

Discharge Application: Total and Permanent Disability
OMB No. 1845-0065
Proposed Substantive Changes

1. "Read this First" section on page 1, Section 4, and Section 5. Text has been revised as necessary to reflect the new statutory definition of "total and permanent disability" in sections 437(a) and 464(c) of the HEA, as amended by the HEOA. In addition, the new regulatory definition of "substantial gainful activity" has been added to Sections 4 and 5. This term is defined in 34 CFR 674.51(aa) and 34 CFR 682.200(b).
2. Sections 3, 5, and 6. Text has been revised as necessary to reflect the new discharge process for individuals other than certain veterans, as described in 34 CFR 674.61(b), 34 CFR 682.402(c)(2) through (7), and 34 CFR 685.213(b).

NOTE: The currently approved form already covers the separate discharge process for certain veterans that was implemented subsequent to the enactment of the HEOA and prior to the October 29, 2009 final regulations. However, the Department is proposing to reorganize the presentation of the special discharge process for veterans so that it is more clearly distinguished from the general discharge process for other individuals. This is consistent with the October 29, 2009 final regulations, which present the general discharge process and the separate discharge process for certain veterans in separate sections. The Department believes that the revised presentation of this information will make it easier for veterans to understand and less confusing, since the information that applies only to these borrower will be clearly highlighted.

3. Section 7. The explanation of the requirements for receiving further loans or TEACH Grants after a total and permanent disability discharge has been revised for consistency with the new discharge process.

Proposed Non-Substantive Changes

4. For consistency with the title of the document, references to "form" have been changed to "application."
5. For consistency with other forms, "Zip" has been changed to "Zip Code."
6. For consistency within the form, the phrase "see definition in Section..." has been changed to "as defined in Section..."
7. For consistency with statutory and regulatory language, references to "service-connected condition" have been changed to "service-connected disability."
8. The abbreviation "VA" is established for "U.S. Department of Veterans Affairs." This eliminates the need to repeatedly spell out the full name of the agency and is consistent with usage by the Department of Veterans Affairs.
9. In Section 2, a sentence has been added to the instructions for veterans in the second bullet to more clearly and explicitly state that veterans who do not have the specified documentation from the VA must have a physician complete section 4.
10. In Section 5, the second bullet of the instructions for the physician has been revised by adding a sentence telling the physician to enter "N/A" if a particular field is not applicable. For consistency with this change, the instructions for Item 3 in Section 5 have been revised to say that the physician must respond to the listed items "as relevant to the applicant's condition." Currently, physicians often leave an item blank if it does not apply, but loan holders do not know if the item was left blank intentionally or in error. The proposed changes are intended to address this problem.