



# DEPARTMENT OF HIGHER EDUCATION & WORKFORCE DEVELOPMENT

## FINANCIAL AID DEVELOPMENTS By Amy Hedrick, Policy Analyst

### **2021–2022 HIGHER EDUCATION NEGOTIATED RULEMAKING**

Recordings and distributed materials for the first session have been posted to the [2021–22 Higher Education Negotiated Rulemaking webpage](#); transcripts are coming soon. Recordings, transcripts, and distributed materials for the second session will also be available soon. Additionally, recordings for the Prison Education Programs Subcommittee’s first session and the Public Hearing for the 90/10 Rule are available. Transcripts will be posted soon, along with recordings and transcripts for the Prison Education Programs Subcommittee’s second hearing. Check the webpage regularly for additional updates, including registration for the upcoming final session in December.

### **EXTENSION FOR MANDATORY SAIG SOFTWARE UPGRADE**

[Electronic Announcement](#) GENERAL-21-67 announced an extension to the deadline for upgrading [EDconnect](#) or [TDClient](#) past the original October 23, 2021 date; the new deadline will be announced in the near future and non-current versions will no longer connect to SAIG after that new date. Please note that EDconnect 8.5 must be used with Windows 10/Windows Server 2012 or higher. Previous versions, including Windows 7, 8, Vista, 2008, and Windows Server 2003 are not supported. Users

experiencing technical issues after upgrading to EDconnect 8.5 may contact CPS/SAIG Technical Support at 1-800-330-5947 or [CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov) for assistance. For additional details on the mandatory upgrade, see [EA GENERAL-21-60](#) and [EA GENERAL-21-56](#).

### **2021 FSA TRAINING CONFERENCE REGISTRATION IS OPEN**

[Electronic Announcement](#) GENERAL-21-66 announced the opening of registration for this year’s virtual conference held November 30 – December 2, 2021. Register and access the live session and on-demand session agendas on the [FSA Conferences](#) webpage. Please note that the registration website does not support Internet Explorer.

### **CONFIRMATION OF FSA DATA SYSTEM USERS BY DECEMBER 10, 2021**

[Electronic Announcement](#) GENERAL-21-65 announced that Primary Destination Point Administrators (DPAs) for the FSA data system must review and validate their assigned TG numbers and Electronic Services user accounts by December 10, 2021. Failure to do so will result in the loss of access to FSA data systems. Validations include TG numbers for users with NSLDS Professional Access, COD website access, all FAA Access to CPS Online, EDconnect user

accounts, and SAIG batch services enrollees for NSLDS, CPS, COD, and FMS. See the announcement for step-by-step validation instructions. For questions, contact CPS/SAIG Technical Support at 800-330-5947 or [CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov).

### **UPDATE ON TREATMENT OF UNEMPLOYMENT BENEFITS**

An update to the September 30, 2021 [Electronic Announcement](#), APP-21-18, added a provision to remove untaxed unemployment benefits (UI) from a borrower's AGI or untaxed income on the FAFSA<sup>®</sup> for the 2022–23 cycle. DE also removed the use of professional judgement sentence because it considers that change a correction; the Secretary waived the requirement to report untaxed UI from untaxed income. Borrowers with UI who filed their 2020 taxes before the American Rescue Plan (ARP) was signed into law on March 11, 2021 will show a higher AGI, resulting in a higher EFC that may reduce their eligibility for need-based aid. Additionally, borrowers with UI who filed after the ARP may have reported the untaxed portion as untaxed income on the FAFSA<sup>®</sup>, also potentially reducing their eligibility for need-based aid. Under the ARP, the first \$10,200 of UI is non-taxable for each taxpayer with income less than \$150,000.

### **FSA OFFICE OF ENFORCEMENT ESTABLISHED**

A U.S. Department of Education [press release](#), dated October 8, 2021, announced the restoration of an Office of Enforcement to “strengthen oversight of and enforcement actions against postsecondary schools that

participate in the federal student loan, grant, and work-study programs.” The office’s four divisions are slated to collaborate with other federal agencies as well as state partners to “proactively identify and address major problems across institutions that pose widespread risks to students and taxpayers.” Also see [Electronic Announcement GENERAL-21-64](#).

### **PSLF CHANGES TO IMPROVE FORGIVENESS APPROVAL**

A U.S. Department of Education [press release](#), dated October 6, 2021, announced “transformational changes” to Public Service Loan Forgiveness to impact an estimated 550,000 borrowers. Foremost, a temporary waiver will count all payments made on federal loans, including Federal Family Education Loan (FFEL) and Perkins Loan payments, during qualified employment towards the 120-payment requirement, regardless of loan type, payment plan, amount, or timeliness; however, borrowers with outstanding FFEL or Perkins loans must consolidate into a Direct Loan *and* submit a PSLF application no later than October 31, 2022 to qualify and receive payment credit. Direct Loan borrowers wishing to receive credit must have a PSLF or Employer Certification form on file no later than October 31, 2022. Military borrowers will be able to count active duty deferments and forbearances towards PSLF. Next year, DE will also begin to use data matching for military and federal employees to automatically credit payments towards PSLF without an application. *Note:* Parent PLUS loans are not eligible for the waiver. For additional information, see the PSLF

Overhaul [Fact Sheet](#) and the PSLF Waiver [announcement](#).

## **NEGOTIATED RULEMAKING FOR 90/10 RULE**

In [Federal Register](#) (86 FR 54666) dated October 4, 2021, the U.S. Department of Education announced its intent to establish an additional committee for negotiated rulemaking no earlier than January 2022 for the 2021 American Rescue Plan’s “90/10 rule,” effective on or after January 1, 2023, that requires proprietary schools to derive at least 10% of their revenue from non-Federal education assistance fund sources.

## **GUIDANCE & OPERATIONS**

Federal Registers, Dear Colleague Letters, and Electronic Announcements regarding guidance and operational information for federal financial aid programs and award years.

- [Availability of Updated NSLDS Enrollment Reporting Guide \(September 2021\) \(EA GENERAL-21-71\)](#)
- [Issuing Financial Aid Offers—What Institutions Should Include and Avoid \(EA GENERAL-21-70\)](#)
- [Perkins Loan Program – Federal Perkins Loan Revolving Fund Distribution of Assets Timeline for 2021–22 and Reimbursement for Perkins Loan Service Cancellations \(EA CB-21-13\)](#)
- [2022–23 SAR and SAR Acknowledgement Mock-Ups \(EA APP-21-21\)](#)
- [HEAL Program Information – Maximum HEAL Program Interest](#)

[Rates for Quarter Ending Dec. 31, 2021 \(EA LOANS-21-10\)](#)

- [Federal Student Aid to Establish Enforcement Office and Enhance Federal and State Oversight Partnerships \(EA GENERAL-21-64\)](#)
- [Federal Family Education Loan Program Special Allowance Rates for the Quarter Ending Sept. 30, 2021](#)
- [2022–2023 ISIR Guide \(Updated Oct. 4, 2021\)](#)

## **INFORMATION & TRAINING**

Federal Registers, Dear Colleague Letters, and Electronic Announcements regarding federal financial aid informational sessions, learning opportunities, and published reports.

- [Federal Student Aid Posts Quarterly Portfolio Reports to FSA Data Center \(EA GENERAL-21-69\)](#)
- [Updated Course Offerings – 2021–22 Learning Tracks \(DCL ANN-21-11\)](#)
- [List of Borrowers Who Have Defaulted on Their Health Education Assistance Loans \(86 FR 54950 October 5, 2021\)](#)
- [Public Hearings to Establish Additional Negotiated Rulemaking Committee \(86 FR 54666\)](#)
- [The 2022–23 FAFSA® Form is Here! \(EA APP-21-20\)](#)

## **SYSTEM UPDATES & SOFTWARE**

Federal Registers, Dear Colleague Letters, and Electronic Announcements regarding federal student aid systems and software.

- [COD Common Record XML Schema Version 5.0a \(Updated Oct. 29, 2021\)](#)
- [2022–2023 EDE Technical Reference \(Final\) \(Updated Oct. 4, 2021\)](#)