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GROUP LOAN DISCHARGE APPLICATION: FALSE CERTIFICATION OF STUDENT ELIGIBILITY OR UNAUTHORIZED PAYMENT

**William D. Ford Federal Direct Loan (Direct Loan) Program
Federal Family Education Loan (FFEL) Program**

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: GENERAL INFORMATION

Under the U.S. Department of Education's regulations at 34 CFR 685.215(c)(10) and 34 CFR 682.402(e) (16), a State Attorney General or nonprofit legal services representative (third-party requestor) may submit to the U.S. Secretary of Education (the Secretary) an application for a group discharge of loans made under the William D. Ford Federal Direct Loan (Direct Loan) Program or the Federal Family Education Loan (FFEL) Program based on a school's false certification of student eligibility or unauthorized payment involving multiple students. To request a group discharge based on false certification, a qualified third-party requestor must complete this application and include all required documentation.

The group discharge application may only include borrowers who meet the requirements for a loan discharge based on false certification of unauthorized payment. A Direct Loan or FFEL Program borrower may qualify for loan discharge based on false certification or unauthorized payment if the school—

- Certified the eligibility of a student who: **(A)** reported not having a high school diploma or its equivalent, and **(B)** did not satisfy the alternative to graduation from high school requirements under section 484(d) of the Higher Education Act of 1965, as amended (the HEA), and 34 CFR 668.32(e) that were in effect when the loan was originated or certified;
- Certified the eligibility of a student who is not a high school graduate based on: **(A)** a high school graduation status falsified by the school, or **(B)** a high school diploma falsified by the school or a third party to which the school referred the borrower;
- Signed the borrower's name on the loan application or promissory note without the borrower's authorization;
- Certified the eligibility of a student who, because of a physical or mental condition, age, criminal record, or other reason accepted by the Secretary, would not meet state requirements for employment (in the student's state of residence when the loan was originated or certified) in the occupation for which the training program supported by the loan was intended; or
- Certified the eligibility of a student for loan as a result of the crime of identity theft (as defined in 34 CFR 685.215(c)(6) and 34 CFR 682.402(e)(14)) committed against the student.

SECTION 2: THIRD-PARTY REQUESTOR INFORMATION

Provide the requested information for the third-party requestor and its representative who is submitting this group discharge request.

1. Third-Party Requestor Agency/Organization Name:

2. Third-Party Requestor Agency/Organization Address (Street, City, State, Zip Code):

3. Third-Party Requestor Representative Name (Last Name, First Name, Middle Initial):

4. Third-Party Requestor Representative Title:

5. Third-Party Requestor Representative Email:

6. Third-Party Requestor Representative Telephone Number:

7. Check the appropriate box below to indicate the type of organization submitting this group discharge application.

State Attorney General

Nonprofit Legal Services Organization

8. If you are submitting the request on behalf of a nonprofit legal services organization, provide the organization's Federal Employee ID Number (FEIN) below.

FEIN:

SECTION 3: GROUP INFORMATION

9. School Name:

10. Campus Name and Location (if more than one, include the name and location for each):

11. Program Name or Major Impacted (e.g., Engineering, Law, Nursing, All Programs):

12. Credential/Degree Impacted (e.g., Certificate, Diploma, Associates, Bachelors, Masters, All Credentials):

13. Estimated Size of Proposed Group (if known):

14. Identify the beginning and ending dates of the time period you believe the school and/or its campuses engaged in the false certification or unauthorized payment identified in this application:

Beginning Date: _____ Ending Date: _____

15. Check the appropriate box(es) to indicate the basis for this group discharge request (you may check more than one):

- The school certified eligibility of students who: **(A)** reported not having a high school diploma or its equivalent, and **(B)** did not satisfy the alternative to graduation from high school requirements under section 484(d) of the HEA and 34 CFR 668.32(e) that were in effect when the loans were originated or certified (34 CFR 685.215(a)(1)(i) and 34 CFR 682.402(e)(1)(ii)(A)).
- The school certified the eligibility of students who were not high school graduates based on: (A) a high school graduation status falsified by the school or (B) a high school diploma falsified by the school or a third party to which the school referred the borrowers (34 CFR 685.215(a)(1)(ii) and 34 CFR 682.402(e)(1)(ii)(B)).
- The school signed the borrowers' names on the loan applications or promissory notes without authorization from the borrowers (34 CFR 685.215(a)(1)(iii) and 34 CFR 682.402(e)(1)(ii)(D)).
- The school certified the eligibility of students who, because of a physical or mental condition, age, criminal record, or other reason accepted by the Secretary, would not meet state requirements for employment (in the students' states of residence when the loans were originated or certified) in the occupations for which the training programs supported by the loans was intended (34 CFR. § 685.215(a)(1)(iv) and 34 CFR 682.402(e)(1)(ii)(C)).
- Certified the eligibility of students for Direct Loan or FFEL Program loans as a result of the crime of identity theft committed against the students (34 CFR 685.215(a)(1)(v) and 34 CFR 682.402(e)(1)(ii)(E)).

SECTION 4: REFUNDS OR PAYMENTS

16. Have any group members requested or received a refund or payment from the school or any third party for any loans that you are requesting be discharged?

Yes.

No.

If you answered Yes, describe the request(s), indicate whether any group members received refunds or payments, specify the amount of any refunds or payments received, and identify the entity that made the refunds or payments:

SECTION 5: REQUIRED DOCUMENTS

You must include an analysis of why the proposed group discharge application should be approved under the regulations in 34 CFR 685.215 or 34 CFR 682.402(e). This analysis must be supported by evidence beyond sworn borrower statements and must demonstrate that the school's false certification of student eligibility for loans or unauthorized payment was pervasive. Your analysis must:

- Describe the conduct that forms the basis for the group discharge application;
- Identify the school or school representative(s) to whom you attribute the false certification of student eligibility for loans or unauthorized payment;
- Identify the campuses or programs that are the subject of your claim;
- Identify the time period during which the false certification of student eligibility for loans or unauthorized payment occurred; and
- Explain why you believe the described conduct should result in an approved group discharge.

Your analysis must also provide the names and other identifying information of borrowers in the group to the extent available. If this application is submitted by a nonprofit legal services organization, you must also include a certification that your organization has entered into a legal representation authority with each borrower identified as a member of the group.

SECTION 6: CERTIFICATIONS, UNDERSTANDINGS, AND AUTHORIZATION

By signing this application, I certify, under the penalty of perjury, that:

- I am an authorized representative of the third-party requestor (hereafter "organization," "we" or "us") identified in Section 1. The third-party requestor I represent is a State Attorney General or nonprofit legal services organization.
- All of the information provided on this application is true and complete to the best of my organization's knowledge. Upon request, my organization agrees to provide to the U.S.

Department of Education additional documentation reasonably available to us that will verify the accuracy of the information provided on this form.

- We understand that the U.S. Department of Education has the authority to verify information reported on this application with other federal or state agencies or other entities.
- We authorize the U.S. Department of Education, along with its agents and contractors, to contact us regarding this request at the phone number provided above using automated dialing equipment or artificial or prerecorded voice or text messages.
- We understand that any rights and obligations with regard to false certification of student eligibility for loans or unauthorized payment are subject to the provisions of the Higher Education Act of 1965, as amended and the Department's applicable regulations.
- We understand that if the Secretary accepts this application for group discharge, all identified borrowers will be placed into forbearance and/or stopped collections while the application is being reviewed, unless the borrower has opted-out of the group discharge. We understand that this includes both borrowers identified in this application and borrowers separately identified by the Secretary.
- We understand that this application and included evidence may be disclosed in response to requests under the Freedom of Information Act, and further may be disclosed to the school that is the subject of this application in the course of the U.S. Department of Education's review of the application and/or any recoupment or enforcement proceedings initiated by the U.S. Department of Education against the school.

Signature _____

Date _____

SECTION 7: INSTRUCTION FOR SUBMITTING THE APPLICATION

Submit this completed and signed Group Discharge Application: False Certification of Student Eligibility or Unauthorized Payment to [TBD] at [TBD], along with all required supporting documentation.

SECTION 8: IMPORTANT NOTICES

Privacy Act Notice. The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq. and §451 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq. and 20 U.S.C. 1087a et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your

identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the FFEL and/or Direct Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans become delinquent or default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loans, to enforce the terms of the loans, to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions.

To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0058. Public reporting burden for this collection of information is estimated to average [TBD] minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection. The obligation to respond to this collection is

required to obtain or retain a benefit (34 CFR 682.402(e)(3), or 685.215(c)). If you have comments or concerns regarding the status of your individual submission of this form, **contact [TBD]**.