



Unified Student Loan Policy

Policy Changes Approved

Batch 226: Proposals 1137 & 1338

The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual's next annual update. The *Common Manual* is available on several guarantor websites, and also available on the *Common Manual's* website at <http://commonmanual.org>. Please carefully note the effective date of each policy change.

Total and Permanent Disability Discharge

The Manual has been updated to reference the quarterly data match process between the Department and the Social Security Administration (SSA) to automatically identify borrowers eligible for total and permanent disability (TPD) discharge that became effective on September 30, 2021. In addition, recent regulatory changes will change the TPD process beginning in July 2023. The changes expand the SSA categories that qualify borrowers for TPD, expand the list of acceptable SSA documentation used to establish eligibility for TPD, allow additional healthcare professionals to certify a borrower's eligibility for TPD, and eliminate most aspects of the 3-year post-discharge monitoring period.

Affected Section(s):	13.8.G Total and Permanent Disability
Effective Date:	Automatic SSA TPD discharge notifications received from the Department on or after September 30, 2021. TPD eligibility determinations made, documentation submitted, or applications certified on or after July 1, 2023.
Basis:	Final Rule (86 FR 46972) published August 23, 2021 and Final Rule (87 FR 65904) published November 1, 2022.
Policy Information:	226/1337
Guarantor Comments:	None.

Closed School Discharge

The Manual has been revised to incorporate regulatory changes that become effective on July 1, 2023. The revisions amend the definition of what it means for a school to close. For closed school discharge purposes, a school is considered closed by the Department on the earlier of the date the Department determines the school ceases to provide educational instruction in programs in which most students at the school are enrolled or the date the Department determines the school ceased to provide educational instruction to all its students.

In addition, the Manual is revised to extend the time frame in which a student must have been enrolled in the closed school to be eligible for discharge from 120 to 180 days before the school closing, and now includes a non-exhaustive list of exceptional circumstances for which the Department may extend the 180-day time frame. Finally, the Manual is revised to explain that if a borrower does not complete their program of study at another branch or location of the school or through a teach-out agreement at another school within one year of the school closing, the borrower is eligible for automatic closed school discharge. If the borrower accepts but does not complete a continuation of the program at another branch or location or a teach-out agreement

at another school, the borrower is eligible for discharge one year after the borrower's last date of attendance in the teach-out program.

Affected Section(s):	13.8.B
Effective Date:	Closed school discharge applications received, or eligibility determinations made on or after July 1, 2023.
Basis:	Final Rule (87 FR 65904) published November 1, 2022 and Final Rule (87 65426) published October 28, 2022.
Policy Information:	226/1338
Guarantor Comments:	None.