

Common Manual Policy Proposal Batch 227 Transmittal

March 27, 2023

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1339	False Certification	<p>Revised policy incorporates the following regulatory changes:</p> <ul style="list-style-type: none"> • Removes ability to benefit certifications made by a school as qualifying a borrower for discharge. • Adds eligibility for discharge based on a school certifying a student who reported not having a high school diploma or its equivalent and did not satisfy the alternative to graduation from high school requirements outlined in the HEA and federal regulations. • Adds eligibility for discharge based on a school certifying a student who was not a high school graduate based on a high school graduation status falsified by the school or a high school diploma falsified by the school or a third party to which the school referred the borrower. • Adds an additional 30 days to amend an incomplete discharge application. • Removes the requirement for a borrower applying for discharge based on a disqualifying condition to provide information about state legal requirements for employment and supporting documentation proving the borrower had the disqualifying status at the time the loan was certified or originated. • Removes the requirement that a borrower applying for discharge based on the school signing his or her name on the loan application or promissory note or signing the EFT or master check authorization without the borrower’s permission provide signature samples. • Removes the requirement that a borrower who applies for false certification discharge based on the crime of identity theft must provide a copy of a local, state, or federal court verdict naming a perpetrator. 	Federal	False certification discharge applications received on or after July 1, 2023
1340	Separating Joint Federal Consolidation Loans	Revised policy explains the Department’s policy for borrowers who want to separate their joint (spousal) Federal Consolidation loans into separate Direct Consolidation loans.	Federal	Borrowers pursuing joint Federal Consolidation Loan separation on or after October 11, 2022