

## **Department of Education**

### **1. Borrower Defenses Against Loan Repayment**

- Description: On June 8, 2015, ED announced several steps it is taking to assist students in obtaining debt relief as a result of fraudulent actions taken by career colleges, in particular, students who attended schools owned by Corinthian Colleges, Inc. As part of this initiative, ED has created a streamlined process by which students who attended schools owned by Corinthian can apply for a discharge of their loans.
- Quantified Impacts: ED anticipates currently unquantified burden reduction from use of the streamlined process for Corinthian students because students will only have to complete a short attestation rather than compile and submit multiple materials to support their claims
- Status and Timing: **Ongoing**: Currently active collection concluded by OIRA 6/16/2015. In addition to the streamlined process implemented for Corinthian students, ED is exploring other processes (both paperwork and regulatory) to address other fraudulent actors and borrower defense policy as a whole. These actions are currently ongoing.

### **2. Use of Prior-Prior Year Tax Data for the Free Application for Federal Student Aid (FAFSA)**

- Description: FSA and the IRS use the IRS Data Retrieval Tool (DRT), which allows applicants and their parents to access and transfer directly from the IRS the federal tax data required to complete the FAFSA. This pre-population tool makes it simpler for FAFSA filers. However, the current practice which uses the calendar gap between the IRS tax return filing requirement (April 15) and the student aid application process (beginning on January 1) makes it difficult for applicants to use the DRT. Under this initiative, ED would allow aid applicants to use tax return data from the second preceding year (prior-prior year) to complete their FAFSA. Through the Paperwork Reduction Act process, ED will seek public comment on changes to the FAFSA that may be needed to implement these changes.
- Quantified Impacts: TBD.
- Status and Timing: **New**: ICR not yet submitted to OIRA. Target completion October 2016