



FOR IMMEDIATE RELEASE  
April 19, 2022

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Education Finance Council (EFC), the National Council of Higher Education Resources (NCHER), and the Student Loan Servicing Alliance (SLSA) represent state, nonprofit, and private organizations under contract with the U.S. Department of Education to service the federally held student loan portfolio. The following is a joint statement provided in response to the Department's announcement that it will begin a one-time revision of Income Driven Repayment (IDR) payments to address past inaccuracies:

*"EFC, NCHER, and SLSA strongly believe that borrowers meeting the requirements for IDR plans should receive every penny of loan forgiveness for which they are eligible. Our members fully support borrowers receiving the benefits for which they are eligible under current law, federal regulations, implementation guidance, and requirements set forward by the Department of Education and FSA [Federal Student Aid]. Tomorrow's report by the GAO [Government Accountability Office] is expected to outline some of the issues we have long asked for FSA to fix."*

*"The myriad of IDR programs created over time is yet another example of a well-intended program with its own challenges and complex rules. Those challenges and complexities were well known to loan servicers and the Department of Education. The federal servicers brought many of these challenges to light years ago, and the need for action was acknowledged by FSA in its drafting of a change order issued to servicers but subsequently cancelled. Our servicers, as they often do, had to work to develop their own solutions to these problems to ensure borrowers were well served. Today, servicers track IDR payments and work directly with borrowers to ensure credit is received for each qualified payment."*

*"The Department's announcement today of one-time review of the IDR process is another quick fix, band-aid approach to complex programmatic issues within the federal student loan program that have not been addressed by FSA in collaboration with its partners to ensure the best interest of borrowers are kept in focus. This is also another substantive shift in policy by the Department of Education not shared with any advance discussion with servicers who will again be put into the position of being unable to provide clear and concise information to, or address questions from, borrowers or have advance planning for implementation."*

*"The Department's announcement also references oversight of forbearance use by servicers and we look forward to finally getting some guidance. The suggestion of servicers steering borrowers is without merit and is clearly an attempt by the Department to steer the conversation away from the root cause that FSA has failed to fix the federal student loan repayment system for years."*

*"The goal of our federal student loan servicers has been, and continues to be, serving our borrowers and keeping their needs front and center. To do that, we need to be, and have continued to strive to be, partners with the Department and FSA. We hope they will engage in active discussions to achieve that goal."*