

Follow-up regarding proration of student loan payments for married borrowers filing jointly (Submitted by Tamar Hoffman)

Hi all,

To follow-up on the caucus that just happened regarding proration of student loan payments for married borrowers filing jointly, the question and proposed answer based on our conversation is as follows:

- **Question:** Under RAP, are the student loan payments of married borrowers filing jointly prorated so that each payment equals the same proportion as that borrower's debt to the total outstanding balance?
- **Proposed Answer:** Yes. Student loan payments of married borrowers filing jointly should be prorated so that each payment equals the same proportion as that borrower's debt to the total outstanding balance. This should be reflected in the new regulations.
- **Rationale:** To ensure that the RAP plan as contemplated by Congress is properly implemented and does not inadvertently impose a massive marriage penalty by placing married borrowers filing jointly in the position of making student loan payments in amounts that are the equivalent of the payments of single borrowers in a much higher income bracket, the regulations must adjust RAP payments for each spouse's proportion of the debt load. Otherwise, married borrowers filing jointly could end up with the same student loan monthly payment under RAP as a single borrower household with double the income. This is demonstrated in the example shared in the proposal that we submitted earlier today.

I hope that this is helpful, and I'm happy to continue the conversation!

Thanks,
Tamar