



Unified Student Loan Policy

**Policy Proposal Approved at Governing Board Meeting
November 19, 2020**

To: *Common Manual* Governing Board Representatives
Interested Industry Groups and Others

From: Nancy Masten
Common Manual Policy Development and Maintenance Contractor (PDMC)

Re: *Common Manual* Policy Update
Batch 222: Proposal #1333

Date: November 19, 2020

In its November 19, 2020, meeting, the *Common Manual* Governing Board approved the policy proposal in Batch 222 (proposal number noted above).

The approved policy may now be implemented based on the effective date. The policy will be published in the following forums:

- Common bulletin language will be distributed for publication in about 10 days.
- The revised policy language will be incorporated into the next version of the Integrated *Common Manual* (ICM). The ICM is available on the *Common Manual* website at www.commonmanual.org.
- The revised policy language will be included in the 2021 electronic (ECM) version of the *Common Manual*.

If you have any questions about the enclosed proposal please contact Nancy Masten via phone at 608-733-2581 or via email at policy@ascendiumeducation.org.

Enclosures:

Policy Proposal Transmittal
Common Manual Policy Proposal #1333

Common Manual Policy Proposal Batch 222 Transmittal**November 19, 2020**

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1333	Tax-Exempt Organization Volunteer Deferment	11.16.A Eligibility Criteria – Tax-Exempt Organization Volunteer The Common Manual has been revised to no longer prohibit a borrower giving religious instruction, conducting worship services, engaging in religious proselytizing, or engaging in fundraising to support religious activities from qualifying for the tax-exempt organization volunteer deferment.	Federal	For deferment requests received by a lender/servicer on or after July 1, 2021, unless implemented earlier by the guarantor.

Batch 222 (Approved)

COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: November 12, 2020

	DRAFT	Comments Due	
	FINAL	Consider at GB meeting	
X	APPROVED	No Changes	November 19, 2020

SUBJECT: Tax-Exempt Organization Volunteer Deferment

AFFECTED SECTIONS: 11.16.A Eligibility Criteria – Tax-Exempt Organization Volunteer

POLICY INFORMATION: 1333/Batch 222

EFFECTIVE DATE/TRIGGER EVENT: For deferment requests received by a lender/servicer on or after July 1, 2021, unless implemented earlier by the guarantor.

BASIS:
§682.210(m)(1)(iv) as amended in the *Federal Register* (85 FR 49798) published on August 14, 2020.

CURRENT POLICY:
Current policy states that to qualify for the tax-exempt organization volunteer deferment a borrower, as part of his or her duties, cannot give religious instruction, conduct worship services, engage in religious proselytizing, or engage in fundraising to support religious activities.

REVISED POLICY:
Revised policy no longer prohibits a borrower giving religious instruction, conducting worship services, engaging in religious proselytizing, or engaging in fundraising to support religious activities from qualifying for the tax-exempt organization volunteer deferment.

REASON FOR CHANGE:
Final Rule change to §682.210(m)(1)(iv) as published in the *Federal Register* (85 FR 49798) on August 14, 2020.

PROPOSED LANGUAGE - COMMON MANUAL:
Revise Subsection 11.16.A, Eligibility Criteria—Tax-Exempt Organization Volunteer, page 25, column 2, to remove bullet 2, as follows:

11.16.A

Eligibility Criteria—Tax-Exempt Organization Volunteer

...

To qualify for this deferment, a borrower must request it and provide the lender with a statement from an official of the volunteer program certifying:

- ...
- ...
- ...
- ...
- ~~That the borrower, as part of his or her duties, does not give religious instruction, conduct worship services, engage in religious proselytizing, or engage in fundraising to support religious activities.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

Tax-Exempt Organization Volunteer Deferment

The *Common Manual* has been revised to no longer prohibit a borrower giving religious instruction, conducting worship services, engaging in religious proselytizing, or engaging in fundraising to support religious activities from qualifying for the tax-exempt organization volunteer deferment.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower: A borrower giving religious instruction, conducting worship services, engaging in religious proselytizing, or engaging in fundraising to support religious activities is no longer prohibited from qualifying for the tax-exempt organization volunteer deferment.

School: None.

Lender/Service: Lenders must make changes to their policies and procedures to incorporate the change in eligibility criteria for the tax-exempt organization volunteer deferment.

Guarantor: Guarantors must make changes to their policies and procedures to incorporate the change in eligibility criteria for the tax-exempt organization volunteer deferment to address questions from borrowers and lenders/service.

U.S. Department of Education: ED should make changes to their policies and procedures to incorporate the change in eligibility criteria for the tax-exempt organization volunteer deferment to address questions from borrowers, guarantors, and lenders/service.

To be completed by the Policy Development and Maintenance Contractor (PDMC)

POLICY CHANGE PROPOSED BY:

Navient

DATE SUBMITTED TO POLICY DEVELOPMENT AND MAINTENANCE CONTRACTOR:

August 17, 2020

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

November 12, 2020

PROPOSAL DISTRIBUTED TO:

CM Governing Board
CM Guarantor Designees
Interested Industry Groups and Others

Comments Received from:

MDHEWD, NCHER, PPSV, UHEAA, VSAC

Responses to Comments

All commenters supported the proposal as written.