Press Release

The Department of Education's Newly Proposed Regulations Increase Eligibility for Student Loan Forgiveness

PAULINA ENCK | JULY 27, 2022

On July 13, the Department of Education proposed new regulatory changes to five federal targeted student loan forgiveness programs that would loosen certain standards under which the federal government can cancel students' outstanding federal loan balances. In a new insight, Data and Policy Analyst Tom Lee reviews the proposed changes, noting they would increase the number of borrowers eligible to receive loan forgiveness.

Key points:

- The proposed changes would ease the programs' eligibility requirements and allow the Biden Administration to identify and forgive the loans of more borrowers.
- These changes could allow the Biden Administration to use the Borrower Defense to Repayment program, which focuses on forgiving the debt of students at for-profit colleges, to extend federal student loan forgiveness to large swaths of students at public and private non-profit universities.
- These regulatory changes would allow the Biden Administration to pursue its goal of expanding federal student loan forgiveness through the existing targeted forgiveness mechanisms, without necessarily having to attempt blanket loan forgiveness.

Read the analysis