

Press Release



The Department of Education's Final Rules on Targeted Federal Student Loan Forgiveness Programs: Expanded Eligibility and Continued Focus on For-profits

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The Department of Education just released final regulations on five targeted federal student loan forgiveness programs slated to go into effect in July, as well as a final rule on interest capitalization on federal student loans. In an update to his Data and Policy Analyst Tom Lee reviews the final regulations for these forgiveness programs and interest capitalization.

Key Points:

- The final regulations mainly loosen the programs' eligibility requirements, allowing the Biden Administration to forgive the loans of more borrowers.
- The loan forgiveness provided by these expanded programs will be targeted towards current and former students at for-profit colleges.
- Unlike the changes to the targeted forgiveness programs, the changes to interest capitalization do not increase eligibility for borrowers to receive forgiveness but will instead reduce the rate at which outstanding balances can grow due to borrowers not paying interest.

[Read the analysis](#)