

October 7, 2022

TO: Office of Information and Regulatory Affairs  
Office of Management and Budget

THROUGH: Strategic Collections and Clearance  
Governance and Strategy Division  
Office of Chief Data Officer  
Office of Planning, Evaluation and Policy Development  
U.S. Department of Education

FROM: Melanie E. Storey, Acting Director  
Policy Implementation and Oversight  
Federal Student Aid  
U.S. Department of Education

RE: Request for emergency clearance by October 7, 2022 for the collection (1845-0000)  
associated with the implementation Federal student loan debt relief.

On August 24, 2022 the U.S. Secretary of Education determined that Federal Student Aid is authorized to provide up to \$20,000 of student loan debt relief for eligible federal student loan borrowers who received a federal Pell Grant and up to \$10,000 for eligible federal student loan borrowers who did not receive a Pell Grant. Federal student loan debt relief will be provided under the authority of Title IV of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1070 et seq.); 20 U.S.C. 1018(f) and 1087e(h); the Higher Education Relief Opportunities for Students Act of 2003 ( 20 U.S.C. § 1098bb) (including any waivers or modifications that the U.S. Secretary of Education deems necessary to make to any statutory or regulatory provision applicable to the federal student financial assistance programs under title IV of the HEA to achieve specific purposes listed in the section in connection with a war, other military operation, or a national emergency); and, 31 U.S.C. 7701 and Executive Order 9397, as amended by Executive Order 13478 (November 18, 2008).

The U.S. Secretary of Education directed Federal Student Aid, as soon as practicable, to establish an application process available to all eligible federal student loan borrowers to request a discharge, attest to their income eligibility for loan discharge, and verify that income, if requested by the Department of Education (Department). Federal Student Aid has developed a borrower application form, a parent income form, a parent income waiver and a verification form in compliance with this directive. As designed, each student loan borrower would complete an online or paper application form to request consideration for loan discharge within 12 months of the end of the student loan payment pause which ends on December 31, 2022.

The implementation of any standardized application or verification process triggers the requirement to receive approval to collect the necessary information under the Paperwork Reduction Act of 1995.

The Department has determined that this information must be collected prior to the expiration of time periods established under 44 U.S.C. 3507(j), and that this information is essential to ED's ability to effectively implement the initiative. Due to the limited time available before the end of loan payment deferment on December 31, 2022 and the urgency of providing financial relief from the ongoing economic impact of the COVID-19 public health emergency, we request that OMB approve the collection associated with the implementation of the application forms and verification process using the emergency clearance procedures of the Paperwork Reduction Act of 1995, outlined in 44 U.S.C. 3507(j), by October 6, 2022 or as soon as possible. If this request is not granted, the Department would be unable to implement this loan discharge before the end of the loan payment deferral policy on 12/31/2022, which would result in a large number of affected borrowers being obligated to restart payment before their discharge could be processed, causing them further financial harm. Additionally, we are requesting that the full clearance package be filed at the same time and that the Department will initiate the 60-day public comment period upon notification of emergency approval.

Because collections that have been cleared under the emergency procedures are cleared immediately (even if temporarily), the Department would be able to accelerate implementation for maximum benefit to federal student loan borrowers continuing to manage the economic hardship of the Covid emergency. If the Department were required to put the collection through the normal clearance process, we could not begin to implement the program until after the collection was cleared resulting in several months of delays in providing eligible borrowers financial relief. Any delay in discharging loans for eligible borrowers would increase the potential for public harm through delayed financial relief to borrowers who have been facing the economic hardship of the Covid for more than two years and the possibility of additional interest accrual and an increase in overall debt.