

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING
REIMAGINING AND IMPROVING STUDENT EDUCATION (RISE)
SESSION 2, DAY 1, AFTERNOON
November 3, 2025

On the 3rd day of November, 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: Welcome back, everyone. I hope you had a nice lunch. Seeing no cards up at this time, I'm going to turn it back over to Tamy for our next discussion.

MS. ABERNATHY: You guys are going to have to stop being so industrious during lunch and give us all these new proposals. Just teasing. All right. That's yet to be -- no, I'm scared you're going to say something else. We're going to take this back and look at -- look at this a little bit more in depth. We can't really do that right now. So we have it. We're going to look at it and we'll circle back when we have some more information.

MR. ANDRADE: Yeah, Bob, I think the, the overall direction is we don't want to create a situation where because of a call-up or some other, you know, call to service that the borrower loses the advantage of the grandfathering provision. So I think we're on the same page there.

MR. CAREY: I figured that, but I wanted to make sure we -- that it didn't fall through the cracks. So, thank you.

MS. ABERNATHY: All right. So we did have a chance to look at the new proposals and some of

the outstanding items. And thank you for letting us be a little late, because we were right in the middle of working through the items, the very items that we said we would take back. And I didn't want to stop the momentum. I wanted to kind of get those finished so that we could move on. So in no particular order. 674.39, 682.405, 685.211. Fresh Start was never considered a rehabilitation. We have publicly stated that before. We will make sure that is on the website and that it is in the preamble. But no, Fresh Start was not intended to be a rehabilitation. That was a Fresh Start based on being in default. Okay, so that's off -- that, that answers that question, I hope. Okay. 685.203. On number two -- on page number two where -- I'm not sure who said this. It's -- I think it was Alex. It's one of y'all. Alex squared where we say if the student withdraws and you were saying you wanted unless the student withdraws.

MR. LALLO: No, that was, that was Andy.

MS. ABERNATHY: Andy, I'm sorry. Sorry, Alex squared. Andy said this is. That's what I get for not looking at my notes in here. We do not want to switch that language. We think changing that language to unless undoes the paragraph. So we're going to keep that as if.

MR. VAUGHN: That's fine. Thank you.

MS. ABERNATHY: Thank you. Okay. And Alex Holt, while we appreciate the suggestion in (e)(4) romanette one and romanette two, we were very intentional that it was at that institution. In fact, that was a change that was made during the first session to clarify that that is, at that institution. Those two provisions are -- we expect it to be the same institution, the same program moving forward.

MS. WEISMAN: Alex Holt?

MR. HOLT: Okay. So let's step away from the language for a second. I just want to make sure then -- so we agree that the aggregate limit moving forward is \$100,000 total, no matter the institution you go to. Okay. So then. I'm sorry, that's G?

MS. ABERNATHY: That's G.

MR. HOLT: Okay. Sorry. So --

MS. ABERNATHY: Go back to E for us.

MR. HOLT: Yeah, we're at (e)(4) romanette one.

MR. LALLO: E four is the grandfathering.

MR. HOLT: E4, E4 is the grandfather. No, it's not.

MS. ABERNATHY: Is -- E4 begins July

1.

MR. HOLT: Right. So that's why I don't understand. Maybe I just don't understand what this language is doing because it says for a graduate student for a period of enrollment beginning on or after July 1, 2026. So we're only talking about new students, right?

MS. ABERNATHY: New, new borrowers.

MR. HOLT: Sorry, new borrowers, new borrowers who is not and has never been a professional student at that institution, \$100,000. So that is the -- isn't that the aggregate limit, \$100,000? It's not the --

MS. ABERNATHY: Yes.

MR. HOLT: Yeah. Okay. So it's the aggregate, aggregate limit.

MS. ABERNATHY: Yep.

MR. HOLT: So then it shouldn't be that institution. It should be an institution, right? Because it's, it's any institution, \$100,000.

MS. ABERNATHY: Okay. So I believe we thought this was the grandfathering provision. So let us take this back again and revisit, because we may have done the same thing that you did and conflated where this -- what we were actually talking about.

MR. HOLT: We've been going back and forth on --

MS. ABERNATHY: We have.

MR. HOLT: Because we keep getting mixed up -- sorry. We keep getting mixed up between the grandfathering and the new.

MS. ABERNATHY: Yes. So let us take that back. But, however in G2, we are intentional in keeping it at an institution. So that one is intentional. So we'll keep that one there. And Alex Ricci, we are going to remove for enrollment in an eligible program of study, and for the entire period of enrollment in G2 that you asked for. So both of those will be done. Obviously, we don't have reg text right this moment. One thing that we are taking back is this -- the program of study, the change in program degree type. We ran out of time to fully flesh out what we want to do here. So we have to take that one back. So expect us to come back with something on that one. Okay? Thank you. And -- okay. I'm trying to see if we have anything here. Nope. That's the same thing there. Okay. That was it on that one. Now, we did have another question where -- hold on. We had another -- Patti had a question, and I thought I had it written down somewhere. But I can't find it. So, Patti, this is about the proration. I'm going to try to find it because Jeff had given me all the right words to say, and I'm going to just find those words, so forgive me. I

cannot find it right at the moment. (inaudible) the proration part. When I find it, I will come back to it. It is here somewhere. Okay. These guys have me so organized. I can't find anything. Me, not them. They're great. Okay, so the next one is the AW -- so this is --

MS. WEISMAN: Tamy, before you go on, Ashley has her card up.

MS. NAPORLEE: Sorry. I just wanted to respond to what you said earlier about rehabilitation and Fresh Start. Our concern was that in the Department's publication of information on Fresh Start, there was still a subset of borrowers who could have taken advantage of Fresh Start but didn't, and instead rehabilitated. And so that wasn't supposed to count against their chance to rehabilitate in the future. So that's why we wanted to include that language to, to catch those -- that subset of borrowers who rehabilitated instead of used Fresh Start to get a default, which is in the published materials.

MS. ABERNATHY: They have already rehabilitated. And so they will be allowed to get another rehabilitation. But if they have already rehabilitated --

MS. NAPORLEE: Well, this, this language says that wouldn't count against them. To ensure borrowers who could have taken advantage of Fresh Start

but rehabilitated instead and are not harmed. Borrowers who rehabilitated their loan during the payment pause will be able to rehabilitate again if they redefault, so that wasn't supposed to count against their total amount of rehabilitation.

MS. ABERNATHY: And what are you reading from?

MS. NAPORLEE: It's a, it's a Fresh Start -- it's a Federal Student Aid Fresh Start pamphlet.

MS. ABERNATHY: Okay.

MR. LALLO: Send it to us.

MS. ABERNATHY: Yeah. We'll have to take a look at that because the statutory changes now -- we have to look at the statutory changes.

MS. NAPORLEE: I'll just email the --

MS. ABERNATHY: Of course. Send it our way. Okay.

MS. WEISMAN: Jenna?

MS. COLVIN: Just a housekeeping question. So on section 203, the open items are the program versus degree type for Parent PLUS legacy, the E4 question on that versus an institution, I'm not sure if we landed. Did we land on the part-time enrollment?

MS. ABERNATHY: That's the piece of paper I can't find at the moment, so we have not landed

on that. We have landed on it. I just don't know where we landed yet, but I will. We are not making any changes. We're just clarifying. So. Yes, ma'am. Those are the pieces that are still outstanding. Okay. So back to the November 3rd AWG from Tamar. This is -- we are not going to make any changes here because we're not going to regulate ourselves. The Secretary already exercises discretion around AWG and stopping after five rehabilitation payments, and so we do not want to create a perverse incentive for borrowers to try to rehab and, you know, stop the collections and things like that. So we already have this in place. And once they pass the mid-point rehabilitation, we're making a good faith effort to stop the collections anyway. And so at this point, we are not going to make any changes, but we appreciate the suggestion. So the other issue where we had 682.215(b)(1), I'm not sure what has happened here, but it looked -- oh, God, excuse me -- it looks like some language got mixed up. And the most recent information, the most recent proposed text is not what you guys are proposing changes to. This is Tamar and Ashley. So we don't think that there's anything wrong with the way that we have written, because if you look at B1 now, it says for the Income Based Repayment Plan, a borrower may elect to have their aggregate monthly payment recalculated to

not exceed the applicable amount when the borrower initially enters the plan. The borrower's aggregate monthly loan payments are limited to no more than 15% of the amount by which the borrower's AGI exceeds 150% of the poverty line, income applicable to the borrower's family size divided by 12. The loan holder adjusts the calculated monthly payment if. I think at one point when we were trying to clarify Income Contingent Repayment that it got included, but then we had already taken that out. And so we think that somewhere along the way that there was some confusion about what that B1 truly said. So it does not reference the PAYE Plan getting 15 and then 10%. But we did find that somewhere else, and we have ratified that by fixing it. And let me -- I don't think it's in this provision. I think it's in a different provision. But we did find where that was listed. It is in -- whatever provision that's in, I think it's in 6 -- yeah, I don't know off the top of my head.

MS. NAPORLEE: Are you talking about 685.209(b)(1)?

MS. ABERNATHY: Yes, that's exactly what I'm talking about. Thank you. So we have fixed that. And when we get to that one, I'll show you what that one is. So in 685.201, this is -- we have already stated -- where are my notes on this one? There's the note. Okay. I

don't think there's any changes. Andy, I think here you were saying something about the, the, the plus loan here, but in the language it says may apply for a Direct PLUS Loan if the student satisfies the conditions set forth. So I'm not sure what you're -- we're going to add a parenthetical that says.

MR. LALLO: Yeah.

MS. ABERNATHY: That's not the right thing.

MR. VAUGHN: Was that for the legacy provision? Okay.

MR. LALLO: Grandfather --

MR. VAUGHN: No.

MS. ABERNATHY: No, that's not --

MR. VAUGHN: We're talking about different --

MS. ABERNATHY: So in 200, we are putting in a parenthetical. I think your question was relating the 2 -- the cross-reference to 200. We are including PLUS Direct and Unsub. So PLUS Direct Sub and Unsub in -- where we say a Direct Loan in B, so in 2 Romanette two B, we are putting a Direct Loan, parenthetical, PLUS Loan, Direct Subsidized and Unsubsidized Loan was made for, for such a program of study prior to July 1, 2026.

MR. VAUGHN: That would eliminate the preamble need then, I think, because then it's right in the regulatory text.

MS. ABERNATHY: Yes, sir.

MR. VAUGHN: Thank you for that. That's very helpful for everybody.

MS. ABERNATHY: Okay. All right. On 685.102, we are putting in the cross-reference of 34 CFR 668.3 because we are talking about a concept of time, and it's equivalent to a period of time. And we don't want to get that confused. So that was from Alex Holt. And we are going to take that one. You are welcome.

MS. ABERNATHY: Okay, I think -- so Patti, you had asked for the proration question about a student who is in their last term of enrollment to seek their degree, whether it's longer or shorter, and talking about the two prorations. One is -- the schedule of reductions is about an amount. And the proration, based on their last term of enrollment, is a period of time. So we think that you still have to do both of them because you, you first have to see the period of time that they're in and you also have to know for the whole academic year, that whole period of time, what they're eligible for. And so if they're not full-time, it has to be that reduced amount, and it has to be that reduced

amount based on the period of time that they're going to be enrolled.

MS. NAPORLEE: Ashley?

MS. NAPORLEE: I'm sorry, I think I'm getting myself confused with all these different section numbers. Did you address the IBR provision of 682.215?

MS. ABERNATHY: I am talking about 685.203(m) at the moment.

MS. NAPORLEE: No -- oh, so I just -- I was going back to when you were addressing my issues, so whenever you get a chance.

MS. ABERNATHY: Let me finish here, and then we'll go back there. So there's not a penalty to the borrower. We are not seeing a penalty to the borrower here.

MS. KOHLER: I'm having a hard time, having a hard time connecting the dots. So are you saying that you would just choose the lesser of the amount or are you saying that you have to do both calculations?

MR. ANDRADE: You have to do both calculations because in the first calculation for the loan amount, you're looking at the proportion of credits that that borrower is enrolled at relative to what a full-time student would be enrolled in for, for an academic year. And the second case, you're looking at --

you have to prorate the award because the program is less than -- the program itself is less than an academic year. So it's -- you know, you have nonstandard terms and other situations like that. Right? And so there's a, so there's a proration there on the overall loan amount or the -- on the overall loan -- is prorated after you've determined the loan amount that they're eligible for.

MS. KOHLER: Okay, I put together a scenario and it -- by doing both, it significantly impacts the students' borrowing and their capability to complete their program.

MR. ANDRADE: We'll take a look at it.

MS. KOHLER: Thank you.

MS. WEISMAN: Ashley, did you have another question?

MS. NAPORLEE: Sorry. It was my question about whether or not Tamy addressed our issue with 682.215.

MS. ABERNATHY: So your issue is the -- that pay was in the --

MS. NAPORLEE: No, that, that was 685.209.

MR. LALLO: Yeah.

MS. ABERNATHY: Right. Hold on. B1. Well, that's what I was saying. We think the language

that you -- we have in B1 for the Income Based Repayment Plan, a borrower may elect to have their aggregate monthly payment recalculated to not exceed the applicable amount when the borrower initially enters the plan. No, this is two --

MR. LALLO: Yeah, yeah, yeah. No, I'm
(inaudible)

MS. ABERNATHY: Yeah. So I'm not sure, based on what I saw your proposal -- I think that was outdated reg text that you submitted that proposal for. Because this is what B1 says.

MS. NAPORLEE: Yeah. So I guess -- I think we're conflating both -- two different sections. So the 685.209 dealt with the 15% issue under PAYE, but 682.15, our issue is that we think that as-written, when the borrower initially enters the plan, that that -- that section should not be in there. It should -- because their payments recalculated every year at 15%. So it shouldn't be based on when they initially enter the plan. We don't think that should be the cap.

MS. ABERNATHY: Number two.

MS. NAPORLEE: Page two, the top, B1.

MS. ABERNATHY: Okay.

MR. LALLO: That was a helpful clarification. Thank you.

MS. ABERNATHY: And you did clarify that twice, so thank you. Third time's a charm.

MS. NAPORLEE: And if I can make one more comment about something else you said on a different topic, whenever you're ready. You mentioned that the Secretary is exercising her discretion and stopping administrative wage garnishment after five payments of rehabilitation. We also are just -- that's not the only method of collections. So we were hoping that we could address the other methods of collection that could be similarly stopped once the borrower has shown that they're successfully rehabilitating their loan. So that was in our email, and I don't believe that you addressed that.

MS. ABERNATHY: (inaudible) .2? So we're still not making any changes at this point. So once rehabilitation -- the idea here is if a borrower is really seeking rehabilitation, they're going to continue to do what they need to do. And we stop everything at five payments. So we're not sure, like Treasury Offset and Federal benefits, if they're under AWG, they're not -- and they're paying, they're not going to have the offset. I mean, that's the next step should there not be this first layer of AWG and completing a rehabilitation agreement. If they fail that rehabilitation agreement,

they do not successfully rehabilitate, then we're going to look at other methods of collection.

MS. NAPORLEE: So if I understand what you're saying correctly, you're saying if there is an AWG in effect, they're not going to have their tax refund seized at the same time? Because that's what we're concerned about is that there's going to be multiple means of collection, which is going to inhibit their ability to successfully rehabilitate.

MS. ABERNATHY: There are, in my understanding, and Eric, correct me if I'm wrong, there are layers. There are -- here's a starting point. And the starting point is if we've done everything that we can and the borrower is still not paying, then we're going to do administrative wage garnishment, AWG. We're going to try that route. And that is like the base level. We're starting there. And so I don't believe it goes -- Eric, correct me if I'm wrong on this one. I don't think it goes to Treasury Offset unless they are not paying at all. And there is no -- do we need to clarify that? Okay. We're going to clarify that then.

MS. NAPORLEE: Yeah, it is.

MS. ABERNATHY: Oh, well, that's great.

MS. NAPORLEE: Great. Yeah. AWG isn't

happening right now, but TOP is, and so --

MS. ABERNATHY: Well but, but isn't that because of where we were? Like that's not the normal process, right?

MS. NAPORLEE: I'm not sure what's normal because nothing's in regulations.

MR. HARDY: Eric Hardy, FSA. Sorry. So today, we -- it's AWG that we don't certify right away, so we would certify for TOP right away if -- and then we would move to AWG later.

MR. ANDRADE: Would we pull the loan back from TOP before we do AWG? My understanding is that we, we, we keep them simultaneously, correct?

MR. HARDY: I think, I think that's the case. I can confirm, just to double-check.

MS. NAPORLEE: I think that was the concern. If you're going to stop AWG after five successful rehabilitation payments, why not all the other methods of collection?

MR. ANDRADE: Well, I mean, for one, TOP's a once-a-year thing.

MS. NAPORLEE: Well, it could be Federal benefits payments, which is (inaudible)

MR. ANDRADE: Could, could be. But, you know, you don't have the, the certainty there. So I

don't think we're going to switch off TOP while we have a defaulted debt still there. So every, every time there's a Federal payment, every time there's a tax, until the loan is no longer in default, we would probably still keep that on.

MR. LALLO: I think the broader point here is because we -- there's nothing within OB3 that encourages us to open this up or commands us to open it up, and there's no reason that we would bind our hands in terms of, you know, how to collect debt from borrowers who aren't paying. You know, there are certain things we do discretionary -- on a discretionary basis, like we stop collecting AWG, you know, traditionally, basically after five months, because at that point a borrower has shown a good faith effort towards actually making rehab. We don't want to put in things that could either constrain our ability to collect or, moreover, allow borrowers to manipulate or take advantage of specific provisions.

MS. NAPORLEE: No, I understand. I just feel like the same rationale could apply to the other methods of collection as it applies to wage garnishment. They're showing that they're making payments, but by taking away their monthly income, you're kind of preventing them from successfully rehabilitating

because you're reducing the amount of money they have to pay towards rehab. I just -- it doesn't make sense. I feel like the spirit of OB3 is to get borrowers out of default and keep them out of default, and you're kind of preventing that from happening by, by continuing the collections and ensuring that they don't have the means to actually rehabilitate successfully. That's our --

MS. ABERNATHY: OBBB did not give a provision around this. So we cannot speak to the intent of what the bill wanted us to do here. They did not give us any provisions whatsoever to stop TOP or -- other than what we already have. So while it's something that may need to be looked at in the future, under this particular -- there's nothing in OBBB that is telling us these are the steps that we want you to take for these particular situations. We appreciate you bringing it to our attention. We will definitely take a look at it. But as far as being able to fix this particular issue within these negotiations, we do not believe that we can do that through these negotiations. And we already have the Secretary's discretion and stopping -- at least stopping AWG after five payments, showing good faith effort. It's not -- we're not saying we won't look at this, because it's a very valid point. We just cannot look at it through the scope of these regulations because it's not

really addressed in OBBB. The focus of OBBB, if you look at it, is about limiting loans and making sure that students and borrowers are accountable for the loans that they do get and giving them parameters for which to borrow under. And unfortunately, I don't see where this one is one that we can -- to do anything now would be a perverse incentive. We certainly don't want to do that at this point. We need to look at this, but it's not really the purpose of these negotiations.

MS. NAPORLEE: Okay. I guess we'll just leave it at we, we urge the Secretary to exercise her discretion with all methods of collection, not just AWG.

MS. ABERNATHY: Absolutely. So noted. All right. On to what was received by Mr. Holt Friday. Expected time to credential. We've done that, changed that, and institution. We're going back again. Let's see, what is this one? Undeclared major. We're taking that one back still. And that point of clarification about the dual degree, we are still looking at that. 685.208(b), the new Tiered Standard Plan. We're looking at that one as well. And 685.209, we are not able to touch REPAYE at this time.

MR. HOLT: Nope. Slightly different issue. We didn't actually talk about this one. You are

able to -- all I'm saying here is that the language only mentions PAYE. It says the PAYE or ICR Plan, and I'm just saying you should -- you are referring to two specific plans, PAYE and ICR. And I understand that you can't touch --

MS. ABERNATHY: So you want us to say ICR?

MR. HOLT: Exactly. I want you (inaudible) the authority instead of the plan.

MS. ABERNATHY: I did not get that from what you said. So we'll take a look at that. No, that's okay. I saw REPAYE and the minute we heard the REPAYE, it was like --

MR. HOLT: I should not have put REPAYE. I was trying to say, I'm not saying this, but you see it and --

MS. ABERNATHY: Yeah. Okay. Thanks for clarifying that. We'll take that one back. All right. Tamar, you -- okay, we talked about the 682.215. We are not changing any language in the IBR Plan. In that language, 682.215 and 682.405 loan rehabilitation, we're not changing AWG or adding any additional suspending collections in that. We talked about that already. And then 685.209, I see -- so switching from ICR or other IDR Plans to the IBR Plan, I'm not sure -- I don't think we

discussed that one.

MR. LALLO: No.

MS. ABERNATHY: So we're going to have to take that one back. That one was on the next page. And I'm sorry we didn't see that it went on the next page. Okay. So -- but we'll, we'll get you an answer on that one. Then, to prorate RAP payments for married borrowers, we are treating income the same way that the IRS treats the income. If you are married filing jointly, your income is combined. If you are married filing jointly, and you have a loan, then that income is combined. If you want to get out of that, you can file separately. So we're not making any changes there.

MS. WEISMAN: Ashley?

MS. NAPORLEE: Yes. So just to clarify on that, it's not the amount of what income you're using. It's the matter of the, the monthly payment, if it's based on the overall debt and each spouses, who are both borrowers. So it's not the income, it's the amount of the --

MS. ABERNATHY: No, but we, we are treating it -- we are not going to prorate those payments. The OBB was very specific that this was the language -- Congress's intention was this is the language. If you're married, it's going to be the

payment. And again, if it's, you know, if it's married filing jointly, it's combined income. And so if they have -- they're going to have to pay it like that. They're not going to (inaudible) proration.

MS. NAPORLEE: Okay. So they're paying double if they're married filing jointly.

MS. ABERNATHY: No, they're not paying double. They're paying what they owe.

MS. NAPORLEE: Well, not paying a pro rata share like all the other IDR Plans. So this -- the RAP is being -- is completely recalculated as opposed to the other IDR Plans?

MS. ABERNATHY: I mean --

MS. NAPORLEE: Because I honestly don't think Congress intended to punish married couples filing jointly by making them pay double the amount.

MR. LALLO: I don't think you should think of it as punishing. I mean, you get benefits -- tax benefits from filing -- married filing jointly. If you're getting those benefits, it stands to reason that Congress would also, you know, not give you an extra break here. You know, you're getting the benefit of, you know, tax benefit of filing jointly. So if that's the case, you're trading off the fact that your student loan payments are going to be higher if you're filing jointly. If you want

to basically split those out, it would make sense to file separately. But that's something individual borrowers will have to weigh, you know, the tax benefits versus the burden on their student loan payments.

MS. WEISMAN: Alex Holt?

MR. HOLT: I just want to say two things for the record on this. First of all, I think that actually under 493(c) of the HEA, it's pretty clear that IBR, you only get the pro rata if you file separately. I think jointly under IBR -- so how are you reading 493 --?

MS. NAPORLEE: I'm reading it that under all the other IDR Plans, borrowers who file jointly and who have -- each have debt, it's a pro rata share. And it's for IBR and it's also -- and they can be on different, they can be on different repayment plans, too. Only ICR requires both spouses to be enrolled in ICR to have the pro rata share. And I have a hard time believing that they decided to go against all of that for RAP.

MR. HOLT: So I know that from the -- this is the second point I wanted to make. I guess maybe I'm reading the statute wrong, But I think we're having different interpretations of 493(c). But the cost in OBA would have been significantly higher if it was interpreted that married jointly was going to be pro rata, like it was pretty specific that the cost was

specific only to the -- to those filing separately. And if they had been combined, it would have significantly added to the, to the cost of the RAP Plan and thus reduce the savings. So from an intent perspective, I think we, we kind of know that that was how they, they meant it. Just -- so if the Department were to change this right now, then as like the taxpayer advocate, I would say that they're making an economically significant change. And that would be a very serious issue, like billions of dollars' worth of change.

MS. NAPORLEE: I would like to caucus on this issue whenever it's an appropriate time.

MS. WEISMAN: And who would you like in your caucus?

MS. NAPORLEE: Everyone.

MS. WEISMAN: And how long do you think you'll need?

MS. NAPORLEE: Ten minutes.

MS. WEISMAN: Okay. So the request has been for a caucus for all negotiators for ten minutes. So I would ask members of the public to please step outside.

MS. NAPORLEE: I can't find it.

MR. ANDRADE: Yep. A caucus of the whole -- hold on, guys. I don't think the Department's willing to do a caucus of the whole, of the whole

committee. That's sort of counter to the open, open meeting. I know we did the last time. But we got some criticisms from folks. So if you want to talk about it, the whole committee, let's have a discussion, the whole committee. Caucuses are generally for side discussions with small groups.

MS. NAPORLEE: I'll limit it then. I'll, I'll -- I will limit the caucus. Okay. So it'll be Federal negotiators, legal aid, and veteran -- whoever represents borrowers. So borrowers and veteran borrowers and not institutions, and taxpayers. What? And state agencies. Does that make sense? Yes.

MS. WEISMAN: Okay. Let me read back the list that I have. Legal aid borrowers, veteran borrowers, taxpayers, and state agencies.

MS. NAPORLEE: Yes.

MS. WEISMAN: So then I'll have you all step out with Margo in the back to go to another room for the caucus. (CAUCUS BREAK)

MS. WEISMAN: Welcome back, everyone. Thank you for your patience during the caucus and break. I'm now going to turn it over to Jeff to do the report-out from the caucus.

MR. ANDRADE: Sure. Thanks. We

clarified what everyone meant and what everyone understood in terms of the issue at the table. So the issue was not the inclusion of joint income. The, the issue was the calculation of monthly payments under RAP, when you have two borrowers and they are married and they have a joint income. So we agreed to take a look at that and have a -- have language in there regarding the calculation of monthly payments under RAP for that scenario. So it's two borrowers, married, joint income.

MS. WEISMAN: Andy?

MR. VAUGHN: If done with that comment, we're going to make a switch for the primary, secondary. Can we do that now?

MS. WEISMAN: Yes. Jeffrey, can you bring your table card to the table with you? Thank you. Okay. We have no cards up at this time, so, Tamy, I'll turn it back to you.

MS. ABERNATHY: We are happily not going to look at any of those proposals right now until tomorrow. We're going to move forward. So let's look at number nine discussion draft. It's 685.205, forbearance. We'll give Linnea a minute because I'm sure she was probably thinking we were somewhere else. Okay, let's jump right in. Period of forbearance (c)(1) romanette one, and romanette two. The Secretary grants forbearance

for a period of up to one year. For loans disbursed on or after July 1, 2027, and notwithstanding paragraph (c)(1) romanette one of this section, the Secretary grants forbearance for a period that does not exceed nine months within a 24-month period for forbearance under paragraph (a)(1) of this section. The forbearance under this paragraph (c)(1) romanette two begins in the first month for which the forbearance is granted. Are there any questions or any discussion around 685.205? No changes. Correct. Hurry, let's get to the next one before we change anything. No, just kidding. 685.204, deferment, we have revised paragraphs (f) and (g). (f) unemployment deferment (1) romanette one for loans disbursed before July 1, 2027, a Direct Loan borrower is eligible for deferment during periods that collectively do not exceed three years, in which the borrower is seeking and unable to find full-time employment. Romanette two, for loans disbursed on or after July 1, 2027, a borrower may not receive an unemployment deferment. Paragraph three, for the purposes of obtaining an unemployment deferment under paragraph (f)(2) romanette two of this section, the following rules apply: (g) economic hardship deferment, (1) romanette one, for loans disbursed before July 1, 2027, a Direct Loan borrower who has experienced or will experience an economic hardship in accordance with

paragraph (g)(2) of this section, is eligible for deferment during periods that collectively do not exceed three years. Romanette two, for loans disbursed on or after July 1, 2027, a borrower may not receive an economic hardship deferment under paragraph (g) of this section, and we've changed romanette two to romanette three. Questions or comments? 685.208, proposed draft number ten. All right. All right, Jenna. So proud of you. 685.208, fixed, fixed payment repayment plans. Paragraph (b), fixed repayment plans for Direct Loans made before July 1, 2026. Number one, Standard Repayment Plan for all Direct Subsidized Loan, Direct Unsubsidized Loan, and Direct PLUS Loan borrowers who have not received a Direct Loan on or before July 1, 2026, and for Direct Consolidation Loan borrowers who entered repayment before July 1, 2006, and have not received a Direct Loan on or after July 1, 2026. We've restructured the paragraphs romanette one, romanette two, romanette three. We've added a romanette four. The repayment period for the, for the repayment plan described in this paragraph (b)(1) does not include periods of authorized deferment or forbearance. Two, Standard Payment Plan for Direct Consolidation Loan borrowers ending repayment on or after July 1, 2006, and who have not received a Direct Loan on or after July 1, 2026. Reorganized paragraph romanette

one, romanette two, and in romanette one, we added the cross-reference to (b) (2) romanette three, paragraph two, and in paragraph three, repayment period under this paragraph (b) (2), if the total amount of the Direct Consolidation Loan and the borrower's other student loans as defined in section 685.220 Romanette -- I think that might be (i) -- 685.220(i) is a less than 75,000 -- okay, we did not change any of this. And I'm going to spare you all the fact that we're reading all of these limits -- all of this amounts because I think you guys know that we haven't changed anything there. Extended repayment plan. We have added a clause and who have not received a Direct Loan on or after July 1, 2026. We've restructured the paragraphs, added a romanette four, and in romanette one, we've added a cross-reference to (b) (4) romanette four. In romanette four, repayment period under this paragraph (b) (3), if the total amount of the borrower's Direct Loan is -- the same thing, it's all of those amounts greater than or equal to. We haven't changed any of those. In paragraph four, we've added the clause who have not received a Direct Loan on or after July 1, 2026. Again, added romanette four with all of -- and remember what we did here is we restructured to move the terms, all under each respective repayment plan? So this has not changed from the last time that we discussed this. So it looks

like it's a lot of red line, but what we did was these provisions were all at the end of 208. And what we chose to do is as we were discussing, discussing each plan, it made more sense to move all of the terms related to that plan underneath that plan, so that when you got to the end, you're like, what is all this about, and have to look back and forth. So that's really why it looks like there's a lot of red line. Five, we've added the clause and who have not received a Direct Loan on or after July 1, 2026. We've added the cross-reference and romanette one to (b) (5) romanette four, restructured paragraph -- romanette two, romanette three. Added another romanette four and a romanette five. Six, the same exact thing that we've done. We've added the clause to make sure that there's not a new Direct Loan on or after July 1, 2026. Seven, this one is about the graduated repayment plan for Direct Consolidation Loan. We've added the clause, who have not received a Direct Loan on or after July 1, 2026. Restructured paragraphs romanette one, romanette two, romanette three. Updated the cross-reference in romanette one to (b) (7) romanette three and talked about the repayment periods under this provision in (3) (a) (b) (c) (d) (e) (f), and we have romanette four. In eight, this is the new Tiered Standard Repayment Plan for Direct Loan borrowers who received a Direct Loan before

July 1, 2026, and also received a Direct Loan that was made on or after July 1, 2026. Under this repayment plan, a borrower must repay a loan in full by making fixed monthly payments over repayment period that varies with the total amount of borrower's Direct Loans as described in paragraph (b) (8) romanette two of this section romanette two, repayment period. Under this repayment plan, if the total amount of Direct Loans at the time the borrower is entering repayment is, A, and here's all the limits again, less than \$25,000, the borrower must repay the loan within ten years, equal to or greater than \$25,000 but less than \$50,000, the borrower must repay the loan within 15 years of entering repayment, equal to or greater than \$50,000 but less than \$100,000, the borrower must repay the Direct Loan within 20 years of entering repayment, and equal to or greater than \$100,000, the borrower must repay the Direct Loan within 25 years of entering repayment. Subparagraph (c) fixed repayment plans for Direct Loans made on or after July 1, 2026. The fixed repayment plans under this paragraph (c) shall only apply to Direct Loans made on or after July 1, 2026. One, Tiered Standard Repayment Plan for Direct Loan borrowers who received a Direct Loan on or after July 1, 2026. Romanette one, under this repayment plan, a borrower must repay a loan in full by making fixed

monthly payments over a repayment period that varies with the total amount of borrowers Direct Loans as described in paragraph (c)(1) romanette two of this section.

Romanette two, repayment period. Under this repayment plan, if the total amount of Direct Loans at the time the borrowers enter repayment is -- and here we go with all of the calculations that we just read all over again. And that is the end of 685.208. Questions or comments? Okay. I think for the purposes of this exercise, we might want to skip 209 for right now. I think we've talked about that enough. We'll revisit that one tomorrow with probably new language, but may just be foreshadowing there. So if we'll go to number 12, 685.210, choice of repayment plan. We've added a romanette one to (a)(1). We've added a romanette two that we say borrowers with Direct Loans made on or after July 1, 2026, may select the Tiered Standard Repayment Plan in accordance with section 685.208. If those Direct Loans are otherwise eligible to be repaid under the plan, or be the Repayment Assistance Plan in accordance with section 285 -- 685.209 if those Direct Loans are otherwise eligible to be repaid under the plan. Two, romanette one, for Direct Loans made before July 1, 2026 if -- and then we have updated the cross-references of 685.208(b)(1) and (b)(2) for the borrower. We've added a romanette two for Direct Loans

made on or after July 1, 2026. If a borrower does not select a repayment plan, the Secretary designates the Tiered Standard Repayment Plan described in section 685.208(c)(1) for the borrower. In subparagraph three, we've added a romanette three. We have also cleaned up where we say and in romanette one, and then added a semicolon and romanette two, a borrower of a Direct PLUS Loan or an accepted consolidation loan defined under section 685.209 that is not eligible for repayment under the Repayment Assistance Plan must repay the Direct Plus Loan or accepted Consolidation Loan separately from other Direct Loans obtained by the borrower that are being repaid under the Repayment Assistance Plan. B, a borrower who has received and accepted loan as defined under section 685.209 made on or after July 1, 2026 must repay the extended loan -- must repay the accepted loan under the Tiered Standard Repayment Plan under section 685.208(c)(1), and may repay the other Direct Loans separately from such accepted loan. Change in repayment plans. We have added the clause in paragraph one for Direct Loans made before July 1, 2026, and changed the capital A to a lowercase A. In paragraph two, we have added the clause in romanette one, for Direct Loans made before July 1, 2026. We changed the capital A to a lowercase A. For paragraph three, for Direct Loans made

before July 1, 2026, we've changed the capital A to a lowercase A. There's a pattern here. In paragraph (4) romanette one, for Direct Loans made before July 1, 2026, we have changed the capital I to a lowercase I for the word if, and we have added the clause at the end or the Repayment Assistance Plan for the Standard Repayment Plan, the Secretary recalculates the borrower's monthly payment based on, and we've updated paragraph B to include the cross-reference of 685.208(b)(7) romanette three. Romanette two, we've added the clause for Direct Loans made before July 1, 2026. We've changed the capital A to lowercase a. We've added number five, for Direct Loans made on or after July 1, 2026, the borrower may change repayment plans in accordance with this paragraph (b)(5), at any time after the loan has entered repayment by notifying the Secretary. Romanette one, a borrower who is enrolled in the Tiered Standard Repayment Plan under section 685.208(c)(1) or is placed in the Tiered Standard Repayment Plan in accordance with the provisions under paragraph (a)(2) romanette two of this section may change to the Repayment Assistance Plan under section 685.209. Romanette two, a borrower who is enrolled in the Repayment Assistance Plan under section 685.209 may change to the Tiered Standard Plan -- Tiered Standard Repayment Plan under section 685.208(c)(1). Questions or

comments on 685.210? Hearing none, 685.211. Number 13 discussion draft. We have added in (a)(1) romanette one, after Income Based Repayment Plan, the words or Repayment Assistance Plan. In romanette two, we have added after Income Based Repayment Plan or the Repayment Assistance Plan. In B, and late charges are added after collection costs, and then C, has become loan principal, and we have removed the reference to D. In (3) romanette two, we have added the clause after a Direct Consolidation Loan that is not accepted. That is not an accepted consolidation loan as defined in section 685.209. We have moved the reference of Income Contingent Repayment and we have added Repayment Assistance Plan. In subparagraph (f)(1) romanette one minimum payment amounts, paragraph (a), before July 1, 2027, the Secretary -- and then we have added paragraph (b) beginning on or after July 1, 2027, the Secretary initially considers the borrowers reasonable and affordable payment amount to be an amount equal to the minimum payment required under the IBR plan, except that if this amount is less than \$10, the borrower's monthly payment is \$10. (11) Romanette three, we have added subparagraph A, capital A, before July 1, 2027. We've removed the capital A with a lowercase a. Paragraph -- subparagraph (b) on or after July 1, 2127 (sic) -- July 1, 2027, a borrower may only obtain the

benefit of a suspension of administrative wage garnishment while also attempting to rehabilitate a defaulted loan, a maximum of twice per loan. (12) Romanette one, we have added after August 14, 2008, comma, and before July 1, 2027 comma. We have added romanette two, effective for any default -- defaulted Direct Loan on or after July 1, 2027, the borrower may not rehabilitate the loan again if the loan returns to default status following the second rehabilitation. Any questions or comments on 685.211? Okay on discussion draft 685.219, we are going to be making changes to this provision, so I recommend that we just table this one for right now until we bring you back new text tomorrow. And that's where we're going to be addressing PSLF buyback and periods of forbearance and deferment and the RAP program, so stay tuned for some additional text around that. Discussion draft number 15, 685.220 consolidation, subparagraph (a), before July 1, 2028, we have changed the capital T to a lowercase T for the word the, added a semicolon, and added the word or, added paragraph capital B on or after July 1, 2028, the borrower has a Federal consolidation loan that is in default, or has been submitted to the guaranty agency by the lender for default aversion, and the borrower wants to consolidate the Federal consolidation loan into the Direct Loan

program for the purpose of obtaining the Income Based Repayment Plan or Repayment Assistance Plan. Adding (h) (1) for a Direct Consolidation Loan made before July 1, 2026, changed the capital A to a lowercase A and removed the words for a Direct Consolidation Loan. Added a comma, a space. For paragraph (2), for a Direct Consolidation Loan made on or after July 1, 2026, a borrower may choose the Tiered Standard repayment Plan or the Repayment Assistance Plan in accordance with sections 685.208, 685.209 and may change repayment plans in accordance with section 685.210(b). In (i) (2) Romanette one, we have updated the cross-reference to read (b) (3) romanette four or five, romanette four. In subparagraph romanette two, we have updated the cross-reference to (b) (2) romanette three or seven, romanette three. In (3) romanette one, we have updated the cross-reference to be (b) (2) romanette three, (3) romanette four, (5) romanette four, oh and (7) romanette three, may not exceed the amount of the Direct Consolidation Loan. Any questions or comments on 685.220 consolidation? 685.221, we have revised paragraph (a) and added paragraph (e). Paragraph (a), this is the alternative repayment plan. We have added to this. The Secretary may provide an alternative repayment plan to a borrower. And here's what we've added -- who has not received a Direct Loan on or after July 1,

2026, and subparagraph (e) the repayment plan under this section shall only apply to Direct Loans made before July 1, 2026. Okay. I have several 685.203s, and I have several 685.219. Let me see. And then we have -- all right, friends, guess what? We are now down to provisions that we are still looking at. So at this point, are there any comments or questions or things that we have not addressed where we left off last time to where we're kicking off for the rest of the week here? We've talked about the ones that we have all thumbs up. We still have a few thumbs sideways. We're staying away from the things that we could have a thumbs down on right now. We're not going to talk about those yet because we know that we're making changes to those. And so we can look a little bit at some of the other changes in 685.203 that we did make to provide clarification, going back to the original language that we had on some provisions that we haven't talked about, but stay away from any of the things that we don't really need to speak on. So Linnea, if you would go to the revised 685.203, provisions that we have the new text on. I don't know that it's new, but we have more changes. Look, she's already there. Okay. Four -- in (b) (2) romanette three, we added after July 1, 2012 and ending on or before June 30, 2026. We added for loan limits for graduate and professional students for periods

of enrollment beginning on or after July 1, 2026. We had originally added, notwithstanding paragraph one of this section A, and in paragraph two, notwithstanding paragraph one of this section. I'm sorry, I'm reading from a 1020. This -- I am not sure why this is even in my -- just kidding.

MS. WEISMAN: Tamy, we have a quick question from Jenna.

MS. COLVIN: Okay, I'm just trying to figure out if we have what we're looking at or if it's brand new from today.

MS. ABERNATHY: No, we haven't given you anything from today yet. Yes, but this was from before, and I somehow got it mixed in with my good papers and didn't recognize the date until it was too late. Sorry. And now I have two of these, so I don't know which one is -- all right, let's try that again. So we had already talked about -- so you already knew about the notwithstanding because we talked about that already. This is 685.203 number seven. You have it from 10-31. That was the one we just sent out over the weekend. And I think we have already discussed all of these, and we still have the questions that we have the questions on. So I don't think there's any value in going over 685.203 again, because we still are at the same pain points as we

were when we're still evaluating what we're going to do with, I think, Jenna. Jenna and Patti's question with the proration, I think, is where we're at a standstill. Is that your recollection as well?

MS. COLVIN: And we've sent two scenarios this afternoon.

MS. ABERNATHY: Okay. So we may go ahead and look at those scenarios. Do you want to look at those or do you want to take them back? We're going to take them back. Yes, ma'am. Okay. All right. The takeaways from today that I have so far, we're going to look at the scenarios that we've just received for the -- what Patti would call a double-dipping proration for schedule of reduction and prorating the rest of that last term of a borrower's attendance. That is the only thing I have from 685.203. We have the (inaudible), which I believe the E4, you, and if I'm not mistaken -- have we confirmed that with senior leadership yet?

MR. LALLO: We're going to talk about that later.

MS. ABERNATHY: Okay. So we're not going to say that you're right yet, Alex, you have to wait. Oh, come on now.

MR. LALLO: We got to keep you in suspense long enough to get you to come back tomorrow.

MS. ABERNATHY: We don't necessarily know for sure that you're right yet. You know you're right. But, you know, it's all about what we think. Ouch, ouch. So -- and we do have here where we're taking back the undeclared or, as Timothy says, undecided. He said it could be undecided as well as undeclared. So we're going to take that back and we're going to discuss that. We hope to have something back for you tomorrow. But Renee is back there dreading how long of a night he might have with coming up with all this different reg text. So that's what I have for 203. We are going to take back 682.215 and look at B1 where you have -- Ashley, you have indicated that you want us to take a look at the initially enters the plan and you want that to be -- tell me again what you wanted that to be. Completely taken out. Delete that. Okay.

MS. NAPORLEE: Correct.

MS. ABERNATHY: I had that, but I wasn't sure that was all you wanted. You don't want to add anything?

MS. NAPORLEE: Yeah, I believe that, I believe that was it, yes, for that, for that section, yes.

MS. ABERNATHY: Great. Thank you for clarifying. We are also -- we did talk to you about the

Fresh Start language, which you're going to show us what you saw, what you --

MS. NAPORLEE: Yeah, that's already been emailed to you.

MS. ABERNATHY: Okay, great. So we'll take a look at that this evening, and we'll make sure that we circle back on that one as well. We did -- or we are going to add reg text and the parenthetical for 685.200, where we're going to have -- we're going to list out the Direct Loans so that there's crystal clear cut -- you know exactly what qualifies and we don't have any ambiguity around that reg provision. And so we didn't really have anything in 685.201 but it was cross-referencing the 685.200. We are -- you know, if we keep telling this guy that he's got things right, we're going to be in trouble. 34 CFR 668.3 as a cross-reference and 685.102. And, Alex, thank you for sending those proposals to us so we could take a look at them. So that is what I am showing outstanding at this point. And then --

MR. HOLT: No, and just (inaudible) we are --

MS. ABERNATHY: And the other thing in the room.

MR. HOLT: No, you are, you are -- it's 685.209, the -- you're changing the -- you might be

changing it to ICR instead of PAYE and ICR to clarify that it's the authority as opposed to the payment plan. That's on page 22.

MS. ABERNATHY: 685.209. Hold on.

MR. HOLT: Yep.

MS. ABERNATHY: What page? So --

MR. HOLT: Page 22. It's --

MS. ABERNATHY: I think my 22 is different.

MR. HOLT: Okay, sorry. Then it's --

MS. ABERNATHY: Wait, I'm on 2
(inaudible), hold on.

MR. LALLO: Yep.

MS. ABERNATHY: Oh. All right. There's got to be an updated version of this one. Hold on, Alex, I'm sure that I had it somewhere.

MR. HOLT: It's (8) romanette one
(inaudible)

MS. ABERNATHY: I gotta find the right provision. Hold that thought.

MR. HOLT: 209(8) romanette -- oh, yeah, (8) romanette one five.

MR. LALLO: I think it's right here.
(inaudible). Okay. So 22?

MR. HOLT: I'm sorry. Yeah, (k) --

(k) (8) .

MS. ABERNATHY: (k), forgiveness
timeline.

MR. HOLT: Yeah. (k) (8) .

MS. ABERNATHY: And the provision
again? Eight, eight --

MR. HOLT: Romanette one five.

MS. ABERNATHY: So you want to say
prior to July 1, 2028, a monthly payment under the ICR?

MR. HOLT: Under an ICR.

MS. ABERNATHY: Under an ICR plan
under this section of not less than the monthly payment
required under the applicable plan, including the minimum
payment permitted under such plan. Is that the only
change?

MR. HOLT: Yep.

MS. NAPORLEE: I would, I would argue
to actually spell Income Contingent Repayment Plan
because when it's capitalized ICR, it usually refers to
the plan, the ICR Plan. Just --

MR. HOLT: Yeah, I --

MS. NAPORLEE: Just as a, you know, a
little lawyer tip.

MR. HOLT: I get a little bit confused
about when it's an authority. And so, yeah.

MS. ABERNATHY: Well, just because Renee has it doesn't mean the rest of us do. Renee always has it. Renee and Eric, they come -- you know, they usually have it way before we do. I understand what you're saying, but I'm wondering, do we need to specify when we're talking about --

MR. HOLT: The problem is -- so the main thing is that because you're, you're, you're, you're specifying to actual plan, so that definitely needs to change.

MS. ABERNATHY: Right.

MR. HOLT: And then I don't fully understand why it needs to be spelled out versus --

MS. NAPORLEE: Just when you refer to the IBR Plan, it refers to IBR. If you say an Income Based Repayment Plan, that's more of the category of plans. But it's just, it's just to keep it consistent --

MR. HOLT: Yeah, also then it's lowercase, right? So it should be an, lowercase, income contingent repayment. Yeah, okay.

MS. ABERNATHY: And it's not a plan. So here's the thing. It's Income Contingent Repayment.

MR. HOLT: Yep, okay.

MS. ABERNATHY: Right. And so the difference here is when we're talking about Income

Contingent Repayment Plan. So if we're saying if it's the authority it's usually the income contingent.

MR. HOLT: So can you say a monthly payment under Income Contingent Repayment under this section?

MS. ABERNATHY: Yeah.

MR. HOLT: Okay.

MS. WEISMAN: Jenna?

MS. COLVIN: Thank you. Two quick questions. One, we got through 682.405, right? That was a -- no issues, no changes. It's in the stack that we're not going to talk about anymore. Loan rehabilitation agreement.

MS. ABERNATHY: Which provision?
674.39?

MS. COLVIN: 405.

MR. ANDRADE: 682.

MS. ABERNATHY: 68.405. I, I don't think we have anything left in that one, but we will take another look at that just to make sure that we don't have anything. I don't have it in my still-outstanding pile.

MS. COLVIN: I think it's a sorting error on my part. I was just (inaudible) confirm. Okay. And then I was going to also ask if you had received any clarification since our last meeting on the HEAL

increased loan limits?

MS. ABERNATHY: We have. Thank you for bringing up something I did not want to talk about today. Yes. Jake, do you want to take that one?

MR. LALLO: Can you please repeat the question?

MS. COLVIN: Yes. My question was, have you received any feedback on the interpretation of the loan limits in the HEAL --? I don't know what to call it.

MR. LALLO: Yeah.

MS. COLVIN: Yeah.

MR. LALLO: Yeah. So, Jeff, do you want me to take this? All right. Well, since I'm getting thrown under the bus, we, we did take it back and look at it in pretty great detail along with OMB. We basically -- we read -- you know, HEAL still exists as it was. It's an old program, though. There are no new HEAL borrowers, right? That program has been out for a long time. Where there is, you know, extended authority under FFEL to create, you know, a higher loan limit for specifically expensive programs, we don't believe that that actually carries over under the new limits. The new limits take precedence. While there is the parallel terms language that we thought might cover it, upon closer inspection,

because it basically provides notwithstanding anything else within this section, we believe that that means that the loan limits supersede the older FFEL provisions for higher loans. So we don't -- because of this flat overarching thing, you know, because there are clear limits in place, we think that those trump the old authority for that. So in terms of what would have to do in terms of clarifying what the DCL, you know, we might have to still do something there or provide that something isn't in effect anymore. But obviously, we're not making any more FFEL loans. So, you know, the limits that existed at that time still exist. It's just that nobody else can get them because nobody else is getting FFEL. So under the new Direct Loan limits, we don't think those -- we don't think there's actually authority to just create higher limits for specific programs, I guess, to bring it all back.

MS. WEISMAN: Alex Ricci.

MR. RICCI: Heading into the day, the Department had listed 682.405 as dissent, and I know we've had a lot of conversation on it today, but we, we didn't actually take another pulse check, so I didn't know if the Department wanted to do that.

MS. ABERNATHY: Well, I'm glad you know what we're doing. Okay. 685 -- 682.405. I have to

find it so we can read it and then do a pulse check on it. So give me just a second.

MR. ANDRADE: So the issue --

MS. WEISMAN: Ashley?

MS. NAPORLEE: I don't think we're ready for a pulse check. I think we still have some outstanding --

MS. ABERNATHY: That was the Fresh Start one, right?

MS. NAPORLEE: Yeah, so, yeah. Alex is (inaudible)

MS. ABERNATHY: But we're not making changes to the reg text, though.

MS. NAPORLEE: But I still would like you to consider what we wrote before I vote on anything.

MS. ABERNATHY: And you, and you just sent that to us today?

MS. NAPORLEE: Yes.

MS. ABERNATHY: Okay. So, a new proposal?

MS. NAPORLEE: Yes.

MS. ABERNATHY: Got it.

MS. NAPORLEE: Yeah. It's just to clarify what our concern was so you could probably address it, yes.

MS. ABERNATHY: Okay. And we all know about 685.209 that there was a tad bit of a disconnect in our understanding of what our legal aid non-Federal negotiators were asking us to look at in relation to combined income, and they were looking at it from the perspective of combined payment amounts for married, married borrowers filing jointly. It took us a while to get there, but when the light bulb went off that we were all talking about three different things, and we recognized that none of us were on the same page, it was very easy to understand at that point where our legal aid constituents were coming from. And so we are taking that back to look at that. We do believe that the intent would be something for us to look at about the proration around those borrowers' payments, should they both have loans and they're married filing jointly. So that is to be determined tomorrow. All right. So let's recap one more time. We have 682.405. We have the scenarios for the double-dipping proration for 685.203(m). We have the issue with married borrowers filing jointly and proration of monthly payments per borrower. We have the issue of professional student definition that we will take another look at Mr. Holt's and others' proposal on that. Am I missing anything else? The Fresh Start, 604, we got that one.

MS. WEISMAN: Bob?

MS. ABERNATHY: Bob's issue with -- so, Bob, I've got a question for you on that. When a military -- when military gets called up and they leave and they're on a leave of absence, they're not considered withdrawn. They're under different forbearances. So the issue here is, are you worried that they're not covered under some things because we're looking at -- no?

MR. ANDRADE: But -- I -- Bob, as I understand your issue, it's specifically to the grandfathering provisions?

MR. CAREY: At least.

MR. ANDRADE: At least, okay. And the issue is ensuring that when someone leaves school because of their military obligations, that they don't lose the benefit of the grandfathering provision because of the mechanism in which they left school. So that could be -- if they're on a leave of absence, they're -- they continue. But in many instances, they may not be continuing under a leave of absence.

MR. CAREY: Correct.

MR. ANDRADE: Okay.

MR. CAREY: I did have a second --

MS. ABERNATHY: Thank you.

MR. CAREY: -- somewhat related issue.

MR. LALLO: Okay.

MR. CAREY: And that was in the paper that I submitted as alternate in the last week about the additional loan repayment programs that various services have and various Federal agencies have for veterans and to make sure that those do not interrupt any of the other elements that you guys are introducing with the RISE, with the RISE regulations.

MS. ABERNATHY: Can you be more specific on that?

MR. CAREY: (inaudible). I'll bring it up if you want to come back to me.

MS. WEISMAN: And we'll go next to Ashley.

MS. NAPORLEE: I just wanted to clarify that the email we sent you this afternoon with regards to rehabilitation, a Fresh Start, is also applicable to section 685.211, so it will also apply to that section as well, just for clarity.

MR. ANDRADE: So, can I get -- just maybe prompt Bob on this one? So I know that the Army, for example, has a college loan repayment plan. That's the type of thing that you're talking about.

MR. CAREY: Yes, sir. And in the -- I probably highlighted about 20 of these.

MR. ANDRADE: Right. Okay. We'll pull those as well. Thank you, Bob.

MR. CAREY: And then there in that letter, I also -- in that white paper, I also raised concerns about the unique nature of military and veteran permanent total disability discharge being preempted by the RISE regulation. And if that's -- and if I'm smoking dope on that one and I, and I, and I shouldn't be worried about it, I'll accept that.

MS. ABERNATHY: Between this one over here saying oh, snap and you (inaudible). All right. Okay. I think we are losing control. It really has been a long day, hasn't it?

MR. CAREY: Hey, you're lucky. I waiting all day for someone to go six-seven, so I could go --

MS. ABERNATHY: Okay, back to RISE and TPD. You guys are really playing a fun game of stump the feds today. I do not see any reason why TPD would have anything to do -- there's nothing in the total permanent disability provisions that are impacted by RISE in any way. Now, there was one piece, but I don't think it's a -- it's not an issue in the sense -- I'll go back and I'll confirm because we added, we added the provision that something was looking and it was correlated to TPD, but I

think it was the way that we were looking at something, but I don't think it's going to have any impact whatsoever. So I'm not going to say that you were smoking anything, but I do not think that that is a provision that you will have to be concerned about.

MR. CAREY: And then you raised earlier this morning, SCRA provisions, how those may be impacted.

MS. ABERNATHY: Okay. All right. So, rehab Fresh Start. We all know about 685.209 and our review of the Repayment Assistance Plan. Treatment of payments by married borrowers and then our double-dipping scenario. So I think that is all I have on my list. Okay. So we also have a new proposal on 685.215. Is that what you said? No. Okay.

MS. NAPORLEE: No, I was just saying that the email that we sent you also implicates the -- sorry, 682.211, 685.211, 682.405.

MS. ABERNATHY: Yep. Okay. Got it. All right. Okay. So at this point, it is quarter of four. And I recommend, given that we have quite a bit of work to do on the provisions that we need to amend today that we -- unless there's any other business that we need to discuss, that you give us the extra time to go back up and huddle and try to flesh out these regulatory

provisions. When we come back to the table tomorrow with regulatory provisions that we're changing, what we would like to do is send you a document later this evening with just the changes of those regulatory sections. We will give you a clear cut, this is for provision XXX, so that instead of killing a number of trees, we basically are going to give you a running list of provisions that would be inserted in the respective sections that we need. If it doesn't work, we'll have it up on the screen and we'll send it to you via an email. And so you'll have it as well. And if you need to print it, maybe, perhaps you can print it at the hotel. Okay? That sound like a plan?

MS. WEISMAN: We have a question from Scott.

MR. KEMP: And just real quick, you are planning on sending the scenarios you discussed earlier. The answers?

MS. ABERNATHY: No. We're not going to give them to you.

MR. KEMP: Okay.

MS. ABERNATHY: Yes, we are going to do that. We're going to send the scenarios. So I think I already asked my team to do that. But thank you for the reminder just in case. And we have a couple of charts that we're going to send along with you. I made them make

me cheat sheets in case you all tried to stump the fed with math. I said, just give me every scenario so that I know how to say it really quickly, and I'll look smart. So you didn't stump me on that one.

MR. ANDRADE: Now I'm giving you guys extra time. That doesn't mean you use that time to come up with more questions for us, so -- okay.

MS. ABERNATHY: I do want to say a hearty thank-you. You know, we're laughing about this, and it's good that we're laughing so late in the day on a very long Monday. You know, when we've had travel on a weekend and all sorts of fun stuff happening with baseball games and other things going on. You know, the purpose of what we're doing here is so important, and I think all of us come to the table from our perspective, and we're working together collaboratively, even when it's painful at times and we're not on the same page, we still work at it until we can get there. So I wanted to say on behalf of the Department, we appreciate each one of you for what you're doing and working with us to try to get it right. This stuff is complicated and it is not -- these are not easy provisions. And OBBB really did an overhaul of many of the loan provisions. 16 provisions is a lot of provisions and some of them are very dense. So thank you for, for sticking with us and pushing us

towards excellence. We really appreciate it. Have a great evening, and we'll see you tomorrow.

MS. WEISMAN: Thank you all very much. We'll adjourn for today.

