

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING
REIMAGINING AND IMPROVING STUDENT EDUCATION (RISE)
SESSION 2, DAY 4, MORNING
November 6, 2025

On the 6th day of November, 2025, the following meeting was held in-person, from 9:00 a.m. to 12:00 p.m.

P R O C E E D I N G S

MS. WEISMAN: Good morning.

MS. ABERNATHY: Good morning.

MS. WEISMAN: Welcome to the Thursday edition of the 2025 Reimagining and Improving Student Education (RISE) Committee for Negotiated Rulemaking. I do have one quick announcement. We have been informed that the Wi-Fi is not working. A ticket has been submitted and escalated. So I'd recommend if you have a hotspot that you use that in the, in the interim. We're going to start with taking attendance for non-Federal negotiators, legal assistance organizations that represent students and borrowers, consumer advocates, and civil rights groups that represent students. Primary?

MS. NAPORLEE: Ashley Naporlee.

MS. WEISMAN: Alternate?

MS. HOFFMAN: Tamar Hoffman.

MS. WEISMAN: Student loan servicers, collection agencies, lenders, and guaranty agencies, primary?

MR. RICCI: Alex Ricci.

MS. WEISMAN: Alternate?

MS. HARTUNG: Lori Hartung.

MS. WEISMAN: Organizations representing taxpayers and the public interest. Primary?

MR. HOLT: Alex Holt.

MS. WEISMAN: Alternate?

DR. GILLEN: Andrew Gillen.

MS. WEISMAN: Private, nonprofit
institutions of higher education.

MS. COLVIN: Jenna Colvin.

MS. WEISMAN: Alternate?

MS. KOHLER: Patti Kohler.

MS. WEISMAN: Proprietary
institutions, primary?

MR. VAUGHN: Andy Vaughn.

MS. WEISMAN: Alternate?

MR. BODIMER: Jeffrey Bodimer.

MS. WEISMAN: Public institutions,
primary?

MR. KING: Timothy King.

MS. WEISMAN: And the alternate,
Matthew Ellsworth, is not able to be with us this week.
State officials, primary?

MR. KEMP: Scott Kemp.

MS. WEISMAN: Alternate?

MR. BOGGS: Bennett Boggs.

MS. WEISMAN: Student loan borrowers,
primary?

MS. LILLY: Deborah Lilly.

MS. WEISMAN: And the alternate, Emeka Oguh, is not able to be with us this week. Student loan borrowers who are veterans, US military service members, or groups representing them, the primary, Faisal Sulman, is unable to be with us this week, and the alternate, Robert Carey, or Bob, is running late this morning and will be with us as soon as he can. And then I'll turn it over to the Department for introductions.

MR. HOLT: Jake Lallo, Office of General Counsel.

MS. ABERNATHY: Tamy Abernathy, Federal Negotiator.

MR. ANDRADE: Jeff Andrade, Deputy Assistant Secretary for Policy, Office of Postsecondary Education.

MS. WEISMAN: Thank you, all. We have no cards up from yesterday afternoon, so I'm going to turn it over to you, Tamy.

MS. ABERNATHY: Why, thank you, Annmarie. So we've got some good news to share with you guys. All right. Come on. That was good news. All right, we'll try that again. I've got some good news to share -- it's the anticipation. Feel like I'm that commercial, right? So we remember all these wonderful suggestions and proposals that you guys put together for us to consider.

And the spirited conversations in which we've had around a specific topic of proration. Okay. Now you should be happy. We have decided to include proration in the section 685.209, and we'll go over that in just a minute. And there is regulatory precedence for us to do this. And so we are -- could you put your mic on and do that? Just kidding. All right. So let's get right to the text. Before I do that, yesterday when we showed you the amendatory text for 685.209, we had in what's called (inaudible), where we weren't sure where we were going to put the purpose of the repayment assistance plan, monthly payment being considered on time and the language that we fleshed out, that is now going to be in (o)(3). So subparagraph (o)(3). If we could share the screen -- are we able to do that with the system down? Okay. We'll just let Linnea get a second to share 685.209 with us. And then we'll go over it to share -- show you what we've done. I also want to make an announcement. We're not accepting any more proposals. So please do not send any more. We won't have enough time to get through them and flesh them out or change reg text through proposals. So just -- we had the ones that you've given us, and we'll go over those throughout the day when we get to those regulatory provisions. But we're not going to be able to accept any new proposals. Thank you. All right. Well,

while she is going over that, we have made an amendment in subparagraph (e), paragraph (2), romanette one and (e)(2) romanette three. Okay. We have taken the conjunction and out, taking the conjunction or, and included and the repayment assistance plan, and the spouses eligible loan debt is included for the purposes of adjusting the borrower's monthly payment amount as described in paragraph -- subparagraph (g) of this section, if the spouse's income is included in the calculation of the borrower's monthly payment amount in accordance with paragraph (e)(1) of this section. We have deleted romanette three. You can see on -- I'm showing that that's deleted. Is that deleted? It is. That is -- that's deleted in green. I'm not sure why it's not showing deleted, but it is deleted. And then we have added (g)(3) where we actually talk about the calculation. So the monthly payment amounts calculated -- I'll wait till Linnea gets there for you guys. The monthly payment amounts calculated under paragraph -- subparagraph (f)(5) of this section, will be adjusted in cases when the borrower's spouse's loan debt is included in accordance, in accordance with paragraph (e)(2) romanette one of this section. Romanette one, the borrower's payment is adjusted by paragraph A, dividing the outstanding principal and interest balance of the

borrower's eligible loans by the couple's combined outstanding principal and interest balance on eligible loans, and multiplying the borrower's payment amount as calculated in accordance with paragraph (f) (5) of this section by the percentage determined under paragraph (g) (3) romanette one of this section. Romanette two, if a borrower's adjusted monthly payment, as calculated under paragraph (g) (3) romanette one is less than \$10, the monthly payment is \$10. We can take questions.

MS. WEISMAN: Jenna?

MS. COLVIN: Just a housekeeping question. Has -- did we get this language or we're just able to see it up on the screen?

MS. ABERNATHY: My house is not clean this morning, so I'm not really sure. Can somebody clarify? Have we circulated this to the negotiators yet? I'm assuming not because they don't have it or we just have it up on the screen. Okay, if we do not have -- if we have not circulated that to you, our apologies. We will try to get you all of the amendatory texts that we'll be discussing as soon as possible. I'm not sure of the status of the Wi-Fi, and if your hotspot is not working, our apologies for the complications this morning, so I guess we probably didn't send it because you probably wouldn't have been able to see it, so we

apologize. Thank you, Linnea.

MS. WEISMAN: Ashley?

MS. NAPORLEE: I just have more of a general question. I was just wondering if, if it's the goal to get us a copy of all the text out by the end of the day, so that we know what we're voting on for tomorrow, rather than just like the piecemeal changes?

MS. ABERNATHY: Yes.

MS. NAPORLEE: Okay.

MS. ABERNATHY: You will get that when we're finished with all the edits. But we were still reviewing your proposals and still making changes, so, yeah.

MS. NAPORLEE: I just wanted to make sure. Thank you.

MS. ABERNATHY: Yep. Does anyone have any questions related to this, or you still need a couple minutes to look at it? I think we'll move on. Okay. I want to look at a few proposals that we've received in reference to the next topic that we're moving to, just very quickly. Mr. Holt, we've received your clarifying questions. Does the Department send out guidance, or is a school ultimately responsible for determining if their program qualifies under the licensure requirement? It is a school responsibility and institution's responsibility,

and they would be providing the disclosures. And usually, as part of our PPA process, they report that information to us as well. But it's their responsibility to disclose that information out. And much like the rest of your questions, how do they determine it qualifies and what the requirements are, they are responsible for the state licensure requirements. And they have -- you know, if there's additional requirements from other states, they have to disclose those to their students as well. And for multiple states, it's the same thing. They do -- they disclose to the states and which states students get licensure as well. And then if we offer an online program in multiple states, we absolutely -- they disclose that information as well. So this is kind of covered in like sub regulatory guidance and things like that. So hopefully that answers your questions.

MS. WEISMAN: Alex Holt?

MR. HOLT: It does answer my question. Just one more clarification. So in -- I don't actually think in your current definition this happens. But if there's a non-national license for one of the professions, is the school determining it -- whether it's a professional degree based on if it's a license in that state?

MS. ABERNATHY: We'll take that back.

Say that question again for me. If it's a non-national license --

MR. HOLT: It's a non-national license. So imagine a situation where the licensure is required for that profession in some states, but not others. Does the school determine whether it is a professional degree based on the license in that state, the license requirement in that state?

MS. ABERNATHY: Okay. We will take that back.

MR. HOLT: I think this is probably hypothetical, so don't spend too much time on it, but (inaudible).

MS. ABERNATHY: Absolutely. Well, thank you. We had received from Deborah and Timothy proposals that as we go through -- throughout the day with professional student definition, those will be covered in that particular section. And then we also received some data from Bennett. So thank you, Bennett. We appreciate you providing that information to us. Okay.

MS. WEISMAN: Jenna, and then Scott.

MS. COLVIN: I also submitted a proposal this morning before we got here.

MS. ABERNATHY: I'm sorry, I don't have that one. We'll have to get that. My apologies. Is

it on professional student?

MS. COLVIN: Yes.

MS. ABERNATHY: Okay. We'll try to get that as soon as possible.

MS. WEISMAN: Scott?

MR. KEMP: Yeah. Mine is somewhat related to Alex's about clarifying, monitoring, whatever. So I, I did delve into our system, and I was looking at the institutions, and I was only able to look at the public and privates in Virginia that met the four-digit CIP code. And so with respect to theology, you know, in, in the regs it says, you know, M.Div. or MHL, but when I looked at the degree, some of them use doctor but then in the, in the program description it's M.Div. or they use master and the description is M.Div., so I just want to clarify, is it, as far as the monitoring is concerned, as long as they're -- the four-digit CIP code and they -- wo in other words, the degree itself, the institution may not call it Master of Divinity, but it's -- they've come up with their own name, and I'm just making sure that those aren't going to be excluded or -- because they don't specifically in their program or in, in their degrees (inaudible), yeah, I think you can answer it.

MS. WEISMAN: Jeff, did you want to respond?

MR. ANDRADE: No. Well, the response is, we'll take that, that one back and, and -- yeah, if you'd like, that would be helpful. Thanks. I think at this point, the Department would like to call a caucus.

MS. WEISMAN: As you're assembling that, Ashley has a quick question.

MS. NAPORLEE: I just want --

MR. ANDRADE: Sure.

MS. NAPORLEE: Sorry. I just wanted to confirm that you -- Tamy, you weren't finished going through the proposals you received because you hadn't addressed them that we had. I just wanted to make sure that you were going through a list, and you hadn't gone through the whole list yet.

MS. ABERNATHY: I'm sorry. What?

MS. NAPORLEE: You're going through the list of proposals you received and you were addressing them, but we had made some that weren't addressed, so I want to make sure that you weren't done going through the list.

MS. ABERNATHY: No, I'm just going through the ones for professional student enrollment.

MS. NAPORLEE: Okay. Just want to make sure. Thank you.

MS. WEISMAN: Jeff, if you could let

me know the people that you would like in your caucus, the topic and the amount of time.

MR. ANDRADE: Sure. We're just, we're just confirming which ones.

MS. WEISMAN: Okay.

MR. ANDRADE: Probably about 30 minutes on this one. Similar to yesterday we would like to have the institutional representatives, Alex Holt and Scott this time. And their alternates.

MS. WEISMAN: So just to confirm, we're looking at private nonprofit institutions, public institutions, proprietary institutions, the public interest and taxpayer representative, and the states, and each of their alternates. Thank you. Welcome back everyone. I'm going to turn it over right away to Jeff from the Department to give a report out on the caucus.

MR. ANDRADE: So we did yet another caucus on professional student with the institutional negotiators and their alternates as well as the states. The focus was primarily on specific CIP codes that could be potentially affected and brought in and the student estimates on that. We had additional discussions with regard to program issues. And I believe that the -- based on that discussion, that the institutional negotiators would like to have a caucus. So I'll stop at this point

and defer to Jenna.

MS. WEISMAN: Jenna.

MS. COLVIN: Yes. We'd like to have a caucus for the public colleges, for-profit colleges, and state officials. And their alternates. Oh, for 15 minutes.

MS. WEISMAN: So, led by private nonprofit, also including public proprietary and the state's primary and alternate. And how long do you think you'll need?

MS. COLVIN: 15.

MS. WEISMAN: 15 minutes. Thank you. Okay. Thank you. Welcome back from caucus, everyone. Seeing no cards up at this time, I'm going to turn it over first to Tamy from the Department.

MS. ABERNATHY: Thank you, Annmarie. Thank you guys for all your patience. I hope you've had a formidable conversation. I am going to ask Jenna to report out on the caucus. And, Jenna, when you're finished, we'll have remarks from our Undersecretary.

MS. COLVIN: Thank you. I just wanted to share the colleges appreciated the additional data from the Undersecretary about the impact of their proposed regulation around the definition. It was very helpful. Thank you. And we just had general discussion

about the impact of seeing the impact.

UNDERSECRETARY KENT: Thank you, Jenna. Before we dive into the impact, I think we should just take 30 seconds and thank our federal negotiator, Tamy, who has the hardest job in the entire building here. So let's give it up for her. What, what you all don't see is what happens early in the mornings and very, very late at night. And the dedication of the Federal team is incredible. You know, I've, I've watched them on the outside for many years, but being in it is a lot different and just the dedication of all of the Federal staff in the room, both political and career, is just so impressive. And, and thank you, Tamy and all of you. I think what we would like to do is share one of the, I think, things that we heard yesterday is what is the impact of the Department's proposed definition of professional student? And so we are going to have Cody who I think we've effectually named Robin. So we have Batman and Robin now. We're going to have Cody from our office of the Chief Economist walk through with you all what the impact is of the Department's most recent proposal on professional student. And then afterwards I'll have a few more remarks, and then we can open it up for, for questions. So, Cody?

CHIEF ECONOMIST: Thank you very much,

Mr. Undersecretary. I believe we're going to pull up some slides for the screen to share. Here we are. Excellent. As the Undersecretary stated, we wanted to take an opportunity to discuss what the impact of the, of the Department's proposed definition would be on which programs would qualify, and also information about, for example, the enrollment in those programs and the loan disbursements in those programs. To do so, we're just going to present data from the Department about those features. To quickly rehash recalled that -- oops, I clicked -- next slide, please. So recall that the Department's proposal provides eligibility -- I'll say potential eligibility for 44 unique six-digit CIP codes. These 44 six-digit CIP codes fall underneath one of the associated four-digit CIP codes that are listed in the regulation. So for example, they are the CIP codes that fall under veterinary medicine, law, theological and ministerial studies, clinical counseling, and applied psychology, chiropractic, dentistry, medicine, optometry, and pharmacy, and pharmaceutical sciences. In total, that's 44 unique six-digit CIP codes. Next slide, please. And as we showed yesterday, here's the specific list of those 44 programs. This is the first half. So there's about 24 programs on the screen. And then there's another 20 here. You can see the specific six-digit CIP code and

title for the programs that would potentially be eligible for the higher loan limits under the Department's definition. Next slide, please. So in total, there are 2,000 -- there are more than 2,000 individual doctoral programs offered across the nation that are in an eligible six-digit CIP code. This bar chart shows the frequency or the count of how many programs exist within each of those six-digit CIP codes. So, for example, there's 321 law programs offered at the -- at this, at this level that would be eligible. The next highest is medicine, clinical psychology, and so forth. Next slide, please. And within those more than 2,000 programs, there are 440,000 Title IV students that currently attend programs that are in one of those 44 unique six-digit CIP codes. All of this data is for the 2022-2023 award year. And you can see that the chart roughly mirrors -- this enrollment chart roughly mirrors the counts of programs that we showed previously. Again, law, medicine, pharmacy, osteopathic medicine, these programs have the largest enrollment. Next slide, please. This table shows a comparison of the three proposals that have been discussed over the course of this negotiated rulemaking. The first slide -- sorry, I'll start with the first column, which is our original proposal, which is just the ten fields, the ten six-digit CIPs that are literally

listed in section 668.2. The middle slide shows the proposal from the negotiators, which includes all of the programs that fall into one of the associated two-digit CIP codes, specifically, the two-digit CIP codes of 1, 22, 39, 42, and 51. And then the third column shows the Department's modified proposal. After getting feedback and seeing your proposal, we took it to the four-digit CIP level, which includes all programs. These are the 44 programs that fall under 180, 2201, 3906, 4228, 5101, 5104, 5112, 5117, 5120. So comparing these numbers, I'm going to compare column one to column three, which is the original proposal to our modified proposal. In just the ten programs, there were 399,000 Title IV students. And when you expand it to the 44 unique six-digit CIP codes, in our modified proposal, the total enrollment increases to 440,000 Title IV students. These are graduate programs, by the way. These are the doctoral programs. Next slide, please. This is a similar table except instead of showing enrollment we are showing you annual loan disbursements that occurred in the 2022-2023 award year. So again, comparing column one to column three, you see that there was \$11 billion in annual loan disbursements disbursed to just the ten programs in our original proposal, and under our modified proposal in the 2022-2023 award year, there's a total of 11.4 billion in

annual disbursements, or a net increase of 400 million annual loan disbursements that occurred to those additional programs, the 34 additional programs we've drawn in through our modified definition. Next slide, please. We received questions on the extent that how many programs would qualify given the other requirements in the Department's definition. Recall that you don't just need to be in the correct four-digit CIP code. You also have to be a program that leads to licensure, and you have to be of a certain program length. So the previous data we showed was just information on which programs met just the first of those criteria. The total eligibility will, of course, come down because perhaps not all of those programs offered licensure or are of the correct length. So now we're going to show some data when you add the licensure filter. Next slide, please. We begin by showing that there are more than 650 programs in our proposal. This is the modified proposal that includes the 44 unique six-digit CIP codes. There are more than 650 programs offered at institutions of higher education nationally that are in our proposal and also lead to licensure. A lot of these are in law, medicine, and pharmacy. But if you jump to the next slide, you see that many -- there are many programs that also lead to licensure that are just in the set of 34 newly-added

programs. So, clinical psychology is newly added, school psychology, counseling psychology. There are more than 150 programs nationally that meet the four-digit CIP criteria and the licensure requirement criteria, of which students will be eligible to, to higher loan limits. Next slide, please. And then lastly, we're showing the enrollment in these 150 newly added programs. These are the programs that are in one of the unique 34 six-digit CIPs that we've added to get to our total of 44 unique six-digit CIP codes. There are 13,000 Title IV students attending one of those programs. You see that the majority are in clinical psychology, but there are also thousands of other students who are in other psychology programs. And these are programs specifically that lead to licensure. So in, in other words, the conclusion and takeaway is that there's at least 13,000 Title IV students attending programs that would be eligible for the higher loan limits that would lose access under the original proposal. So that's one of -- that's a key marginal change. That's the conclusion of the presentation. I will turn it over to Nicholas, who will field questions, and I'll stand at the podium to help continue to answer questions as needed.

UNDERSECRETARY KENT: Thank you, Cody. Are there any -- I know that the institutions had lots of

questions. I think we've addressed a lot of those in the caucus, but want to provide them, as well as anybody else at the table, any questions that we can answer or clarify based on Cody's presentation. Thank you, Cody.

MS. ABERNATHY: Thank you, Cody. We are going to have the Undersecretary report out on our caucus that was held prior to the institution's caucus without the Department.

UNDERSECRETARY KENT: Thank you, Tamy. I think we had another really productive conversation during this morning's caucus. So thank you. You know, I want to reiterate the Department's position here that we are concerned about runaway graduate debt and that we are particularly concerned with programs that do not provide appropriate return on investment. You've heard me cite at least two times now, maybe three times that recent research has showed that 40% of master's degrees are not paying off for students. And so this is a serious issue for students. It's a serious issue for families and a serious, a serious issue for the American taxpayer. I think, again, we want to -- I want to reiterate this is, you know, by far not the -- a perfect proposal. And as I had mentioned this morning, you know, we have a really challenging job in front of us. But I think what we did in our proposal is to meet you all at least halfway. We

took elements of what we affectionately now call Alex's proposal and went back over the last several weeks and really thought about it. We thought about it with the White House. We thought about it with the Office of Management and Budget. We thought about it internally with our Budget Service Division as well as our Office of Chief Economist. This is not a proposal that we just cooked up overnight, but something that a lot of thought went into. It certainly does not include, and I concede it does not include every single program that every single stakeholder group wants in here. But we have to be thoughtful about what Congress was trying to achieve here and what the Administration is also trying to achieve. We think that this is a fair proposal. We think that this is a proposal where we have sufficient legal authority based upon every element that we have. You heard me talk a little bit about the fact that we went back and did research all the way to, you know, NCES and IPEDS back to the 70s. And we think that what we have here can be legally justified. We are also willing to listen. And we heard at least one thing yesterday and one thing this morning. And so if we could put up on the screen here and again, this is not the, the panacea that maybe some want, but it is a little bit of a, of an opportunity for you to realize that we are listening. And so if we scroll down

to the list of programs, one of the things that we heard about the clinical psychology program is that in many states the PhD is the program that prepares students for professional practice in clinical psychology. And so the Department has -- went back and had thoughtful conversations about including that in the definition. And what we will do is we will write into the preamble that the PhD, in this instance, is related to a PhD that prepares a student for professional practice and would also obviously have to meet all of the other elements of the definition. So I think we heard that the PsyD program is still a relatively new program in the, in the scheme of programs in higher education and professional practice. And most students who are practicing in states have a PhD. So we wanted to make sure that we were inclusive of those individuals as well. There was also some discussion from the caucus in romanette two (1) so if we could just scroll up just a little bit -- whether the Department is amenable to some changes to romanette two here. Specifically, we heard instances where some negotiators felt that by delineating that the, that the program had to be six academic years in length, we could be penalizing shorter-term baccalaureate degrees that may be connected to doctoral programs. And so, you know, let's wait to see how we negotiate here. But there may be

some flexibility in taking that back over lunch and maybe making some adjustments. For example, the Department may be amenable to saying that it's a program that generally is at the doctoral level, including at least two years of post-baccalaureate level coursework. So we may be amenable to taking out that six-year reference. Again, that's on the basis of everybody being okay, maybe not loving, but being okay with the remainder of the definition.

MS. WEISMAN: Timothy?

MR. KING: Thank you, Mr.

Undersecretary, Tamy, Jeff. I agree, I agree with the Administration's push to ensure that graduate degrees are providing adequate positions once they graduate. I'm wondering, though, it just occurred to me this is a curiosity more than anything. Is that data about outcomes disaggregated by the types of institutions so institutions can have better information about how they need to be improving outcomes?

UNDERSECRETARY KENT: It's a pretty broad question, but I'll try to answer it as best I can. So the Administration has prioritized more transparency as it relates to student data, and we have a few initiatives that we will be soon unveiling related to that. So we want consumers to have more information about

the outcomes of their loan program. We also are on the precipice of embarking on another negotiated rulemaking. Don't worry, Tamy.

MS. ABERNATHY: Hallelujah.

UNDERSECRETARY KENT: -- on the AHEAD Committee, which will, which will tackle the accountability piece of the One Big Beautiful Bill. So we will be negotiating other transparency-related stuff. I think, as we had -- it's no surprise, as we had made clear in our public Federal Register notice about the upcoming rulemaking, we are looking at the Financial Value Transparency and gainful employment rule. And obviously, the Financial Value Transparency provides a wealth of information to consumers. And so we will be looking at that in the upcoming rulemaking as well. So the answer to your question is yes, we want institutions and we want students to have as much data as available. And certainly, they have that through the College scorecard and other mechanisms that we have prioritized as an Administration.

MR. ANDRADE: And just to add one point to that, Timothy, in all those efforts that the Undersecretary described as I noted in the presentation, the CIP code is the sort of standard basic unit of analysis. And so that -- those efforts would be using CIP

codes as well, so these various metrics will be harmonized.

MS. WEISMAN: Timothy?

MR. KING: I guess really what I'm trying to ask is, are they disaggregated by type of institution for private, public, private nonprofit, private proprietary. So students have, like you say, a better idea of where they're going to select to go to grad school based on those outcomes and how much it costs.

UNDERSECRETARY KENT: Yeah. So there are a few data sets here that may be informative. So on the Federal Student Aid website, data center, there is a wealth of information that the Department publishes, I believe, on a quarterly basis related to the loan portfolio. And that often is disaggregated by sector. And there's institutional-level data in there. Separately in the college scorecard and the data file that I know so many of you are familiar with in this room, you can download it and sort it also by sector and by institution. And again, as I had mentioned, the Department is has embarked upon a few initiatives where will we be making new information available in a different way to students. Not really prepared to break the news on that yet, but we're hopeful to have something

out before the end of the year on that as well. Yeah, of course. Thank you.

MS. WEISMAN: Jenna?

MS. COLVIN: Is this the time for questions? Okay. For our friends not in the room or in the caucus, because I can't remember at this point where some of those conversations happened and want to make sure everyone has an understanding of the process. Could you talk for a few minutes about the role of workforce needs in the Department's proposal?

UNDERSECRETARY KENT: Yeah. I think that there are a lot of elements that we grappled with in our methodology here. You know, everything from cost to need to earnings. One of the primary driving elements of our proposal is precedent and making sure that we could point to other elements within the Department's history that would justify including any newer programs beyond the list of ten that were originally on the list. And so we went back to NCES, which was the primary entity responsible for the development of the original ten programs and how those were thought up. So, again, I had walked through each of those elements yesterday, and the rational basis for including them, including the addition of the clinical psychology program. And then you just heard me explain why we added PhD today. So we approached

every element here based upon precedent, either from NCES or the -- or other parts of the Department's work, including the regulations on financial transparency and gainful employment. One of our goals -- I think one of the goals of everybody in this room is to make sure that we have a regulation that is long-lasting and that it doesn't (inaudible) in the courts. And so, you know, we believe our proposal, we heard from some of you that you felt that our proposal was very legally justifiable, especially compared to maybe the, the transitional proposal that we brought forward last time. And so we feel very confident that our proposal is based on solid rationale. It is challenging. And I want to, you know, concede that it is challenging. We have had robust advocacy from institutions and from stakeholder groups, and we thank you all for your feedback. We have had, you know, folks asking for the higher loan limits from Masters in teaching to Masters in sociology to MBAs to pilots to nurse practitioners. There isn't actually a program, I think, that hasn't reached out at this point to ask for the higher loan limits. We have a challenging task in front of us, which is the interpretation of the One Big Beautiful Bill Act, and we feel that we have struck it right in our proposal.

MS. WEISMAN: Bob, since you're just

joining us for the day, would you like to introduce yourself?

MR. CAREY: Bob Carey, military veteran, student borrowers.

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

MS. ABERNATHY: Thank you, everybody. Thank you, Undersecretary. I also would like to remind everyone of numerous things that we have chosen to do in this negotiations at what you requested for us to do. We have added -- we have the HEAL, the Health profession loan limits that we have grandfathered in that we will include in a Dear Colleague letter. We have proration that we have come to the table because of historical precedent that is not in OBBB precisely, so we are -- we heard you and we've given you that. We have done other things in the loan limits with program of study. We have heard you. We have read your proposals, and we have agonized over those proposals in ways that we could meet you in an effort of good faith negotiations. And so we just want to remind you that as we continue throughout today, and we find other ways that we can leverage our negotiations together with the rest of the things in the One Big Beautiful Bill, specifically around the loan programs, we want to show you how we are working as best

we can with the things that we have already done. Subscription programs. They're not on the schedule of reductions. We heard you with the schedule of reductions when we didn't quite possibly for Patti's -- you know, where Patti told us that we didn't quite get it right. We went back to the table and worked with you on that. So there's, there's partnership here, and I just want to remind us that we're still -- as we finish today and go into tomorrow, there's a lot of partnership that's been happening across the Department, and with you.

MS. WEISMAN: Jacob?

MR. LALLO: I just want to briefly correct the record a little bit. Regarding proration, it's not that proration is not in OBB. We are reading OBB to include proration based on our previous statutory -- or regulatory framework. We're not saying that it's not in there or that it's not a permissive construction of the statute. That would violate the law.

MS. ABERNATHY: Let me clarify.

MR. LALLO: We think there's a
(inaudible)

MS. ABERNATHY: Everyone in this room knew that I was talking about the treatment of marital joint spousal income and marital joint loan debt. But if you are not clear, yes, we took proration in the instance

where we're -- we heard you say that we would be harming borrowers if we allowed a joint payment from joint loan debt, joint income for married borrowers who file together.

MR. LALLO: And I think this is a very strong point for legal aid. You guys pointed this out. You know, the other IBR plans already include proration. Under the prior construction canon, you know, there's the assumption that if Congress passes a law, unless they explicitly, you know, exclude something -- we assume that Congress knows about a program that exists and that an agency operates a certain way. And so we assume that they, you know, know that proration exists in the other programs, and they knew about that here. And we believe that it's reasonable to conclude that they intended for proration to continue within this program.

MS. ABERNATHY: If we do not have any comments, I think we should wrap up 685.102 with just going over the proposals. We will take a pulse check after lunch because we have been, we have been asked by Jenna to wait until after lunch to do a pulse check on 685.102. Okay, Timothy, I believe that your proposal for the definition of professional student is off the table. Correct? So, thank you. We do appreciate you submitting that to us. Deborah, you get a gold star because we added

what you asked us to in your proposal with the, the addition of the PhD. Thank you. And, Bennett, we appreciate your data. And we do not believe there was any kind of historical precedent for the, the programs that you reference here, but thank you so much for providing this to us. So at this point, we're going to conclude with 685.102, and we will do a pulse check after lunch, and we'll move on to the next set of reg text changes. We will look at discussion draft number seven which is 685.203, loan limits. Give you guys a chance to get there. So I do want to mention that we did receive a proposal from Alex Ricci on (2) romanette one. Sorry, (2) romanette four to add in the purposes of paragraph (m) at the undergraduate level, program of study means academic major. I do not believe we have inserted that at this time. So I just wanted to acknowledge your proposal and that we've responded to it. So if you will look at the reg text changes here at the header of paragraph (f)(2), we have added, at your request, clarification about Direct PLUS annual limits for parents of dependent undergraduates on or before, excuse me on or after July 1, 2026. This was something that you did not feel was clear in our regulations. I would like to point out that it was clear under the borrower eligibility regulations in 685.200. We are including it here because we felt like

it was important enough, you kept mentioning it, that it should be here as well. So we've added paragraph (f)(3) Direct PLUS annual limits for graduate students and professional students on or after July 1, 2026. The Direct PLUS annual limits for graduate students and professional students for periods of enrollment beginning on or after July 1, 2026, can be found at the cross-reference of 685.200(b)(2) and (3). We have amended paragraph (m)(1). We have put in the words except for a non-term program, and we have removed subscription program. In paragraph (m)(2) romanette five, for the purposes of this paragraph, (m)(2), program of study means eligible programs. So Alex, while I said we did not include yours, we did include additional reg text language. And I mentioned the cross references earlier, but that's what you also see in the highlighted, is just the cross references. We'll open it up for questions.

MS. WEISMAN: Alex Holt?

MR. HOLT: Can you just scroll up so that I can see what M2 is referring to?

MS. ABERNATHY: I -- if that doesn't -- yeah, does that give you enough? Because we're only doing just the changes on the screen. So we could go to the regular provision if this isn't enough information.

MR. HOLT: Can the Department explain

what eligible program means?

MS. WEISMAN: Jeff?

MR. ANDRADE: Yeah. Eligible program is defined in the general provisions and student assistance, general provisions. It's brought in -- it's essentially the programs in which students are enrolled in and eligible for loans under Part D.

MR. HOLT: And so is it the Department's interpretation that an eligible program is an academic major? I just don't understand the difference between eligible program and program.

MR. ANDRADE: Eligible program is a defined term as opposed to academic major being an undefined term. And so this -- we believe this adds clarity because eligible programs are -- eligible programs is used extensively throughout the regulations.

MR. HOLT: Great. Thank you.

MR. LALLO: And just to add in, we didn't replace program of study throughout that section with eligible program because the statutory language there is mirrored very closely. So we thought it more appropriate to use the cross-referenced term or defined term. Yeah.

MS. ABERNATHY: And also, eligible program, those are the programs that qualify for the

Title IV Loan program, so that would make sense that the institutional loan limits would apply to those eligible programs, because those are the programs that are eligible for the funds.

MR. HOLT: Okay. I'm sorry, do you need to call me? It's okay. Okay. Sorry, Annmarie. I just want to clarify -- you might need to take this back, but I just want to clarify that the Department believes that a future -- any, any future Department would not be able to interpret this language to mean all programs at the baccalaureate level. Does that make sense as a question?

MS. ABERNATHY: I -- it's, it's very specific that these are -- the institution defines per program. It does not give the flexibility to say all. So I don't think that we -- I think we do --

MR. LALLO: Yeah. So we're also just -

-

MS. WEISMAN: Jeff?

MR. ANDRADE: Okay. So I'll, I'll address -- if, if Jake needs to do any legal cleanup clarifications on me, that's fine. But what we were looking for was the most granular definition that we had. And so generally, you know, students change between eligible programs so it doesn't lump all the degree programs together. It's a specific program that the

student is enrolled in, is referenced to eligible program. So we can't, we can't be any more granular than that. We actually believe it's more granular than, than major would be, even if it were to be defined.

MR. LALLO: And just to answer your other question about in terms of interpretation with future Departments, we're not going to comment on what a future Department may or may not do with something, especially when you were talking about a hypothetical matter of statutory interpretation.

MR. HOLT: Thank you for that clarification, Jake.

MS. WEISMAN: Alex Ricci?

MR. RICCI: I just wanted to take a moment to thank the Department for -- because in the proposal submitted, I acknowledged that there was probably a better way that my concern could be addressed. And so I wanted to thank the Department for taking the time to look closely at this specific provision and find the legal pathway forward to make it clear to institutions, so thank you.

MS. ABERNATHY: Absolutely. Can we just -- because this was an outstanding piece, can we take just a pulse check on the changes here so we know if we got it right or we need to look at it again, please?

MS. WEISMAN: So you would like a pulse check on 685.203 changes?

MS. ABERNATHY: Yes. These were the pieces that people had concerns about. So I want to see if our changes address their concerns.

MS. WEISMAN: Okay. If we can see thumbs up sideways or down, and if you can keep those up till I get those recorded. I see thumbs up from everyone.

MS. ABERNATHY: That makes it easy. Thanks, guys.

MS. WEISMAN: Thank you all.

MS. ABERNATHY: There's still time, Alex. We still have a day and a half. Moving right along. Let me get to my list. We're going to go ahead to 685.208. Let me get you that discussion draft number. Number ten. Discussion draft number ten. The one, the one thing I did not write down on the list was the number of the discussion drafts, so I could find it as quickly as you all have. I'm loving all the help that's happening over here on my, on my right. These guys are awesome. They're very entertaining if you can't hear them. All right. Okay. We do not have any reg text changes to the fixed payment repayment plans, but there were some things that we just wanted to go over. And so I don't know if there are any outstanding proposals. Let me just, let me

just look at my book because I want to make sure I'm addressing all of them. Give me one second, please. Jake just confirmed we have discussed all of these. So, are there any comments and concerns on 685.208? We have not changed any reg text, so this was another one. I'm happy to go through and reread them all again if I need to. These are the wonderful loan limits. Not loan limits. Excuse me. These are the wonderful loan -- the amount of loan that is borrowed and the years, and how much the borrower has to pay under the fixed repayment plans. I think some of the major questions were about the treatment of the new Tiered Standard. And the one thing that I do have on my sheet that I am not sure we referenced the other day, was under the Tiered Standard Plan, romanette -- that would be eight on my page. It's as of today, yesterday's date, number eight. The Tiered Standard repayment plan under (8) romanette two, a borrower's payments under this repayment plan are at least -- did we actually make this change? I'm sorry, I'm reading the wrong sheet, so I best not say that, right? Okay. Yeah. I was like, no, we have not done this yet. I'm sorry. My notes are wrong. Forgive me. It happens. It happens. So this one we waited to have a pulse check on. And I would like to see if we -- if there's a pulse check on this one. And this is all the stuff that we read, a

really long-winded reading. But I'll read it again if you want me to.

MS. WEISMAN: So you would like a pulse check on 685.208? If I can see thumbs, please. And we have all thumbs up.

MS. ABERNATHY: All right. Let me get to my summary of changes, and we will now go to 685.219. There is one change at this point that we've not covered in 219. (c) (2) romanette three. Let me give you the discussion draft number. Hold on. Discussion draft 14. It's on the screen too. (c) (2) romanette three, we have added clarifying language in romanette three that it is section 685.209(a) (1) through (4). In romanette four we have added in section 685.208(1) and later (b) (2). In romanette five, except during periods of borrowers enrolled in the Repayment Assistance Plan under 685.209. Those are the changes that we have made in 685.219. I do know that we have proposals that I need to walk through with you all. We had received a proposal from Deborah Lilly with some questions on there. And the first one was asking, because the proposed language is explicitly structured around an on-time monthly payment, PSLF credit would only accrue for months in which a RAP payment is made. As a result, borrowers would be unable to retroactively convert periods of deferment or forbearance

into PSLF-qualifying payments. Please confirm whether this reflects an intentional narrowing of buyback eligibility under RAP, such that future deferments and forbearances would be included and buyback effectively eliminated for RAP ERA payments. She specifically asked about conditions under which the borrower will be considered to have made monthly payments. She's asked about confirming that borrowers who accrue deferment or forbearance months prior to the effective date of RAP will retain buyback eligibility and credit for those periods. And are there specific scenarios that will be explicitly preserved for PSLF credit or buyback under RAP, notwithstanding the general requirement for on-time payments? Will exceptions be provided in cases of administrative and processing delays? What safeguards will be implemented to ensure that borrowers are not improperly steered into deferment or forbearance, when such months will no longer be eligible for buyback, and has the Department assessed whether eliminating buyback for RAP ERA payments could disproportionately affect certain borrower groups? Please provide any relevant data or findings to help the committee assess the potential borrower impact. And we are now at lunch, and I promise I did not plan that. So we will pick up after lunch first with Jenna and the pulse check of 102, where she asks

that if we waited till after lunch and then we'll recirculate to PSLF.

MS. WEISMAN: And are we expecting an hour for lunch, or would you like more time?

MS. ABERNATHY: An hour should be fine.

MS. WEISMAN: So we'll resume at 1:00.
Thank you.