

NASFAA's "Off the Cuff" Podcast – Episode 355 Transcript

OTC Inside the Beltway: Unpacking New Student Aid Fraud Prevention Legislation

Maria Carrasco:

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Melanie Storey:

Hello, hello, and welcome back to Off the Cuff Inside the Beltway. I'm Melanie Storey, president and CEO of NASFAA. As always, I am happy to be joined today by Karen McCarthy, who will always set us straight on all things policy and government relations.

Karen McCarthy:

Oh God. That's a high bar, I don't know.

Melanie Storey:

I don't know, I feel like you do a pretty excellent job there, Karen. It kind of makes sense of the chaos that is our regular lives. In fair disclosure, we're talking that we've been basically on calls for two hours, including a good conversation with the Department of Ed. Now, we're trying to sort through all the things we learned and heard, and figuring out how to make sense of them. So, glad to be joined by you and lets dig in. But before we get to what's happening at the department, just to keep things exciting, we had really an important markup on the Hill yesterday of a number of bills that impact, or potentially impact, our work. Always interesting, these markups are important, they're good messaging events.

We see where people sit on these things. But I just feel like before we get into the details and before people get too worried about anything that they hear, that just because they market up the bills doesn't mean we actually have a vehicle to move these bills on the Hill. But what it is really gives us a sense of the important things that they're tracking. And oftentimes these things will then show up on other vehicles later. So, it's just really important that we keep track of the details and see where we might want to pursue changes. So, you want to take them one at a time?

Karen McCarthy:

Sure. Yeah, I can do that. And thanks for making the point, Melanie, about the vehicle. And the reason we pay attention to them anyway. I like to say when I'm out talking to our members that sometimes a bill will just sit on a shelf for literally years, and then really quickly somebody can pull it off the shelf and attach it to something that's moving, which is why you always want to make sure that the bills that are sitting on the shelf are still what you would like to see, even if they do not move imminently. So, as we all know, there's been a lot of attention in the fraud space, both in our world and financial aid, and broadly across all the government, identity fraud. We've all been subject to all of the claims that your information has been breached, and to protect your identity from being stolen, you should do this, that, and the other thing.

So, this is how all of that conversation applies to our world, and there's lots of concerns, particularly in the budget environment that we're in to make sure that the right dollars are going to the right students,

and that we are not leaking taxpayer dollars through the Title IV aid programs to what we refer to as ghost students, which are students who are fraudulently applying for financial aid without any intention of actually enrolling in an institution, and fraudulently then receiving Title IV aid in their pocket and then skipping town. So, as we all know, our funds are limited and we want to make sure that all of our needy students are getting them, and not these ghost students. So, the markup was focused on three bills in our space, I believe they marked up a total of seven, only three were in the realm of the financial aid world.

So, those were the three that we were tracking, all in the area of student aid fraud. So, they all tackled from a different angle, I would say. And so, the first one is that I have to look at the name of the bills because they're always so creative, and it's hard sometimes to tell which bill does what. The Student Aid Fraud Oversight and Accountability Act of 2026, it did ultimately advance in a 33 to zero vote, but what this bill would do would be to flag institutions for a program review selection priority if they are dispersing Title IV aid to students for whom they have not adequately verified their identity in cases where there is a suspicion of fraud. So, not all students, but making disbursements without verifying flagged students. So, we were talking about this internally, about how this is flagging a school who is not following the rules for a program review.

So, it's hard to object, if you are not following the rules, those are the schools that we do want to be prioritized for program reviews. So, there's not really, conceptually, there's not a lot for us to object to here. Institutions that aren't following the rules should be prioritized for program reviews. And so, in some cases, we see this as a little bit of a messaging bill in order to prioritize the emphasis on fraud and making sure that we are stopping fraudulent activity no matter where it occurs, and making sure that institutions are taking steps to make sure that they are following all the steps that they need to do to crack down on this. We did have a few questions about how operationally this would happen because for most of the other triggers for prioritization for a program review, there's information that the Department of Ed has a wide view on.

So, they can see if there's a very significant spike in loan volume at an institution, they can see that and say, "Oh, we might want to look at that." If there's a spike in cohort default rates all of a sudden. So, they have access to that information. In this case, the Department of Ed wouldn't necessarily have that wide view of what schools are doing, and we were joking internally that the way that the Department of Ed is most likely to find out that a school is not following those rules is through an audit or a program review. So, it's a little bit circular, how would we know if the way that they know is through a program review? Yeah.

Melanie Storey:

Right. We're going to do a program review because we did a program review, and that you weren't following the rules that triggered a program review.

Karen McCarthy:

Yeah. Yeah. But conceptually, I think this is all fine with us, just to have some kind of operational questions about how this will actually work.

Melanie Storey:

Yeah. It feels more rhetorical in some ways, right? It's almost messaging like, hey, we expect you to do this for real. I don't think that our members aren't doing this, so it didn't raise a lot of red flags, but it's important to note, and you'll talk about the votes in the other bills. But 33 to zero means that bipartisan agreement, right? This is something we expect the institutions to be strong partners in attacking. And

we agree, right? We have to be partners, we want the department to do their part, and we'll do ours, but I think that's a little bit about what you're saying there.

Karen McCarthy:

Yeah. I imagine it would be a hard decision to vote against something like this.

Melanie Storey:

Fair.

Karen McCarthy:

Even if you have some quibbles about the exact wording.

Melanie Storey:

Nobody's going to vote for more fraud, so correct.

Karen McCarthy:

Right. Right.

Melanie Storey:

No one-

Karen McCarthy:

All right. The second bill is the No Aid for Ghost Students Act of 2026.

Melanie Storey:

That's a good name right there.

Karen McCarthy:

Yes.

Melanie Storey:

That's a good one.

Karen McCarthy:

Yes. Yes. And so, the idea behind this bill, the intent of this bill is to codify in the law the fraud detection system that the Department of Ed has been talking about, that they are moving towards implementing within the next few months. So, we know that the Department of Ed is well on its way towards rolling this out, their fraud detection system that the Department of Ed is working on right now is an administrative initiative though, they're not required to do anything by Congress. And so, the intent of this law is to bake it into the law so that they are actually required to do it, with some deadline dates, which are later this year. So, the department is well on its way, is our understanding, to implementing before we get to those deadline dates. But this does in a sense hold their feet to the fire in terms of making sure that this actually rolls out by later this year.

And so, this new initiative that the department has been talking about, I know they revealed some details at the FSA conference earlier this year. I don't think we've seen any official in writing announcements just yet about the exact rollout dates, but the idea is to shift some of the responsibility of doing this identity verification and detecting suspicious fraudulent activities from the... More from the institution over to the Department of Ed. So, the way that it works right now is that the Department of Ed flags potentially suspicious applicants, it then passes on to the institution, and the institution is responsible for verifying that student's identity. And so, what this would do is shift more of that over onto the Department of Ed, amp up their fraud detection system. And they have indicated that they have been running modeling, using the information that schools have been reporting back on the identity verification that they've been doing all this time, about how good is their detection system.

And so, they've been using that data, which is always good to know, that information that schools are reporting back, that the Department of Ed is actually doing something with to build a better system. And they have indicated that they feel like their selection algorithm has a really high degree of accuracy, in that the people that they will be flagging are highly suspicious to be fraudulent applicants or ghost students, something like that. And then, what will happen is that if by some minute chance, one of these students who has flagged walks into an aid office and says, "Hey, here I am, I'm a real person, can I get aid?"

The institution can choose to verify that student's identity, but the expectation is that the vast majority of those applicants will be caught by FSA much earlier in the process. They will likely be ghost students, and so the institution won't have any of that responsibility. So, we've been pushing for that, for the Department of Ed to take on more of that responsibility, so we're supportive of that initiative, and what this law would do would be to codify it into the Higher Education Act.

Melanie Storey:

Yeah. Again, this is something we've been asking for some time for the department. Again, we talk about partnership, this really is a partnership, right? Be good stewards of taxpayer dollars and make sure that both our members and the department are doing everything that we can. But it also protects the department and taxpayers at a greater rate if we can stop these fraudulent efforts sooner, before they even access FAFSA or even get to the institution level perhaps. So, I think it also will hopefully deter these fraudulent actors from even seeing the Department of Education as a target for this work. Because we know that they target various federal programs, the fact that we have had sort of a, I won't say a patchwork, but maybe a less sophisticated fraud detection system because it gets all the way to the financial aid offices, and that's not our expertise.

Karen McCarthy:

Yeah, that's not their business.

Melanie Storey:

We do our best, we do everything that makes the department and the Title IV programs more vulnerable. So, I think this is an effort, like I said, happy to see it, happy to be supportive of it. Just because it is authorized in language does hold the department speak to the fire, it'd be great if there was an appropriation to follow it. I know that that will be a challenge for the department, but yeah, glad to see some details, some deadlines, and we look forward to hearing more from the department on that, even quite frankly, without the passage of this bill. But great and will certainly support it being codified, but grateful that the department is putting time and energy and money to this now.

Karen McCarthy:

Yes. And the deadline in the bill, I believe is later this fall, for the department to get this up and running, and all indications from Ed are that it will be up much sooner than that. So, I don't think the deadline will be of concern to them. One important thing at the end, which we're supportive of, is that it would require that the department submit an annual report back to Congress about how they're doing, how their fraud detection system is doing. And we did request, like we always do, that that report be made public. And so, I hope that they are able to make that small tweak to the bill. But yeah, that's definitely because the success of the whole initiative hinges on how good of a job this system is at flagging the right applicants.

Melanie Storey:

Yeah. And how they continue to learn, right? Like you said, they're taking the data that we provide now, but it's really hard to stay ahead of these very creative people who are seeking to defraud programs, right? But so vigilance and constant evolution is really important and that report, a regular report helps on that. So, yeah, we'll be interested to see those as they start to come out.

Karen McCarthy:

Yeah. And then, the third bill that they marked up yesterday is called the FAFSA Verification Efficiency Act, and this one is a little bit different from the others. They still put it in the category of fraud. We've been doing a lot of educating about this bill because it's hard to tell what the bill actually does just from the title and it's very short. But what the bill would do, and as our members are very familiar with the FAFSA process and all of the database matches that happen, that information that's provided on the FAFSA is shipped out in accordance with privacy laws and data matching agreements that are set up to other federal agencies where they verify certain information that's provided on the FAFSA. And these database matches happen with several different agencies to confirm that you're a veteran, your social security number, all of those types of things with NSLDS, that you're not in default on anything.

And so, it's a routine part of the FAFSA and have been there for decades, these database matches. And for applicants who provide their social security number on the FAFSA, there is a database match with the Social Security Administration, where it will confirm that the Social Security number is matching with this particular applicant. That's a requirement in order to receive Title IV aid. If the applicant reports that they are a US citizen, then their US citizenship is also confirmed through this SSA database match. You don't have to be a US citizen in order to receive aid, so if you report that you are an eligible non-citizen, then that is matched with Homeland Security. So, US citizenship goes through the Social Security Administration match. Very significantly though, we have citizenship requirements for the applicant themselves to be a Title IV aid recipient, we do not have, other than for Parent Plus, we do not have any citizenship requirements for anybody else who's required to be on somebody's FAFSA.

So, we call those contributors. So, those are your parents, spouses for independent students, they could be stepparents for dependent students. Those folks have to provide their information on the FAFSA, but there's no citizenship requirement that they must meet, unless they're applying for a Parent Plus. And so, what this bill would do would be to allow in the social security match for all contributors who provide a social security number for their citizenship to be confirmed with SSA at the same time. And so, the intent of the bill is what we have been told is operational efficiency for this database match, and that there's one match with SSA. It checks social security number and it checks citizenship. But our concern here, as I just said, is that we in the Title IV space don't have any need to check citizenship status of the vast majority of contributors.

So, it's a concern for us that this is a privacy breach, that why are we checking citizenship when we do not need that and it is not a requirement for Title IV aid eligibility? So, we understand the operational efficiency, there's just one match, and they want to just send files over and have the information come back. However, our preference would be that they separate that one match so that it is based on what the role is of that particular individual that we're sending over. Is it an applicant? Well, we need to check citizenship. Is it not an applicant? Then we don't need to check citizenship. So, that would be our preference for how to move forward with this, and as you can imagine, in the current environment that we're in right now, gratuitous checks of citizenship are always very sensitive.

So, I think this particular bill of the three had the most discussion and I think stronger dissents during the markup. So, this was not a unanimous vote through. It did pass, and it was on a strict party line vote. So, there was lots of debate, there were lots of requests for amendments, ultimately, it did pass along party lines.

Melanie Storey:

Yeah. This of course is, as you said, these computer matching or data matching agreements have been in place for years. With the changes that came through FAFSA simplification and the Future Act, and the need to have contributors get an FSAID and go through the validation process in order to support their child or themselves or whomever, right? Their spouse, to get aid, it raised this issue, it sort of brought this issue that the computer matching agreement did not align with more contemporary requirements, if you will, based for the changes. And so, you're exactly right, our concern here is that we're always very careful and part of FAFSA simplification is to not ask or do anything that is outside of the need for determining eligibility for federal student aid, both from a privacy and a streamlining perspective.

And so, again, not completely unsympathetic to the operational efficiency issues, but we think it's really important both for SSA and for the department to be clear about what matches are necessary and required for Title IV eligibility, and that only that matching is the matching that's done. So, it wasn't new that we were going to limit the kinds of matches we did to streamline the process. So, you'll remember we used to do a selective service match, well, that was eliminated. And that caused other problems, people relied on selective service and certain states needed it, but really the position has been that from the perspective of HEA and the Future Act, you do only what is absolutely required for eligibility for Title IV aid.

So, understand that the department needs to codify this match, but feel that it's just important that we do it in a more refined way, regardless of any other intentions, but just to get the information that is required, which is citizenship for those who are applying, who are the actual applicants, and then just the social security match for contributors and others. So, I think we'll continue to see more conversation on this, I know we've had a lot of conversation, the department... I don't know that the department is necessarily opposed to doing it in a more refined way, I think there is concern about what the sort of technological challenges of a more roles-based solution might be. So, yeah, a busy markup. Seven bills, three of them are related to fraud.

But I think as you said at the outset, this really signals a real focus on the issues around fraud broadly, but certainly within the Title IV programs. And the votes lend themselves to a bipartisan interest in addressing in any ways possible ways to minimize fraud in the programs. Which again, we are all partners in and want to be good stewards of the programs and tax dollars on that. So, more to come, as you said, I don't know if they're up on the shelf yet, but I think given the amount of attention that this is getting, we should anticipate continuing to see activity around fraud prevention going forward.

Karen McCarthy:

Yeah. And one of the things, Melanie, when you mentioned going up on the shelf, that did remind me that we always try to mention when there is activity in Congress, what are the next things that happen? Because our members read articles where we summarize things and they're like, "Okay, so now what?" So, the now what part is that it will theoretically go up on the shelf, the next step in the process would be that it would go beyond the committee out to the house, no indication of any imminent date for that to happen. So, theoretically, it's going on the shelf, we don't know how long it will stay there at this point, and we'll keep you posted.

Melanie Storey:

Right. And we've talked before about the kinds of vehicles that do move, appropriations, bills, defense authorizations, some other things, that sometimes these things get hooked onto those. So, they come off the shelf in unusual ways at times. Let's see. So, a little bit of a pivot here, but there has been some activity over the last few days and we've seen some chattering communities about the ACTS reporting requirement or ACT survey, the new IPED survey, which stands for Admissions and Consumer Transparency Supplement, because everything needs an acronym. So, there was a legal challenge to this survey. The survey, folks will remember that the original survey deadline, this is a new survey, it is an extensive survey, I think it goes back seven years, asking for admissions data disaggregated by race and gender. So, it was a significant lift for not just... It says it's admissions, but of course there was quite a bit of data that financial aid offices were also being asked to provide.

And so, the original deadline was today, March 18th, which was a very tight deadline given the extensive nature of the data, and that many schools don't have the data or don't keep it readily available for the length of time. And so, on Friday, as I said, there was a legal challenge from, I think, 17 attorneys general suing the department and OMB around the survey, saying that it created considerable burden, and that they were asking for data that wasn't readily available, and to be held accountable for that was unreasonable. And so, on Friday, there was a judge who determined that they wanted to review the case and extended the deadline until March 25th, I believe, which is next Wednesday. So, just a brief extension there, just a week. However, and this is a little bit of following the many dates of the ACTS, so right here. So, original date was today, current extension until next Wednesday, March 25th, under court order.

However, the judge in the case has asked for another hearing on the case for March 24th, which is the day before the deadline. And so, we have been in conversations with a number of our association colleagues around this, supporting the current order for review and extension as needed. And so, unclear what will come out of that hearing on the 24th, but worth keeping your eyes on, because there may be a change or an extension that will happen right before the new deadline of March 25th. But wait, that's not all. We have also heard from our colleagues at the Association of Institutional Researchers, or AIR, who have been doing a lot of the training and support for the completion of the ACT survey, that in their conversations with the department, that there is the ability to ask for an extension, and we'll put in the show notes the link from AIR.

I believe there's a certain number of conditions or things that you would need to relay as it relates, but you can also request an extension to April 8th. So, another, I guess, a little bit more than a week and a half or 10 days after the current extended deadline of March 25th. And so, we are keeping a close eye on this both in the courts and just what we're seeing in communities and hearing from members about the completion of the survey, but so just encourage folks to also keep an eye on Today's News as this continues to evolve, we will update.

If you are certain that you will require an additional extension, definitely encourage you to look at the communications from AIR, and seek an extension until April 8th, but definitely a fair amount of activity

happening both at the association level and in the courts around addressing the requirements of this new and pretty extensive survey. So, never a dull moment as we... Even these small things are elevating themselves to the courts.

Karen McCarthy:

Melanie, the dates I think are super interesting. The deadline is the 25th, there's a hearing on the 24th. So, if you are an institution, how are you... If you look at the AIR conditions to request an extension, and you decide that doesn't apply to you, so you're not going to request an extension, do you keep working, scurrying, scurrying? Because you don't know what the results of the hearing will be. So, they might not change anything and say, we're keeping the 25th, which is the very next day.

Melanie Storey:

Yeah.

Karen McCarthy:

They might extend it further or do something else, we don't really know, and in which case you might have done a lot of work for not, but...

Melanie Storey:

Is anyone else feeling GE in this? Is anyone else feeling...

Karen McCarthy:

Yeah. I know. I know.

Melanie Storey:

Does this feel familiar to anyone?

Karen McCarthy:

Yes. I feel like with GE we'd say, so keep working on it, people, because we don't know what will ultimately end up happening.

Melanie Storey:

It's a really unsatisfying answer. It was under GE and it is under ACTS, right?

Karen McCarthy:

Yeah.

Melanie Storey:

I think the best advice is to do all that you can and your best to meet the revised March 25th deadline. There is a possibility of an additional reprieve on the 24th, but that isn't in any way guaranteed.

Karen McCarthy:

Guaranteed, yeah.

Melanie Storey:

So, yeah, this feels painfully familiar, and it's equally frustrating, I know, to work days, nights, weekends sometimes to meet these deadlines and take our compliance responsibilities very seriously only to then see that a deadline is extended. I feel and empathize with that frustration as well. The truth of the matter is there's no muse like a deadline to fuel the courts and fuel these kinds of things to get attention. And so, it is always then so close. But yeah, our best advice would be to continue to try to complete the survey for the 25th and stay tuned. We will get out updates as quickly as we can once we know what the courts decide on the 24th. Speaking of tight timelines and other things, let's pivot to our conversations with FSA and the department.

As I mentioned at the top, we do have a regular meeting, I'm grateful for Office of the Undersecretary and Leadership at FSA, who regularly meet with us to report out what's happening on their end and to answer our questions. And so, lots of few interesting tidbits coming out today. So, Karen, you want to start with maybe follow up on the FSA conference?

Karen McCarthy:

Yes. During our meeting this morning, they indicated that the videos and PowerPoints from the FSA conference presentations should be posted imminently. They did say if they're not already up, then they should be posted within the next day or so. So, we did double check before recording today and they are not up as of right now. They perhaps will be, as luck would have it, will be posted in an hour. But be on the lookout for that, we will be broadcasting that widely when we hear that those are posted. I know there are a lot of folks who have been anxious to take a look at those.

Melanie Storey:

Yeah. The imminent I think is right. To your point, they said like, "Oh, they might be up right now," which suggests to me they've already been sent over to the folks who post things on the knowledge center. So, I will-

Karen McCarthy:

So, they've been approved, that tends to be the thing that will slow things down.

Melanie Storey:

Exactly, exactly. But you're right, we'll keep refreshing the knowledge center and seeing if it happens before we finish recording. It will undoubtedly be 20 minutes once we finished, but that's the way it goes.

Karen McCarthy:

Right, right.

Melanie Storey:

We also heard a brief update on some of their timing for the OB3 final rules. And this is not set in stone, but appreciate them giving us a little heads up that they are targeting May 1. So, targeting, right? So, we got to give a little grace before, more likely, maybe a little bit after. But they are very much targeting May 1 for the final rules for both loans, and for Pell, Workforce Pell. So, that's a very... We should just say, baseline. The timing of all of this is a challenge, right? To say the very least.

Karen McCarthy:

The timelines are terrible for everyone.

Melanie Storey:

They're terrible. I will say, we did at least talk briefly and mention to them, given the tight timelines and the fact, particularly for summer headers, schools need to move forward on particularly some of the loan issues before even May 1, right?

Karen McCarthy:

Before May 1, yep.

Melanie Storey:

Whether they would consider issuing some guidance or some communications around potential safe harbors for institutions that need to proceed without final rules, and they could provide some safe harbors for a limited period of time that would just protect schools against audits or program reviews on that. So, they didn't respond in either direction, but I just think we need to continue to remind them that the aid year marches on and we won't have that. But May 1 is still a very aggressive target for the department too.

Congress set these dates, the department is working as quickly as they can to meet, to get things out, to both share final rules, but I know they've been trying to share scenarios and other things with us. But just to remind folks, the loan comments were just due March 2nd, so about two weeks ago, and they got tens of thousands... I forget what the number was that they announced at the FSA conference. But 70 or 80,000 comments, that's a lot. And that the Pell comments are not due until April 8th, and so-

Karen McCarthy:

Yeah. And so fast for them to turn those around.

Melanie Storey:

No, that's a shorter package, and it's more contained, but to turn both of those around with a goal of May 1, I think is laudable. And I know that they are working hard both to work on the implementation issues and then get to final rules. And so, we'll continue our conversations obviously with the department to get as much information out as we can prior to final, but it was good to hear that they are targeting a pretty aggressive date for final rules, even though let's all just agree, terrible timelines, terrible timing.

Karen McCarthy:

Yes.

Melanie Storey:

So, appreciate that. Let's see. I guess we also heard a little bit, Karen, just about their communications plans post-final rule. I think what we heard is really webinars and training. I don't know when they will be announcing that, but good to hear that they are focusing on that quickly.

Karen McCarthy:

Yeah. I think they are somewhat restricted on conducting any of those trainings prior to the release of the final rules. So, that is also, again, terrible timelines. So, I expect that those trainings will be post-May 1. I do not know when they will announce that they will happen. And absolutely understood that everybody needed these trainings months and months ago, but again, the timeline. So, post-final rules, we will see some additional training webinar type things from the department.

Melanie Storey:

Yeah. So, yeah, so I appreciate, again, timing is terrible, and we know, and we hear the frustration that we need kind of answers and guidance to move forward. It is tight on them, even tighter on our members, and the software vendors, and the financial aid management systems who all need to be up and ready. But I do appreciate the candor from the department that they're pushing and giving us some heads up on when to start planning. It also helps us plan for what we need to do once all of that is out to get information out to you all as quickly as possible. It's going to be a busy spring. It's always busy.

Karen McCarthy:

It's going to be a great NASFAA conference though.

Melanie Storey:

I know. Well, that is true. We also talked briefly about invitations to the NASFAA conference to the department, which some of them are out, and they are working on those plans. But yes, the conference of course is at the end of June, which will be an exciting time with the July 1 deadline. But I think will be a really valuable time to have with both the FSA and the Department of Ed staff on all of this. Let's see. The other thing that we've been chatting about, Karen, is borrower defense. I can say a little bit about it, but happy to have you chime in. I don't think we have too much of an update here. We did ask, we've seen in communities and heard from members that are getting an increased influx of borrower defense claims, which is always a little bit unnerving, I think, for folks.

And so, we did ask about that to the department and they did acknowledge that they are sending out a number of borrower defense claims. We did ask about communications. Are they planning any communications about those increased claims being sent out? And they were going to take that back and see what would make sense. We said we'd be happy to communicate more about them if they could give us more information about it, but we'll follow up with FSA on that. I think, and I don't know, Karen, I think what we heard was that part of the reason why these claims are now going out is that they are not part of the suite settlement, that these were claims outside of the suite lawsuit.

I guess the theory there that now they have more... Now that they're kind of working through the suite legal resolution, they have more resources to return to the non-suite.

Karen McCarthy:

Yeah, that is my understanding that under the court orders, they needed to address all of the impacted claims within the scope of the suite lawsuit, and that now these newest claims that are being processed are outside of that scope. So, I don't know if they have devoted more resources in terms of staff to processing claims, or if it's just that they made their way through all of those and now they can turn their attention to the other claims, but that is our understanding. And as you said, we do have some questions, schools are asking, "How many of these are there? Is this a big dump or will they continue to come to us?" And so, trying to get some more details on that.

Melanie Storey:

Yeah. And just how schools should and can respond to them. I know that there have been communications, I think you and I talked about this, Karen, when there was an influx of borrower defense claims some time ago, in the past couple of years, I don't remember the timing exactly, there was maybe an electronic announcement or something from the department that helped clarify just what schools should expect and do. And so, even maybe a review of that, or if the department wanted to review that and republish, I think it's particularly difficult for schools when they see claims that don't have particularly compelling details behind the claim and what do you do? No one likes to get those kinds of notifications on any level, and it makes every general counsel nervous.

And so, I just think some communications from the department there, like you said, what is the scope and length? How often should we be prepared to see an influx of these for some period of time, and just a reminder of what schools need to do as a result of those claims. So, more to come on that, we will continue to follow up with the department as they do some digging on their end in terms of their communications on that. So, I think that's what we have for today, a real broad set of topics, but a lot of interesting and I think important things that we'll continue to hear more and more about in the coming weeks. And so, happy spring everyone, it's been a little crazy here on the East Coast. I don't know, we had one day last week, Karen, where it was 80. I think you and I are talking about this. It was 80, and then the next afternoon it snowed.

Karen McCarthy:

Yes.

Melanie Storey:

And then we had tornado warnings yesterday, or the day before yesterday.

Karen McCarthy:

Yeah.

Melanie Storey:

So, I don't know what's happening.

Karen McCarthy:

Now it's cold again. It's cold again.

Melanie Storey:

Now it's cold again.

Karen McCarthy:

Yeah.

Melanie Storey:

So, I say happy spring, but I am back to heavy sweaters and scarves, so I don't know what to make of that. But anyway, but thanks very much. Thanks everyone for joining us again on Off the Cuff, keep your eyes on Today's News as we expect updates on all of the things we have discussed in the coming days. Thanks very much.

