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Comment Summary:

In light of the heavy reliance on IDR plans, Item 16 under "promises" may need revision. This reads "I promise to pay to ED the full amount of all loans that I receive under this MPN," but under IDR plans most borrowers do not repay the full amount of their loans. ED needs to either revise this section to indicate that the borrower must repay the full amount due based on the chosen repayment plan, or revise the IDR plans so that borrowers are able to pay their loans in full. A promise to repay in full is meaningless when those who borrow the most are rarely required to pay their loans in full.

ED Response:

No changes are needed. A borrower who signs an MPN is legally obligated to repay the full amount of all loans made under the MPN, but there are certain loan program benefits (for example, IDR plans and options for loan forgiveness and discharge) that may result in a borrower repaying less than the full amount of the loan that was originally received. Not all borrowers will choose to repay their loans under an IDR plan or qualify for loan forgiveness or discharge. The fact that some borrowers ultimately may not be required to repay the full loan amount does not conflict with the legal obligation to repay a loan in full.