

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING
STUDENT DEBT RELIEF COMMITTEE
SESSION 4, DAY 2, AFTERNOON
FEBRUARY 23, 2024

On the 23rd day of February, 2024, the following meeting was held virtually, from 1:00 p.m. to 2:00 p.m.

P R O C E E D I N G S

MR. WEATHERS: Good afternoon everyone. Welcome back. I hope you had a good lunchtime. My name is John Weathers. I'll be your FMCS facilitator for this afternoon. We're here on session four of school loan forgiveness and day two. So I'm going to hand it off to Tamy if you have anything from your break. I know you were considering some things.

MS. ABERNATHY: Thank you, John. If at this time the screen sharers could share, excuse me, could share paragraph (d). Just a second to get my screen where it needs to be. Okay. Over the break, we looked at the recommendations that you guys had for paragraph (d) for the process for additional relief. We have decided to add the words after acquired through an application or any other means to provide relief, including automated relief. So that's the only change that we have from the reg text that we provided to you this morning. We have added the words or, excuse me, any other means. So hopefully that will solve the concern that was presented by you guys and we appreciate your help with that.

MR. WEATHERS: Great. Thank you, Tamy. I see that Jessica has put her hand up. Go ahead, Jessica.

MS. RANUCCI: Thanks. Sorry, I was

trying to catch you before we stopped the screen share. Could you just be really careful, Tamy, could you just go through one more time that end of (c)? That was not the same on the PDF. I know you talked about it this morning, but I think since it's not what was sent to us, could you just if you have it?

MS. ABERNATHY: Give me just a second. So this is where we excluded the final clause of paragraph (c). And so we are proposing to change the words effective date to publication date. So the only change that you're looking at is the word effective to publication date.

MR. WEATHERS: Thank you, Tamy. Any questions or comments about the change to (d)? Jessica, go ahead.

MS. RANUCCI: Thanks. I just want to thank you for taking that into consideration. I think that's not exactly how I would have done it, but I think that it does make it clear what the Department's intention is here. And I understand you have a lot of layers of approval, and I appreciate that you've tried to do it so quickly. So thank you.

MS. ABERNATHY: Thank you.

MR. WEATHERS: Alright. Any other questions about the proposed change to (d)? Alright.

Tamy, I would ask you what we're going to do next, then?

MS. ABERNATHY: We also had a clarifying comment that we wanted our Office of General Counsel to make so I asked Soren to come on screen and provide a clarifying statement. And then after that, if there is no additional discussion, we can proceed through the next steps of final consensus.

MR. WEATHERS: Okay. Thank you. Soren?

MR. LEGAARD: Great. Thank you, Tamy. We just wanted to clarify one quick thing. Picking up on what Jalil was saying before the lunch break. The Department welcomes feedback as we continue to development of the model. However, any feedback needs to be submitted through our public processes. I just wanted to make that clarification.

MR. WEATHERS: Alright. Thank you, Soren. And if there's nothing else, I believe that we're going to move to consensus now. Just a reminder that we're going to take the consensus on the regulatory text as a whole. And that consensus of the committee is in agreement, or at least it's not a dissent of the proposed regulatory text. Remember how we do this, thumbs up for an agreement, sideways if you can live with it, thumbs down would be a dissent. And we're going to be taking consensus. I'll be taking it based on my screen. So I'll

go basically in a roll call fashion, one by one. Jalil, you had a question.

DR. BISHOP: Just wanted to make a note before we go to consensus. I think, you know, we're in the fourth session that the Department has brought regulatory text that allow the negotiators to feel positive around, and we understand that details and criteria and that parameters still have to be worked out. And I appreciate the point that we can still send in proposals to the public process. But I just want to underscore one more time, as we get close to ending our day, that for these regulations to actually work for borrowers, we really have to make sure that we are thinking about the technicalities of these policies and really emphasizing that borrowers who have really tried to follow the ever-changing proposals coming from the Department, that they're not penalized for any of the programs or consolidations or any of the choices that they made following the previous direction of the Department. And from my understanding, from both the caucus and conversations that we have had throughout the session, is that the Department is going to do everything it can to make sure that borrowers understand that they're included in the preamble. It's going to do everything it can to make sure that borrowers are not

penalized for using prior relief programs. If that's Fresh Start, if that's SAVE and that is going to really use the factors here in combination to really get a holistic picture of what hardship means, what distress means, and then provide that relief accordingly. So I just want to put that on the record and underscore again for the Department that for this to work, for borrowers to really receive and understand that they're included in this relief, it needs to be explicit, and it needs to be something that really has an intersectional analysis and understanding how hardship comes together across these factors. And I appreciate some of the conversation we've had around that so far, but just want to underscore it again because it's a possibility, an opportunity here to deliver relief to borrowers who need it the most. And I would hate for it to play out like things we have seen in the past, where miscommunication or not getting into the technicalities excludes borrowers who need the relief the most. Thank you.

MR. WEATHERS: Thank you, Jalil. And if there's nothing else, I think we're going to move to consensus. Recall. I'm going to do a roll call through - so it's going to be based on my screen, what I'm seeing. Thumbs up for agree. Side for you can live with it. Thumbs down to be a dissent. So with no further delay,

I'm going to start with Kathleen Dwyer of proprietary institutions. Note that Kathleen has gone thumbs sideways. Thank you, Kathleen. Vincent Andrews representing veterans and veterans organizations. Thank you. That's a thumbs up from Vincent. Next I have Angelika Williams. She's representing private nonprofit institutions. Angelika?

MS. WILLIAMS: Yes. I'm here.

MR. WEATHERS: Thumbs. How do you.

MS. WILLIAMS: Oh. I'm sorry.

MR. WEATHERS: Consensus. Yeah. No worries. Alright. Great. So thumbs up. Excellent. Thank you. Sarah Butts for four-year borrowers.

MS. BUTTS: Thumbs up.

MR. WEATHERS: So thumbs up. Thank you very much. Melissa Kunes, public institutions two-year and four-year. Okay, that's a thumbs up. Let's see. Ashley Pizzuti two-year borrowers. Thumbs up. Thank you very much. Next, I have Jessica Ranucci consumer advocates organization. Thumbs up. Thank you. Next, I have Jordan Nellums. Jordan? Current students. Thank you. Thumbs up. Next, I have John Whitelaw, civil rights. Thumbs up. Thank you.

MR. WHITELAW: [Inaudible] not civil rights. Students with disabilities.

MR. WEATHERS: Oh, my apologies, my apologies.

MR. WHITELAW: No worries. I just didn't want the civil rights folks to be left out.

MR. WEATHERS: No, no, I know they won't be. My apologies for my old eyes.

MR. WHITELAW: It's all good. All good.

MR. WEATHERS: Alright. Next, we have Lane Thompson. Lane? It looks like a thumbs up. Alright. Thank you. Next, I have Scott Waterman, legal assistants. Thank you. Thumbs up. Next, I have the Yael Shavit, state AGs. Thumbs up. Thank you very much. And next, I have civil rights. Sorry, Wisdom. Wisdom Cole. Thank you very much. Thumbs up. Next, I have Carol Peterson representing historically Black colleges and universities. I see thumbs up. And next, I have Richard Haase, graduate borrowers. Okay, thank you. Thumbs up. Next, I have Scott Buchanan, FFEL.

MR. BUCHANAN: I abstain.

MR. WEATHERS: You abstain. Okay. Alright. And lastly, I have Tamy Abernathy from the Department. Another thumbs up. Make a note that we do have an abstention from Mr. Buchanan. And looks like we have this passed as there was no dissent. Thank you very

much. And congratulations, folks. Good work. Two thumbs up from Scott Waterman and some clapping from Cindy. I don't know if we want to hand this off to you, Tamy, for any concluding remarks.

MS. ABERNATHY: Yes. Thank you so much.

MS. SHAVIT: Tamy, you are muted.

MS. ABERNATHY: I hit the button. What an accomplishment that we have attained in reaching consensus on the proposed regulations on hardship. We appreciate all the hard work of the committee and thank you for your commitment and dedication to serving the public in this very important issue. On behalf- I'm going to give my closing remarks unless anyone else has any, on behalf of Secretary Cardona, Undersecretary Kvaal, and the many Department team members whose work made these last two days possible, thank you. Additionally, we appreciate our facilitators, FMCS, who have done a wonderful job keeping all of us straight. Most importantly, we want to thank you for serving as non-Federal negotiators during this fourth session. This concludes the negotiations on student debt relief.

MR. WEATHERS: Thank you, Tamy, and thank you everyone for your service on this committee. And with that, I think we're done for the day.

Congratulations.

MR. HAASE: Thank you.

MS. SHAVIT: Thank you.

MS. BUTTS: Thank you.

MR. NELLUMS: Thank you.

MS. ABERNATHY: Bye, everyone.

MR. NELLUMS: Thank you.

MR. WEATHERS: Goodbye.

Zoom Chat Transcript

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***Chat was copied as presented, as a result minor typos or grammatical errors may be present.**

From A-Jalil Mustaffa Bishop-Graduate Student Borrower to Everyone:

Coming in

From P-Yael Shavit-State AGs to Everyone:

Please note that Jalil has his hand raised

From P-Richard Haase (Graduate Borrowers) to Everyone:

+1 - Need to be careful that people who have done what they were steered to do in the past don't get penalized or precluded from new forgiveness opportunities

From P- Jessica Ranucci (Consumer Advocates) to Everyone:

+1 to Jalil and Richard

From P-Richard Haase (Graduate Borrowers) to Everyone:

Stepping back in for grad borrowers

From P - Wisdom Cole, Civil Rights to Everyone:

+1

From A-Jalil Mustaffa Bishop-Graduate Student Borrower to Everyone:

Thank you all

From Ashley Pizzuti - P - 2y Borrowers to Everyone:

Thank you!

From Ashley Pizzuti - P - 2y Borrowers to Everyone:

Hope you feel better Tammy