NASFAA
NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

July 20, 2026

Mr. Ross Santy
Office of Postsecondary Education
400 Maryland Ave. SW
Washington, DC 20202

Dear Mr. Santy:

On behalf of the National Association of Student Financial Aid Administrators (NASFAA) and our 3,000 member institutions, we respectfully submit to the U.S. Department of Education (ED) our comments on its information collection regarding Federal Direct Loan Program Regulations for Forbearance and Loan Rehabilitation [Docket: ED–2026–SCC–2213].

NASFAA represents nearly 29,000 financial aid professionals who serve 16 million students each year at colleges and universities in all sectors throughout the country. NASFAA member institutions serve nine out of every 10 undergraduates in the United States.

NASFAA appreciates the opportunity to comment on this revision and offers the following brief observations on the new Digital Rehabilitation Application.

The prominent “You Have Defaulted Loans” banner on the borrower dashboard on studentaid.gov is a clear, effective design choice. Placing it at the top of the page with a direct call to action (“Get Out of Default”) should help borrowers who might otherwise overlook or be unaware of their default status take action sooner.

The form’s pre-application disclosure screen tells borrowers, “You can only rehabilitate a federal student loan once.” While this is currently accurate, given that the One Big Beautiful Bill Act amends 34 CFR 685.211(f) to allow borrowers to rehabilitate a loan twice starting July 1, 2027, we recommend the Department build in forward-looking language now. For example, noting that a second rehabilitation opportunity becomes available on July 1, 2027, letting borrowers know that a second chance may be available if they default again after using their first rehabilitation.

The application collects detailed spousal information from every married borrower during the Marital Status step, before determining whether that information will affect the borrower’s rehabilitation payment calculation. Since the statutory formula excludes spousal income for borrowers who file separately and only includes it for joint filers, we recommend that the Department sequence these questions so that spousal information is requested only after the borrower indicates a joint filing status, thereby reducing the burden on married borrowers who file separately.

NASFAA thanks the Department for its continued efforts to simplify and improve the loan rehabilitation process.

We appreciate the opportunity to comment on the Department's information collection regarding Federal Direct Loan Program Regulations for Forbearance and Loan Rehabilitation. If you have any questions regarding these comments, please contact us or NASFAA's Senior Policy Analyst, Megan Walter, walterm@nasfaa.org.

Regards,

Melanie Storey
President and CEO, NASFAA