May 13, 2019

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Department of Defense
Office of the Chief Management Officer
Directorate for Oversight and Compliance
4800 Mark Center Drive, Mailbox #24, Suite 08D09
Alexandria, VA 22350–1700

To Whom It May Concern:

The National Association of Student Financial Aid Administrators (NASFAA) submits these comments in support of the Federal Register notice to modify the system of records, Defense Manpower Data Center Data Base, DMDC 01, to accommodate disclosures through a new computer matching agreement with the Department of Education (ED). NASFAA represents nearly 20,000 financial aid professionals who serve 16 million students each year at approximately 3,000 colleges and universities in all sectors throughout the country. NASFAA member institutions serve nine out of every ten undergraduates in the U.S.

Since 2008, active duty service members have been eligible for no interest accrual on eligible Federal Direct Loans, yet there has been no automated process for transmitting information on borrower eligibility from the Department of Defense (DoD) to ED. The manual, burdensome certification process led the Consumer Financial Protection Bureau (CFPB) to estimate in 2016 that eligible service members had paid over $100 million in unnecessary interest expenses since 2008.¹

The proposed modifications to DMDC 01 would ensure that Direct Loan borrowers who have received imminent danger pay (IDP) or hostile fire pay (HFP) benefits receive the no interest accrual benefit on their eligible loans during the period of time they received IDP or HFP pay.

NASFAA supports the proposed changes to DMDC 01 and encourages further collaboration between the DoD and ED to facilitate servicemembers’ access to borrower benefits provided to them by law.

Thank you for your continued support of our nation’s servicemembers.

Regards,

Justin Draeger, President & CEO