Department to remove student eligibility requirements related to Selective Service registration and to drug convictions while receiving *Title IV* aid (self-reported via FAFSA® question 23)
- In 2021-22 and 2022-23, the FAFSA® will still include questions related to these requirements, but Comment Code text and help text have been updated to indicate that these criteria no longer impact *Title IV* eligibility



SELECTIVE SERVICE AND DRUG CONVICTION

- Although the self-reported drug conviction eligibility criterion was vacated, certain judgments under the Anti-Drug Abuse Act of 1988 may still impact student eligibility
- Comment Code 009 (Department of Justice Hold File) must still be resolved
- See [Dear Colleague Letter GEN-21-04](#) for additional information



CONSIDER TEACHERS ACT

- The Consider Teachers Act of 2021 (Public Law 117-49) was signed into law on October 13, 2021
- Establishes a process for a recipient to request reconsideration after a TEACH Grant is converted to a Direct Unsubsidized Loan if the conversion occurred because of:
 - Failure to submit timely certification;
 - Error or processing delay by the Department;
 - Change in the fields of eligible teaching service;
 - Previous request by the recipient to have the TEACH Grant converted to a loan; or
 - Another valid reason as determined by the Secretary
- 90-day timeframe for the Department to consider the request



CONSIDER TEACHERS ACT

For approved TEACH Grant conversion reconsideration requests, the Department will:

- Reinstate the TEACH Grant;
- Discharge any accumulated interest or fees;
- Apply any payments made to the recipient's other Direct Loans (if applicable), or reimburse the recipient if no other loans exist;
- Remove any negative credit reporting;
- Recalculate the progress previously made in meeting the service obligation; and
- Extend the time remaining for the recipient to complete the service obligation



CONSIDER TEACHERS ACT

Amends the CARES Act to:

- Provide up to a three-year extension of teaching service obligation window for recipients whose service obligation begins during or includes the COVID-19 national emergency or a period of recession or economic downturn following the emergency
- Waive full-time service requirement for Perkins Loans
 - An incomplete year of service will fulfill the requirement for a complete year of service if the service was interrupted due to a qualifying emergency



STOP STUDENT DEBT RELIEF SCAMS (STOP) ACT

TIMELINE OF EVENTS:

March 2018 - Office of Inspector General Report to Congress

- Recommended Congress strengthen federal law to help stop fraudulent access to borrower's online login credentials
- Enhanced law enforcement and administrative abilities to identify and shut down student debt relief scams

December 22, 2020 - *The Stop Student Debt Relief Scams Act of 2019 (STOP Act), P. L. 116-251* (S. 1153) was signed into law, amended Higher Education Act of 1965, as amended (HEA)

September 10, 2021 – published Federal Register notice on *Third-Party Access to the Department's Information Technology Systems and Notice of Criminal Penalties for Misuse of Access Devices.*

STOP STUDENT DEBT RELIEF SCAMS (STOP) ACT

TIMELINE OF EVENTS:

- September 23, 2021 - See the Department's Electronic Announcement ([EA ID: GENERAL-21-59](#)) for more information

STATUTORY REQUIREMENTS



Section 141

- Requires the U.S. Department of Education to take action to prevent the improper use of access devices, maintain reporting, detection, and prevention activities



Section 485

- Requires student loan exit counseling to warn federal loan borrowers about debt relief scams
- Prevents unauthorized access to the data system for the purpose of assisting a student in managing loan repayment, applying for any repayment plan, Consolidation loan or other authorized benefits
- Establishes Requirements for Third-Party Data System Access
 - Terms of Service
 - Information Security Standards
 - Code of Conduct

STATUTORY REQUIREMENTS CONTINUED



Section 490 – Established Criminal Penalties for:

- Unauthorized access to the Department's IT systems
- Misuse of identification devices issued by the Department for:
 - Fraud
 - Commercial advantage or
 - Private financial gain

POLICY UPDATES

GEN-21-02: PROFESSIONAL JUDGMENT

- HEA Section 479A provides financial aid administrators (FAAs) the authority to use professional judgment (PJ) on a case-by-case basis to adjust the cost of attendance or the values of the data elements used in calculating the expected family contribution (EFC) to reflect a student's special circumstances
- The Department encourages FAAs to consider documentation of unemployment to adjust the income earned from work for a student and/or parent and to make other appropriate adjustments to AGI especially during the pandemic



GEN-21-02: PROFESSIONAL JUDGMENT

- The Departments of Education and Labor are partnering with states to inform Unemployment Insurance recipients of their potential eligibility for Pell Grants and other funding and to encourage them to enroll in postsecondary education
- The Department will continue to monitor and enforce requirements for appropriate use of professional judgment, but expects that appropriate use of professional judgment by a school will likely be elevated
- The use of PJ will not be considered when selecting institutions for program reviews for the 2021-22 award year



GEN-21-07: AUDIT SUPPLEMENTAL SCHEDULE

Proprietary, private non-profit, and foreign institutions must include a Financial Responsibility Supplemental Schedule as part of any audited financial statements submitted to the Department on or after July 1, 2020

- Because of changes to regulations and accounting standards, the elements needed to calculate a school's composite score may not be readily available in the school's audited financial statements
- The Supplemental Schedule contains all the financial elements required for the Department to calculate a school's composite score



GEN-21-07: AUDIT SUPPLEMENTAL SCHEDULE

- Each institution must ensure that its auditor's work meets regulatory requirements
- At a minimum, the auditor must follow and meet the requirements of AU-C Section 725 to evaluate and report on the Supplemental Schedule
- Financial statements that do not include the Supplemental Schedule and an auditor's in-relation-to opinion will be rejected as incomplete and schools will need to submit a corrected audit



GEN-21-08: NAME, IMAGE, AND LIKENESS

- In response to a recent Supreme Court decision, the National Collegiate Athletic Association (NCAA) announced an interim policy effective July 1, 2021, that allows student athletes to receive remuneration for the use of their name, image, and likeness (NIL)
- The Department's longstanding policy concerning income and estimated financial assistance (EFA) remains unchanged
- A student athlete who receives compensation from an organization under an NIL contract will generally be issued a Form 1099 for any amount totaling \$600 or more



GEN-21-08: NAME, IMAGE, AND LIKENESS

- NIL compensation disclosed on a 1099 should be reflected in the student's AGI for the applicable base year (prior-prior year) as normally reported on the Free Application for Federal Student Aid (FAFSA®)
- When a student receives a resource because of postsecondary enrollment, it generally counts as EFA only if it is not considered wages, or is considered wages that come from need-based employment
- Any given resource factors into the determination of either EFC or EFA but not both



GEN-21-05: 2021-22 VERIFICATION WAIVER

- GEN-21-05 provides relief from all verification requirements for the 2021-22 award year, except for Identity/Statement of Educational Purpose and High School Completion Status under Verification Tracking Groups V4 and V5
- Institutions must continue to resolve conflicting information
- Institutions must report a valid Verification Status Code for every student selected for verification by the Department
 - For a student who was selected but not verified due to the exemption, report a status code of “S”



GEN-21-05: 2022-23 VERIFICATION CHANGES

- We have removed high school completion status as a verification item under the V4 and V5 tracking groups starting with the 2022-23 FAFSA processing year
 - Institutions are no longer required to obtain high school completion documentation to complete V4 or V5 verification
 - Institutions are still required to evaluate the validity of a student's high school diploma if there is reason to believe that the diploma is not valid or was not obtained from an entity that provides secondary school education
- All other verification items and documents remain the same as those previously established for the 2021-22 award year



DISTANCE EDUCATION AND INNOVATION REGULATIONS

DISTANCE EDUCATION AND INNOVATION

- Final Rule published September 2, 2020; effective July 1, 2021 (unless early implemented)
- Added and modified definitions; modified direct assessment program requirements and approval process
- Regulatory timeframe for Department's review of eligibility applications
- Allowed students at eligible foreign institutions to complete up to 25% of an eligible program at an eligible U.S. institution
- Additional flexibility in demonstrating a reasonable relationship between length of the program and licensure requirements



DISTANCE EDUCATION AND INNOVATION

- Amended the clock-to-credit hour conversion to remove consideration of out-of-class or “homework” hours
- Modified Return of *Title IV* funds (R2T4) requirements to create new withdrawal exemptions and change the process for determining the denominator of R2T4 calculations
- Provided additional satisfactory academic progress (SAP) flexibilities
 - Pace and maximum timeframe for a credit-hour program can be defined using either attempted/completed credits or calendar time
 - Clock-hour and nonterm credit-hour programs no longer required to measure pace



COVID-19 RELIEF FOR STUDENT BORROWERS

LIMITED PSLF WAIVER: THROUGH 10/31/22



Payments made prior to consolidation are now eligible

- No matter the loan program (DL, FFEL, Perkins)
- No matter the repayment plan
- No matter the loan type (with the exception of Parent PLUS)



Employment requirements still apply

Must have been employed

- full-time and
- for a qualifying employer when prior payments were made



Borrowers must act now

Borrowers who still have FFEL and Perkins Loans can only get credit for past payments if they consolidate into DL and file PSLF Forms for prior employment before Oct. 31, 2022



PSLF LIMITED WAIVER: BORROWER GROUPS



IF YOU ONLY BORROWED DIRECT LOANS...

File a PSLF Form for each eligible employer you had since you borrowed the loan (or since Oct. 1, 2007, whichever is later)



IF YOU PREVIOUSLY CONSOLIDATED INTO DIRECT LOAN(S)

File a PSLF Form for each eligible employer you had since you borrowed any loans underlying the Direct Consolidation Loan (or since Oct. 1, 2007, whichever is later)



IF YOU STILL HAVE FFEL OR PERKINS LOANS...

Consolidate your loans into the Direct Loan Program and file a PSLF Form for each eligible employer since you borrowed the loans you are consolidating (or since Oct. 1, 2007, whichever is later)

RELIEF FOR STUDENT LOAN BORROWERS

On December 22, 2021, the Department extended the student loan payment pause through May 1, 2022, for eligible loans:

Eligible Loans	Ineligible Loans
<ul style="list-style-type: none">•Direct Loans (defaulted and nondefaulted)•Federal Family Education Loan (FFEL) Program loans held by ED (defaulted and nondefaulted)•Federal Perkins Loans held by ED (defaulted and nondefaulted)•Defaulted FFEL Program loans not held by ED•Defaulted HEAL loans	<ul style="list-style-type: none">•Nondefaulted FFEL Program loans not held by ED•Federal Perkins Loans not held by ED (defaulted and nondefaulted)•Nondefaulted HEAL loans•Private student loans



RELIEF FOR STUDENT LOAN BORROWERS

- The pause includes the following relief measures:
 - ✓ Suspension of loan payments
 - ✓ Interest rate of 0% interest rate
 - ✓ Stopped collection efforts on defaulted loans
- Paused payments (if borrower is on an IDR plan) that would have occurred during suspension will count toward loan forgiveness and loan rehabilitation
- Borrowers are not required to recertify income for income-driven repayment purposes until November 2022
 - ✓ If your recertification date falls between now and November 2022, the recertification date will be pushed out by one year



OPERATIONAL UPDATES AND REMINDERS

PSLF TOOL

To access the PSLF Help Tool, [PSLF Tool Information](#), a borrower must be authenticated with an SSA matched account username and password (FSA ID).

Borrowers that are **pending matched status** or **not matched** will see these warning banners and cannot continue in the PSLF Help Tool flow.

PENDING

Account Verification Pending

Your information is still being verified by the Social Security Administration. This process usually takes one to three days. If you provided an email address when you created your account, we'll send you an email confirmation once your information is verified.

NOT MATCHED

Personal Information Could Not Be Verified

Your personal information couldn't be verified by the Social Security Administration (SSA). Update your information so we can verify your identity with the SSA.

[Update My Information](#)



AMERICAN RESCUE PLAN - UNEMPLOYMENT

[EA ID: APP-21-18](#)

- The American Rescue Plan (ARP) made the first \$10,200 of unemployment benefits non-taxable for each taxpayer with incomes less than \$150,000
- Tax filers who received unemployment benefits in 2020 and filed taxes prior to March 11, 2021, will have a higher AGI on their original tax record compared to those who filed (or amended) after the enactment of the ARP.
- FAFSA® filers who meet those conditions and use the IRS Data Retrieval Tool (DRT) for the 2022-23 award year will have a higher AGI



AMERICAN RESCUE PLAN - UNEMPLOYMENT

[EA ID: APP-21-18](#)

- Under the HEROES Act, the Department *waives* the requirement to report those untaxed unemployment benefits as untaxed income
- When financial aid administrators become aware that an applicant's FAFSA/ISIR includes untaxed unemployment benefits either in the applicant's (or the parents' or spouse's) AGI or in untaxed income, those benefits should be removed.



IRS DRT – INACCURATE \$1 AGI

[EA ID: APP-21-19](#)

- In March 2021, FSA alerted the community to a situation involving possible inaccurate reporting of AGI for some applicants (or parents) who used the IRS Data Retrieval Tool (DRT)
- FAFSA[®] filers who use the IRS non-filer portal, subsequently file a 2020 tax return, and then use the IRS DRT, will unknowingly report an incorrect AGI of \$1
- Schools are encouraged to identify instances of \$1 AGIs for the 2022-23 FAFSA[®] cycle and follow up with applicants to resolve.
- Encourage applicant to obtain an IRS Record of Account



DESIGNATED ENTITIES

- The Secretary may designate entities that can use FAFSA data for a specific non-*Title IV* purpose without the student's explicit written consent.
- Designated in 2021:
 - US Department of Agriculture for the Supplemental Nutrition Assistance Program (SNAP)
 - Federal Communication Commission for the Emergency Broadband Benefit (EBB) program
 - US Department of Health and Human Services for individuals to purchase health insurance through the Federally Facilitated Marketplace
 - US Department of Labor for the Pandemic Unemployment Assistance (PUA) program
 - US Department of The Treasury for the Child Tax Credit (CTC) and Economic Impact Payments

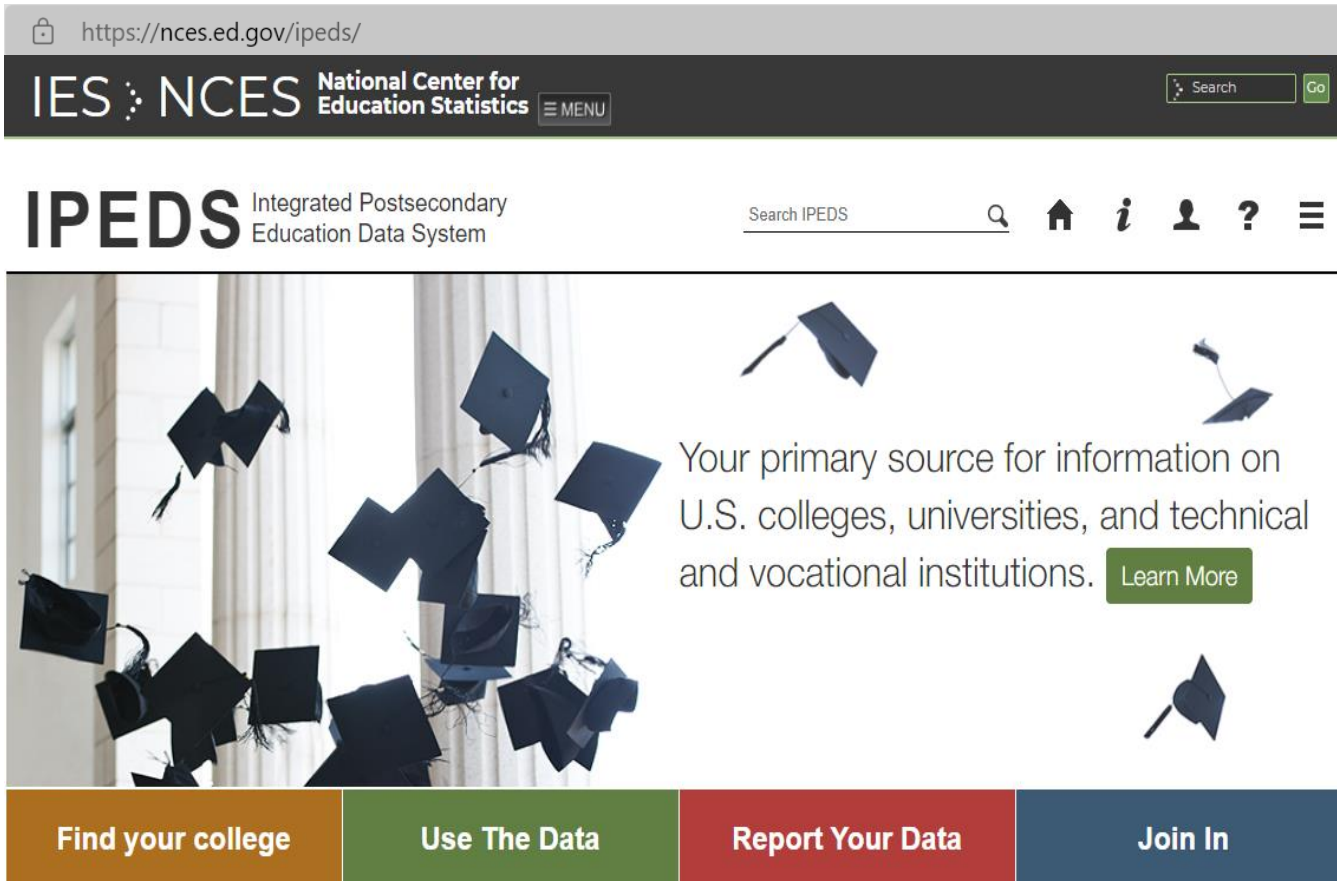


IRAQ-AFGHANISTAN SERVICE GRANT

- Aid for students:
 - with a parent or guardian who was a member of the U.S. Armed forces who died as a result of service in Iraq or Afghanistan after September 11, 2001; and
 - who were under 24 years old or enrolled in college when their parent or guardian died
- Maximum Pell Grant (\$6495) or Iraq and Afghanistan Service Grant (\$6124.79)
- Match with Department of Defense – included on ISIR and SAR
- Post 9/11 Deceased Veteran Dependent Indicator field and IAS Grant checkbox in COD.



IPEDS REPORTING



https://nces.ed.gov/ipeds/

IES :: NCES National Center for Education Statistics MENU

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Your primary source for information on U.S. colleges, universities, and technical and vocational institutions. [Learn More](#)

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IPEDS SURVEYS

Mandatory for *Title IV* institutions and voluntary for non-*Title IV* institutions.

HEERF / CARES ACT TREATMENT

- FSEOG Emergency Grants
- HEERF student grants

LOOKING FORWARD

- New Tutorials
- Alignment
- Categories and Awards
- Airweb.org



LOAN PROGRAMS UPDATES

FEDERAL LOAN ORIGINATION FEE CHANGES

May 17, 2021 EA - [Sequester-Required Changes to the Title IV Student Aid Programs](#)

Any loan disbursement for a loan where the first disbursement is/will be...	The origination fee percentage (%) for Direct Subsidized Loans and Unsubsidized Loans is...	The origination fee percentage (%) for Direct PLUS Loans is...
On or after October 1, 2020 and before October 1, 2021	1.057%	4.228%
On or after October 1, 2021 and before October 1, 2022	1.057%	4.228%



2021–2022 FEDERAL LOAN INTEREST RATES

May 19, 2021 EA - [Interest Rates for Direct Loans First Disbursed Between July 1, 2021 and June 30, 2022](#)

Federal Direct Loans Disbursed July 1, 2021 through June 30, 2022	
Direct Subsidized Loans and Direct Unsubsidized Loans for Undergraduate students	3.73%
Direct Unsubsidized Loans for Graduate and Professional students	5.28%
Direct PLUS Loans for Parents of Dependent Undergraduate students and Graduate or Professional students	6.28%



LOAN PROGRAMS UPDATE

January 21, 2022 EA - [Annual Student Loan Acknowledgment Not Required](#)

- Borrower completion of the Annual Student Loan Acknowledgment (ASLA) prior to disbursement will not be required for the 2022–23 award year and beyond
- ASLA Process continues to be available on StudentAid.gov
However



PERKINS LOAN UPDATES

August 27, 2021 EA - [Updated Guidance on Mandatory Assignment](#)

- Ensure accurate reporting on Part III of the FISAP for Perkins information
- Schools are expected to assign loans to the Department that have been in default greater than 2 years by June 2022
- Reminder: Report to NSLDS® monthly



PERKINS LOAN UPDATES

October 22, 2021 EA - [Federal Perkins Loan Distribution of Assets Process](#)

- Department notified institutions on December 22, 2021, to remit Federal share through G5 by February 18, 2022
- Institutions must remove from the Revolving Fund the institutional share and the institution's share of reimbursement for service cancellations by June 20, 2022
- Report Revolving Fund activity (July 1, 2021 – June 30, 2022) on next year's FISAP – October 1, 2022



PART III, SECTION F



Federal Money In

Federal Capital Contribution (FCC) is total Federal funds allocated to the institution by the Department since participation in the program



Federal Money out

Any repayments made by the institution to the Department through excess cash or distribution of assets



School Money In

Institutional Capital Contribution (ICC) is any required matching dollars plus any overmatching or any loans to the fund over time



School money out

Any repayments made by the institution to the institution for excess cash, repayment of short-term loan funds, or distribution of assets

Cash is split proportionately (total FCC and ICC received and repaid) based on the amount of cash in the revolving fund as reported on the institution's FISAP Each Year in Part III, Section A



PART III, SECTION F

NEW PERKINS PART III, SECTION F

The system auto calculates and populates the Capital Contributions to the Perkins Fund in the new Section F for:

- Transparency
- Convenience
- Calculate federal and institutional shares

III. Perkins Program

Application Year: 2022-2023

OMB Number:

Fiscal Operations Report: Federal Perkins Loan Program for Award Year July 1, 2020 through June 30, 2021

FISAP Actions Validate

School: Oak Leaf College

OPE ID Number: 12345678

[Return to FISAP](#)

A. Fiscal Report

B. Fund Activity

C. Repayment Information

D. > 30 Repayments

E. < 30 Repayments

F. Capital Contributions to Perkins Fund

F. Capital Contributions to the Perkins Fund

1. Total Federal capital contributions (FCC) made to the Fund (from Section A, Field 27)

0

1.1. Total reimbursement of capital contributions from the Fund to the federal government (from Section A, Field 28.3)

0

1.2. Total net FCC (field 1 - field 1.1)

0

2. Total institutional capital contributions (ICC) made to the Fund (from Section A, Field 29.3)

0

2.1. Total reimbursement of capital contributions from the Fund to the school (from Section A, Field 30.3)

0

2.2. Total net ICC (field 2 - field 2.1)

0

3. Total net capital contributions made to the Fund (net FCC field 1.2 + net ICC field 2.2)

0

4. Federal share percentage of total net capital contributions (field 1.2 divided by field 3)

0.00%

5. Institutional share percentage of total net capital contributions (field 2.2 divided by field 3)

0.00%

PERKINS LOAN UPDATES

January 13, 2022 EA - [Waiver of Three-Year Cumulative Forbearance Limit](#)

- Under section 464(e) of the Higher Education Act of 1965, as amended, and 34 CFR 674.33(d)(2), there is a three-year cumulative limit on the length of forbearances that a Federal Perkins Loan borrower may receive
- The Secretary is waiving these statutory and regulatory requirements
- Borrowers with Federal Perkins Loans who have been placed in a forbearance status will be excluded from the three-year cumulative limit on forbearances during the duration of the COVID-19 national emergency, effective March 13, 2020



INCOME-SHARE AGREEMENTS

Income-share agreements:

- Finalizing EA that will clarify that income-share agreements (ISAs) are considered private education loans and therefore subject to 34 CFR part 601 regulations
- Partnering with CFPB to learn more about these financial products



NATIONAL SCIENCE FOUNDATION CYBERCORPS SCHOLARSHIP PROGRAM

National Science Foundation CyberCorps Scholarship Program:

- Provide NSF technical regulatory guidance in the development of regulations pertaining to CyberCorps Scholarship to Direct Unsubsidized Loan conversions
- Work with FSA and OGC to ensure Secretary can collect on these obligations and treatment as Direct Loans



TOTAL PERMANENT DISABILITY (TPD) DISCHARGE

The Department published the final Total Permanent Disability rule on August 23, 2021, which:

- Expanded the automatic TPD discharge process to borrowers who are eligible for Social Security Disability Insurance (SSDI) and/or Supplemental Security Income (SSI) benefits whose next scheduled disability review is no earlier than five to seven years;
- Clarified that borrowers eligible for a TPD discharge based on data that the Secretary obtains from VA or the SSA are not required to submit a TPD application;



TOTAL PERMANENT DISABILITY (TPD) DISCHARGE

- Automatically discharged Federal student loans for eligible borrowers based on data obtained from either VA or the SSA and specified contents of communication to borrowers;
- Returned payments to the person who made payments on the loan on or after the effective date of the determination by VA or SSA;
- In March, the Department relaxed the TPD monitoring period requirements during the national emergency due to the pandemic and reinstated TPD discharges for any borrower who had not responded to requests for earnings information



OTHER INFORMATION

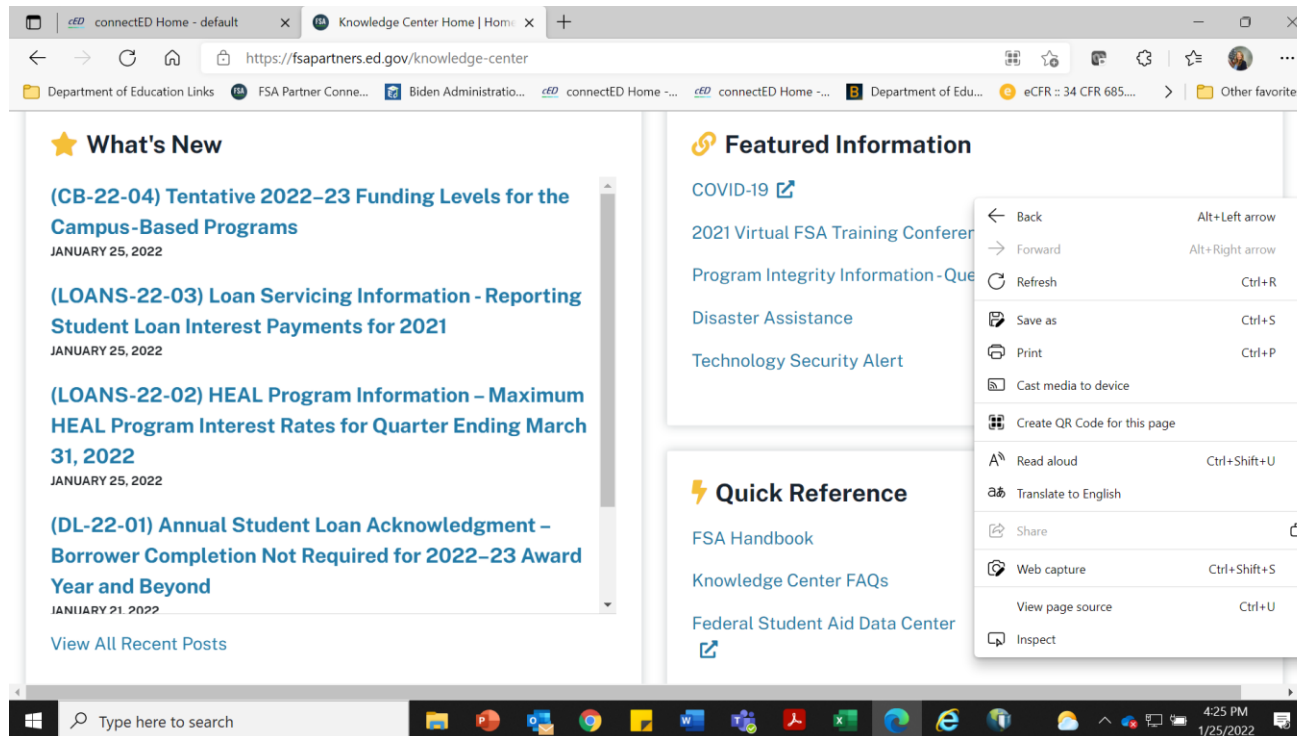
FSA PARTNER CONNECT

FSA PARTNER CONNECT HOME

Replaced the Information for Financial Aid Professionals website (IFAP)

KNOWLEDGE CENTER

Provides access to relevant and timely information from the Department and FSA



ADDITIONAL TRAINING AVAILABLE

[Wednesday Webinar Series Live - Internet February - May-2022](#)

- Series of two-hour webinars which will:
- Provide statutory and regulatory updates and recent guidance from the Department and the office of Federal Student Aid
- Cover a variety of topics related to the Title IV programs
- Share operational information and reminders
- Answer participant's questions via A live Q&A session



QUESTIONS?





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