DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

NEGOTIATED RULEMAKING

STUDENT DEBT RELIEF COMMITTEE

SESSION 2, DAY 2, AFTERNOON

NOVEMBER 7, 2023

On the 7th day of November 2023, the following meeting was held virtually, from 1:00 p.m. to 4:00 p.m.

P R O C E E D I N G S

MR. WEATHERS: Well, folks, welcome back from lunch. We're continuing with our conversation about hardship. We had prompted you on question three before the break. Real quick, Tamy, anything that the Department wanted to address before we move forward with the discussion?

MS. ABERNATHY: Just that we've placed answers to some of the questions in the chat. So, if they could just take a look at that and let us know.

MR. WEATHERS: Okay. And thank you, Tamy. And just as a note, Waukecha Wilkerson will be at the table in place of John Whitelaw for individuals with disabilities or organizations representing them for the afternoon. Just a reminder as to the discussion question that we're working with right now. How should the Department consider operational limitations in administering a hardship process, such as limited resources, the need to rely on other agencies or external parties to provide data, and the challenges in requiring borrowers to complete applications? The Department is really looking for specifics as to these questions in order to inform them on the next steps, so please keep them- that in mind, and we are going to endeavor to take a break at about the hour, hour and ten-minute mark. So, we're- let's move forward. Wisdom, take it away please.

MR. COLE: Can the answers that were dropped in the chat be redropped again? They're not there.

MR. WEATHERS: Okay. I'm sure someone from the Department can handle that. Thank you.

MS. ABERNATHY: Yes, I'll take care of it. Give me just a minute.

MR. WEATHERS: Thank you, Tamy. Comments, questions on question three?

MS. TAYLOR: I think it would be helpful for the Department to provide more detail about what it perceives its operational limits to be. I think it's hard for us on the outside to try to project what those limits are. So, to the extent you can provide additional details, that would be helpful for us.

MR. WEATHERS: Okay.

MS. JEFFRIES: I think we're going to have to give Tamy a minute because she's working on document questions.

MS. ABERNATHY: Ben is actually going to take care of that. So, if Ben would come on camera, that'd be great. Thanks.

MR. WEATHERS: Thank you. Ben?

MR. MILLER: As a big picture, I would

say, you know, this discussion about hardship represents a new workstream for the Department. And so, as you're aware, the Department has been seeking funding increases for Federal Student Aid. And we are not in the position where we have significant resources to add large numbers of staff, either in-house or on a contract basis to do lots of additional work streams and so I think here really the emphasis is things that are application-based. If things are application-based, it would have to be a very streamlined application process with a general assumption that we do not have the resources to have, you know, hundreds or thousands of additional staff to do any paperwork received.

MR. WEATHERS: Thank you, Ben. Just as an administrative point, Sarah Butts is coming in place of Sher Gammage at this point to the table. Thank you. Alright. Based on the clarification provided by the Department, any further questions, comments concerning number three? Question number three. Jalil.

DR. BISHOP: Thank you. I think on this question around the- considering operational limits. So, if there's hardship that we have good evidence either from the Department or from outside research that borrowers are experiencing, but because of operational limits, lack of resources, lack of people power, whatever it may be, I also think that in itself should be reframed as a hardship. So if the Department is not able to follow through on some type of processes proposing because it doesn't have payment records or it doesn't have the people power to handle some piece, I think that in itself can also be framed as a hardship, because there's not the resources- the resources or the operational capacity to provide borrowers and hardship with what they need and can be another way to expand some of these relief policies. So, I'd also like us to consider hardship also being the lack of resources or limited resources that the Department of ED itself is declaring it has.

MR. WEATHERS: Thank you, Jalil. Just as a reminder, folks, if you have anything that you would like to propose, please do so in red-line form and submit to facilitators. Otherwise, questions or comments, please place into the chat for the Department's consideration. Thank you. Lane, you're next.

MS. THOMPSON: Thanks, John. Previous to this job, one of my jobs that I held was determining eligibility for a state-based program that had income and wealth caps. And I can tell you from personal experience that it is extremely difficult to try to confirm income and wealth for folks. So what I really want to urge is that an application similar to the one that came out last year for the 10 or $20,000 of relief where someone simply had to mark a box, you know, maybe there's a range of boxes for these different categories we've talked about, and there's no required documentation needed after that. And then in instances where people are concerned about fraud or where it may be suspected, there could be some kind of auditing on that back end. But I just really want to say that I think it is worth having an application. And administratively, I don't think it makes a lot of sense to have to confirm additional documentation along with that application.

MR. WEATHERS: Thank you, Lane. Sarah, you're next.

MS. BUTTS: Thank you. You know, just wanted to mention that it has been our experience that borrowers across the income continuum, and no matter where they are generationally, are struggling with student loan debt. And this happens across the income continuum. It happens in certain workforces. It impacts borrowers' ability to save for their basic needs for retirement, to have funds available for emergency. And we gave a number of examples in the last session before the break. But there are any number of kind of different subsets of borrowers that can benefit from this relief. So, we as a committee think are struggling because we know that borrowers need this forgiveness and that there are a number of different circumstances in which we've tried to highlight areas of focus, but we also do not want to have a complex problem. And we hope for automation. We also know the Department doesn't have a lot of this information, such as individuals who are providing service and are not a qualifying employer for some of the relief programs that are already existing.

MR. WEATHERS: Thanks, Sarah. Any other questions or comments as it regards to question three? Lane, please.

MS. THOMPSON: I just wanted to bring up the public commenter yesterday who mentioned changing jobs after believing that she was eligible for the relief under the Biden Administration's plan. You know, I think that having gone through that whole process, there's an error made and a subject line and an email that went out to folks, all of that, I just kind of want to raise that back up as being a hardship in and of itself. You know, a lot of folks thought that before they returned to repayment, their balance would be smaller. And even people who should have received relief haven't in a lot of cases. So, I really just kind of want to bring that comment back into the space. I think it's really important to think about the folks who jumped at that opportunity last summer.

MR. WEATHERS: Alright. Thank you, Lane. Jalil, I noticed that your hand went up, then back down. Did you have anything you needed to add? Okay. Thank you. Alright. Anything as it relates to question three? Vincent, please.

MR. ANDREWS: Yeah. Just really quickly. I think specifically, related to, I guess a lot of these administrative hardships, a lot of the onus is going to fall on the servicer. So, I'm either wondering, like if any of these servicers might want to speak up and talk about what type of hardships might be alleviated through either some sort of communication or what can make their job easier to implement these policies? Because I guess from what I've heard over the last couple of days related to these topics, they just- they're solely relying on reading through these policies and making these determinations. And we've all talked about how they continue to make all these mistakes regarding who's eligible and who's not. I think we also need to think about how to streamline this process for servicers so that they also can be more effective in implementing these policies so that it's more fair, and it's not going to put people in circumstances that they shouldn't be in.

MR. WEATHERS: Thank you, Vincent. To

the extent that you were asking a question, if you could place that into the chat, I'd appreciate that. Wisdom, please.

MR. COLE: Definitely echo business requests in terms of hearing from the servicers but think that the Department should think about how they are prioritizing resource allocation, ensuring that we're allocating resources efficiently by targeting high impact areas, as folks have said, streamlining the process. Think something that has been echoed in these conversations is the broader base that we think about these criteria, the more automation that is put into this process, the simpler it is going to be for the Department with the lack of resources that are available. Talking about establishing partnerships and data agreements with other government agencies and external parties to provide the relevant data that is needed, since so many of that data isn't available from the Department itself and thinking about ensuring that there is clear communication to the borrower, right? I think investing in communication channels that can support borrower to ask questions and seek assistance throughout any process is going to be supportive of the Department in terms of any operational limits.

MR. WEATHERS: Thank you. And I see

Scott, just real quick, to the extent that we're trying to inform the Department, if we could- if you have seen the word automation and heard the word automation and also streamline that phrase if there can be any expansion on that. Scott, please.

MR. BUCHANAN: Sure. You know, I think from the servicer perspective, I think the Department has highlighted in this question particular sort of some of the challenges that they're going to face. I mean, as we're implementing multiple new programs, considering new things under this regulation, we have to be very mindful of the fact that oftentimes what we refer to as automated processes in terms of determinations become operationally at the servicer level, very manual processes. And I think that's something where the Department needs to look at what are the ways that they can take existing processes that happen today, leverage those, modify those in order to accomplish the end goals of the Department and what they're trying to achieve through this rulemaking process. It also highlights, I think, the challenge of dramatically expanding the- sort of the definition of what the waiver authority may or may not be here without congressional authorization and consequently, without congressional appropriation, means that we're trying to do more and more with less and less resources, and that becomes a real challenge. I think some of the discussion that's been highlighted here today goes back to what I suggested previously, which is that we need to be very thoughtful about not creating regulation that is overly complicated, that is virtually impossible for anyone to explain to borrowers. And so, they become confused by the reality of the regulation, especially when they rely today on tweets and other communications that are shorthands, but not full disclosures of the nature of these programs. And then they make financial decisions. We have this very issue previously with the prior announced debt relief plan that once again, was- you know, failed to pass legal muster. And we must reexamine that again today, lest we repeat the same issue that we've had before. The Department's got to be incredibly cognizant of that. And also making sure that as you're looking at all these programs, how do we prioritize them? Because in implementation, we also, I think, can all agree that we do not want to have programs that take years to implement as borrowers wait for whatever that relief is, if it can survive legal scrutiny, and the Department has a plan for how to allocate resources appropriately to deliver on that promise. And absent those additional resources and money, you can pass all the regulations you want, but borrowers will be left in the position of having to try to understand when and how they're going to receive that potential relief again, if it does happen.

MR. WEATHERS: Thank you, Scott. Melissa.

MS. KUNES: Thank you. And I sort of want to carry Scott's ideas just a little bit further. So, we all know that the Department is looking at a lot of large projects that they are currently implementing, including the return to repayment process, and they are flat funded to do so. And we recognize that, and we empathize with them. We do in our comments- have identified a lot of borrowers we would like to see relief and some of the thoughts around getting those borrowers relief are tied to automation. But we know that automation in and of itself takes resources and takes people and money to do that, to actually process the automation, to identify them as having being able to get the relief. So, I guess my question is, you know, we did have the proposal by the Biden Administration to forgive student borrowers the prior borrowing that they were allowed to apply for that did not come to fruition. There was a simplistic application for that. I'm presuming that perhaps the Department had allocated resources in order to follow through with that forgiving of the funding. So, my question, I guess, is really back to the Department. We brought a lot of ideas up today. We recognize that they are going to be administratively burdensome for the Department to carry out, but there was a plan to cancel the borrowers' funding that that we had collected applications for. So can we take those resources and allocate them to this particular, what we hope to be simplistic process of, as someone else had mentioned, simply creating another application process, collecting an assertation from the students that they are in this situation. And then would that be available and an opportunity to actually cancel the debt for those students who want to keep this simple, but we also know that simplicity sometimes comes with a price, and we want to make sure that we know what the price tag is. So, I guess my question back to the Department is, you indicate that you don't have the resources to do a lot of what we're asking to be done. What- have you thought about your priorities? And do we know from the Departmental level what actually you have available to you that you can offer to us to help use then those ideas to meet some of the requirements of waiving the funds of the students we've already identified. So, I sort of am turning this question back over to the Department.

MS. ABERNATHY: So, generally, no.

We're not talking about the broad-based debt cancellation that was shut down by the Supreme Court. We know that that was a one-time spending on an activity that we are not going to do. Our appropriations are set by Congress each year. We don't know what our allocation is going to be for this year or for future years. So, at this time, we cannot speak with any specificity on any more details about what our budget will be for any of the implementation activities or regulations that we formalize through the result of these negotiations.

MR. WEATHERS: Tamy. you're next.

MS. ABERNATHY: Oh, I thought you said Tamy. Sorry.

MR. WEATHERS: Waukecha, you're next.

MS. WILKERSON: Thanks. I just wanted to respond to a few comments that were made earlier about the length of time that it would take to implement some sort of debt forgiveness for borrowers. Currently, borrowers are waiting, I think years is fine because a lot of borrowers are waiting and still not receiving relief after death. So, I think that's something that we should really keep in mind that some relief in a few years is better than no relief ever. And then another thing that I wanted to circle back on a comment made was about a lot of borrowers are receiving their information from tweet, and I think it's important to be mindful that the regulation shouldn't be that complex. And they should probably be in plain language at the level of a tweet. Keep in mind reading comprehension skills of borrowers with disabilities or people with other issues who maybe have trouble understanding those regulations and how to navigate through them. So just wanted to add that piece.

MR. WEATHERS: Thank you. Yael.

MS. SHAVIT: Thank you. And I realize this is only addressing piece of the process here or of the question-

MR. WEATHERS: I think we may have lost her. Let's keep moving on. I will inject her back into the line as necessary. Ashley.

MS. PIZZUTI: I just want to comment on resources to servicers and the burden that they are facing. Just from personal experience, again, I received loan forgiveness from the Sweet v. Cardona and have- so has my husband. Unfortunately, you know, those loans were supposed to be cleared off. They fell off Nelnet, which is both of our servicers. We had consolidated loans with them since 2020. As of this morning, which prior to, in August, those loans were removed from our credit. As of this morning, $45,000 was now put back on my husband's credit report reporting from Nelnet, even though Nelnet shows zero. But the Department of Education still has him in $12,000 of debt. So, there's a lot of miscommunication happening between the servicers and the Department of Education, as well as reporting to the credit bureaus. And there is a huge problem when people, especially in our situation, we run a small business, when misinformation is being put on our credit reports from the servicers. Every time we have tried to call our servicer, Nelnet, it's a two hour wait or more. I think the last time he tried to call Nelnet, it was a four hour wait just to get a simple question asked, and all they did was say, you need to call the Department of Education, it's in their hands. And when we've called the Department of Education trying to find answers, they bounce us back to the servicers. So, there's a lack of information coming from both the Department of Education and the servicers. They keep just pointing fingers at each other and go, oh, it's the Department of Education's responsibility. And the Department of Education says, no, it's your servicers responsibility. So moving forward, we want to implicate all of these new programs where in the last year, those who have received forgiveness and have actually been on the receiving end of this, there's so many issues that are coming up that, you know, how is the Department going to handle the influx of questions and how are they going to provide servicers, you know, the resources to try to answer these questions? You know, two hours, three hours, four hours on the phone means we're not working on our business. We're not taking care of our family. We're dealing with, you know, ridiculous wait times, you know? And this is just not me. This is-

MR. FRANCZAK: 30 seconds remaining.

MS. PIZZUTI: -you know, over and over again we're hearing issues from, you know, folks that are struggling with just trying to communicate with their servicers.

MR. WEATHERS: Ashley. Yael, we lost you and didn't really get any of your comment. I would- real quick, before you begin, in the interest of time, I'm going to, after your comments, move on to question four. Unless there's any objection from the Department. Yael, please.

MS. SHAVIT: Sure. And I apologize about that very poorly timed internet outage. One thing I wanted to say is, you know, with respect to some of the categories that we've talked about today of information that may allow us to identify loans that would be eligible for some amount of cancellation, the servicers absolutely do have the capacity to do queries across their databases when they need to. And I say this as a person who is very intimately familiar with this. They most certainly can do this to the extent that it may require some amount of, you know, creativity that's appropriate. And I will say more than that, in a time when, you know, there's been the need to turn things off, turn servicing back on, and learn information across different categories of debts, it should be just a basic requirement. In fact, I think it is a basic requirement that servicers be able to do this. And so, you know, I would push back on any notion that this- that the servicers can't take on some of the fairly straightforward work of identifying categories where those categories refer to criteria that are within the type of information servicers have about borrowers. And to the extent that change requests may be necessary to facilitate some of that, that is absolutely appropriate and should be a requirement for Federal contractors.

MR. WEATHERS: Thank you very much. Administratively, Richard Haase is back in as primary at the table. I'm moving on to question four. And just a quick note about question four. I believe there might be a formatting error. Question four is, if the hardship process was based upon an application, what upfront criteria should be put in place before a borrower could apply, given the significant operational limitations on an application-based approach? There's a section underneath that I think that probably should have been question five. I'll be asking that at a later time. So, moving on to number four. Any specifics that can help inform the Department as to that question? Jessica, if you could hold on for a moment really quick, I'm going to move to Cynthia first.

MS. JEFFRIES: Yeah, I just want to give a friendly reminder to everyone that the focus is on these negotiations and the topics that we are discussing. So, although all your information is important and the Department certainly understands that, due to the time that we have allotted for this, we would kindly like you to keep to the topics at hand. Thank you.

MR. WEATHERS: Thank you, Cindy. Jessica, go ahead.

MS. RANUCCI: I am having a hard time understanding where this question is coming from. My instinct is to say absolutely none, every borrower should be able to apply for student loan debt relief. I think if the Department has some idea that makes sense, I would be very interested to hear it, but I'm not sure how productive a conversation we can have in a vacuum, because I'm not sure that this group is really in a position to say, oh, certain borrowers shouldn't even be allowed to apply for debt relief.

MR. WEATHERS: Thank you, Jessica. Alright. Any other questions as it relates to question four? Comments, specifics to help inform the Department., please.

MS. THOMPSON: I just want to touch on accountability and prioritization a little bit. I have no idea what the contracting process looks like with servicers. I still am trying to understand what happens with an FSA and what happens at the servicers. I know there's a lot of moving pieces, and I also see a lot of debt that should have been or was discharged that's still being collected. I see borrowers who have loans that are paid off being reported late. So, all of this to say that there's a lot being done with student loans, right? Servicers do a lot. I question whether they are always prioritizing the same things that the Department or borrowers would like for them to prioritize. And similarly, one idea I have is some additional clarity for borrowers around the responsibilities of the Department versus the responsibilities of servicers. A lot of my day dealing with complaints is going back and forth from the Department to the servicer to the Department, to another servicer. So, I think that that would be just one other thing to consider is if- is there any way to draw more clear lines around whose work is which? And, you know, maybe that could simplify some of it.

MR. WEATHERS: Thank you, Lane. If you could add those specifics into the chat, that'd be much appreciated. Richard, please.

MR. HAASE: Yeah. I also think it's really important, just finishing up with this question here, not to use upfront criteria to preclude borrowers from applying for relief based on any assumptions that we are going to make here today about whether or not we effectively hit all real hardship categories. I think it's important to point out and reflect here on overlapping trends, I think sometimes generational in the problems that we're identifying and the solutions that we're proposing. Borrowers have shared in a lot of the testimony we've heard, how crippling student loan debt has made it hard for them to buy homes, start families, launch businesses, pay for childcare, put food on the table. And I feel like a lot of the solutions that we've discussed require that either first, the borrower is already in a state of total crisis, or b, that they've already spent most of their adult lives trying to crawl out from their loan debt. So, I just think it's important to recognize that student debt across the board is a significant drag on the economy and on the middle class.

It impacts all of the things that we cited above. So, I do think it's important that we not do anything on the front end to preclude people from applying for relief, because I think that there's a lot of need out there that we're not going to cover with all of the bullets that we've discussed.

MR. WEATHERS: Thank you, Richard. Alright. Any other questions or comments as it relates to number four? Okay. Thank you. We're going to move on to that- like I said, looks like a second portion of number four. I think there may have been a formatting error. The question is, the Department already offers Income Driven Repayment Plans to assist borrowers who are facing monthly financial hardships over an extended period. Should a hardship approach consider past, present, and future circumstances, creating an additional financial hardship? How could the Department account for past, present, and future potential borrower situations in a streamlined manner? Anything specific, comments or questions that can help inform the Department? Kyra.

MS. TAYLOR: I would just like to raise that the Department should not consider whether or not a borrower is enrolled in IDR as a basis to exclude them from debt relief. While we are incredibly grateful for the improvements to the IDR programs, not everybody will be able to benefit from them. So first, even under the improved criteria, the IDR plans are not affordable for everyone. They do not consider regional differences in the cost of living. In addition, borrowers who need it most may not be able to stay in it. While we appreciate the work that's been done to keep borrowers enrolled in IDR, there will still be borrowers who won't be able to enroll or stay enrolled in these plans, particularly for borrowers who have outstanding loans and who may not sign up for the- to have- to allow the IRS to share income data with the Department of Education. Further, some distressed borrowers will not file their taxes because they won't make enough money. And there are also borrowers in Puerto Rico who do not need to file their taxes. And so, they would not have that data and would have to provide additional documentation. Additionally, even borrowers who are able to enroll in IDR still experience other harms. We hear often from borrowers, even borrowers who are enrolled in IDR plans, that they are distressed by the volume of debt that they still have outstanding. We have borrowers who enroll in IDR plans who are still subject to debt scams, debt relief scams because they want to get out from the burden of that debt so badly. They are so afraid of having this outstanding amount of debt, and they're afraid that programs like IDR will not continue into the future. In addition, they still have fear about, you know, owing this debt period and the impact it can have upon their ability, as Richard said previously, to get a lease, to get a car loan, to get a mortgage, etcetera. So, I would strongly discourage the Department from considering someone's IDR eligibility as a basis to exclude them from the relief that they're considering here.

MR. WEATHERS: Richard.

MR. HAASE: Yes. So regarding future circumstances and questions about future potential borrowers, I want to reiterate the position that was shared yesterday and that I think has come up a little bit again today that we strongly propose- we strongly advise removing the July 1st, 2025, deadline and the regulatory text that we looked at yesterday so that we can help current generations and future generations of borrowers. And I think also in terms of streamlining, it could be valuable for the Department to look at ways that it can baseline and predict future hardships, looking at functions like debt to income ratios similar to what are used in the program, and other sectors of work that traditionally create hardships where the cost of the programs exceed the revenue people can expect from that work.

MR. WEATHERS: Thank you, Richard. Just a reminder, folks. If you have anything you'd like to put into proposal form, please do so in red line and send to your facilitators. Otherwise, questions or comments into the chat section. Lane, please.

MS. THOMPSON: This is maybe a little out of left field, but one thing I wanted to put out there in terms of past, present, and future borrower situations is the actual year in which somebody graduates from their graduate or undergraduate or two-year program. The reason I'm saying the actual year is that there's pretty clear data that people who graduated from college around the Great Recession, during COVID, and a couple other times are really struggling to repay that debt. So similar to looking at cohort default rates, are there years of graduation in which people are finding themselves particularly impacted and that could be used kind of in the future as well, right? If some other thing comes up and can say, okay, this year also is one of those years. So, just a thought.

MR. WEATHERS: Thank you, Lane. Questions, comments on that second part of number four. Anything specific to help inform the Department? Kyra?

MS. TAYLOR: Given that this is also following from our discussion, in- with regards to the prior question, in terms of operational limits, etcetera, I would just note that requiring that a borrower show that they've experienced past, present, and will experience future hardship may complicate how the administration processes these applications, and it may add unneeded complexity to the applications that the Department has to use to determine eligibility for relief.

MR. WEATHERS: Thank you. Wisdom.

MR. COLE: Yeah, speaking to future borrowers' potential situations, I think there has to be criteria established to trigger an automatic review or adjustment in response to life events, financial changes, changes in income, family size, marital status. You know, these are things that deeply impact people's ability in the future to be able to continue to repay. I know we've talked about streamlining documentation and verification and leveraging of technology that can allow for integration with other agencies to verify income and financial information. And just thinking about ways in which the Department can also consider past financial circumstances that continue to impact the future.

MR. WEATHERS: Thank you, Wisdom. And as a note, Jalil Bishop will be replacing Richard Haase for student loan borrowers. And Jalil, you're next.

DR. BISHOP: Thank you. I just want to underscore what I think many of the other negotiators have shared is that the presence or being enrolled in an IDR plan shouldn't be considered as an answer for folks experiencing monthly financial hardship. I think that, again, in my own research, again, which was majority participants who were enrolled in IDR, they're still reporting issues around being able to afford basic needs from housing, food, childcare and even having a savings account. We also know that even from research such as Ben's- Ben Miller's research at CAP, that a lot of that work showed that even with many borrowers, particularly Black borrowers, who we know often struggle the most with student loans, even when they were enrolled in IDR, they still were experiencing some of the issues around default, growing balances, and so on. So, I'd like us to also highlight that work as evidence where if remember, Ben, you called for bigger and bolder solutions beyond IDR. And I think when we're trying to navigate and think about how to provide relief to borrowers, that we really use the evidence that we have around how these plans have failed to function and not make borrowers go through other hurdles that they are- that we've already tried out, other policies and programs that we've already tried out and seen a large level of dysfunction. So I just think there's so much here to remind us that things should be automatic, that if we are going to do application, it should be a self-report, that if we are going to try to verify, it should be something that happens on the back end after cancellation, and that we should make sure there's not limits on cancellation so that future, current, and past borrowers get the relief and the support that they need. So just really don't want IDR to be a barrier for people getting cancellation. And I also don't want the Department to treat SAVE or IDR as a solution when both the Department and the representative for loan servicers are saying you both don't have enough funding to actually operationalize the level of relief and support that borrowers need. So, in sum, if you don't have the money, if you all are telling us that you can't actually support borrowers at the level they need, that again should be a part of how we approach hardship. That should be a main component of how we define hardship, is that you all actually can't run the student loan program at a level that is adequate and meets the needs of borrowers.

MR. WEATHERS: Thank you. A couple administrative notes. Jordan Nellums coming back in for currently enrolled. Sher Gammage- Sherrie Gammage also coming in for student loan borrowers, four years.

Reminder we're on that second part of the question for and looking for some specifics to inform the Department. Melissa, please.

MS. KUNES: Thank you. So to address the issue of preventing future hardships, one of the hardships that has been cited thus far is the ballooning amount of loan that a student has on the books because of interest capitalization, interest applied during periods where the student is already experiencing hardship, and this may not fall under the waiver authority, but will look to the lawyers to help figure out if it can, but in the future, if a student does apply for a forbearance or a deferment, they're already in a crisis state where they cannot afford to pay their loan. Can we not apply interest during that timeframe, so those future payments don't balloon for the student and I throw that out there as a suggestion. And again, I'll let the lawyers decide if that falls under the waiver capacity or not.

MR. WEATHERS: Thank you, Melissa. Anything else as it relates to past, present, and future potential borrower situations. Okay. I am going to, in the interest of time, move on to number six. Number six is, IDR plans are based on Federal poverty guidelines, which vary by family size. The Department uses the Federal Poverty Guidelines as an indicator of the amount of income needed for necessities that should be protected from student loan payments, such as food and housing. How should the Department determine whether the Federal poverty guidelines are, or are not, a reasonable approximation of a particular borrower's necessary expenses? Specifics to help inform the Department, questions. comments? Questions or comments on number six. Richard.

MR. HAASE: Yeah. I just want to point out that any Federal guidelines regarding income and poverty levels, I don't think that they're going to be adequate. Cost of living varies so greatly across the country. You know, I'm looking at the data right now, the idea of a family of four in a lot of states in this country living off of $30,000 is- it's completely unsustainable. I think if there's going to be a metric here, it has to be regionally defined somehow.

MR. WEATHERS: Thank you, Richard. Remember, if you have anything that you would like to propose, please do so in red line form to your facilitators, questions, or comments in the chat. Anything else as to question six regarding Federal poverty guidelines? Kyra.

MS. TAYLOR: I'd just like to second what Rich said, that the Federal poverty guidelines do not account for regional differences in the cost of living. In addition, they fail to account for expenses like childcare costs, medical costs, etcetera that can vary widely from person to person. And so, they are generally under-inclusive, unless you're capturing so much above the Federal poverty guideline that then it's a question of why would you use that calculation in the first place? By way of example, the child tax credit goes up to, I believe it's 400% of the Federal poverty guidelines, etcetera.

MR. WEATHERS: Thank you, Kyra. Lane.

MS. THOMPSON: I agree with both of the previous commenters. There's generally an area median income that's determined by the state or by counties that could be used instead of the Federal poverty level. The other thing I wanted to say here, I'm sure that this is not going to be changed, but I just would like it to be put on the record that the term discretionary income and the way it's used in the Income Driven Repayment Plans is very confusing for, I would say, 100% of the people I speak with, because by using the term discretionary income, people assume that there's a more complex calculation being done in terms of their expenses and their cost of living and all of that. So the amount of time that I spend just explaining to people that discretionary income is not actually what you have left at the end of the month, but is rather a percentage of the amount that you earn over the poverty line really just adds a level of confusion that I don't know is helpful or necessary. Just wanted to comment on that term. Thank you.

MR. WEATHERS: John.

MR. WHITELAW: Thank you. I just wanted to echo what Kyra said and the others about the Federal poverty guidelines and to put them in perspective, to sort of- to- you know, so that folks know what numbers we're talking about. Federal poverty guidelines for 2023 for a family of 4 of 30,000. They are- that's 100% of poverty for a family of four, not taking into account regional variations. The number- you are living in desperate poverty if you are at the poverty guidelines and there are people who- you know that is so far below, quote, hardship, that the points that were made earlier I think were well, well taken. And I think it's important to know when we talk about the poverty guidelines, what actual dollars we're talking about. So, it's- you know, we can look it up, but I think, you know, to understand for a family of four, it's 30,000. For a family of two, it is under 20,000. You know, if you're at the poverty level, you are in destitution.

MR. WEATHERS: Thank you, John. Additional questions or comments as it regards question six? Question five. My apologies. Tamy, were you trying to say something? No?

MS. ABERNATHY: No, my document has it right. So, I'm just going look at my document and you look at yours. I have us on six and we have two more to go after this. That's what I show.

MR. WEATHERS: Okay. I appreciate that. Thank you. Jalil.

DR. BISHOP: I have a question for the Department in trying to understand just kind of the use or the justification around the Federal poverty line. So, I believe under SAVE, it's 225% of poverty. And in reading the final rulemaking under REPAYE, a lot of that explanation was around people experiencing less food insecurity. So, can you all provide a little bit more clarification of how you use the Federal poverty line, and kind of how you reach the 225% just so we can get a sense into just, I guess, the logic of how you process this?

MS. ABERNATHY: All that information is in the final rule, the notice to the final rule that was published so there's extensive conversation between the NPRM and the NFR for the Income Driven Repayment

Plans. I would point the negotiators attention to those documents for them to review all that.

MR. WEATHERS: Thank you, Tamy. Sherrie.

MS. GAMMAGE: I have a comment and a question. From my perspective, the Federal poverty guidelines may be a good measure if you're at the lowest, lowest, lowest income possible, say, for a family of 2, 3 or 4. But even there, they're insignificant- they're insufficient in that they don't take into account the associated cost of living, as my peers have pointed out, in regional differences. Also, they don't take into account in a meaningful way for me as a person this- for people living on Social Security as the majority of seniors are, especially as it applied to the 750 you have left to live on. People can't live on that. And so, my question is, why can't the 225% under SAVE be used across all programs?

MR. WEATHERS: Thank you, Sherrie. Tamy.

MS. ABERNATHY: We want to remind everyone that under the SAVE program, we protect 33,000 for a single individual and 67,000 for a family of four. Those are pretty telling numbers that we, under the SAVE program, are protecting for those borrowers.

MR. WEATHERS: Alright. Thank you, Tamy. Sherrie, could you put your question into the chat, please? I'm seeing that David Ramirez is coming in for Ashley Pizzuti for student loan borrowers- borrowers two years or less. And David has his hand up. Go ahead, David.

MR. RAMIREZ: Yeah. I just want to also reiterate the poverty guidelines also don't account for the disparities in financial aid given between two year and four-year institutions. The real cost of attending a community college is greater because we receive less in assistance and are also likely to have- are less, much less likely to have access to student housing and therefore have to pay higher in rents depending on where the community college is located. And we also have to spend much more money on transportation costs. And so, all of these things are not factored into the real cost of attendance when our financial aid packages are created. And I also wanted to elevate that community college transfer rates within two years are less than 3%. And so most community college students have to spend four, five years before they're able to transfer. And therefore, by the time they get to a four-year college, they're no longer eligible for Pell Grant, they're no longer eligible for most of the state financial aid that people are given. And so, they have to incur a lot more debt. And that's not accounted for.

MR. WEATHERS: Thank you. Yael.

MS. SHAVIT: Thanks. I just wanted to briefly respond to Tamy and, you know, I assume that you're sort of highlighting those numbers because people have been talking about the poverty line itself, which is lower than what SAVE protects, but I actually want to note that the fact that through this- the IDR rulemaking, it was necessary to have a lot of discussion about how the poverty guideline itself was insufficient and SAVE needed to protect more income than IDR had previously been protecting, is indicative of the fact that the Federal poverty guideline is woefully inadequate and that, you know, thresholds increasingly don't protect enough income for individuals to actually meet their needs and live a life free of the hardships that are imposed by student debt. So, you know, I think a lot of- I know you directed Jalil back to the NPRM and NFR, but I will note that there was a lot of discussion during the rulemaking as well about some of the complexities and difficulties with reliance on the Federal poverty line. And I think for the purposes of what we're trying to achieve here, I think those problems are especially pronounced.

MR. WEATHERS: Thank you, Yael. Wisdom.

MR. COLE: I definitely agree with Yael, but definitely want to speak to this from the perspective of Black borrowers facing unique challenges and disparities in income and wealth and accessing educational and economic opportunities. I think there's a couple of key factors that should be considered or taken into account. First being the racial wealth gap. Black borrowers are more likely to have a lower household wealth than their white counterparts due to historical and systemic disparities. This wealth gap has affected their ability to cover necessary expenses. The Department should acknowledge that the Federal poverty guidelines may not adequately account for the wealth disparities faced by Black borrowers. The second example being employment and income disparities. Black borrowers often face a higher rate of unemployment and underemployment and wage gap when it comes- compared to white borrowers. And so, when evaluating the adequacy of the Federal poverty guideline, yet to recognize that Black borrowers may have a lower income and less financial stability, which can result in the difficulty of meeting basic living expenses. The third example is educational disparities. Black borrowers may have disproportionately impacted by predatory lending practices and for-profit institutions, leading to higher levels of student debt. The Department must consider that Black borrowers may have a greater need for debt relief, as they may be carrying a heavier debt burden relative to their income. The fourth example being neighborhood and housing disparities. Residential segregation and housing discrimination has resulted in Black communities often having fewer affordable housing options, and so the Department has to recognize that Black borrowers may face higher housing costs relative to the income due to limited housing choices.

MR. WEATHERS: Thank you, Wisdom. Alright, we're at that point where we are going to take a break. If there's nothing else, Cindy, please go ahead.

MS. JEFFRIES: I just want to reach out to the people who signed up or are on the waiting list for the public comment, period. If you are listening on the live stream, please note that we are about an hour away from commencing on that, so we ask that you sign in prior to your start time or your assigned time and waiting list, sign in about 15, 20 minutes before either your start time or wait list. We would greatly appreciate it. One last reminder along that lines, if you log into this meeting with a different name than what you registered with, we need to confirm who you are. So, if you know how to change your name once you log in, please do so. Thank you.

MR. WEATHERS: Thank you, Cindy. And if there's nothing else, Tamy, anything before we take a break? Okay.

MS. ABERNATHY: We're good.

MR. WEATHERS: Okay. Reminder, we've got two questions left that we're going to cover. The next question is which of the items proposed by negotiators above in the summary from session one are most indicative of a hardship that would not otherwise be captured by an existing Federal program, such as Income Driven Repayment, total and permanent disability discharges, or something else? That's the question that we're going to be addressing when we come back. We're going to take- it's 11:58, I'm in the mountain time. It's 2:58 or 1:58 in eastern time. We're going to be coming back in 15 minutes at approximately 2:15. Thank you. Thank you, folks. Welcome back. We are continuing our discussion as it relates to hardships. Before we broke, I read a question. I'll reread it. Which of the items proposed by negotiators above in the summary from session one are most indicative of a hardship that would not otherwise be captured by an existing Federal program, such as Income Driven Repayment, total and permanent disability discharges, or something else? That's the question that we're discussing at this point. Remember, we're- the Department is seeking specifics to inform its decisions moving forward. Just as a quick administrative note, we're going to be taking a break before public comment, which is beginning in approximately 45 minutes. Persons who are on the list, please sign in well above- well before your assigned time slot. Questions, comments about the- what I just asked? Kara, please.

MS. TAYLOR: In many of the topics that the negotiators have already raised during session one and session two, we've identified folks that fall outside of the limitations of the existing statutory discharges. There are plenty of folks who are disabled that do not qualify for a total and permanent disability discharge. There are plenty of folks that attended a closed school that may find that their income failed to enable them to repay their debt, who completed their program so they're ineligible for a closed school discharge. And that's to say nothing of all the folks that we talked to who have no idea that they're eligible for any of these forms of statutory discharges. I speak to folks who have been in repayment for a decade or longer on debt that had they known that they were eligible and that they had to apply, or had they been able to successfully navigate at times a very long application on their own, they could have discharged their debt and saved them- saved themselves from years of financial hardship. And so I would discourage the Department from using the existing statutory discharges as a basis to exclude particular types of relief here, which I hope that I'm wrong, but it appears to me that this question is indicating, because too many people are totally unaware that they're eligible for these forms of relief. They will not apply. And even though we are incredibly grateful that the Department has increased its ability to provide automatic relief to borrowers under the Borrower Defense Regulations, the closed school discharge regulations, false certification, total and permanent disability, etcetera, there will always be people who are missed despite being eligible who would still need to apply.

MR. WEATHERS: Thank you, Kyra. I see Ben has responded in some form in the chat. Lane, please go ahead.

MS. THOMPSON: When I read this question, I feel like it's framed in a way that says that folks who are eligible for these programs aren't using them, and similar to what Kyra said, maybe some folks don't know they exist, but I wanted to kind of add on to that for people who have applied for programs and been deemed ineligible and in some cases were actually eligible for those programs, borrowers who have payment history that was lost in transfers so that they may actually be eligible for one of the existing programs, but they cannot access it. So one thing I wanted to kind of throw in here as a possibility is people who have been, you know- have filed complaints with the Department, people who have filed complaints with their state ombuds, who have worked really hard to try to gain access to relief they believe they're entitled to and kind of what's the recourse for those people?

MR. WEATHERS: Thank you, Lane. Additional questions, additional comments? Anything else to add? Ashley, please.

MS. PIZZUTI: When I asked this in the first session, I never really got an answer as far as what the Department is doing to educate the public on these programs. What kind of social media outreach are they using? Is there a specific Instagram account or TikTok account that's for some of these policies? I know personally, every single day I get emails and people trying to join our Facebook group and our Reddit group. You know, as far as Borrower Defense goes, they had no idea that they are eligible for Borrower Defense and only recently heard about the Sweet v. Cardona. So, I think that there is a failure on the Department for outreach in letting people know that these programs exist and that they're eligible for. I know that, you know, there is the Schedule C list. Nobody was contacted for Sweet v. Cardona. No one from the schools were contacted that you might be eligible to participate in this lawsuit. It's up to the individual to seek out whether or not they might be eligible for these programs and not the other way around.

MR. WEATHERS: Alright. Thank you, Ashley. Ashley, which of the items proposed by negotiators above in the summary from session one are most indicative of a hardship that would not otherwise be captured by an existing Federal program? Anyone want to add to that question? Questions, comments about that question? Richard, please.

MR. HAASE: I just want to add that there was a group missing from this bullet that comes up in all of our conversations. I'm not saying that it is the greatest indicator here, but it is important also to remember the borrowers who have the missing or broken data or who have been misguided, misinformed, or misled by the servicers. I think that that's an important group here. Again, not saying it's the first and foremost among the bullets, but I did notice that it was missing from that list. So as long as we were referring back to it, I thought I'd bring that up here.

MR. WEATHERS: Alright. Thank you. Thank you, Richard. Anything else to add to this question before I move on? Wisdom, please.

MR. COLE: For this question, right, to even talk about the expansion of this list, correct? So, in expanding- I think that was a head nod I saw, in expanding the list, I think that things that should be added or another group is first-generation college graduates. You know, oftentimes they end up helping up members of their family and become of their family ecosystem. And so, I think that's something that is able to be easily captured, especially as folks are filling out the FAFSA, filling out college applications, something that's easily identifiable because it's- also is comprised of immigrant families, right? And recognizing that there are immigrants from countries who are also facing continual financial hardships that can be identified through this group of people. I know we have representations from HBCUs, MSIs, and HSIs. I think that's also a critical piece that ties directly into those who receive Pell Grants. You know, oftentimes HBCUs receive less funding than other institutions, and so people are forced to take out more loans, including Parent PLUS Loans. And so, I think these are things that can also be included within that list as well.

MR. WEATHERS: Thank you, Wisdom. Cindy.

MS. JEFFRIES: Wisdom, I think I'm going to try to answer your question. I'll- I think the questions this afternoon have been developed by the Department to get additional specifics and ideas that could expand the Secretary's ability on waiver decisions. So, I think you're spot on with that. This particular question, I think, is asking you to- the negotiators to look at the list of ideas that you generated in session one, in the summary that is included with this hardship issue paper, and let the Department know if there are any of those that are most indicative of a hardship that wouldn't otherwise be covered or captured by an existing Federal program. I don't know if that helps or not.

MR. WEATHERS: Thank you, Cindy. Richard.

MR. HAASE: Yeah, I think we understand the distinction between adding to the list and trying to identify which is most indicative. I do think it is next to impossible to identify which one would be most indicative of people experiencing hardship. I feel like we've spent the last 4 or 5 hours talking about how hardship manifests itself in so many different ways, across so many different metrics. So, I think it would be really, really difficult to pinpoint one of these bullets. That said, I do think continuing to look at the importance of loans that exceed a certain age or that predate 2010, I think is going to- is going to be an important bullet for us to look at.

MR. WEATHERS: Thank you, Richard. Kyra.

MS. TAYLOR: I just want to second Richard's call that it is- it's tough for us to rank which category is experiencing the most hardship versus who is experiencing the least. I will say, in my experience, the borrowers that we work with who fall across these categories are watching their ability to provide their- to pay for their housing, to pay for their food, to pay for their medication, be endangered by the existence of their student loan debt. They're unable to pay for childcare, they're unable to pay for transportation, they're unable to get a lease in some cases, or they're unable to get a job or to pass a security clearance to get various jobs. I mean, the ways in which hardship manifests for people varies, and it varies across each of the categories that we've identified. We can identify that it is more likely for people within these categories to experience these forms of hardship if they fit within these criteria. But to say that one group is experiencing more hardship from another, I think is an almost impossible task for us to be able to accomplish today.

MR. WEATHERS: Thank you, Kyra. Sher, please.

MS. GAMMAGE: Yes, I tend to agree with Kyra in that it is impossible because if you look at the bulleted items, people could have actually received a Pell Grant, attended an institution that's closed, and have significant child or dependent care expenses, medical expenses, file for bankruptcy, didn't finish their programs and are over a certain age. So to put us in the position of choosing one that is most- has the most press seems a little unrealistic because the people who fit the hard definition of hardship, as I was thinking of it as we were coming up with this list, actually span across these categories that are here. Right? And I know that, you know, even going back to the gainful employment piece that we talked about earlier today, you know, there are groups of people who fit these particular categories, the ones that I just named, who are also not underemployed or whose degree is not matching what they're doing today because the nature of the job that they trained for has changed or that the institution or the system in which they work has also changed. And what comes to mind immediately for me is adjunct faculty. People go and get PhDs in order to be able to teach but the situation at in Higher Ed has changed tenure. Now, I am aware that there is- that adjunct faculty can apply for relief if they work on an average of 30 hours, which equates to three credit classes per year. But often folks aren't able to do that either, because institutions, especially small liberal arts colleges and even larger institutions are shifting and downsizing. So again, to reiterate, to choose one category when people may meet multiple indicators of hardship within the categories that we identified, it seems an insurmountable task. The other group that's not represented on this bulleted list is formerly incarcerated borrowers whose earning income, their potential for future income, and who may get jobs but are underemployed because they- because of the public's perception of what having a felony record means.

MR. WEATHERS: Thank you, Sher. Lane.

MS. THOMPSON: I want to share a borrower story. This is someone I worked with quite a few years back when I was a student loan counselor, and she was an elderly person who received retirement benefits, and that was her only income. So, she had defaulted on her student loans at one point. And the reason she had defaulted, she definitely qualified for a $0 Income Driven Repayment Plan, but the reason she defaulted is because she had a brain injury. So, she didn't remember that she had to recertify her income. It was just one of the most difficult borrower situations I've ever worked on because she was on the verge of homelessness, because she needed to figure out how to get out of default on her student loans. So, you know, a group that I think is pretty obvious, but that we maybe haven't really touched on here is people who have been in default. You know, a lot of these opportunities are not available to people who've been in default. I know that Fresh Start allows people to get on to SAVE, but we're still looking at 25-year repayment for that. So, you know, in that case that I mentioned, she had Federal benefits offset, she was over the age of 65, she had a disability, and she had Parent PLUS Loans and loans of her own. So, I just wanted to use that to kind of illustrate the ways that these categories do cross over into each other, and also that some things like defaulted loans with Federal benefits offset are always indicative of pretty serious hardship.

MR. WEATHERS: Thank you, Lane. Kyra.

MS. TAYLOR: And I just wanted to strongly support Lane's call that defaulted borrowers be added to this list. I repeatedly during the first session and this session, I've discussed ways that the Department could provide relief now to defaulted borrowers using existing data, or using the data that shows that these borrowers have been in default for a long time and are still not making progress on paying down their debts. And as Lane said, default in and of itself is an indicia of hardship.

MR. WEATHERS: Thank you, Kyra. Alright, if there's nothing else, I'm inclined to move on to our last question. Alright, last question. What thresholds or standards should the Department use for the items above to determine if a borrower is experiencing hardship? Just a reminder to our people watching those that are going to be public commenters, please start thinking about logging on. What thresholds or standards should the Department use for the items above to determine if a borrower is experiencing hardship? Questions, comments that can- and specifics, please, specifics for the Department to be able to inform them on their next steps? Alright, and I see that Jalil has come in. Please go ahead, Jalil.

DR. BISHOP: I think, you know, returning to my earlier comment, I, you know, this and through- and thank you, Ben, for directing me to the sheet. I see a major concern around how the Department is going to move forward and defining what you call the distressed borrower or material hardship. I'm worried that- there was a threshold used in the last rulemaking that said that a borrower making an hourly rate of about $15 basically doesn't have hardship. So what that means is that someone still at this 225%, a person making $15 and 20- $15.28 because they can, in theory, afford food, we then are using a claim that they don't have hardship or that or since they're not behind on the bill, they don't have hardship. But the promise of student loan debt was not that you just get to live and be able to feed yourself. It was that you get to have a thriving- a life that you are able to have social mobility. So I think some of this is that we need to really come back to how the Department is defining material hardship, which based on the last rulemaking, it was at 225% because in theory, those people could still feed themselves, but there was no evidence that they, at least that I'm seeing, that they could still have savings accounts, that they could still contribute to retirement, that they could still save for college so that they didn't have to take on

Parent PLUS Loans or prevent their children from taking on loans, that they could do other things that we define as having a thriving life, which is again, was the promise of student debt. The promise of student debt wasn't take out a loan and then you can feed yourself so that you don't die. It was that you have a thriving life. And right now, the threshold, and at least in how material hardship was defined in the last rulemaking brings the definition so narrow that really the only person who- the only way we can understand relief is, well, if you can feed yourself, then you're fine. Even though we have so much evidence from both the Survey of Consumer Finance, from the qualitative research, that borrowers are struggling even when they can feed themselves, and even that's debatable still at $15.28. So, I just think a part of this, too, is for the Department to understand that we have evidence of how you defined material hardship in the last rulemaking, and it is really, I think, problematic. And when we think about racial justice, it is a grave injustice to have marked it at 225% when thinking about all we know about how our economy plays out along uneven gender and racial lines. So, I just want to put that here, that we don't have to guess how you define hardship, because we do have evidence of how you defined it before. And I think it is a serious justice issue that I'm going to mark here, for the record, because we should be doing more. You should be doing more than just saying these people can eat and pay bills. We should be defining it as the original promise. Student loans and education should contribute to a thriving life, not just an existing life.

MR. WEATHERS: Thank you, Jalil. The last question, thresholds or standards, specifics please. Reminding you if you have any proposals and specific, do so on red line to your FMCS facilitators, questions, or comments in the chat. Specifics to this question to help inform the Department, anyone? Anything else the negotiators would like to add? Jessica, please.

MS. RANUCCI: Hi, sorry to take us back to this, but I just wanted to respond to something Tamy put in the chat, like all the way at the beginning of the session as to the GE acknowledgment. I'm really concerned about how this would play out in reality, and I just want to think about it from a borrower's perspective. So it's been like almost two years since the GE rulemaking, but my recollection is that what would happen is that a borrower if this- if a program fails one year of certain metrics, then any borrower would be required to do an acknowledgment, understanding that the school has failed that metric, but may or may not be allowed to continue in the Title IV participation based on things that haven't even happened yet, things that are years into the future, and that essentially at that point, that acknowledgment, while it may or may not, I don't know what the Department's planning, say that that would give up the future ability to waive the loans, it would functionally- to- for the Secretary to apply waiver authority with respect to the loans for the program if that program were to lose Title IV eligibility under GE. I think whether or not you told the borrower that that's what's happening, that's what's effectively happening. And I think that that would put a borrower in a very difficult position of having to decide whether to continue attendance in a school that may or may not lose eligibility for the program that they're in, or to give up some possibility and relief in the future if that happens. And I don't- I'm not sure, I think if the Department wants to keep that in there, I'd really like to hear next time how it would play out from the borrower's perspective, nuts and bolts, because I have a lot of concerns about putting the borrower in essentially trying to make an impossible choice and Tamy, I understand what you say, we're using the word waive in two different ways here, and it is confusing and I totally understand your comment, but I just, I really do think that that's concerning and I just want to put it out.

MR. WEATHERS: Thank you, Jessica. Yael.

MS. SHAVIT: Thanks, Jessica. And I apologize, I had missed Tamy's comment earlier, but I see it now. And I hear you on the technical nature of the term waiver, but I don't think there's any way around reading the regs unless I'm really misreading the proposed regs where, you know, subsection three says the borrower did not submit an acknowledgment. And that's a condition for debt relief under this provision. So, it is in fact functioning as a waiver. And whether or not you call it a waiver, it is an impediment to relief. And I think what we're all saying and have said- I shouldn't say we're all, but those of us who have mentioned this, is it should not function as an impediment to relief given the purposes of this section, which are, of course, different than the statutory purposes and the regulatory purposes of the GE rule. So, you know, I just want to second Jessica's point, but also maybe clarify that while I know you're- I see what you mean with respect to the word waiver, the fact remains the same.

MR. WEATHERS: Thank you. Tamy.

MS. ABERNATHY: Jessica, would it be

possible for you to expand a little bit? We heard you say staying enrolled and one of our questions is, do you have the same concern for prospective and current students? We just want to get clarification around what you're asking. And we're not understanding quite the timeline that you mentioned. You said something about eight years. So, could you- would you circle back so that we can clearly understand exactly what we need to research and get back to you on, please? Thanks so much.

MS. RANUCCI: Sure. And again, I- it's been years since we all were in one of these Zooms, so I apologize if I'm misunderstanding or misremembering the purpose of this acknowledgment, but my understanding was that this acknowledgment would happen upon a program's failure of one year of metrics that would not automatically lead to a loss of Title IV eligibility. It would basically say, basically, you're on notice that if things progress in a certain direction, the school may- the program may lose eligibility. But if things progress in a different direction, the program may not lose eligibility. And you're just here to know these two possibilities are in the future. And that essentially at that point, the borrower is basically required to acknowledge that they understand that that is a possibility for the future, and that this language would essentially mean that if things went poorly and that the program continued to go in that direction, that the borrower would lose entitlement to this relief. And so, I agree with you. I'm not completely sure about the timing. And it's been years and I apologize, but I think that I am concerned about both prospective and currently enrolled students, because I can't imagine what such an acknowledgment could possibly say that would make it clear to the borrower what they're giving up in a way that would be direct and fair and transparent and allow the borrower to make an informed choice. And I honestly am not sure that any borrower would sign an acknowledgment that would give up their entitlement to relief, but the entitlement to relief would only come years later. And then, like, I just don't see how this plays out in practice. And I think if you want to keep it in, I would like an explanation from the Department of exactly what that timeline is and exactly what the words are going to say and how this makes sense to borrowers, because I frankly don't see it. I can't really explain it.

MS. ABERNATHY: Thank you so much for that clarification. Let us look into that and we can circle back at a different time. Thanks so much.

MR. WEATHERS: Alright. Thank you. We

are going to endeavor to take a break prior to public comment. Public comment is coming up at the top of the hour. Wisdom, anything specific to address to the last question that we're considering right now?

MR. COLE: Yeah. You know, to the last question around threshold or standards, I think it's important for us to really think through the promises that were made to borrowers, right? The minimum of $20,000 being canceled for those who are recipients of the Pell Grant and Pell Grant being one of the indicators that was proposed as well. I think that the standard should just be that they are Pell Grant recipients. You know, we know that 75% of HBCU graduates are Pell Grant recipients. I myself am a Pell Grant recipient. We represent members across this nation who are Pell Grant recipients. And recognizing that already being an indicator for the need or support to be in higher education, I think that if there has already been a standard that has been set for an equity lens, right, that the need to cancel student debt at a different rate for those who are Pell Grant recipients, that must be considered, that must be engaged as a minimum threshold for those who are to receive this potential waiver.

MR. WEATHERS: Thank you, Wisdom. Scott will be our last commenter prior to taking a break before public comment. Go ahead, Scott.

MR. BUCHANAN: Sure, and mine actually might be sort of well-timed with that then, sort of mine is more administrative in nature here. You know, our constituency is really focused on role of providing technical, operational and sort of legal feedback on specific proposals. So, it would be really useful for the Department to provide, you know, sort of revised regs language as soon as possible. And I can fully appreciate the challenge that both the Department and the General Counsel's office are under, given sort of the time constraints and all the things that are still open ended, and especially because I think the Department has just received one actual proposal for language for the text so far, you know, after all these conversations. But, you know, obviously the text is the thing here, right, that we need to react to, provide feedback on, and it's got to be robust. It's got to be clear. It's got to be detailed. And it's also got to be scoped so it doesn't conflict with or exceed the authority under the statute, which otherwise risks the entire package. And I think all of us will need plenty of time to look through that final text. So, you know, getting that as soon as possible would be great. I wonder, maybe, Tamy, if you could sort of remind us all of sort of the timeline of when you need proposals in and then also when the Department anticipates being able to get through all that, because, again, I'm very empathetic to y'all's challenge to do all of this in such a short time, since we have so many outstanding items that we don't have language for yet.

MS. ABERNATHY: Yes. Thank you so much, Scott. I would be happy to remind everybody. I will say, per our protocols, we guarantee that we will get reg texts to you one week before in the advance of negotiations. If at all possible, you know, we will do our best to circulate that before that period of time. But we can- there are very many moving pieces and parts for us. So, the best thing that you guys can do to help us is to get your proposals to us no later than Tuesday the 14th. That will certainly help us. I think, you know, expecting you to just in the middle of these negotiations, throw those proposals together and get those out in official response to us is a little aggressive timeline, but we are giving you until Tuesday the 14th. If you can get those to us, we will begin immediately working. The minute these negotiations are over, we start work on all of the deliverables that we need to have pulled together for you guys for- in advance of our next session, but I cannot guarantee that it will be before one week in advance of the negotiations. And, you know, I hope that you guys respect that there's a lot that goes into us preparing these for you. And we really need all the time we can to make sure we get it right before we give it to you guys. But we- you have our word. We're doing the very best we can and will do everything in our powers to get that to you as soon as possible.

MR. WEATHERS: Thank you, Tamy. And we are done with this section of the afternoon. We are going to be coming back at 3:00 eastern for public comment. We're on break until then. Folks that are signed up for public comment, please start signing in. Thank you. Welcome back, folks. We are now at our public comment period, as yesterday we have expanded it to one hour. A reminder to folks that are in queue for or on the list for public comment. Please get signed in as soon as possible. Please understand that your identifying- we're identifying you based on how you registered, so keep that in mind. You will have three minutes for public comment, and you will get a 30-second reminder. Alright, who's first?

MR. ROBERTS: Alright. I just admitted Nancy Altman, who is the president of Social Security Works.

MR. WEATHERS: Nancy, can you hear me?

MS. ALTMAN: Yes. Can you hear me?

MR. WEATHERS: I can hear you, Nancy. You will have a- thank you for coming in. You'll have three minutes for public comment. You will be given a 30-second warning. Your time starts now.

MS. ALTMAN: Thank you so much. And as you said, my name is Nancy Altman. I'm President of Social Security Works. You know, most people think of student debt as an issue just concerning young people. But a substantial proportion of older people are struggling with student debt as well. In fact, the number of older Americans with student debt jumped 500% in just the last two decades. And as 10,000 baby boomers continue to turn 65 every single day, that number will continue to skyrocket. Despite the stereotype of wealthy seniors in gated communities, most seniors live close to poverty. They're just one shot away from falling into poverty. About one out of three seniors rely on Social Security for virtually all of their income, and those benefits are extremely modest, averaging just around $20,000 a year. And those with outstanding student debt are generally the poorest, with incomes well below the average. A disproportionate number are single Black women, who, on average have the lowest income, with the lowest Social Security average benefits of around $14,000. As you know, student debt cannot easily be discharged in bankruptcy despite great hardship. Senior borrowers are twice as likely to be in default. As a general matter, Social Security benefits are beyond the reach of creditors. Like other income held in trust, Social Security can't be garnished by financial institutions and other private creditors. But since 1996, when the law was changed to allow it, the Federal Government can garnish Social Security benefits. And it does. The number of retirees and people with disabilities who have a part of their modest Social Security checks taken to pay off student loans, often decades old, has more than tripled. And that's the fate of today's young people if you do not provide relief. The nation is facing a retirement income crisis. As important as Social Security is to today's beneficiaries, it will be even more important to those who follow. You can help alleviate that crisis by doing all within your power to alleviate the ongoing student debt crisis, which affects every generation.

MR. FRANCZAK: 30 seconds remaining.

MS. ALTMAN: Thank you. I've just concluded.

MR. WEATHERS: Thank you, Nancy. Who's next?

MR. ROBERTS: Alright, I just admitted Ernest Ezeugo, who is here representing the Lumina

Foundation.

MR. WEATHERS: Ernest, welcome. This is your opportunity to make a public comment to the negotiators. You'll have three minutes with a 30-second warning. Your time starts now.

MR. EZEUGO: Thank you so much. Good afternoon. I want to thank the Department of Education and the committee for hosting this comment period. My name is Ernest Ezeugo. I'm a Strategy Officer at Lumina Foundation, a private foundation committed to making opportunities for learning beyond high school available to all. We applaud the administration's work in providing relief to student loan borrowers so far, and we wish to share two key considerations for the current rulemaking effort. First, we support the Department's proposal to reduce loan balances for borrowers who have seen their debts grow over time due to negative amortization. This is especially important for addressing the racial equity implications of student loan debt. Research has shown that this problem is acutely harmful for borrowers of color. For example, one report found that most Black borrowers owe more on their loans than they originally borrowed more than a decade after entering repayment. The Department has asked whether other criteria should be added to the- to limit this type of relief. In response, we echo the sentiments of negotiators. A growing balance is an indication that a borrower is struggling to manage their loans. Borrowers often see their loan balances grow because they enter deferments or forbearance to get through a period of hardship. In other cases, borrowers on Income Driven Repayment Plans see their balances grow because their incomes are low, their balances are high, or both. Borrowers in these circumstances need and deserve relief, and we urge you to avoid placing any undue limitations on that relief. Secondly, we encourage the Department to consider providing relief to student loan borrowers who did not earn a degree. Students balancing work, caregiving and financial responsibilities are more likely to leave college without a credential than their peers. Many of these students borrow to pay for college, and when they can't complete, they're often left worse off than when they first enrolled. Their loans make it harder to reenroll in college and earn a credential, and not having a credential limits their access to good paying jobs that would otherwise help them pay down their debt. This is a perennial problem only growing in scope. The latest National Student Clearinghouse data reports that 40 million plus Americans attended some college but left with no credential. Furthermore, recent Department of Justice guidance on bankruptcy claims recognizes that borrowers who take out loans for a degree that they don't complete are unlikely to see their financial circumstances improve over time. In other words, Government has already associated not having a credential with financial hardship.

MR. FRANCZAK: 30 seconds remaining.

MR. EZEUGO: Thank you. But that reality is largely unaddressed by the existing student loan system. The administration has a moral and economic imperative to address burdensome student debt, and is right to consider bold, flexible, expansive, and creative strategies to do so in this rulemaking. Thank you for your time.

MR. WEATHERS: Thank you, Ernest. Who do we have next?

MR. ROBERTS: I just admitted Christina Fields, who is here representing herself.

MR. WEATHERS: Christina, can you- no, she's still connecting to audio. Christina, can you hear me?

MS. FIELDS: Yes.

MR. WEATHERS: Fantastic. I can hear you as well. This is your opportunity to give a public comment to the negotiators. You'll have three minutes with a 30-second warning. Your time starts now.

MS. FIELDS: Okay. Thank you. My name is Christina Fields. I'm a resident of Rochester, New York, in one of the highest poverty neighborhoods in the United States. In 2021, I was stuck living with the alcoholic abusive father of my infant daughter, and I was convinced I couldn't financially make my life work on my own. I'd been hiding from my student loans for about a decade, working low wage jobs, barely able to pay my bills. When the student loan forgiveness program was announced, I applied, was approved, and relied on that approval to change my life. I got approved for a mortgage based partly on that loan forgiveness, found a cheap house in a bad neighborhood, bought it, left my abusive ex, took my infant daughter, and moved on to reclaim my life. With the looming threat of my student loans returning, I'm not sure I'll be able to make my financial life work. I receive no child support, and the reality of owning, heating, and maintaining a 100-year-old home is really starting to sink in. I'm asking that you please honor the promise made to forgive Federal Student Loans for those like me already approved. It would make a significant difference in my ability to live how I choose, stay off of public assistance, and realize the American Dream. Thank you.

MR. WEATHERS: Thank you, Christina.

Folks that are in the queue or on the list, please take this opportunity to sign on as soon as possible. Thank you. Who do we have next, Brady?

MR. ROBERTS: Alright. I just admitted Sabrina Calazans, who is the Managing Director for the Student Debt Crisis Center.

MR. WEATHERS: Thank you. Sabrina, can you hear me?

MS. CALAZANS: I can hear you. Can you hear me?

MR. WEATHERS: I can. Fantastic. This is your opportunity to make a public comment to the negotiators. You'll have three minutes with a 30-second warning period. Your time starts now.

MS. CALAZANS: Okay. Hello. My name is Sabrina Calazans, and I'm the managing director at the Student Debt Crisis Center. SDCC is a nonprofit organization with about 2 million supporters nationwide, and they work to amplify borrower voices and needs to end the student debt crisis once and for all. I'm a student loan borrower, and I have about $30,000 of student loan debt. It wasn't until I started working in this space and heard borrowers’ stories that I realized how, within households and families, there are often multiple generations impacted by student debt. My own family is an example of that. My sister has about $23,000 in student debt, and my dad has about $11,000 in Parent PLUS Loans. In many cases, multiple individuals have to take on debt to get their loved ones into college. I graduated in 2019, and my sister in May of this year. President Biden's original plan of canceling up to 10 or $20,000 per borrower would have been life-changing for my family. Both my sister and I were Pell Grant recipients, and each of us would have had $20,000 canceled each. She would have had almost all of her debt canceled, and I would have had two-thirds of mine wiped away. My dad's Parent PLUS Loan also would have been fully canceled. The joy that we felt following the President's announcement and the submission of our applications for debt cancellation quickly turned into fear and frustration a few months later, following the injunction and the terrible decision made by the Supreme Court. So many families like mine hoped and dreamed of a reality where we no longer had student debt or where the burden would be less. And as a first-generation American and college graduate, the plan to cancel student debt would have made a huge difference in my household, where there is no generational wealth and where every single paycheck matters to get us to the next week. Unfortunately, my story is not unique. Last month, I also made my first student loan payment and along the way, I was placed into an administrative forbearance without ever being told why, and received confusing, conflicting information about auto debit that left me uncertain about whether I had successfully made a payment or not. If it hasn't been easy for me, and it's my job to help others navigate the system and the existing programs, then what hope is there for the folks who don't work with experts, who don't understand the complex language, who don't have easy access to the internet, or who are not tech savvy, and who have been failed by their servicers time and time again. We need to do better, and we need to cancel student debt. Broad-based student debt cancellation is necessary for millions of Americans, but especially for the first-generation students-

MR. FRANCZAK: 30 seconds.

MS. CALAZANS: -women, low-income folks, and communities of color that are all disproportionately impacted by this debt. Cancellation could result in the start of families and businesses' basic needs being met, or simply removing millions from this harmful system. We urge you to consider debt cancellation for all student loan borrowers. Thank you.

MR. WEATHERS: Thank you, Sabrina. Brady, who do we have next?

MR. ROBERTS: Alright, I just admitted Satra Taylor, who's here representing herself.

MS. TAYLOR: Hello, everyone. Can you hear me okay?

MR. WEATHERS: Satra, yes, I can hear you and I can see you now. Thank you. This is your opportunity to make a public comment to the negotiators. You'll have three minutes with a 30-second warning. Your time starts now.

MS. TAYLOR: Awesome. Good afternoon. I am Satra D. Taylor and I come to you all today as a current doctoral student at The University of Maryland College Park. I believe in the power of education so much that I decided to get a terminal degree studying the subject matter. Yet, as of lately, I have grown deeply disappointed in how the United States higher education system has moved further and further away from former President Lyndon B. Johnson's intent when signing the Higher Education Act of 1965, which was so that no student would be denied a chance to participate in higher education due to financial limitations or socioeconomic status, but would instead know the path of knowledge was open to all that had the determination to walk it. The current gatekeeping occurring within the United States higher education system by the wealthy was never the intent. Yet here we are, requiring public servants and citizens to take time out of their demanding and taxing lives to support and stand firm in their belief in debt cancellation. When is enough, enough? When will the stories, the data, or the hardship illustrate a narrative enough for the liking of those in power to cancel student loan debt? Listen to us when we say canceling up to 50,000 in student loan debt would significantly reduce the racial wealth gap and lift the burden of the student debt crisis for millions. Listen to us when we say the original plan to cancel student debt relief in the amount of 10,000 and 20,000 thousand for Pell Grant recipients should be the start, not the ceiling. Listen to us when we say while we welcome the saving on valuable education repayment plan, it is not the end all, be all. There are graduate borrowers, hello, Parent PLUS borrowers, borrowers who did not complete their program. Borrowers receiving public assistance, incarcerated borrowers, and more, still facing hardships with the cards that the powers that be dealt. It's time to shuffle the deck of cards. I want to thank you all for taking the time to listen to my comment as you all work diligently to establish a rule related to the modification, waiver, or compromise of Federal Student Loans. I yield back my time.

MR. WEATHERS: Thank you, Satra. A reminder to those that are on the list. Please get signed in sooner than later. Brady, who do we have next?

MR. ROBERTS: Alright. I just admitted Elizabeth Turner. It looks like her video doesn't work, but I believe her audio does.

MS. TURNER: Hi, can you hear me?

MR. WEATHERS: Elizabeth, we can hear you. Thank you for coming in for public comment to the negotiators. You'll have three minutes with a 30-second warning. Your time begins now.

MS. TURNER: Okay. Thank you for the opportunity to speak today. My name is Elizabeth Turner. Here's my story. I applied and was approved for student loan debt forgiveness in the fall of 2022. This relieved a huge financial burden for me by completely eliminating my student debt. Soon after I was approved, my father fell ill, and he was diagnosed with pancreatic cancer in the winter of 2022. He needed to undergo surgery and chemotherapy right away, and this put a huge strain on my family, not only financially, but practically as well, because my mother was already stretched too thin as the primary caregiver for her elderly mother, who had Alzheimer's. I made the difficult decision to quit my full-time job in favor of a part-time job with more flexible hours, which would allow me to step in as a secondary caregiver as needed. I knew that this was risky because I would be taking a significant pay cut and would no longer be able to put money into savings. However, I felt comfortable doing so because I knew that I did not have to pay back my student loans. I was completely unaware at the time that the constitutionality of Biden's Debt Relief Program was being ruled upon by the Supreme Court, and like many other Americans, I was blindsided by the Supreme Court's decision to overturn debt relief. I began applying for jobs immediately and even applied for an Income Based Repayment Plan. But after applying to over 100 jobs, I have been unable to find secondary employment and have no backup plan in the case that my Income Based Repayment Plan application is denied. I am college educated, I work hard, I support my family, I donate to charity when I can, and I volunteer for several local nonprofits. I am a good person. I did not find myself in this situation because I am lazy or stupid. I simply made the difficult decision to prioritize my family's well-being over my own financial security. And my biggest mistake was to trust that the Government would provide a safety net for people in need. I am ashamed to live in a country where wealth is prioritized over the health, safety, and livelihoods of its citizens. The fundamental truth is that we live in a country where good people like me have to choose what's more important, spending time with a dying loved one or being able to afford both rent and food. Student debt relief was a lifeline for those of us who are drowning, and that is why I'm sharing my story and begging those in power to fulfill their promise to the American people. That's all I have to say. Thank you for listening.

MR. WEATHERS: Thank you, Elizabeth. Brady, who do we have next?

MR. ROBERTS: I just admitted Jonathan Macedo, who's here representing himself.

MR. MACEDO: How you doing?

MR. WEATHERS: Jonathan, hello. Thank you for coming in to comment to the negotiators. You'll have three minutes with a 30-second warning. Your time begins now.

MR. MACEDO: Hello, my name is Jonathan Macedo and I wanted to thank everyone here. I'm here because I wanted to propose a rule that caps the amount of profit the Government can make on each individual student who makes payments under an IBR plan. I graduated from BU in 2007 with a finance degree which attended on almost a full ride. I then went to UM's law school in 2010, financed mostly by Grad PLUS Loans. I'm the first in my family to get a bachelor's degree and first for grad school. I'm here because I've borrowed about 120,000 for school. As of today, I've repaid about 150 to 170,000. But despite paying more than what I borrowed, I still owe 286,000 and I'm more than double my principal. And I'm in the top 1% of student debt borrowers. Every time I tell people what happened, the knee jerk reaction, that's unfair. I should tell someone. I've tried. Every time I've talked to Navient or Advantage, they always say that interest is set by Congress. There's nothing that they can really do. The biggest mistake for me is that in 2007, when I took on the debt, I thought I could easily swing the debt because I saw what the schools were posting as expected pay. What I didn't project was the Great Recession and how it changed, everything changed the world midway through school. It hurt my job prospects and it really kind of impacted my job, you know what I could make. What ended up happening- what ended up happening is that after graduation, it took about 6, 5 to 6 years to be able to afford what I thought was going to be able to make right out of law school. My debt ended up ballooning, and the interest expense turned into about 2,400 bucks a month. That's interest expense, not interest in principle. So, what ended up happening ever since then is I've been able to pay the interest, maybe pay a little bit of principal. But every time something happens, I take ten steps back and I get further indebted to the Government. My issue is I wasn't really available. The SAVE programs weren't available. I didn't come from generational wealth, and I'd not been in this predicament if I could have just found work during the Great Recession. So, what I wanted to propose is to kind of make a solution for some of these people. I know I'm not the only one that the Government's made money off of. Just to have the Department of ED release lists of where they've made profit off of people, and for those people to get targeted for hardship relief or something, either based on their income or based how much money the Government has made off of them. And that was it. So, thank you.

MR. WEATHERS: Thank you, Jonathan. Brady, who do we have next?

MR. ROBERTS: I just admitted Tammy McCarthy, who's speaking on behalf of herself.

MR. WEATHERS: Thank you. Tammy, can you hear us?

MS. MCCARTHY: Yes, I can. Let me get my video going here.

MR. WEATHERS: Thank you, Tammy. Hello. Thank you for coming for public comment directly to the negotiators. You'll have a three-minute period with a 30-second warning. Your time begins now.

MS. MCCARTHY: Okay. Thank you so much. I appreciate you guys giving me the time to speak. I understand that this meeting is not specifically about Public Service Loan Forgiveness or IDR forgiveness, but I think it's important because many people have been left behind. I am very thankful that I received my Public Service Loan Forgiveness last February, but I'm continuing to advocate for others who have not yet received student loan forgiveness. For example, people with school Chapter 13 bankruptcy and default forbearances have been left out of the Hold Harmless provision of PSLF and IDR waivers. Please allow borrowers to retroactively buy back this time. I also know people who have loans that were left with a balance after part of their loans were forgiven due to servicer delays. Please ensure that these borrowers with hanging loans are also given student loan forgiveness. Lastly, please expedite the processing of loan forgiveness for borrowers with spousal joint consolidation loans. It has been over one year since the law allowing borrowers to separate their joint consolidation loans was passed. According to the Education Department, the law cannot be implemented before late 2024. Meanwhile, these loans continue to accrue interest and impact people's credit scores. This is unfair and needs to be fixed. Thank you so much for your time and consideration to help grant student loan forgiveness to more borrowers. I know in my case it was very much life changing. Thank you so much.

MR. WEATHERS: Thank you, Tammy.

MS. MCCARTHY: And that's the end for me. I appreciate it. You guys have a good- have a good rest of your day.

MR. WEATHERS: You too. Thank you. Brady, who do we have next?

MR. ROBERTS: Next up we have Dawn Holland, who's here on behalf of herself.

MR. WEATHERS: Hello, Dawn.

MS. HOLLAND: Hi. Good afternoon.

MR. WEATHERS: This is your opportunity- good afternoon. This is your opportunity to make public comment directly to the negotiators. You'll have a three-minute period with a 30-second warning. Your time begins now.

MS. HOLLAND: Okay. Sounds good. My comment is in reference to veterans as the mother, daughter, sister, and aunt of active US service members and veterans, I wanted to advise on the possibility of loan forgiveness assistance for veterans who have served beyond four years, have been honorably discharged, but have not found a job with a salary that can provide enough funds to pay for their student loans. Veterans give up so much for our country and for our families that their student loans should be forgiven, or the PSLF waiver that expired on October 31, 2022, should be reinstated, extended for longer period of time, or become a permanent solution for our veterans. The other thought that I wanted to present is that, also as a caregiver of a veteran, which is my parents, monies that would originally go to student loans to pay back those student loans, a lot of times those funds have to go to the care of not only our elderly parents, but for those veterans that are unfortunately in a situation that they need that assistance, the financial assistance. So those are the things that I wanted to bring forth when we're talking about, you know, student loan forgiveness, is that always the circumstances may not be the individual's situation that they can't pay. It comes to certain circumstances where we are looking for the care of family members or veterans, and/or veterans with those monies to go, to make sure that those veterans and those elderly folks are getting their needs taken care of. So that's the comment that I wanted to present.

MR. WEATHERS: Thank you, Dawn.

MS. HOLLAND: Thank you.

MR. WEATHERS: And thank you for your family's service.

MS. HOLLAND: Thank you. Hard thing, but we got to do it.

MR. WEATHERS: Thank you. Brady, who do we have next?

MR. ROBERTS: I just admitted Elizabeth Briere, who's here speaking on behalf of herself.

MR. WEATHERS: Elizabeth, welcome to public comment directly to the negotiators. You have a three-minute session with a 30-second- warning.

MR. ROBERTS: Elizabeth, if you wouldn't mind turning off the live stream, because there's gonna be a bit of an echo. But we can hear you.

MS. BRIERE: Okay? Alright. Sorry about that. It's off.

MR. WEATHERS: Okay. And your time begins now, Elizabeth.

MS. BRIERE: Okay. Thank you. Good afternoon, members of the committee. My name is Elizabeth, and I appreciate your allowing me to share my thoughts on potential improvements for individuals with bankruptcy, student loans, and prior economic hardships not otherwise addressed by the current student loan system. Specifically, I'd like to focus on improvements for PSLF individuals with a history of bankruptcy. To illuminate the area of concern, I will share a brief history of my journey with bankruptcy, student loans, the challenges with the current rules disallowing forgiveness, and how individuals like me have slipped through the cracks of the current forgiveness system. In 2011, I experienced an economic hardship and needed to declare chapter 13 bankruptcy. Under this ruling, I was told my monthly payments to my trustee would include and satisfy my student loan payments. As a condition of my bankruptcy repayment program, I was directed to pay these loans to the trustee, not the student loan servicer. Under this guidance, I made 60 prorated student loan payments to my trustee over the five years. These payments should qualify under the PSLF limited waiver rules. To quote Studentaid.gov limited waiver website, periods of repayment where payments were late or for less than the amount due also count. Technically, I met the requirement less than the amount due since I paid a prorated amount. I asked for reconsideration of the bankruptcy rules for the limited waiver applicants where student loan payments were made during chapter 13 bankruptcy. Next, I looked into the IDR one-time account adjustment because of the forbearance rule. I was forced into forbearance during the bankruptcy even though I was technically paying on these loans. According to the IDR rules, bankruptcy forbearance does not count for this adjustment. Lastly, I've researched the option to buy back some of these months in bankruptcy for PSLF even though I already paid a prorated amount, as noted before. However, I am also denied forgiveness through buy-back because these months are labeled bankruptcy forbearance, and this forgiveness option excludes bankruptcy buy-back. As you can see, the class of borrowers like me are left with no options by the system and are denied forgiveness after multiple attempts with different programs. Instead of defaulting or deferring, many of us tried to do the right thing with the guidance we were given. So, I'm not here requesting a brand-new proposal. I'm asking for minor revisions to the current program. So those who went through chapter 13 bankruptcy have options too, like the limited waiver or the other options mentioned earlier. I appreciate your time and hope you will consider helping individuals like me. Thank you.

MR. WEATHERS: Thank you, Elizabeth. Brady, who do we have next?

MR. ROBERTS: Jeremy Belanger, who's here representing himself.

MR. WEATHERS: Thank you, Jeremy- or thank you, Brady. Jeremy, can you hear me?

MR. BELANGER: Yes, can you hear me?

MR. WEATHERS: I can, loud and clear. Jeremy, this is your opportunity to make public comment directly to the negotiators. You will have three minutes and a 30-second warning. Your time begins now.

MR. BELANGER: Okay, well, my comment is very brief. I was just curious if the Department had considered definitions for the phrase totally, I think it's totally and permanently disabled for purposes of student loan forgiveness. I know there's one section related to being determined unemployed by the Secretary of the Veterans Affairs, but it seems like there could be a broader definition. I am a veteran. I have a [inaudible] disability. Luckily, I do have a job, but there are times in which it can be stressful, particularly for other veterans. So, I just wanted to see if the Department had considered any expansion of that definition to include possibly other veterans or other forms of disability.

MR. WEATHERS: Jeremy, this is an opportunity for comment. There's not a question and answer period.

MR. BELANGER: Yeah, I guess would be-my comment is that whether- I'm trying to think how to phrase it, then- I would just- I would comment that I think the Department should look at expanding that definition so it's not so narrow.

MR. WEATHERS: Okay. Anything else you'd like to add at this point?

MR. BELANGER: Nope. That's all I have. Thank you so much.

MR. WEATHERS: Thank you very much, Jeremy. Appreciate it.

MR. WEATHERS: Brady, who do we have next?

MR. ROBERTS: Alright. I just submitted Terry Dodd, who's- he is speaking on behalf of himself.

MR. WEATHERS: Thank you, Brady. Terry, can you hear me?

MR. DODD: Yes, I can hear you. Can you hear me?

MR. WEATHERS: I certainly can. Terry, this is your opportunity to make a public comment to the negotiators. You will have three minutes with a 30-second warning, and your time begins right now.

MR. DODD: Okay, well, I'm Terry Dodd. I'm 42 years old. I have about a little over $13,000 in student loans and I still have about maybe about another nine years to pay the student loans and I just want some kind of relief, some kind of break. Because, I mean, I've been paying these student loans for since back in 2006, and it just kind of ridiculous how I've tried to, you know, balance my work life and my- I guess you could say my work life and my personal life and I just pretty much trying to make ends meet. And it just seems like- how can I put this? I just want to live a student loan debt-free life, but it just seems like I can't. You know, without me going through all kinds of changes with the student loan providers and everything. I just wish Congress would just, you know, get it together, you know, cut the borrowers a break of some kind. You know, instead of bickering and fighting, fighting, you know, thinking it's going to- how can I put this? It's going to put a dent in their wallet, you know, because the student loan borrowers also the taxpayers too. So, think about the student loan borrowers, because I'm sure I'm not the only one that's going through this, you know, because eventually I want to get married, and I just don't want this hanging over my head. You know, and I just wish there was some kind of magic wand. I just wish to just make these student loans go away. But it just seems like I can't, and I'm- and I mean, eventually I want to go back to school, but I'm not going to sign up for more student loans, because by the time I get done paying the current student loans I got, I'm going to have some more student loans. And by the time I get done paying the other student loans off, I'll be old as my grandparents and they're like 80 years old, 80 and 81 years old. So, when I do go back to school, I'm going- I'm just saving up money. I'm just going to wind up paying out of pocket. This is just completely ridiculous, and it just seemed like nobody realized how big of a problem this was until recently. So, I just hope to God that Congress makes some kind of effort to get some kind of resolution passed as far as these student loans go. And that's all I have to say.

MR. WEATHERS: Thank you, Terry.

MR. DODD: Thank you.

MR. WEATHERS: Brady, who do we have next?

MR. ROBERTS: Alright. I just admitted Matthew Ray, who is here speaking on behalf of students defrauded by the University of Phoenix.

MR. WEATHERS: Thank you, Brady. Matthew, I see that you're muted. Can you hear me? Matthew, can you hear me?

MR. ROBERTS: If you want, I can. I

can work with him during the next speaker if that's- if that's okay?

MR. WEATHERS: Sure.

MR. ROBERTS: Alright. I will admit John Acuros, who's here representing himself.

MR. WEATHERS: Okay. Matthew. I think Brady's going to help you with that. John, can you hear me?

MR. FRANCZAK: Brady, has John been admitted?

MR. ROBERTS: Yeah, so I admitted him, but he's still in the waiting room, so he needs to- if you can hear this, accept the log-in once you get the zoom message that you're being admitted. Let me admit our next speaker while I work with John and Matthew. Our next speaker is Lynn Pollitt, who's here representing the organization Do Us Part, which is a grassroots organization regarding spousal consolidation.

MR. WEATHERS: Okay. Thank you. Lynn, can you hear me?

MS. POLLITT: Yes, I can hear you.

MR. WEATHERS: I think you're going to have to turn your audio off for the public sector section.

MS. POLLITT: Oh, gotcha.

MR. WEATHERS: We're getting a little feedback. Okay, there we go. Lynn, are you still there?

MS. POLLITT: Yes, yes, I am.

MR. WEATHERS: You disappeared. Alright.

MS. POLLITT: Oh, hang on. Yeah.

MR. WEATHERS: Okay. I think we're all good. Lynn?

MS. POLLITT: Yes.

MR. WEATHERS: Okay. Lynn, this is your opportunity to make a public comment to the negotiators. You'll have three minutes and a 30-second warning. Your time begins now.

MS. POLLITT: Thank you. Good afternoon. My name is Lynn Pollitt, and I'm part of another group with hardship that hasn't been identified today. Those of us with joint consolidated loans, I have a consolidated loan with my ex-husband. And even though the loan program ended in 2006, the hardship to those of us has not ended and we experienced those hardships in every aspect of our life. I was a single mother of two when I went back to school seeking a way out of poverty. I worked three jobs while going to school full-time, received Pell grants, graduated summa cum laude as the first college graduate in my family. I ended college with

32,000 in my original school loans and I have been paying for 26 years and I have paid over 68,000, and yet now I still owe 50,000. I did remarry in 2002. Nelnet contacted us about consolidating our loans, but nothing was mentioned that we would not be able to separate those loans in the event of a divorce, and we did eventually divorce. After our divorce, I had to take out three separate protection orders against him. He harassed, stalked, and threatened to kill me. He would do just enough to intimidate me, but not so much that he would be arrested. And the irony is that I was the director of the Sexual Assault and Domestic Violence program in our community. I ended up having to move out of state to get away from him, leaving my children and grandchildren. My marriage may have ended, but being tethered to an abusive man through these student loans has not ended. I'm now 70 years old, on Medicare. I have dedicated over 50 years of my life to public service and nonprofit work. I finally retired this past May as a Charter School Principal. I've moved back to be closer to my family as I have cancer again for the second time in the last four years, I barely make ends meet between Social Security and my pension, and my student loan payments are 25% of my net income. Now, not only am I living with cancer because I've moved back, I'm now living with a fear that this man will discover through our joint Nelnet account that I've moved back and he will have my address again. Even though the law was passed to allow us to separate our loans, we still need a mechanism to do so, then we can consolidate into direct loans and have equal access to relief. At the minimum we need, and I'm asking, is for administrative forbearance that is easily obtained, non-capitalizing, no interest while waiting for the ED process to separate our loans. Thank you for listening, I appreciate it.

MR. WEATHERS: Thank you, Lynn. Brady, who do we have next?

MR. ROBERTS: I believe Matthew is ready if he wants to come off of mute. Perfect.

MR. WEATHERS: Great. Matthew, can you hear me?

MR. RAY: I can, thank you.

MR. WEATHERS: Fantastic. This- you've got- this is your opportunity for public comment. You have three minutes with a 30-second warning. Your time begins now.

MR. RAY: Thank you for allowing me to speak today. Today, I would like to speak on behalf of not just myself, but also hundreds, if not tens of thousands of students at University of Phoenix who have probably gone through the same exact thing, which was that back in, you know, starting from early 2000, all the way up to as recently, we wanted to find a way to be able to get education because we were working, you know, 9 to 5 jobs. We have other obligations that prevented us from being able to work our lives into this schedule of typical college schedules. So today I am speaking in favor of group discharges on University of Phoenix loans, as well as all other for-profit colleges or universities that have defrauded student borrowers through the deceptive practices, whether it's through advertising or different tactics to try to have everybody enroll with high-dollar, you know, tens of thousands of dollars in student loan debt that is practically going to be impossible to pay back once the- once, you know, even after graduation and excuse me, even after graduation and where these degrees or certificates that we studied for are not accepted by- on the wide range with employers. So and we also think about this also has impacts that where individuals are going homeless, they're not able to get basic necessities such as keeping a roof over their head, purchasing a home, or even purchasing a vehicle that is reliable and dependable for them to continue to even just go to work and working in a job. I myself have experienced where my Bachelor's degree that I obtained from University of Phoenix is not accepted. I have been passed up on many job opportunities that I felt that I would have qualified for had I gone to a typical state university and obtained the same degree. I've also been able to, thankfully, get some type of certifications through different entities just to help me with being able to keep my job and trying to grow that way. I just think that group discharging is the only way to go. If we already have proof that these universities. Thank you. If they- if we already have a lot of proof and the Department of Education is aware of them or aware of that proof, I think that group discharges should be made because I think it's just wasting everyone's time to go case by case from each student when all the students are coming with the same type of evidence. I appreciate your time today. Thank you very much.

MR. WEATHERS: Thank you, Matthew.

MR. ROBERTS: I just admitted Sabrina Barger-Turner, who was here speaking on behalf of her organization, Homeless and Human.

MR. WEATHERS: Okay. Thank you. Sabrina, can you hear me?

MS. BARGER-TURNER: I can.

MR. WEATHERS: Okay. Welcome to the public comment before the negotiators. You'll have three minutes with a 30-second warning. Your time begins now.

MS. BARGER-TURNER: Good afternoon, fellow citizens. I speak today to advocate for student loan debt relief as a crucial step towards addressing the homelessness crisis and preventing individuals from falling into its grasp. Student loan debt is a major impediment to stability or wellness of any kind, including housing stability, job stability, medical and mental and physical wellness, financial stability, and beyond. By working with nonprofits, religious organizations, schools, and other similar entities to identify people living homeless or on the verge of homelessness would benefit from student loan debt relief, we can improve the lives of an unknown number of people in our nation. Student loan debt is an overwhelming burden for millions of Americans, negatively impacting credit scores and creating significant barriers to housing. It is the second largest source of household debt in the United States. As borrowers struggle to meet their monthly payments, their credit scores suffer, making it difficult to secure housing. Also, a high debt to income ratio resulting from student loan debt can lead to automatic disqualification or higher security deposits. As such, individuals with poor credit scores due to student loan debt may be limited to substandard housing options or forced into unstable living arrangements such as temporary shelters, couch surfing, garages, hotels, barns, vehicles, tents, and the streets. These circumstances perpetuate the cycle of homelessness and hinder individuals' abilities to regain stability. These individuals often face difficult choices regarding their limited financial resources. A report by the National Alliance to End Homelessness highlights that individuals with student loan debt are more likely to prioritize loan payments over other essential needs, such as housing, health care or food. This prioritization perpetuates the cycle of homelessness as individuals struggle to meet both their basic needs and loan obligations. Furthermore, student loan debt disproportionately affects individuals from low-income backgrounds and communities who also experience a much higher level of homelessness and poverty. These individuals often have fewer financial resources to repay their loans, leading to a heavier debt burden and higher risk of default. Relieving this debt can help alleviate the financial strain and provide a more level playing field for these individuals. It is our duty to support policies that alleviate the financial burdens of our most vulnerable citizens and create pathways towards a brighter future for all. Uplifting one of us uplifts all of us. In conclusion, addressing student loan debt is crucial for tackling the homelessness crisis. By providing relief, we can rebuild credit scores, remove barriers to housing and empower individuals to regain stability and show up for themselves, their families, and their communities in meaningful ways. Student loan debt relief for people experiencing or at risk of experiencing homelessness is a critical next step to creating a more equitable and prosperous society for us all.

MR. WEATHERS: Thank you, Sabrina.

MR. ROBERTS: I just admitted Courtney Barry, who is here speaking on behalf of herself.

MR. WEATHERS: Thank you, Brady. Courtney, can you hear me?

MS. BARRY: Yes, I can. Can you hear me?

MR. WEATHERS: Sure can. This is your opportunity to give public comment directly to the negotiators here today. You'll have three minutes with a 30-second warning, and your time begins right now.

MS. BARRY: Hi, so I'm here to talk about or to request some group discharges for the Borrower Defense, especially for the post class. There's been several instances of issues where the school that I attended, specifically the Chicago School, has been deceptive for students. And I think to right that, it would be appropriate to kind of do a group discharge as there's a amount of evidence that had been submitted and I know there are others in that same boat, and that to have that group discharge, I think personally would really change a lot for me and speak of financially because it's been a very large debt that I've accrued and that is continuing to accrue you know, kind of as it's trying- not even attempting to be paid off, but it's slowly being kind of, you know, paid down. But I think it's just with the amount of applications that I know, that I've spoken with, others who have gone to the Chicago School and who have also applied, it would just seem timely and appropriate to do a group discharge if the school was found a fraudulent.

MR. WEATHERS: Thank you, Courtney.

MS. BARRY: Thank you.

MR. WEATHERS: Have a great day.

MS. BARRY: Thanks. You too.

MR. WEATHERS: Who do we have next?

MR. ROBERTS: Alright. I just admitted Charles Cobble, who is here representing himself.

MR. WEATHERS: Charles, can you- oh, you're still connecting.

MR. ROBERTS: He should be able to hear you now.

MR. WEATHERS: Charles, can you hear me?

MR. COBBLE: I can.

MR. WEATHERS: Fantastic. This is your opportunity- welcome, and this is your opportunity to make a public comment directly to the negotiators here today. You'll have three minutes with a 30-second warning, and your time begins right now.

MR. COBBLE: Good afternoon, everyone. My name is Charles Cobble. I'm a disabled Army veteran, licensed clinical Social Worker, member of Disabled American Veterans and the National Association of Social Workers. I am also a student loan borrower, and I just want to thank you all for taking the time to listen to my comment as you all work diligently to establish a rule related to the modifications, waivers, or compromise of Federal Student Loans. I wanted to tell you my story. I borrowed $122,000 to finance my undergraduate, but mostly my graduate education, which is required to be an LCSW or Licensed Clinical Social Worker. And despite nine years of on-time payments, often working multiple jobs to make my payment on time, I now owe over $170,000. Upon completion of my degrees, I started my student loan repayment journey with Nelnet as my service provider and enrolled in an Income Based Repayment Plan. Then, after three years of sending verification forms of my public service, employment, and income, I learned that Nelnet could not administer Public Service Loan Forgiveness and I would have to transition my loans to FedLoan. This information was not freely offered by the Department of Education, or Nelnet at the time I entered repayment, but only after I made inquiries to Nelnet regarding my qualifying payment count was this information revealed. The transition to FedLoan, to say the least was cumbersome, and many of the qualifying payments I had made with Nelnet were lost and required me filing several requests for audits and providing copies of my payment history. This process was never completed by Nel FedLoan. In July of 2022, my loans changed servicers to MOHELA, and as this transition finally had my payment count in alignment with my payment history, I had hoped for better customer service. In August of 2023 as the pandemic payment pause was coming to an end, I logged into MOHELA, ensured my contact information was current, and enrolled in autopay, with my first payment scheduled in October as instructed by the Government. Then, as I was expecting my first payment to resume, I received a notice that I had been placed on an administrative forbearance by MOHELA, with no explanation as to why or what implications this had on my loans.

MR. FRANCZAK: 30 seconds remaining.

MR. COBBLE: I have tried multiple times to contact MOHELA with no success. Even the VA has not been able to help me navigate these numerous hurdles. And as a first-generation college student from a blue-collar family, I have worked my way through my education but still have accumulated substantial debt. I appreciate any and all assistance you can provide to make education possible and accessible for more people like me and the many others in this country trying to better themselves. Thank you.

MR. WEATHERS: Thank you, Charles, and thank you for your service. Brady, who do we have next?

MR. ROBERTS: We had John briefly, but I don't know if he's going to- if he was able to connect to audio. I can keep working with him while we hear from our next speaker, who is Patrick Donohue, who's here speaking on behalf of Student Loan Justice.

MR. WEATHERS: Patrick, can you hear me? Oh [inaudible]. Patrick, can you hear me?

MR. DONOHUE: Yes.

MR. WEATHERS: Fantastic.

MR. DONOHUE: How's my sound?

MR. WEATHERS: You sound great. Okay. This is your opportunity to make a public comment before the negotiators. You'll have three minutes with a 30-second warning, and your time begins right now.

MR. DONOHUE: Very good. Thank you. Good afternoon. There seems to be a cynical and uninformed thought on the street and even in the halls of Congress that a loan is a loan, and borrowers, if they agreed to terms, are therefore responsible and need to repay their loans. Conversely, we could say that the Government is also responsible for providing a fair and equitable method to finance higher education. So, thank you for this opportunity to address the group. To me, student loans are neither loans nor are they for students. They are grants to the universities and states passed through the students' hands, hyperinflated by capitalized interest, weaponized by removal of bankruptcy protections, and then demanded back by the Government. I see two basic differences that I feel have not been adequately addressed from day one, the FAFSA. Almost anybody can get a student loan, whether they are truly qualified or not. The FAFSA asks for income and assets but does not inquire about existing debt as other loan agencies would. It merely checks for adverse credit history. How else would I be denied a $3,000 credit card by the credit union, but be granted almost $90,000 in Parent PLUS Loans over the years for four kids who we have put through college? Secondly, we know it is basically impossible to include these loans in legitimate bankruptcy proceedings without proving to the Department of Education and the ECMC that it would be caused- that it would cause undue hardship. Such requests are routinely denied. Understandably, Uncle Sam wants to protect his loans and taxpayer monies, but he has to play by the rules. And as I imagine most people here know, the student loans are the only loans subject to these restrictions. We can say this undue hardship clause is in violation of the Constitution, article one, section eight authorizing uniform bankruptcy laws. In addition, borrowers must contend with the poor performance and unreliability of student loan services and until recently, the lack of oversight on loan services. Then, of course, comes the bureaucratic nightmare of Income Driven Repayment Plans and Public Service Loan Forgiveness Plans. With the recent policy change, interest is no longer capitalized on the SAVE program if payments are on time and current. While this is a current and welcomed development, it is still conditional and slanted in favor of the government. If the Department truly wished to get to the root of the problem, it might recommend that the undue hardship clause be repealed. This would stop lending with impunity and enforcement of undue hardship is also an option. As laws lose strength, they no longer remain enforceable. The Department should step away from the process and let bankruptcy courts decide on their own, as they are charged to do. I believe if you do not vet on the front end, you have no standing to make judgments on the back end. This is a backwards and inside out way of doing business. Unfortunately, the current policies still discourage rather than encourage getting or furthering an education. As we know, there's still more work to do and a fundamental shift is necessary. As long as the system exists, the problem persists. Thank you very much.

MR. WEATHERS: Have a good day. John, can you hear me?

MR. ROBERTS: We admitted John.

MR. WEATHERS: Okay, great. And this looks like it's probably the last one.

MR. ROBERTS: Unfortunately, his audio is not connected.

MR. WEATHERS: John, can you hear us?

MR. ROBERTS: He's not going to be able to. It looks like-

MS. JEFFRIES: Brady, let's go ahead and let in Joann. We only have two more that are signed in, Joann and Lorraine.

MR. WEATHERS: Okay. Are we going to do both?

MS. JEFFRIES: I would say yes if that's okay with everyone.

MR. WEATHERS: Okay. Alright.

MR. ROBERTS: Alright. I'm going to keep trying to work with John offline. But in the meantime, I've admitted Joann Mercedes, who's here representing herself.

MR. ACUROS: Hello?

MR. WEATHERS: John?

MR. ROBERTS: Here we go.

MR. ACUROS: Hey, I'm here.

MS. MERCEDES: Hello. Hello.

MR. ROBERTS: Hold on, Joann, we'll get to you next, but I think [inaudible] over to John.

MR. WEATHERS: We're trying to navigate some technical issues. John, can you hear me?

MR. ACUROS: Yes.

MR. WEATHERS: Okay. Finally, John. Welcome. This is your opportunity for public comment before the negotiators. You'll have three minutes with a 30-second warning, and your time begins right now.

MR. ACUROS: Hi, I was wondering if there's hardship programs for our universities to apply for because I felt like I was a prisoner of a hardship at UC Berkeley and UC Berkeley put my name on the internet from 2008-2011, if you see John, call the police. The police are expecting the call. And so, my name was put on there in a derogatory way, and I didn't find out until 2011. And apparently- I tried to notify the university, but the person I contacted at the media department said that they wouldn't be able to help me. And I left, and she ended up calling the police like the website said to do. It was a UC Berkeley social media post on a Berkeley website, sponsored by the university. So, I ended up going to jail for two weeks, and I was very compliant. And they treated me with a vial, they called it a vaccine, but it was an experimental drug at the facility, a medical facility at Santa Rita Jail. And they said that I was a flight risk. They told me that they were going to inject this into my arm, which they did. The orange vial said mRNA and all the mRNA that I worked with at UC Berkeley in the laboratories have always been supervised by a doctor. It was a very dirty environment in this medical facility. There was no doctor. So, I was just wondering about hardships at schools like UC Berkeley have gone through, very dehumanizing. And I feel like people who've been this dehumanized don't really have hardships. Hardships are ups and downs, more so the downs and trying to survive. Yeah, trying to survive isn't much of a hardship. I feel like more like I got kicked off the ship. I wasn't allowed on campus. They put a stay away order on the UC Berkeley campus. I didn't have the resources to graduate. Couldn't benefit from my simultaneous degree. I had to drop out of my simultaneous degree. I was wanting to be a Doctor in Sociology, so I only got half of my degree program finished, and I wanted to buy Bitcoin in 2010 and Social Security wouldn't let me. So, I had- I had ability to save-

MR. WEATHERS: Your time is up. Thank you for your comment.

MR. ACUROS: Okay. Thank you.

MR. WEATHERS: Have a good day. Thank you.

MR. ROBERTS: We did admit Joann, and she is on if she wants to get off mute.

MR. WEATHERS: Joann?

MS. MERCEDES: Can you hear me?

MR. WEATHERS: I can hear you. I can't see you. Alright, Joann, thank you for being here to make a public comment before the negotiators. You'll have three minutes and a 30-second warning. Your time begins right now.

MS. MERCEDES: Thank you. Thank you to

the Department of Education and the negotiators for dedicating their time improving the student loan system. A time [inaudible] feels investing in yourself and trying to become useful members of society is a death sentence. My hope is that this new rulemaking committee addresses the issues that were so prevalent and become- and solutions become evident and help millions of us. I know this role making committee is addressing broader problems and IDR, PSLF are not being addressed, but many of us went through a rulemaking committee as well and still have issues that have not been resolved. In my case, despite having more than 14 years in public- as a public servant, the Department of Education says that I still need to pay two more years. I have not seen mentioned defaulted in chapter 13 barrels that were left out of all waivers and not- and in all mentions of forgiveness and even in this new rulemaking committee. [Inaudible] payments on new loans where were forgiven. But us, because we had a default on chapter 13 with actual high payments, were left behind. Real money went into these loans, in my case, as a life event, I defaulted in 2017 and my taxes were garnished, a total of $8,000, which was comparable with my Income Based Repayment for two years. I hope these default payments were counted, or at least rehabilitation forbearance, which were over 500 a month for ten years. The reason why rehabilitation forbearance payments are not counted is beyond me. I have struggled with this student loan system and trying to find answers. Due to the statutes of default and chapter 13 forbearance, we can even use time to buy back these periods. It feels like a punishment. Please, if someone proposed some kind of change to help us, especially since in good faith we rehabilitated our loans. Before consolidating, a lot of us have FFEL loans. These loans went through multiple services and errors were made, especially coding our loans- and coding our loans against our will with the school deferments and other types of deferments and not properly informing us. Many of us made payments, but nothing of that comes before forgiveness, because these records are all over the place and not accurate, and the burden is to prove- it's on us to prove that these were not. We're basically at the mercy of MOHELA or someone doing a reconsideration request that never answers to approve and realize the mistake that other services made, which seems to be happening at random. Prior 2013, there were no forms to weigh, for example, school deferments, and if you requested it by phone, it was useless and services was. Thank you. And services would place variables in deferments at their leisure. And this is not acceptable. It's not acceptable that we still having all these issues. And we went through a rulemaking committee and still having all this issue and we cannot get forgiveness. Thank you so much.

MR. WEATHERS: Thanks Joann. Folks, thank you for staying over. We have one more person who was in line to comment. We're going to go ahead and let them in and then this is our last public commenter for the day.

MR. ROBERTS: I just admitted Lorraine Galvis, who is here representing herself.

MR. WEATHERS: Alright. Lorraine, can you hear me?

MS. GALVIS: Yes, I can. Thank you.

MR. WEATHERS: Fantastic. Lorraine. Thank you. You're our last public commenter for the day. You'll have three minutes with a 30-second warning, and your time begins now. Thank you.

MS. GALVIS: Thank you so much. I want to thank the committee for this opportunity. I am speaking on behalf of myself but am also a licensed professional. I don't have any undergraduate student loans, but I do have Grad PLUS Loans from having attended law school. When I graduated law school, my loans were 179,000, and in six years, those ballooned to 228,000. Of those 228,000 during COVID, I paid back 37,000 while I was also undergoing chemo and radiation for breast cancer. I'm a two-time breast cancer survivor, and I should have been using my disability benefits to pay for medical care and my bills. But honestly, most of this money went to student loans because there was a pause during COVID, and I found an opportunity to make a dent in how much I owed and I just want to highlight to the committee the predatory nature of these loans. I never could have imagined getting cancer, but at the same time, I, you know, am one of those entrepreneurs and Grad PLUS recipients who have actually made good faith efforts to pay their loans back. And I just don't see that the system recognizes that or tries to support people that are actually trying to pay back their loans. And I want to make sure that this population and this group, which is mostly entrepreneurs, we're often in a class where we don't qualify for forgiveness, we don't qualify for a lot of the programs, but we do want to repay our loans. I was being serviced by Great Lakes, and I was told by Great Lakes at the time that I was not able to make a payment toward my principal because I had to pay back 52,000 in interest first. And I would like to see if the committee would be able to find some relief for folks that did make payments during the COVID- during the COVID pause, because they should have been treated as excess payments.

Of my 37,000, only 27,000 went to interest and 10,000 went to principal. So, you know, I'm just hoping that there can be some relief. I feel like many of the things that I wanted to say have already been shared with this committee, and I'm very grateful for that. But I just wanted to highlight some of us that may be overlooked by some of these plans with the administration that we don't necessarily qualify.

MR. WEATHERS: 30 seconds remaining.

MS. GALVIS: Thank you so much for your time. That's all I wanted to say.

MR. WEATHERS: Thank you, Lorraine. And that brings us to the end of the public comments.

MR. ROBERTS: We do actually have one more late attendee, if that's okay. So, I believe he'll be our final speaker. And that's Representative César Aguilar, who represents Arizona's 26th District.

MR. WEATHERS: Welcome, Representative Aguilar, thank you for coming here to make a public comment before negotiators. You'll have three minutes with a 30-second warning, and your time begins right now.

MR. AGUILAR: Awesome. Yeah, so State Representative Cesar Aguilar from Arizona, I represent Legislative District 26, which encompasses Central and West Phoenix. I also am the former Executive Director for the Arizona Students Association, which as a college student, I used to sit on the board of the United States Student Association, which we worked really closely with the Department of Education and the White House on reforming higher education and student loans. I represent a very young district in the state of Arizona. And most of the families that live in my district look just like me within 30 years of age and up to, you know, 40 years old. And it's a lot of young people with a large amount of student loans. Nearly 900,000 Arizonans would have benefited from student loan cancellation, with President Biden's plan to cancel student loans, which is 12.4% of Arizona state population. The average student loan in Arizona is about 33,396, and we are the 15th highest number state with the number of borrowers in the country who would have seen a huge economic financial relief with the cancellation of student loans. So, I just wanted to come in here and please- or talk to you all and ask for your support and making sure that you're thinking of Arizonans when you're setting these rules. Arizona is a very free market system type of state, where we've had many private colleges come in and then close down, and many of those students end up in my district having to end up paying these college debt off. And they end up leaving these institutions with a degree that doesn't hold much weight with an institution that no longer exists within a degree that didn't really give them the tools to do their job. And also, many of these institutions promise them a network where they could go and get another job that helps them land a job. And so many, many of these institutions have been very predatory to our constituents. And we just want to make sure that we're heard in the state of Arizona and that we're holding these institutions accountable, but also thinking of them when we're setting rules on student loan cancellation from the Department. And thank you and sorry for coming late. I was- I got the email for 3:30 and in Arizona we're in- we're at 2:00. So, a couple hour differences.

MR. WEATHERS: Thank you, Representative Aguilar. And that concludes our public comment for session two. Tamy, was there anything that the Department wanted to address?

MS. ABERNATHY: Thank you, John. We certainly want to thank all of our negotiators, our public, for making comment, all of the behind the scenes from the logistical team and the ED side, my PCG, the policy coordination group side, and all of those that have participated during these negotiations for the last couple of days. You've given us so much to think about, and we look forward to providing you with amended regulatory text around these issues. We hope to have all of your proposals to us by the 14th, so that we can actively turn those into amendatory text for your review. We wish you a wonderful evening. Thank you again for such robust conversation around such important issues. We look forward to continuing to work with you on the third and final session, and we hope that everyone has a blessed rest of your evening.

MR. WEATHERS: Thank you, Tamy. And with that, we are adjourned until our December session, and have a good day.

Zoom Chat Transcript
Student Loan Debt Relief Committee - Session 2, Day 2, Afternoon, November 7, 2023
***Chat was copied as presented, as a result minor typos or grammatical errors may be present.**

From P-Sherrie Gammage-4-Yr Borrowers to Everyone:
Discharge and/or waiver of loans of the remainder repayment amount for the primary caregiver who has taken out a Parent Plus loan for child and Pell for themselves after making payments for 10 years. Under the current regulations, the financial burden of the repayment of student loan debt falls more heavily on the custodial parent, usually female with lower overall lifetime earnings and not males who typically have higher earnings. Rationale: Addresses inequality and burden of debt for women as caregivers and providers for their families and disparate income impacts and overall ability to care for their families. This data is available to the Dept of Ed in the annual certification for IDR and contingent repayment plans
From P-Sherrie Gammage-4-Yr Borrowers to Everyone:
Reacted to "Section Vouchers; lv..." with 👍🏾
From Tamy Abernathy - Director, Policy Coordination Group, ED to Everyone:
We wanted to respond briefly to a few questions from yesterday that were posted in the chat. There were two questions from Sherrie related to reaching out to individuals related to borrower defense. As noted during the first session, we are not negotiating the Department's outreach strategies, but rather considering when it might be appropriate for the Department to discharge a borrower's loan when we determine they are eligible. There was also a question on institution-held Perkins. We will not be providing text on institution-held Perkins. The Department does not have a mechanism for compensating Perkins loan holders for a loan that is being discharged the way we can for commercial FFEL. The only way we have of making payments to Perkins holders is through consolidation into Direct Loans. Therefore, we do not have a process for including them here.
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
Tammy I don’t see anything in the chat— did you already add those answers?
From P- Wisdom Cole, Civil Rights to Everyone:
Can they be dropped again?
From (P) Jada Sanford - Currently Enrolled to Everyone:
You can’t see the previous chat after you come in.
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
My alt David is going to take over for a bit
From Sherrie "Sher" Gammage to Everyone:
Sarah Butts will take over as primary for 4 year borrowers
From Tamy Abernathy - Director, Policy Coordination Group, ED to Everyone:
We wanted to respond briefly to a few questions from yesterday that were posted in the chat. There were two questions from Sherrie related to reaching out to individuals related to borrower defense. As

noted during the first session, we are not negotiating the Department's outreach strategies, but rather considering when it might be appropriate for the Department to discharge a borrower's loan when we determine they are eligible.   There was also a question on institution-held Perkins. We will not be providing text on institution-held Perkins. The Department does not have a mechanism for compensating Perkins loan holders for a loan that is being discharged the way we can for commercial FFEL. The only way we have of making payments to Perkins holders is through consolidation into Direct Loans. Therefore, we do not have a process for including them here.

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

Sarah Butts will take over as Primary for 4 year borrowers

From A- Edward Boltz (NACBA/NASLL) to Everyone:

When will responses to questions and requests for information from today be shared?

From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:

+1 Jalil's comments, re: hardship because we lack data/measures

From Tamy Abernathy - Director, Policy Coordination Group, ED to Everyone:

Please note the student acknowledgement referenced in 34 CFR 668.605 is not a waiver of discharge, as some of the comments suggested. This is a new part of the GE reg that was recently published. When that regulation is fully implemented, some current and prospective students will have to acknowledge via the Department's website that the program that they're enrolling in may not meet affordability standards under the new GE regulation.

From A- Edward Boltz (NACBA/NASLL) to Everyone:

+1 Jalil- Resources limitations should increase a presumption of relief

From (P) Jada Sanford - Currently Enrolled to Everyone:

+1 Jalil

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

+1 Jalil

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

+1 Lane’s idea to go automatic where possible, then a application that does not require certification but instead relies solely on self-reporting

From A- Susan Teerink - Private non-profit institutions to Everyone:

+1 Lane's comment

From P- Kyra Taylor, Legal Aid Orgs to Everyone:

+1 re: Lane’s comments

From P- Wisdom Cole, Civil Rights to Everyone:

+1 Automation

From A- India Heckstall, Civil Rights Organization to Everyone:

+1 Automation

From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:

Challenges related to creditworthiness and employment: Student loan credit reporting can hinder individuals from securing employment in their chosen field, with a salary sufficient to afford loan repayment.

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

+ 1 Sarah. And it also inhibits a current or future parents ability to save for their children's education which would lessen the need to borrow as much in the future for technical or academic study
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "+ 1 Sarah. And it al..." with 👍
From P-Vincent Andrews-Veteran & Military Groups to Everyone:
I'm generally interested in the constraints of servicers, and wondering how we might streamline the communication between the Department and Servicers to develop clear guidance on new policies.
From P- Wisdom Cole, Civil Rights to Everyone:
The department can invest in technology solutions that can help automate data collection, processing, and analysis.
From (P) Richard Haase - Graduate Borrower to Everyone:
Entering is (P) for grad borrowers
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Richard has it
From P - Lane Thompson - state agencies to Everyone:
+1 for Melissa's idea of re-using the form/process from the relief that borrowers did not receive in 2022
From P-Yael Shavit-State AGs to Everyone:
Apologies--I lost wifi access. Were folks able to hear my comment?
From Brady Roberts (FMCS Facilitation Team) to Everyone:
We were not- John will re-prompt you for comment
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 on wait times to reach servicers.
From (P) Richard Haase - Graduate Borrower to Everyone:
Servicer wait time is always hours, often leading to getting disconnected before a conversation ever takes place
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 on wait times to reach servicers
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "Servicer wait time i..." with 👍
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "+1 on wait times to ..." with 👍
From P - Lane Thompson - state agencies to Everyone:
+1 on wait times being too long
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
I want us to think about Lane’s and others’ proposals:
1. Automate where you can
2. Use an application where borrowers self report and then cancel their debt based on their self report of hardship
3.Figure out what data/audit processes you need on the backend and then claw back unjust/fraudulent cancellation (which will probably be rare)
4. Do not put any limits on cancellation/relief policies (e.g. July 2025)

Define hardship as any borrower who has student loan debt in a system where the Dept of Edu and loan servicers are declaring they do not have enough funding to properly run the system
From P- Wisdom Cole, Civil Rights to Everyone:

Reacted to "I want us to think a..." with ❗
From (P) Richard Haase - Graduate Borrower to Everyone:
+1 to Jalil's comments above
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "I want us to think a..." with ❗
From A- India Heckstall, Civil Rights Organization to Everyone:
Reacted to "I want us to think a..." with ❗
From P- Jessica Ranucci (Consumer Advocates) to Everyone:
+1 to Yael's comment
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
+1 re: yael's comment—servicers can and do query categories of borrowers and provide relief
From P - Lane Thompson - state agencies to Everyone:
+1 to Yael's comment - technology allows for some of this
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Does "upfront criteria" mean eligibility?
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
+1 — every borrower should be able to apply for debt relief
From P - Lane Thompson - state agencies to Everyone:
+1 to Jessica's comment - I am struggling to understand what other criteria would be needed before application
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "+1 to Jessica's comm..." with 👍
From P- Wisdom Cole, Civil Rights to Everyone:
+1
From David Ramirez to Everyone:
+1 every borrower should be able to apply
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Also I have yet to hear a comment from a negotiator that is off topic. It may be useful for you all to clarify what you mean by the off topic comments.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 to Jalil. Could the department give an example of "upfront criteria" they have used in the past to help more narrowly focus our ideas on and about question #4?
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 to Lane's comments regarding continued problems with servicers and impact on borrowers. Borrowers do not have an effective mechanism to address these issues.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "We were not- John wi..." with 😉
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
+1 to Lane on clarifying the responsibility of DOE and Servicers
From (P) Jada Sanford - Currently Enrolled to Everyone:
+1 Lane, It would be nice to get clarity on the different responsibilities, the gen public would probably appreciate it as well
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 Richard's comments.
From P - Lane Thompson - state agencies to Everyone:
additional clarity for borrowers around what is the responsibility of the department, vs. what is the responsibility of

the servicer could help reduce work loads for both the department and servicers
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
Having Student loans is there own hardship
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "Having Student loans..." with 👍
From (P) Jada Sanford - Currently Enrolled to Everyone:
+1 Richard, having to deeper in the hole to be considered for relief isn’t as productive
From P - Lane Thompson - state agencies to Everyone:
also, servicers do a lot (collecting payments, applying them, reporting to credit bureaus) maybe reprioritizing some of the contracted funds that ED send toward cancellation could help with servicer capacity.
From A- Edward Boltz (NACBA/NASLL) to Everyone:
It no longer considers IODR enrollment for bankruptcy discharge, so should not for those outside
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Cost of living in specific areas is a significant challenge for many borrowers.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 Kyra on exclusion from waiver/discharge based on participation in IDR plans
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "+1 Kyra on exclusion..." with 👍
From (P) Richard Haase - Graduate Borrower to Everyone:
Regarding future circumstances, the it’s important to remove the July 1 2025 deadline proposed in yesterday’s text, so we can help young generations of borrowers.
From P-Vincent Andrews-Veteran & Military Groups to Everyone:
Sherrie mentioned earlier that age, heath, or disability can be a key identifier for the Department to account for "past, present, and future" hardship in a streamlined manner
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "Sherrie mentioned ea..." with 👍🏾
From (P) Jada Sanford - Currently Enrolled to Everyone:
+1 Richard, The removal of limiting language such as “July 1, 2025” is key to keeping younger gens in mine when creating regulations
From (P) Jada Sanford - Currently Enrolled to Everyone:
So that we don’t have to come back and do this all over again in 10 years
From (P) Richard Haase - Graduate Borrower to Everyone:
+1 to not coming back and doing this again in 10 years
From A- India Heckstall, Civil Rights Organization to Everyone:
+1 to removing the July1, 2025 language
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Jalil coming in
From A - Jordan Nellum - Currently Enrolled Postsecondary Education to Everyone:
Jordan coming in as primary
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:

Sherrie is coming in as P for 4 year borrowers.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Sherrie coming back in as Primary for 4 year borrowers
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Research on why IDR is not enough:
https://www.americanprogress.org/article/continued-student-loan-crisis-black-borrowers/
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
From Ben's research : "Such worrisome results, even with the availability of IDR, suggests that repayment plans that reduce monthly payments are a necessary but ultimately insufficient tool for addressing loan default. This is especially true for Black borrowers, who are already more likely to use IDR yet still experience higher default rates. While lowering payments can help borrowers, the paperwork to enroll and reenroll in IDR plans can still be a barrier.17 In addition, the continued accumulation of unpaid interest while on IDR may make these plans feel like short-term solutions with negative long-term effects"
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
+1 Melissa, including in-school deferment for not incorporating interest
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 to Jalil's comment on existing problems with IDR/ICR which set a president for considering past and present. IDR and SAVE currently have issues with verification and figuring out loan repayment
From P - Kathleen Dwyer - Proprietary Institutions to Everyone:
+1 Melissa
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Agree that assistance/supports for student who are having to use forbearance or deferment is proactive.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 for Richard's comment on regional differences
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
Agree with Richard. Low-income in San Francisco is $125K
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 for regionally /state based measures that account for cost of living and inflation
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
+1 on regionally. COL in MA, NY, CA is going to be very different from KY, AL, etc.
From (P) Richard Haase - Graduate Borrower to Everyone:
Federal poverty guidelines do not account for significant regional cost of living differences
From (P) Richard Haase - Graduate Borrower to Everyone:
+1 using area median incomes defined by COUNTIES, even more so than state
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
The types of federal loans that students are eligible is also predicated on income amounts. We might consider more generous allocation of subsidized loans for borrowers in high income areas.
From A-Jalil Bishop-Graduate Student Borrower to Everyone:

Coming in
From (P) Richard Haase - Graduate Borrower to Everyone:
I think for many locales, using federal poverty guidelines would be a higher bar to set than bankruptcy
From P-Vincent Andrews-Veteran & Military Groups to Everyone:
The office of personnel management has plenty of regularly updated dated on regional cost of living used to pay federal employees, and that information might be useful in determining guidelines regarding differentiation in living costs
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "The office of person..." with 👍
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
Switching with David for a moment
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 for David's comments. It is also much more expensive to attend college part time, while working.
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
+1 to Yael's comment
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Thank you, Yael
From P - Lane Thompson - state agencies to Everyone:
+1 to Yael's comment - the increased floor on protected income is reflective of how the FPL is not a sufficient metric
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Could the protected income under SAVE be applied across all loan programs? How does the dept justify the all but $750.00 garnished for seniors, especially for the 114,000 seniors who had social security offsets in (garnishments) in the last year?
From (P) Richard Haase - Graduate Borrower to Everyone:
225% of $30,000 (fam of 4) FPL is $67,500. Using Long Island as example, experts define poverty at $55,000 for fam of 4. 225% of that is $123,750. Using federal number, in this region, effectively helps no one
From A- Edward Boltz (NACBA/NASLL) to Everyone:
Another easily used income gauge would be Census Bureau Median Family Income By Family Size, which is more reasonable and based on state factors.
https://www.justice.gov/ust/eo/bapcpa/20230401/bci_data/median_income_table.htm
From P- Wisdom Cole, Civil Rights to Everyone:
factors can be taken into account:

1. Racial Wealth Gap
2. Employment and Income Disparities
3. Educational Disparities
4. Neighborhood and Housing Disparities

From A-Jalil Bishop-Graduate Student Borrower to Everyone:
I have a data request. The department claims it has already run analysis on material hardship. I would like to see hardship data on borrowers 225% above the FPL.

From the Dept's final rule making:

"For instance, we do not believe there is a reasonable basis at this time for a regulation that protects 400 percent of FPL. We have reviewed available research, looked into signs of material distress from borrowers, and see nothing that gives us a reasoned basis to protect that level of income."

From Ben Miller - Department of Education (he/his) to Everyone:

Replying to "I have a data request..."

There's a table in the final rule showing the analysis about the reason why we picked 225% versus a higher threshold. We used the survey of consumer finance to identify indicators of hardship that would not be available in existing administrative data. So there's no data to provide here.

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

Replying to "I have a data request..."

Reiterating position that 225% of FPL helps very few people in many parts of the country

From Ben Miller - Department of Education (he/his) to Everyone:

Replying to "I have a data request..."

Sorry not SCF, the SIPP

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

Replying to "I have a data request..."

Ben can you tell me the table number?

From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:

Examining the intersection of two specific scenarios: individuals who have borrowed from both the Direct PLUS program and have student loan debt from the Direct Student Loan program, which is 25 years or older. Previously, we are considering Pell Grant recipients. It's worth noting that graduate students are not eligible for Pell Grants, but some of them exhibit low-income status as evidenced by their Expected Family Contribution (EFC) or Student Aid Index (SAI). These graduate students are striving to enroll in graduate programs to enhance their competitiveness in the job market. However, due to prior loan debt, they may have to rely on Direct PLUS loans to cover their tuition and educational expenses.

From A- Edward Boltz (NACBA/NASLL) to Everyone:

Replying to "I have a data reques..."

Congress, in the Bankruptcy Code, found a rational basis for treating people with below median income based on the the Census Bureau from those that have income above the median. ED could rationally do the same for student loans

From P- Kyra Taylor, Legal Aid Orgs to Everyone:

There are also many borrowers that did not complete their programs who do not qualify for a closed school discharge

From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:

+1 first generation college graduates.

From Ben Miller - Department of Education (he/his) to Everyone:

Replying to "I have a data reques..."

We linked to it in the final rule and it was posted in the NPRM. Table 1: https://www.federalregister.gov/d/2022-28605/p-157

From P - Lane Thompson - state agencies to Everyone:

additional groups that are not addressed by other types of relief - priorities: people over a certain age, have completed a bankruptcy, have loans that pre-date 2010, have a disability but are not eligible for TPDD
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 Kyra's comments on the variety of hardships experienced by borrowers.
From (P) Richard Haase - Graduate Borrower to Everyone:
Agree impossible to rank hardships and we’ve established many ways hardship presents itself for borrowers
From P - Lane Thompson - state agencies to Everyone:
+1 Kyra's comment that hardship exists across these categories, making it hard to prioritize
From P- Wisdom Cole, Civil Rights to Everyone:
Borrowers are impacted by multiple hardships identified in these categories that create the overall hardship with is student loans
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "Borrowers are impact..." with 👍
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
Reacted to "Borrowers are impact..." with 👍
From A- India Heckstall, Civil Rights Organization to Everyone:
Reacted to "Borrowers are impact..." with 👍
From A- Susan Teerink - Private non-profit institutions to Everyone:
+1 Kyra's comment about hardship across categories
From A - Jordan Nellum - Currently Enrolled Postsecondary Education to Everyone:
+1 to Kyra’s comment that hardship exist across many of the categories
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Replying to "I have a data request..."
Thank you
From P- Wisdom Cole, Civil Rights to Everyone:
Resharing the memo on incarcerated student borrowers +1 Sherrie
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
+1 on the need to provide relief to incarcerated borrowers
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
+1 on incarcerated borrowers and is a racial justice too
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
+1 on Lane's comment on the intersectionality of hardship measures for many student loan borrowers
From P-Carol Peterson HBCU, Tribal Colleges & Minority Serving to Everyone:
+1 on incarcerated borrowers
From P-Vincent Andrews-Veteran & Military Groups to Everyone:
There are many veterans in the higher end of the disability range, 50% +, who have substantial work limitations or restrictions, and the threshold for forgiveness is 100%.
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Coming in
From P - Lane Thompson - state agencies to Everyone:
Replying to "There are many veter..."

+1 to this - disability discharges proportional to the ability to work would be meaningful
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "+1 to this - disabil..." with 👍🏾
From A- Edward Boltz (NACBA/NASLL) to Everyone:
From the report ED just shared: By contrast, a threshold of 225 percent of the poverty guideline represents an hourly wage of $15.28 in 2022 for a single-person household. At this level, the REPAYE plan would continue to protect the amount a single minimum-wage worker with no dependents would earn in every State in 2023. This means that the expectation is that, even with the benefit of the education provided by student loans, a borrower earning just slightly more than minimum wage in 25 states no longer faces a hardship.
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 Jalil's comments re: borrowers need relief and many have hardships that cannot be narrowly defined.
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
Utilizing OCR Discrimination Case Reports to Examine Withdrawal Rates of Marginalized Students for Student Loan Hardship or Discharge:
One approach to consider is leveraging the reports delivered by the Office for Civil Rights (OCR) that detail discrimination cases. These reports can provide valuable insights into the withdrawal rates of marginalized students and help us assess their eligibility for student loan hardship or discharge.
From P- Kyra Taylor, Legal Aid Orgs to Everyone:
+1 on Jalil's comment re: needing to anchor cancellation in the purpose of the Higher Education Act
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "+1 on Jalil's comment..." with 👍
From (P) Jada Sanford - Currently Enrolled to Everyone:
+1 JALIL
From P-Yael Shavit-State AGs to Everyone:
+1 to Jalil
From A- India Heckstall, Civil Rights Organization to Everyone:
+1 to Jalil
From P- Wisdom Cole, Civil Rights to Everyone:
+ 1 to Jalil THRIVE
From P - Ashley Pizzuti - 2yr Borrower to Everyone:
+ Jalil
From (P) Richard Haase - Graduate Borrower to Everyone:
+1 Thrive not just survive
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
"From the report ED just shared: By contrast, a threshold of 225 percent of the poverty guideline represents an hourly wage of $15.28 in 2022 for a single-person household. At this level, the REPAYE plan would continue to protect the amount a single minimum-wage worker with no dependents would earn in every State in 2023.[17]"

The text I am referring to. Please improve the definition of hardship. It is should not be you can afford food. It should be that you can afford a thriving life defined as key indicators that we all know from research: savings account, buying a home, retirement contributions, etc.

From P- Kyra Taylor, Legal Aid Orgs to Everyone:

+1 regarding the need to strike the acknowledgement language in proposed 30.80(f)

From (P) Jada Sanford - Currently Enrolled to Everyone:

+1 , Pell Grant reciepients

From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:

+ 1 Pell Grant recipients

From P- Wisdom Cole, Civil Rights to Everyone:

To be clear all Pell Grant recipients should be eligible for hardship relief

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

My parents received Pell. I received Pell. My siblings received Pell. And across us all—our family carries over $500,000 in student debt. $500k balance=Income and wealth extraction that stops our ability to build wealth, plan for retirement, and respond to emergencies.

From P - Lane Thompson - state agencies to Everyone:

+1 to Yael and Kyra - we would like to waive the requirement to sign a waiver forfeiting the right to waive student debt

From (P) Jada Sanford - Currently Enrolled to Everyone:

Most people I know that are currently enrolled have received Pell.

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

All borrowers 65+ who have been in repayment for at least 15 years be considered for waiver/disbursement of balances owed. If on IDR, they may not live to make an additional 10 years and if on IDR given the way in which interest is calculated and capitalized will not fully pay the debt

From P-Vincent Andrews-Veteran & Military Groups to Everyone:

Reacted to "All borrowers 65+ wh..." with 👍

From P-Vincent Andrews-Veteran & Military Groups to Everyone:

I agree, I think if it's a group that deserves to get from under loans the easiest and fastest it is 65+ because it inhibits their ability to prioritize health, retirement, or supporting other family members at a time they generally can't even obtain adequate life insurance to cover the costs if something happens to them

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

And waiver of balances should be not inhibited by loan type or repayment program type for this population (aged 65+ in repayment for at least 15 years)

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

Reacted to "I agree, I think if ..." with 👍🏾

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

+1 one for veterans

From P-Sherrie Gammage 4 Year Borrowers to Everyone:

Reacted to "+1 one for veterans" with 👍🏾

From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:

Reacted to "+1 one for veterans" with
From (P) Richard Haase - Graduate Borrower to Everyone:
Reacted to "+1 one for veterans" with
From P - Scott Buchanan - FFEL, Servicers, GAs to Everyone:
Benjamin Lee is stepping forward to table
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 on options for individuals experiencing bankruptcy
From A- Edward Boltz (NACBA/NASLL) to Everyone:
Elizabeth is an example of how, prior to at least 2016, ED illegally (See 11 USC 525) refused to count time in Chapter bankruptcy towards any IDR. This is recognized by its changes effective 7/1/2024 but should be retroactive or lead to a non-bankruptcy hardship determination
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "Elizabeth is an exam..." with
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "Elizabeth is an exam..." with
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "Elizabeth is an exam..." with
From Matthew Ray to Everyone:
I can hear, it's not unmuting
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "+1 on options for in..." with
From Matthew Ray to Everyone:
My audio is now working, had to adjust app settings. Ready when next available.
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Lynn is a perfect example of why we can't answer which category is most indicative
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
Reacted to "Lynn is a perfect ex..." with
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "Lynn is a perfect ex..." with
From A- Susan Teerink - Private non-profit institutions to Everyone:
+1 Jalil
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "+1 Jalil" with
From A - Jordan Nellum - Currently Enrolled Postsecondary Education to Everyone:
Reacted to "Lynn is a perfect ex..." with
From Kyra Taylor, Nat'l Consumer Law Ctr. to Everyone:
Reacted to "Lynn is a perfect ex..." with
From Kyra Taylor, Nat'l Consumer Law Ctr. to Everyone:
Reacted to "+1 on options for in..." with
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
U of Px falls into the BDTR conversation and finding common trends to relief or forgiveness.
From P - Ashley Pizzuti - 2yr Borrower to Everyone:

Yes Matt! The department needs to group discharge these bad apple for-profits.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "Yes Matt! The depart..." with 👍🏾
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
Circling back on TPD and we spoke on this topic before:
Understanding Total and Permanent Disability
In the current system, total and permanent disability is primarily determined by physical impairments that affect an individual's ability to work and earn income. While this approach is reasonable for many cases, it fails to account for the significant impact that mental health conditions can have on an individual's ability to maintain employment and manage their student loan obligations.
From (P) Angelika Williams: Private, Nonprofit Institutions to Everyone:
The Importance of Mental Well-being in Debt Relief
Mental health issues, such as anxiety, depression, and post-traumatic stress disorder, can severely hinder a person's capacity to work and generate income. These conditions can be long-lasting or even permanent, leading to financial hardship and making it nearly impossible for borrowers to repay their student loans.
Expanding the definition of total and permanent disability to encompass mental well-being is necessary to acknowledge this reality and provide relief to the affected individuals.
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "The Importance of Me..." with 👍🏾
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "The Importance of Me..." with 👍🏿
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "U of Px falls into t..." with 👍🏿
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "Yes Matt! The depart..." with 👍🏿
From A-Jalil Bishop-Graduate Student Borrower to Everyone:
Reacted to "Circling back on TPD..." with 👍🏿
From John Acuros to Everyone:
It's my time to share
From Sarah Butts, (she/her) P- 4 yr. borrowers to Everyone:
+1 for support for military and veterans
From P-Sherrie Gammage 4 Year Borrowers to Everyone:
Reacted to "+1 for support for m..." with 👍🏾

(ED Note: Files are available on the Department of Education's 2023-2024 Neg Reg website)