

From: Jalil Bishop

To: U.S. Department of Education

Re: Proposed amendments to regulatory text which the Department should draft

Date: December 11, 2023

The Department should write regulatory texts that address the following:

1. **All Interest -No Caps:** Waive the total loan balance amount that exceeds the original balance borrowed without caps of \$10,000/\$20,000.
2. **Borrowers who already paid their balance:** _____ Waive the original balance amount borrowers would have paid off if their payments went to the principal balance instead of runaway interest accrual. In other words, apply the SAVE plan retroactively without caps of \$10,00/\$20,000.
3. **Rolling Relief:** Waiving total outstanding student loan balances should happen when a loan has been disbursed for 20/25 years, and it should be rolling relief every time a loan hits the 20/25 year mark, regardless of whether it is on an IDR plan.
 - a. Waive authority should not be used one time for older loans while the Department and its loan servicing agencies currently struggle to operate an effective system to which borrowers are legally entitled.
[Evidence](#)
4. **Quicker Timelines:** Similar to SAVE, which offers quicker relief within 10 years to borrowers who borrowed \$12,000 or less because they are more likely to be distressed, there must be a broad hardship category to apply a quicker waive authority to highly distressed borrowers.
 - a. Pell Grant recipients (students/parents), Age of Borrower, Completed Bankruptcy, Years of Default, etc. (See the detailed proposals already submitted)
5. **Income Caps** Income caps for this regulatory text should not be based on the federal poverty line of 225%. It should be based on \$125,000 for individuals and \$250,000 for households.