



NATIONAL HEADQUARTERS  
7 Winthrop Square, Boston, MA 02110  
(617) 542-8010

WASHINGTON OFFICE  
Spanogle Institute for Consumer Advocacy  
1001 Connecticut Avenue, NW, Suite 510  
Washington, DC 20036  
(202) 452-6252

[NCLC.ORG](http://NCLC.ORG)

June 15, 2026

Submitted via [Regulations.gov](https://www.regulations.gov)

Secretary Linda McMahon  
U.S. Department of Education  
400 Maryland Avenue SW  
Washington, DC, 20202

**re: National Consumer Law Center Comments on Proposed Income-Driven Repayment Plan Request Form (Docket ID ED-2026-SCC-1420)**

On behalf of our low-income clients, the National Consumer Law Center submits these comments regarding the Department of Education's proposed revisions to the Income-Driven Repayment (IDR) Request Form.

Our comments are focused on ensuring that the IDR Request Forms – and perhaps more importantly, the systems for processing those forms and implementing the IDR regulations – accurately reflect the new regulations that will go into effect July 1. These comments draw on our deep expertise in student loan repayment law and the recent RISE regulations. NCLC's experts author the legal treatise, *Student Loan Law* (7th ed. 2023), updated at [www.nclc.org/library](http://www.nclc.org/library). We have recently completed and are preparing to publish substantial revisions to our manual to reflect the new student loan repayment regulations that necessitated the changes to the IDR Request Form.

To ensure the new IDR Request Form and the underlying student loan processes accurately reflects the new repayment regulations, we recommend the following:

1. **Section 10: Definitions for the PAYE Plan:** This section should be updated to reflect changes to the eligibility rules. It currently asserts that "[a] partial financial hardship is an eligibility requirement for the PAYE plan." This is incorrect; the RISE regulations eliminated this requirement. The entire paragraph regarding partial financial hardships in PAYE should thus be deleted, and the following paragraph should also be updated to omit reference to partial financial hardship. Additionally, the Department should ensure that its online IDR application, IDR application processing system, Loan Simulator / Repayment Estimator, servicer training materials, and borrower-education materials are updated to reflect that borrowers will no longer need to demonstrate a partial financial hardship to enroll in PAYE effective July 1, 2026.

**2. Section 11 - Table of Income Driven Repayment Plan Requirements and Information:**

- a. Income Eligibility** should likewise be updated for PAYE to remove the assertion that borrowers must have a partial financial hardship to be eligible for PAYE, which will no longer be true effective July 1, 2026. We recommend deleting this row entirely, as no plans will carry income eligibility restrictions after July 1, 2026.
- b. Borrower Eligibility:**
  - i.** Should be updated for PAYE, IBR, and ICR to reflect the change to eligibility terminating access for borrowers who take out any new loans caused by the RISE rules. Specifically, add “You must not have taken out any Direct Loans (including Direct Consolidation Loans) on or after July 1, 2026.” to the borrower eligibility terms for PAYE, IBR, and ICR.
  - ii.** Additionally, the current description of PAYE borrower eligibility in the table is likely to confuse borrowers and should be clarified in light of the new rules. The entire explanation of PAYE borrower eligibility is currently “You must be a “new borrower” with eligible Direct Loans.” Borrowers may reasonably take this to mean that PAYE is available to new borrowers after July 1, 2026, when in fact such borrowers will be ineligible. We recommend changing to “You must be a new borrower on or after October 1, 2007 who also received a loan on or after October 1, 2011.” This language should be in addition to the recommended added language above (“You must not have taken out any Direct Loans (including Direct Consolidation Loans) on or after July 1, 2026.”).
- c. Borrower Responsibility for Interest:** The entry for PAYE inaccurately states that borrowers in PAYE “will be responsible for paying all of the interest that accrues.” This should be changed, because by regulation (including the final RISE rules), PAYE interest subsidies are identical to IBR interest subsidies. See 34 CFR 685.209(h)(2). The entry for PAYE should therefore be replaced with the same entry used for IBR. The Department should further ensure that its systems and those used by its loan servicers properly apply interest subsidies in the PAYE program consistent with the regulations, and should audit its instructions and servicers to ensure that borrowers received proper interest subsidies in PAYE in the past.
- d. Leaving the Plan:** The entry for IBR states that borrowers leaving the plan will be placed in the standard plan. However, the RISE rules and other portions of the application state that borrowers may switch from IBR to RAP if they choose without going through the standard plan. We recommend changing the language to read “At any time, you may change to any other repayment plan for which you are eligible. If you wish to switch to a plan other than RAP or the standard plan, then you must either first make one payment in the standard plan or request a 1-month forbearance in your request to switch plans.”

In addition to the above accuracy-related recommendations, we offer the following recommendations to reduce complexity and increase access to affordable payments—and thus borrower success:

1. **Question 2:** For the PDF/paper version of the form, we recommend adding an option to allow borrowers to request to be enrolled in the plan with the lowest monthly payment. This was an option on prior versions of the IDR form. It ensures that borrowers who need income-driven repayment to successfully manage their loans and avoid default do not miss out because they select a plan they are ineligible for due to the complex and changing plan rules. We recognize that this option may not be necessary on the online IDR application because the online application integrates with [studentaid.gov](http://studentaid.gov) to identify for borrowers which plans they are eligible for and which plans offer the lowest monthly payments. However, for borrowers completing applications via paper or PDF, it can be very complicated to determine which plans the borrower is eligible for and to choose among them – indeed, even the Department’s own proposed IDR request form included incorrect information regarding PAYE eligibility in multiple places (see items 1 and 2a above). The widely-recognized complexity of the repayment eligibility rules should not, and need not, be a barrier to accessing affordable payments.
2. **Section 11 - Table of Income Driven Repayment Plan Requirements and Information.**
  - a. **Payment amount:** Consider including the definitions of discretionary income here to make it easier for borrowers to understand how payments are calculated and to compare the options.
  - b. **Principal Matching Payment:** To simplify, consider deleting “not to exceed \$50” at the end of the RAP entry, as it is unnecessary in light of the language specifying “if your payment is less than \$50.”
  - c. **Leaving the Plan:** The entry for IBR may be read in the context of the entries for the other plans to suggest that borrowers may *not* switch from IBR to other plans at any time. But borrowers in IBR can switch at any time, they need only sometimes check an additional application box. Our recommended language on page 2 (item 2(d)) above would address this.
  - d. **Add a row on forgiveness:** This table provides most of the key IDR plan features borrowers and counselors need to compare IDR plans, but omits an important component of IDR for many borrowers: loan forgiveness. We recommend adding a row identifying forgiveness features of each plan. Clearly defining these periods – 30 years for RAP, 20 years for PAYE, 20 years for IBR for new borrowers after July 1, 2014 and 25 years for pre-July 2014 borrowers, and 25 years for ICR – is essential for borrowers to make informed decisions.

Thank you for your work on this request form and in implementing the repayment regulations, and for your consideration of these recommendations. Please reach out to Abby Shafroth ([ashafroth@nclc.org](mailto:ashafroth@nclc.org)) with any questions or to discuss these issues further.