



Unified Student Loan Policy

**Policy Update Proposals –Action Required
Comments due Friday, January 29, 2021**

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 223: Proposal #1334

Date: January 8, 2021

The PDMC issues **Batch 223** for review and comment.

Policy #1334 is a correction policy proposal(s) and is intended to correct or clarify existing Common Manual language or conform existing text in one part of the Manual with that already in another cite.

Policy updates are distributed to all guarantors and others in the FFELP community for the opportunity to comment before Governing Board review and approval.

Please review the policy update and provide written comments by Friday, January 29, 2021 to:

Nancy Masten
Ascendium Education Solutions, Inc.
policy@ascendiumeducation.org

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 #1334

Common Manual Policy Proposal Batch 223 Transmittal**January 8, 2021**

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1334	Claim Returns	Revised policy corrects the language to state that guarantors have 45 days to return a regular total and permanent disability discharge request after receiving the claim from the lender.	Correction	Total and permanent disability (TPD) discharge applications received by the loan holder on or after July 1, 2013.

Batch 223 (Out for Comment)

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: January 8, 2021

X	DRAFT	Comments Due	01/29/2021
	FINAL	Consider at GB meeting	
	APPROVED	With Changes/No Changes	

SUBJECT: Claim Returns

AFFECTED SECTIONS: 13.2 Claim Returns

POLICY INFORMATION: 1334/Batch 223

EFFECTIVE DATE/TRIGGER EVENT: Total and permanent disability (TPD) discharge applications received by the loan holder on or after July 1, 2013.

BASIS:
34 CFR 682.402(h)(1)(i)(A)

CURRENT POLICY:
Current policy in Section 13.2 incorrectly states that guarantors have 90 days to return a regular total and permanent disability discharge request after receiving the claim from a lender. This does not align with §682.402(h)(1)(i)(A) or with *Common Manual* policy in Section 13.3.

REVISED POLICY:
Revised policy corrects the language to state that guarantors have 45 days to return a regular total and permanent disability discharge request after receiving the claim from the lender.

REASON FOR CHANGE:
To align the policy in Section 13.2 with the policy in Section 13.3 and federal regulations.

PROPOSED LANGUAGE - COMMON MANUAL:
Revise Section 13.2, Claim Returns, page 7, column 2, paragraph 2, bullets 1 & 2 as follows:

13.2 Claim Returns

...

The guarantor is required to return the claim or discharge request to the lender within a specific number of days after receiving the claim or discharge request, as follows:

- 90 days for a default, ~~total and permanent disability~~ regular, or closed school claim.
- 45 days for a total and permanent disability (regular or VA) claim.
 - The Guarantor must, within 45 days after receiving a total and permanent disability – VA claim from the lender, determine if the documentation is complete.
- ...
- ...

PROPOSED LANGUAGE - COMMON BULLETIN: Correction to Claim Return Policy

The *Common Manual* has been revised to correct language in Section 13.2, Claim Returns, and align it with

the policy outlined in Section 13.3 and federal regulations. The policy in Section 13.2 incorrectly states that guarantors have 90 days to return a regular total and permanent disability request to a lender after receiving the claim. The correction aligns the policy with what is outlined in Section 13.3 and federal regulations that state the guarantor has 45 days to return a total and permanent disability request after receiving the claim from the lender.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower: None.

School: None.

Lender/Service: None.

Guarantor: None.

U.S. Department of Education: None.

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

POLICY CHANGE PROPOSED BY:

ECMC

DATE SUBMITTED TO POLICY DEVELOPMENT AND MAINTENANCE CONTRACTOR:

November 9, 2020

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Governing Board Chair

CM Guarantor Designees

Interested Industry Groups and Others