

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING
REIMAGINING AND IMPROVING STUDENT EDUCATION (RISE)
SESSION 1, DAY 5, AFTERNOON
October 3, 2025

On the 3rd day of October 2025, the following meeting was held in-person, from 1:00 p.m. to 4:00 p.m.

P R O C E E D I N G S

MS. WEISMAN: Good afternoon, everyone. The Department needs an additional, at least at this point, 15 minutes. So we anticipate resuming at 1:15. Welcome back, everyone, from lunch on our final day of this week. Seeing no cards up at this time, I'm going to turn it over to Tamy.

MS. ABERNATHY: Thank you, Annmarie. And thank you, Committee, once again for your patience. We were aggressively trying to get through these edits so that we could bring them back to you based on the proposal that the little one that was hiding on me and now it's resurfaced, and some other things that were brought to our attention during the last session. What I'd like to do, we'll pull this up on the screen. And before I forget, I would be remiss if I didn't tell you. We know you want new documents. If you will give us to the weekend, on Monday, we're going to separate out the provisions into their own individual papers with the reg text as we leave it from these negotiations in red lines. If you are proposing to make changes, I would ask that you make sure that your red lines are highlighted in yellow so we can see them, because it's going to be red lines on top of red lines. And I want to make sure we don't miss them. It's easy to miss, and it's also easy

for us to have the wrong draft that we're working from. So if you could do that for us, then we'll -- and then get those back to us by the 10th. So on Monday, 16 attachments that will come from our negregfacilitator@ed.gov mailbox at some point Monday. And so we'll start using those as the drafts going into the next session. Okay. Will be all 16 provisions. Now, let's go over the red text that we just spent some time working on. I think you'll be very pleased with some of the changes that we've made, based on what you came back to us with and other things that had an oh-snap moment. So we'll just leave it at that. That's what I heard. I heard oh-snap, I sure did. Alright, so we'll point our attention to 685.203. We heard you very loud and clearly that we wanted to make sure that with clarity - and these changes will be made conforming where they're applicable. We're just showing you this snippet because we didn't have time to go through all of 2 or 3 and get them all done. And so Renee is upstairs working feverishly trying to do that right now. We have added who is not and has never been a professional student at that institution in romanette one, and in romanette two, we have added at that institution after professional student. And the reason we've done that is we want to make sure that it is understood in order to get the exception, it's the

student -- it's at that institution. It's the same type of program at the same institution. You receive a loan at that institution. And so with that in mind, we've also changed in (6), the limitations for the aggregate loan limits that we put -- we change -- we took out the student from main six and we said the student is enrolled in a program of study at an institution as of June 30th. And then we took out received. This was a very long conversation upstairs with a lot of individuals that were really smarter and way above my pay grade in that room, and we finally landed on a Direct Loan was made for such program of study prior to July 1, 2026. We believe, excuse me, see, I'm getting all choked up. We're so close to ending today. I believe that these changes -- the Department believes that these changes will provide the clarity that you sought for the -- for this particular provision in these two areas. May we get a pulse check on that? Those two pieces.

MR. HOLT: Can you repeat them? Because there's other provisions that have similar language, I think.

MS. ABERNATHY: Yeah, And they will all have the similar language. We just did not have enough time to get the whole thing done. And so we're just giving you a snippet of here it is. And trust that

we're going to get it all the way through. And if we miss one, please feel free to remind us that we missed it. But you know, our intent is to, to make conforming changes here. Should we say, you know, good job or thumbs up or whatever, thumbs sideways or down, then we can make it all the way through the rest of the Section 203.

MS. WEISMAN: Question from Jenna.

MS. COLVIN: Is the, at the institution language, statutory or that's what we came up with?

MS. ABERNATHY: It is clarifying what the statute meant. So yes, I mean, I would say in order to get the exception, it is understood -- our language before, it was understood that it was at that institution. So we do not feel that it's appropriate for us to clearly clarify here that it's at the institution.

MS. WEISMAN: I'm going to give everyone another minute to review what's on the screen. Before we do that, Jenna?

MS. COLVIN: And there's also going to be language coming about the -- I'm sorry I can't (inaudible) -- is not and has never been a professional student. That was -- I feel like the point of the discussion earlier today.

MS. ABERNATHY: And that's our remedy

for it. Yeah. Does that make sense now? Okay.

MS. WEISMAN: Does anyone need more time? Alex Holt?

MR. HOLT: Sorry. Now I'm a little confused. So is that saying that the -- has ever been, has ever been designated by that institution as a professional student?

MR. LALLO: It would be whoever fits within the box of professional student, not a designation (inaudible).

MR. HOLT: (inaudible) definition.

MR. LALLO: Right, exactly.

MR. HOLT: Got it. Thank you.

MS. WEISMAN: Ashley?

MS. NAPORLEE: Just for the record, I appreciate the changes the Department's making. I just haven't had time to really consult with my constituency about the changes. So I just wanted to make that clear before we do a pulse check.

MS. WEISMAN: Faisal?

MR. SULMAN: Can you just elaborate a little bit further on -- I guess, how would a student like medical school or law school, operate within this if they were to transfer into, like -- from one institution to another institution?

MS. ABERNATHY: Well, if they're transferring, they're not at that institution.

(inaudible)

MR. ANDRADE: (inaudible) a break in the continuity. I mean, those who are grandfathered in or grandfathered in for -- to continue the program that they're currently enrolled in. If there's a break, there's a transfer for some other issue there. Then you don't -- you have ceased to be enrolled.

MS. WEISMAN: Looks like you may need another minute to digest the changes. Alex Holt?

MR. HOLT: Nevermind. Sorry. So this is grand -- this is grandfathering, right? This is grandfathering? Okay. So in, in the grandfathering section, there's still a \$200,000 limit. Okay. So my -- I don't think it can say professional student using the professional student definition because that would just be the same as the law after 2026. Like if you're a professional student in the new -- well, but then it says, designate as a professional -- well, it depends how you end up defining professional student.

MR. ANDRADE: Right. So if they have -- if they are not a professional student and they haven't been a professional student, then they're considered to be a graduate student. So it's the absence of.

MR. HOLT: That's true (inaudible) anyway. What's the difference?

MR. ANDRADE: These are loans made on or after July 1, '26.

MR. HOLT: But the subclause romanette one is saying, okay, no, but it's still saying who is not and has never been a professional student. So what you're saying there --

MR. ANDRADE: So read the beginning (inaudible) graduate student enrolled at the institution on or after July 1, '26, who is not a professional student (inaudible) right. And then in the case of if they are a professional student, then their limit is \$200,000.

MR. HOLT: Okay. Got it.

MS. WEISMAN: Jenna?

MS. COLVIN: So if you transfer in the same program of study (inaudible)

MS. ABERNATHY: I don't think -- this is just an aggregate loan limit. Right? So this is an aggregate loan limit. This particular provision, I believe, is an aggregate loan limit for unsubsidized loans. It's not about the exception. This is about the annual loan limit. So they're a graduate student. They are not, have never been a professional student at that

institution. That graduate student is going to get \$100,000. If they have, if -- who -- if they are or have been a professional student at that institution, they get \$200,000 minus any amount that the student has borrowed as a graduate school. Are you saying at any institution? I mean, are you -- what is the heartburn with the clause? Is it because we're saying here at that institution -- at the institution, just for that aggregate limit, is there some sort of a loophole you're seeing somewhere?

MR. HOLT: So I think -- I very strongly suspect that I'm conflating, but I might have gotten you to conflate as well with this edit is what I'm a little bit concerned about now, because obviously if they're a professional student, they can be subject to those limits at any institution. So now I'm confused about that institution.

MS. ABERNATHY: We did make this edit because we thought that's what you wanted.

MR. HOLT: But now I'm confused. Sorry, I think I was conflating it.

MS. ABERNATHY: You were thinking about the exception instead of the aggregate loan limit?

MR. HOLT: Yeah, but you guys had a long discussion, so clearly you thought what I was saying made sense, but not --

MS. ABERNATHY: (inaudible). We aim to please at the Department. We try to do our best.

MR. HOLT: I think we should -- maybe we should all take a look at this.

MS. ABERNATHY: Okay. Hold on. We're going to put a pause in this because I think you're right. Because I think we were thinking this was on the section of the, the exceptions where graduate students would still receive. And I think that's where we intended to put it, and that's not where we put it. So let us take that back. And thank you for being awake after lunch and continuing to question this on us. But I think you -- I think you're right on that. So we'll take this one back. We're not going to take a pulse check on this. Just kidding. So please don't meet with your constituency group yet. Yeah. I think we just had it on the wrong spot, but our intent was purely right out there. We can go to the next.

MS. WEISMAN: We have a question first from Jenna.

MS. COLVIN: Then, just to clarify, the who has not and has never been a professional student is still an open question. This does not resolve that.

MR. ANDRADE: No, it's -- the issue that we were talking about is an issue when we're dealing

with the interim exception for the PLUS Loan -- Grad PLUS limits. So -- and that is tied to the program study that they were enrolled in at the time.

MR. HOLT: I had originally suggested it go in (b) (2).

MR. LALLO: Yeah. We think we agree with that exception.

MS. ABERNATHY: Let's just take that back, and we will definitely try to hammer that out. If we cannot get that in the next little bit, we will -- we'll circle back beginning of the next session. Okay. Now we're going to (m) as in Mary, number (2). Same section, 685.203. We'll look at romanette three. We did -- I think we did email these to you as well. We have added romanette three after that is subject to the loan limitation and explained the need for such limitation to current and prospective students. We believe that an institution that has to justify to their students why is in a better position to make sure -- and I think the idea here is we're not trying to -- what we're trying to do is have schools look at their programs, look at their costs of education, and making sure that it's in alignment with -- so if you're going to reduce their loans, you need to make sure that it's out there and that you explain the reason why. Maybe they don't know that that particular

program of study is not one that is as good of a return on investment as another program of study. So by making it a requirement to explain the limitation, we think it is informative to both the students and/or parents, if applicable. And it level-sets it for everybody. It's right out there in the open. There's nothing sneaky or conspicuous, you know -- inconspicuous going on. It's, it's very much in the open, and borrowers can make informed decisions.

MS. WEISMAN: Tamy, would you like a pulse check then on (m)?

MS. ABERNATHY: Yes, ma'am.

MS. WEISMAN: So we're looking at 685.203(m). if I could see thumbs, please. I'm sorry. There's a card up from Deborah.

MS. LILLY: Just a point of clarification for myself. So (m) (1) for less than full-time enrollment. Okay, so we're only focused on (m) (2)? Because I just heard (m), I wanted to clarify (inaudible)

MS. ABERNATHY: (m) (2). Yeah. Not (m) (1). We're not going to look at (m) (1) because we're not finished fleshing that out. We talked about that a little bit this morning. We're still not looking at that one yet. That'll be next session. Yes, ma'am. Thank you for clarifying.

MS. WEISMAN: Okay. So if I can see thumbs again. Oh, sorry, Ashley.

MS. NAPORLEE: We had talked about having a very brief caucus before the pulse check with the Department. (inaudible)

MR. LALLO: We're fine with a caucus. I know you wanted to do one earlier. We were planning on looking at this over lunch, so I didn't want to shoot the messenger a little bit.

MS. NAPORLEE: Did you want to --?

MR. LALLO: Yeah. We would like to do it with public interest, military and veterans, and student borrowers, if possible. Sorry, legal aid.

MS. WEISMAN: Okay. Jacob, could you repeat that again?

MR. LALLO: Yeah. Legal aid, military, and veterans, and student borrowers. Not public interest.

MS. WEISMAN: So we have military veteran, legal aid, student borrowers, primary and alternate with the Department.

MR. LALLO: Yes, ma'am.

MS. WEISMAN: And about how much time do you think you'll need? Five minutes? Thank you. Welcome back, everyone. We have one card up at this point. We have no cards up, so I'll turn it back to you -

- oh, we need a report out. Sorry. We need a report out from the Department on the caucus.

MR. LALLO: Yeah. We spoke briefly about 685.203(m), and specifically the proposal that was raised earlier by Legal Aid, and in regards to how that impacted the language that we came back with.

MS. WEISMAN: Any other comments or questions? Jenna?

MS. COLVIN: On institutional loan limits, I have three questions. Can an institution set a lower annual loan limit, but then, on a professional judgment basis, increase the loans up to the Federal annual loan limit amount?

MS. ABERNATHY: The statute is very specific that is any program, all students in that program. I do not believe that we would allow that to happen, because then that is -- defeats the whole purpose of setting a lower loan limit on the whole program. So no, I don't think we could support that.

MS. COLVIN: On the award notification language, the Department has told schools repeatedly to use the language aid offer. Can we remove the language award notification from this regulation and change to aid offer?

MS. ABERNATHY: This bill did not make

any of those -- like, we did not change any of the requirements on an award notification. So I would be hesitant to sit here at the -- and say that that would be allowed before researching it. If you would like to submit that as a formal question, we can take a look at it. But at first glance, I'm going to say no to that because we didn't make any changes to that respective requirement.

MR. ANDRADE: And I think to Tamy's point, if you see some language that's in the current regulation, which you think changes what's currently being done, that's what really -- that would be the most helpful to us, as opposed to how to apply the proposed regulation in that circumstance. We're really looking for things that might be obstacles that we did not foresee.

MS. ABERNATHY: Meaning, you don't want to ask it now? Your call.

MS. WEISMAN: I see no other cards at this time.

MS. ABERNATHY: Well, then, we have one more change on 682.215 that we would like to share with you. This is on issue paper repayment plans 682.215 and 685.209. We are hopeful that, based on the oh-snap -- no, this is not the oh-snap moment. I wanted it to be because I wanted to say that again. Based on something

that Alex brought up and I believe Ashley and or Tamar brought up as well for us to take a look at, we agree that how we had worded something in the regulations was not exactly as we had intended. So for this provision in (e)(6), if a borrower who is currently repaying under another repayment plan selects the IBR Repayment Plan, but does not provide the documentation described in paragraph (e)(1) romanette one through E, it might be (e)(1) -- (e)(1) romanette one through (e)(1) romanette three of this section, which is the disclosure of Federal tax information, we have removed all of the language to the borrower remains on his or her current repayment plan. Removed any obstacles for this provision that you so delicately reminded us that we should take care of. So if there are no questions or comments on this one, we'll do a pulse check on this provision. Okay. And then after this, we'll go back to the other provision and do the pulse check because I forgot it.

MR. HOLT: Just to let you know what I'm confused by -- I don't mean to belabor this. Sorry. So it refers to (e)(1) romanette one through romanette three. It says, does not provide the documentation described in paragraphs (e)(1) romanette one through (e)(1) romanette three. And for (inaudible)

MS. ABERNATHY: I'm sorry, I thought -

- never mind.

MR. HOLT: Okay. So (e)(1) romanette three says if the spouse of a married borrower who files a joint Federal tax return has eligible loans, and the loan holder does not hold. Got it.

MS. ABERNATHY: It does. I've had practice with that a lot. Want to take over? No.

MS. WEISMAN: Okay. So we are going to pulse check what is on the screen. Tamy, if you could confirm we're pulse checking 682.215(e)(6).

MS. ABERNATHY: Yes. Well, (e)(6). Yes. (e)(6). I took my glasses off. Yes.

MS. WEISMAN: Okay. If I could see thumbs, please. I see all thumbs up except Alex Ricci is a thumb sideways. Thank you.

MS. ABERNATHY: Alex, would you elaborate on the sideways?

MR. RICCI: I think I'm reading something too into it, and I don't think my concern is a real concern. But until I take it back with the people that are going to operationalize all of this, I just want to make sure that we're not going to upset the process.

MS. ABERNATHY: Thank you so much. I appreciate that. If we could go back to (m)(2), I just want to do a pulse check on this, given what we've

changed and our discussion with our constituency group just a few minutes ago, I'd like to just kind of get a gauge as to where we are on this one as well, please.

MS. WEISMAN: So to confirm, we're doing a pulse check on 203(m)(2).

MS. ABERNATHY: Yes, ma'am. And it is on the screen.

MS. WEISMAN: If I could see thumbs, please. I see all thumbs up with the exception of Ashley with a thumb sideways.

MS. NAPORLEE: (inaudible)

MS. ABERNATHY: Thank you. Very helpful.

MS. WEISMAN: We need to take a short five-minute break for technical reasons. We'll resume in five minutes. Welcome back from break, everyone. Seeing no cards up at this time, I'm going to turn it back over to Tamy with the Department.

MS. ABERNATHY: Thank you. Based on what I see, we have one more regulatory provision, 685.209 to go through. We've gone through and done a pulse check on everything. We have slightly missed the mark on the provision of where we change the grandfathering limits, and we didn't quite mean to do that. So we will come back and circle back on that one at

second session. Other than that, I think we're in a pretty decent shape, knowing that there are some things that we'll get from you during the course of the next week or so, but at this point, we should march right through Section 209.685, Section 209, which if you were in 685.215, it's the very next provision in that package, so the loan limits.

MS. WEISMAN: If you're following along, that's page 11 of the document.

MS. ABERNATHY: Everybody ready? The first change in paragraph (a) is we've changed from 4 to 5. We've added number five, the Repayment Assistant Plan, and added the clarifying and on paragraph -- on number (4) there. We have stated for the purposes of this section, the following terms apply. We've defined applicable amount under the IBR and PAYE plans means 15% of the result obtained by calculating on at least an annual basis, the amount of the borrower's adjusted gross income and the borrower's spouse -- spouse's adjusted gross income if married, filing jointly, that exceeds 150% of the poverty guideline for new borrowers as defined in this section, repaying under IBR or PAYE, 10% will be substituted for the 15% or 15% in the calculation. Base payment under the Repayment Assistant Plan means the amount of applicable base payment for a

borrower with an adjusted gross income, not more than \$10,000, is \$120. More than \$10,000, and not more than \$20,000 is 1% of such adjusted gross income. Romanette three, more than \$20,000 and not more than \$30,000 is 2% of such adjusted gross income. Romanette four, more than \$30,000 and not more than \$40,000 is 3% of such adjusted gross income. Romanette five, more than \$40,000 and not more than \$50,000 is 4% of adjusted gross income. Romanette six, more than \$50,000 and not more than \$60,000 is 5% of such adjusted gross income. Number seven, more than \$60,000 and not more than \$70,000 is 6% of adjusted gross income. Romanette eight, more than \$70,000 and not more than \$80,000 is 7% of such adjusted gross income. Number nine, more than \$80,000 and not more than \$90,000 is 8% of such adjusted gross income, and ten is more than \$90,000, and not more than \$100,000 is 9% of adjusted gross income, and 11, more than \$100,000 is 10% of such adjusted gross income. Three, dependent, for the purposes of the Repayment Assistant Plan. This means an individual who qualifies as a dependent under Section 152 of the Internal Revenue Code of 1986, as amended, and who were claimed on the borrower's Federal income tax return for a borrower who filed a Federal tax return as married filing separately, dependent shall only include the dependents claimed on the borrower's return. We

renumerated (4), (5). We removed partial financial hardship and inserted the applicable amount in eligible loan. Under romanette one, we have removed Direct Consolidation Loan that repaid a Direct PLUS Loan or Federal Loan made to a parent borrower as an accepted consolidation loan. I'm going to need to look at the screen at this moment, I believe. Accepted consolidation loan means romanette one capital A, a FFEL or Direct Consolidation Loan if such consolidation loan repaid a FFEL or Direct PLUS Loan made to a parent borrower on behalf of a dependent student or paragraph (b) a FFEL or direct consolidation loan that repaid a FFEL or Direct Consolidation Loan described under paragraph (b) (6) romanette one paragraph (a) of this definition that repaid FFEL or Direct PLUS Loan made to a parent borrower on behalf of a dependent student. And romanette two, between July 4, 2025, through June 30, 2028, excludes a loan described under paragraph (b) (6) (1) -- excuse me (b) (6) romanette one a of this definition that we paid a FFEL or Direct PLUS Loan made to a parent borrower on behalf of a dependent student, and we've removed between July 4th through June 30, 2028. Excludes, we put a capital, excludes a loan described under paragraph (b) (6) romanette one, A or B of this definition that was being repaid under any Income Contingent Plan or any Income

Based Repayment Plan on any date between July 4, 2025 through June 30, 2028. And then we've added Income Contingent or Income Based Repayment Plans. You will see throughout the rest of this section in apparently really bright green highlights that we have no longer used the acronyms, and we've specified the actual plans here. So as we go through this, you'll see that change in corresponding sections. So now we'll go to accepted loan. It means any outstanding loan that is Romanette one, a Federal Direct PLUS Loan made to a parent borrower on behalf of the dependent student, or romanette two, a Federal Direct Consolidation Loan if it repaid an accepted PLUS loan as defined in this section, or an accepted consolidation loan as defined in this section. (8), accepted PLUS loan means any outstanding loan that is a FFEL or Direct PLUS Loan made to a parent borrower on behalf of the dependent student. Number (9), family size. We've added plans except the Repayment Assistant Plan. So in other words, here it says for all IDR Plans, the family size would be the number of individuals that is determined by adding together a whole list of things that we've never changed. Going to number (10), income, things we haven't changed. We go down to -- this is where we've put (inaudible) because we have not had a chance to renumber everything. So -- I'm sorry we haven't put

(inaudible), we put number signs because the numbers are coming. But we did not have time when we were trying to get all the reg text ready for all of the restructuring. So we just wanted to read you the new definitions that we had here. And all the cross-references -- wait, go back up. Thank you. So, Income Based Repayment Plan means a repayment plan that bases the borrower's monthly payment amount on the borrower's income and family size set forth in Section 493, capital C of the act. The Income Based Repayment Plan is the Income Based Repayment IBR Plan except for the purposes of this section, the term Income Based Repayment Plan does not include the Repayment Assistant Plan described in Section 455(q) of the act. Income Contingent Repayment Plan mean the repayment plans that base the borrower's monthly payment amount on the borrower's income and family size in accordance with Section 455(d)(1) capital D of the act. We re-enumerated (11) and (12) and under -- so for monthly payment or the equivalent under the Income Contingent and Income Based Repayment Plans. And we've renumerated (13), new borrower. We have added (13) romanette one A of this definition to romanette one. And in romanette two we have removed the on, we've put before July 2014 and obtained no new loan on or after July 1, 2026, and added at the end July 1, 2024, but before July 1, 2026. Does anyone

remember what color that is? Yes. White. Very good. Very good. We have -- see, I told y'all we were going to get tested on that. Partial financial hardship has been removed. We have renumbered (14) and (15). We've come down to paragraph Subsection (c). We've added appropriate cross-references. We said paragraphs (d) (2) and (d) (4) and paragraph number (2) through June 30, 2028, a Direct Loan borrower who has not received a Direct Loan on or after July 1, 2026, and then in three, we have removed the reference to has the partial financial hardship and have put in elects to have their aggregate monthly payment amount recalculated to not exceed the applicable amount. And number (4), through June 30, 2028, A and then romanette three, removing the reference to partial financial hardship and elects to have their aggregate monthly payment amount, payment amount recalculated to not exceed the applicable amount, and then removes the and. Adds the and on romanette four and on romanette five, has not received a Direct Loan on or after July 1, 2026. Paragraph (5) romanette one, we add after section and before a borrower and through June 30, 2028. In paragraph (a), we remove the semicolon and the and, and put that in, in paragraph (b) and then in paragraph (c) we say has not received a Direct Loan on or after July 1, 2026. In romanette two, we say a through June 30, 2028, a

borrower. In B paragraph (c) (5) romanette two S of this section shall not apply if that borrower received a Direct Loan on or after July 1, 2026. Romanette three A through June 30, 2028, a borrower, and then we've added (b) paragraph (c) (5) romanette three capital A of this section shall not apply if that borrower received a Direct Loan on or after July 1, 2026. Number (6), any Direct Loan borrower may repay under the Repayment Assistant Plan if the borrower has loans eligible for repayment under the plan. (7), transition from income, Income Contingent Repayment Plans. Romanette one, before July 1, 2028, a borrower repaying Direct Loans under -- we've crossed out the PAYE and ICR, and we've put in an income, Income Contingent Repayment Plan respectively under paragraphs (a) (1), (a) (3), or (a) (4) of this section, or who is in administrative forbearance as defined under 685.205(b) associated with Income Contingent Repayment Plans must elect to repay those Direct Loans under one of the following repayment plans for which they are otherwise eligible before July 1, 2028. Paragraph (a) the Repayment Assistant Plan under paragraph (a) (5) of this section, (b) the Income Based Repayment Plan under paragraph (a) (2) of this section, (c) the Standard Repayment Plans under 685.208(b) (1) or (b) (2), (c), the Graduated Repayment Plans under

685.208(b)(5), (b)(6) or (g)(7). (d), the Extended Repayment Plans under 685.208(b)(3) or (b)(4) or (e) through June 30, 2028. The Income Contingent Repayment Plans respectively under paragraphs (a)(3), (a)(4) of this section. Romanette two, borrower who elects to repay their loans under paragraph (c)(7)(1) of this section shall begin repaying under the terms of their repayment plan on July 1, 2028. Notwithstanding the foregoing, the borrower may elect to repay their loans earlier than July 1, 2028. Romanette three paragraph (a) in the case of a borrower who does not select a repayment plan under paragraph (c)(7) romanette one of this section by July 1, 2028, the Secretary shall require the loans to be repaid under the following repayment plans. (1), the Repayment Assistant Plan under paragraph (a)(5) of this section for the Direct Loans eligible to be repaid under such repayment plan, or to the Income Based Repayment Plan under paragraph (a)(2) for the Direct Loans that are ineligible to be repaid under the Repayment Assistant Plan. The Secretary will require the borrower to repay their Direct Loans that are in repayment status in Income Contingent Plan, or an administrative forbearance associated with an Income Contingent Plan under the terms of the applicable plan under paragraph (c)(7) romanette three capital A italicized one or italicized two of this

section on July 1, 2028. Paragraph (1) under (d) through June 30, 2028, the following we have removed, did not repay a Direct Parent PLUS Loan or a Federal Parent PLUS Loan are not accepted consolidation loans. We've added are not accepted consolidation loans. Paragraph (2), we've changed the Income Based -- we've changed to the words Income Based Repayment and removed the acronym. And at the end of the sentence we have removed did not repay a Direct PLUS Loan or a Federal Parent PLUS Loan and included the words are not accepted consolidation loans. Number three, we've added through June 30, 2028, the, we've removed Direct Consolidation Loans that repay Direct Parent Loans or Federal Parent PLUS Loans and inserted the words accepted consolidation loans. Brand new paragraph (4), the following loans, including defaulted loans, are eligible to be repaid under the Repayment Assistant Plan. Direct Subsidized Loans. Direct Unsubsidized Loans, Direct PLUS Loans made to graduate or professional students, and Direct Consolidation Loans that are not accepted consolidation loans.

Notwithstanding the conditions under paragraph (d)(1) through (d)(3) of this section, only Direct Loans made before July 1, 2026 may be repaid under an Income Contingent or Income Based Repayment Plan. (e)(1) romanette one. We have inserted Repayment Assistant Plan

before REPAYE, and we have removed the acronym for Income Based Repayment and inserted the words. Two romanette one, the same change. We've removed IBR and inserted the actual words. New romanette three, for the Repayment Assistant Plan, only the borrower's loan debt that is eligible to be repaid under the plan is included for the purposes of calculating the borrower's monthly payment amount, as described in paragraph (f)(5) of this section. In (f)(2), we have removed IBR and inserted the words. Same thing for romanette two, and we've added except that the borrower may repay such loans in excess of ten years. We've removed the Income Based Repayment acronym and inserted the words in three. In romanette two, same thing. And then we've added except that the borrower may repay such loans in excess of ten years. Number three, for the Repayment Assistant Plan, the borrower's applicable monthly payment is an amount equal to, romanette one, the borrower's applicable base payment divided by 12 minus, romanette two, \$50 for each dependent of the borrower. In three romanette one, monthly payment amounts calculated under paragraph (5) of this section will be adjusted in the following circumstances. In cases where the borrower's monthly payment amount calculated under paragraph (f)(5) of this section is less than \$10, the monthly payment is \$10,

except that a borrower's final payment may be less than \$10. Paragraph (b), in cases where borrower's total outstanding balance on all loans being repaid under Repayment Assistant Plan is less than the applicable monthly payment amount, as calculated under paragraph (f)(5) of this section is less than \$10, the applicable monthly payment shall be the total outstanding balance.

In two romanette one, we've removed IBR and inserted the words Income Based throughout the section twice, and then in romanette two, the same thing, Income Based Repayment.

In number (4), under the Repayment Assistant Plan, during all periods of repayment on all loans being repaid under the Repayment Assistant Plan, the Secretary does not charge the borrower's account for any accrued interest that is not covered by the borrower's payment for that month. Under changing repayment plans -- or under interest capitalization, (j)(1), under the Repayment Assistant Plan, we've removed REPAYE, PAYE, and ICR and inserted Income Contingent Repayment Plans. In romanette -- in paragraph (2), we've removed IBR and inserted the words. In romanette three, we've removed IBR and inserted the words and same thing under (k)(1), we've removed IBR and inserted the words. In (2), we've inserted Income Based Repayment and removed IBR. Number (4), for the Income Contingent and Income Based Repayment Plans, a

borrower receives a month of credit towards forgiveness by romanette one A notwithstanding paragraph (k) (4) (1) capital B of the section making a payment under an IDR, an IDR Plan, or having a monthly payment obligation of zero. Paragraph (b) for the IBR, we've removed IBR and inserted Income Based, and we've removed the PAYE and ICR and inserted an Income Contingent Repayment. And that whole Section (b) or paragraph (b) means for the Income Based Repayment Plan, only making a payment on or before June 30, 2028, under an Income Contingent Repayment Plan or having a monthly payment obligation of zero. We've removed the IBR and inserted Income Based Repayment in paragraph (5). We have removed IBR and inserted the words Income Based Repayment in romanette two. We've added (7), in a case where a borrower repaying under the Repayment Assistant Plan, the borrower receives forgiveness of the remaining balance of the borrower's loans after the borrower has satisfied 360 monthly payments or the equivalent, in accordance with paragraph (k) (8) of this section, over a period of at least 30 years. (8), for a borrower repaying at least one loan under the Repayment Assistant Plan, romanette one to qualify for loan forgiveness, the borrower must have, (a), participated in the Repayment Assistant Plan during any period, made their final payment under Repayment Assistant Plan prior

to loan cancellation, and (c), made 360 qualifying monthly payments, which includes any of the following.

(1), an on-time monthly payment made by the date the payment is due for that month, in accordance with paragraph (f) (5) of this section, number (2), an on-time monthly payment made by the date the payment is due for that month under the Tiered Standard Repayment Plan in accordance with Section 685.208(c) (1), (3), a monthly payment under any other repayment plan, excluding the Repayment Assistant Plan of not less than the monthly payment that would have been required under a standard repayment plan amortized over a ten-year period. Number (4), a monthly payment under the Income Based Repayment Plan, in accordance with this section of not less than the monthly payment required under the plan, including the minimum payment permitted under that plan. (5), prior to the -- prior to July 1, 2028, a monthly payment under an Income Contingent Repayment Plan under this section of not less than the monthly payment required under the applicable plan, including the minimum payment permitted under such plan or prior to July 1, 2028, a monthly payment under an Alternative Repayment plan in accordance with Section 685.221 of not less than the monthly amount required under the plan, including the minimum payment permitted under that plan or (7), a month when the

borrower received an unemployment deferment, as provided under Section 685.204(f), or economic hardship deferment as provided under 685.204(g), or (8), a month that ended before July 1, 2026, when the borrower did not make a payment because they were in a period of deferment or forbearance, as follows: (a), a cancer treatment deferment under Section 455(f)(3) of the act, (b), a rehabilitation training program deferment under Section 685.204(e), (c), an unemployment deferment under Section 685.204(f), and all the way down, we've just kept all of the forbearances that will count forbearances and deferments that will count as a payment. (1), we've added and their spouse, if applicable, to (1)(1). We've removed Sections 455(e)(8) and added and 494(a)(2) we have added and their spouse, if applicable, in number two, and changed the corresponding cross references there and added to the Secretary. Romanette one, for the Income Based Repayment Plan, we've added the word or. Number (2), for the Repayment Assistant Plan, the borrower's income and the number of dependents of the borrower. Number (3), we have removed AGI and family size, and we put tax information from the Internal Revenue Service. The borrower, and their spouse, if applicable, must provide documentation to the Secretary. Paragraph (inaudible) Income Based Repayment Plan, the borrower's

income, family size, or romanette two for the Repayment Assistant Plan, the borrower's income and the number of dependents. Romanette three we've removed and. Romanette four, we've added and family size or income and the number of dependents for the Repayment Assistant Plan. Romanette five informs the borrower of the right of the Secretary to follow the procedures in paragraph (1)(3) of this section and in accordance with this Section 493(c), 493 capital C, lowercase C, paragraph (2) of the act on an annual basis to automatically recertify their eligibility for an IDR Plan, and romanette six, informs the borrower of their right to opt out at any time of the disclosure of applicable tax information under Section 493 capital C, lowercase c paragraph (2) of the act and describes the process for affirmatively opting out. In paragraph (6), we add and between income and family size or income and the number of dependents or the Repayment Assistant Plan. We do the same change a little lower and remove, not based on tax information. We remove the, the acronym for Income Based Repayment and spell it out. We have and, and then Romanette four, for the Repayment Assistant Plan, the borrower's required monthly payment is the amount the borrower would have paid on a ten-year standard repayment plan based on the total balance of the loans when such loans entered repayment. We have added

the very bright blue asterisk under automatic enrollment in an IDR Plan. We have kind of moved that off because there's no changes that we need to mention here at the moment. We have added (o) other provisions. paragraph (1) for the PAYE Plan, Repayment Assistant Plan, and REPAYE Plan if the borrower's monthly payment amount or the monthly payment reduced under paragraph (g) (3) romanette one of the section is not sufficient to pay any of the principal due, the payment of that principal is postponed. Two romanette two, matching principal payment. In the case where the borrower is not in a period of deferment under Section 685.204, or forbearance under Section 685.205, and the borrower's monthly payment as applied in paragraph (f) (5) romanette one of this section reduces the outstanding principal balance by less than \$50, the Secretary reduces such total outstanding principal of the borrower by an amount that is equal to (a), the lesser of (1) \$50, or (2), the monthly payment made minus (b) the amount of the monthly payment that is applied to such total outstanding principal balance. Oh, Hallelujah. That's it. Anyone else fall asleep? Because I certainly would have. Don't say yes.

MS. WEISMAN: Ashley?

MS. NAPORLEE: I was just going to say that Tamar and I are going to switch for this section.

We're just going to switch for the section. (inaudible) before we start commenting.

MS. WEISMAN: So that's Tamar Hoffman coming to the table. Tamar?

MS. HOFFMAN: Thank you, Annmarie, and thank you, Tamy, for reading all of that to us. That was a heavy lift and we appreciate it. There are many changes here, and it certainly seems to be moving in the right direction, which is wonderful. But given the volume of the changes and the questions we have, we were hoping to call for a caucus so that we could informally discuss this with hope that it might resolve things more quickly.

MS. WEISMAN: Who would you like in your caucus?

MS. HOFFMAN: All negotiators is fine.

MS. WEISMAN: Including the Department?

MS. HOFFMAN: Yes, absolutely. Thank you.

MS. WEISMAN: So then I would ask the public to please leave the room while we caucus. And about how much time do you think you would need?

MS. HOFFMAN: 20 minutes.

MS. WEISMAN: For approximately 20 minutes. And we'll update you if that changes. Welcome

back, everyone returning from caucus, I'd like to ask Tamar to do a report out.

MS. HOFFMAN: Thank you. We just had a caucus with all negotiators to review some of the changes proposed to 685.209. There were a number of issues that we reviewed as a group. One was the proposal that the legal aid constituency had previously submitted, where we had asked that borrowers who are enrolling in ICR for the purpose of then enrolling in IBR, be permitted to be in an authorized forbearance and make a payment while in forbearance in order to qualify to then move to IBR. We were instructed that the Department is not able to agree to that -- to this at this time. We then also reviewed some of the other changes, including on page 12 of the new proposed language, where it appears that there is a misprint regarding the applicable payment for the PAYE Plan. And we agreed to come back to the Department with some new proposed language. We also reviewed how some of the language may be confusing. On page 18, in particular, given that the SAVE regulations are currently enjoined and there's a little bit of confusion around the section where it says that borrowers who are repaying under the SAVE Plan on July 1, 2024, are the ones who are then eligible to (inaudible) no longer applicable. We propose striking that paragraph (inaudible). And I believe that,

that was -- and there was also a numbering issue brought to the attention of the Department that I believe will be fixed. If I've missed anything, please fill in the blank.

MS. WEISMAN: I see no cards, so I'll turn it back to you, Tamy.

MS. ABERNATHY: We have an answer, and then we will do a pulse check.

MR. LALLO: Yeah. We confirmed with our outside inside the room legal counsel, who was looking at this while we were talking. If you're in forbearance, it -- a payment does not count for the purposes of enrolling in ICR. The reason for that is, if you look at the statute itself, it says, being repaid. And while we understand that requires a payment, it also requires you to be in a repayment status for the purposes of entering ICR, because you were not repaying it before that, you're just making a payment to try to get into the program.

MS. WEISMAN: Are we ready for the pulse check?

MS. ABERNATHY: Yes, ma'am.

MS. WEISMAN: Okay. Pulse check on 685.209. If I could see thumbs, please. I see thumbs up with the exception of thumbs in the middle for Alex Ricci, as well as Faisal Suleman and Tamar Hoffman.

MR. SULMAN: We would just like to say we expect to vote yes or thumbs up, but we're just waiting to hear back from (inaudible)

MS. WEISMAN: Any other comments?
Tamy, back to you.

MS. ABERNATHY: I am really glad we're at this point. We have made incredible progress over this week from where we started. We have learned so much from each of you. You have found your voices and you're certainly not scared at all or shy to share them with us. And we really appreciate that, because the whole purpose of negotiated rulemaking is for us to get it right and you to help us get it right. You can tell by all of the back-and-forth edits that we've been making that you have really made a difference. And we are so excited to continue working with you guys in another week. My takeaways that I am understanding that I am supposed to be doing, which I had written down, and then I moved my paper and I can't find it, are we are going to go back in 685.203(b) and fix the right provision that we thought we were fixing by fixing the other provision that wasn't supposed to be changed. So we're not looking at the aggregate loan limits. We're going to go back into (b) and we're going to fix the clauses about that institution and borrowing under the interim exception. So we'll take

care of that and we'll get that out to you. The second takeaway I have is that we are to give you new discussion drafts that are no longer going to be discussion drafts. They're going to be regulatory provisions. You'll get 16 regulatory provisions in red line text for you to make proposals on. Should you make changes to those regulatory provisions and they are in red line, please highlight them. Please include your rationale and please get all of your proposals, proposed reg text, anything you would like for us to consider to us by the 10th, so that we can make sure we do all of the things that we need to do with them, and vet that all the way up through our senior leadership, to make sure that we have things ready for you a week in advance of negotiations. Do you have any questions for the Fed team at the table?

MS. WEISMAN: Faisal?

MR. LALLO: I know there was some discussion just around some regulatory text affecting student veterans and our constituency.

MS. ABERNATHY: Yes, sir. Let me put that -- thank you so much. That's the third thing we'll --

MR. SULMAN: Thank you.

MS. ABERNATHY: If somebody from my -- oh, it's on my list.

MS. WEISMAN: Jenna?

MS. ABERNATHY: I'm not confirming it's going to be reg text. I'm confirming we're going to circle back with the respective response.

MR. SULMAN: No, that's fine, thank you. I just didn't want to get it lost --

MS. ABERNATHY: Yes, absolutely. Thank you. I didn't want to misspeak.

MS. WEISMAN: Sorry, Jenna.

MS. COLVIN: So it was very helpful yesterday when we did that review of what's been pulse checked so that when I went home last night, I could look at what we were going to look at today. What are the open items that haven't gotten the positive pulse check? Could we have a list?

MS. ABERNATHY: Not right now. I do have them on all of the different drafts. And so what we need to do is clean up our drafts first to see what truly is outstanding. The one outstanding, outstanding item is the, the language that we did not put in the right place. So that 685.203(b), I think it's in (b) that we're supposed to make that change. I know that that's one thing. There's not a lot left. We've made incredible progress. But I do want to vet that list with my team, who probably has taken way better notes than I have while

I've been sitting here, and make sure that the Fed team, and of course, our senior leadership is in agreement with what is still outstanding. Professional student definition is one of them. Schedule of reductions is another. But other than those pieces, I think we're getting very close to being able to lock down the reg text, at least on some of the provisions, whether or not you agree with it or not, or can live with it. That's kind of where we want to end up. But I will do an assessment of that. It's going to take me a couple of days. I'm not going to lie, I have another deadline of something. So it'll take me a few days to get it early into next week. But I promise I'll get it to you as soon as I can.

MS. WEISMAN: Andy?

MR. VAUGHN: I don't have a question, but I have one comment and just ask for reflection for the Department, on the topic of professional designation, I know, big shocker. First of all, it seems when Congress wrote that language in the legislation that the president signed, fully respect that, yet it's very circular to us, so I hope we're not frustrating you, but it's -- it seems like Congress punted the ball to the Department and then they go, it's up to the Department to decide, and the Department points back to Congress. And there's this

circular file going on that we can't seem to penetrate at all. And so I just keep pointing to the sentence. Matter of fact, my nightmares on Monday night, where I slept a grand total of two hours after Monday's session, no joke, I kept thinking about the words, examples include, but are not limited to. The fact is, that list, which is arbitrary, was written at a time, no joke, when we were still using blackberries, we were still driving to Blockbuster to pick up our videos, and when Myspace was the dominant social media, which tells me the list is outdated and antiquated. We've not moved ahead with what is relevant today, including mental health challenges. And so again, I think they grabbed something without really thinking it through, punted, it's getting punted back. I would just ask that we reflect on what's really there. Lastly, just a thank-you. I know that you're working -- volunteering this week during a shutdown. Appreciate that. And also, this is a very unusual neg reg. This is legislatively-driven. And there's not a lot we can do with certain topics. And so I realize that puts you in a very difficult situation at times, too. So just thank you for that. And thank you for your time.

MS. ABERNATHY: Thank you for that. We're not going to revisit professional student definitions. We've done enough of that. And I appreciate

your comments. And I appreciate all of the formidable discussion that we've had throughout the week. But we are going to close early. So on behalf of Secretary Linda McMahon, Undersecretary Nicholas Kent, Deputy Assistant Secretary Jeffrey Andrade, and Jacob Lallo, and the Federal team, thank you, Committee, for working with the Department during these negotiations. And as always, a big thank-you to our public for their participation. They probably never want to hear the word caucus again. Additionally, we really do want to give you a hearty thank-you and extend our deepest appreciation for the considerable work done by our conference and event management team in the back and the technical staff. Don't hate me, but if the staff in the Office of General Counsel will stand up. These are people that tirelessly work for us and get it to help us get it straight. If my team, those of you that are still here, and Eric's team, those of you that are still here would stand. I could never do what I do without these individuals and our administrative and auxiliary services team, Val and Amy and Margot. They keep our village strong. And there are so many others across the Department who've worked to coordinate their efforts and deliverables for these negotiated rulemakings. And I certainly -- let's just give a shout out for Batman and Batwoman. You know, you

have a true friendship when you throw your friend under the bus and you have to keep coming up and having to address things. So, Eric, you're a lifesaver. Thanks a bunch. Next steps, more rulemaking. We'll see you in a few weeks. Monitor -- I'd say monitor the website, but I'm not sure right now that you should do that. So we won't monitor the website until we're back up and operational. And we'll try to communicate with you as soon as we can on the things that we're able to do so on. We appreciate your commitment, and I certainly have had a lot of fun getting to know each and every one of you and working alongside you. Please get safely home, enjoy your time away, and we look forward to seeing you the next time. And the biggest thank you should go to our facilitator, Annmarie, for her time keeping us straight, because that is not an easy job. So thank you, Annmarie. We couldn't have -- not -- we could not have done this without you.

MS. WEISMAN: Thank you so much to all of you. Just a couple of other quick notes. The Department has agreed to send copies of the most recent version of the draft language in an email to everyone on the negotiating team, the primaries, and the alternates, along with an email list to circulate. That would not be today. That would be sometime into next week, just to

level set expectations. Again, reminders, and I know Tamy just mentioned this, but I'm going to put in a plug again. Please, if you do have counter language, proposals, things like that, the questions that you want the Department to answer, it would be most helpful if you could do that by October 10th, so they can get through that, that amount of material. The next session dates are November 3rd through the 7th. It'll be great to have you all back then. Thank you very much for your time and your kind attention throughout the day and throughout the week. It was very nice to work with each of you. It was my pleasure, and I wish you all safe travels home and a very pleasant trip and a good evening. Thanks, everyone. Oh, yes, Tamar?

MS. HOFFMAN: Sorry, just a really (inaudible) question. In the event of outstanding questions or typos, is there a -- can we get those back by, let's say, October 7th, so we can submit drafts accordingly by the 10th? Or is there a different process that makes sense for the Department?

MS. ABERNATHY: We believe we've addressed those, the ones that were -- if you feel we've missed something, you need to let us know because some things we were not -- we've answered through our reg text and we've answered saying, no, we're not going -- you

know, this is not something that we would do. And so if we've missed something, let us know, and I'll look back through the notes to see if maybe, perhaps we just didn't clearly, you know, identify it because it could happen. We've had a lot of stuff coming in and -- but in my recollection, I've gotten through all of those. So if there's something outstanding, please feel free to let us know and we'll try to circulate that back as soon as we can.

MS. HOFFMAN: Thank you, much appreciated.

MS. ABERNATHY: Absolutely.

MS. HOFFMAN: Thank you so much.

MS. WEISMAN: Thank you all. Have a good evening.

MS. ABERNATHY: That's a wrap, folks.