UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF LEGISLATION AND CONGRESSIONAL AFFAIRS

July 21, 2025

The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Dear Ranking Member Warren:

Thank you for your June 4, 2025, letter to Secretary McMahon regarding an array of topics primarily focused on Federal Student Aid (FSA) programs and administration, which follows our previous exchanges of related correspondence. Your letter was forwarded to my attention, and I am pleased to respond.

In the last six months, we have sent you seven letters in response to correspondence from your office. On May 7, you invited the Secretary to a forum, with only one-week advanced notice. While the Secretary was unavailable, she welcomed the opportunity to sit down with you for a direct conversation. During the subsequent meeting on June 10, the Secretary confirmed that she would respond to this letter. We also appreciated the letters from constituents you shared with us during that meeting. We are pleased to share that we reached out to all those with a phone number or email address provided.

As you know, President Trump charged Secretary McMahon with ensuring that the Department of Education (Department) puts students and parents above bureaucracy. The federal government has invested trillions of taxpayer dollars into an education system that is not improving student outcomes; we must change course and reorient taxpayer dollars toward proven programs that generate results for American students and families.

Student Loan Repayment

You asked a number of questions about returning to repayment, including repayment plans, borrowers in default, and how the Department is informing borrowers of their repayment options. While Congress mandated that student and parent borrowers begin to repay their federal student loans in October 2023, the Biden-Harris Administration refused to lift the collections pause and mired borrowers in a confusing limbo of on-ramps and "Fresh Starts." The previous Administration failed to process applications for borrowers who applied for income-driven repayment (IDR) and continued to push the false promise of loan cancellation and zero monthly payments to win points with borrowers and mask rising delinquency and default rates. This fact is beyond dispute: The Biden-Harris Administration misled borrowers. As multiple federal courts have ruled, the executive branch does not have the authority to wipe debt away, nor do loan balances simply disappear. Hundreds of billions in borrower debt have already been transferred to taxpayers, including those who never attended college.

Congress created the federal student loan programs, decided to charge borrowers interest, and only allows the Department to cancel loan balances in certain limited circumstances. As of April 2025, 42.7 million borrowers owe more than $1.6 trillion in student loans. Going forward, the Department, in conjunction with executive branch partners, is ensuring a return to normalcy by administering the federal student loan program responsibly and in compliance with the law. We will also work to implement the *One Big*

Beautiful Bill Act, *Pub. L. No. 119-21*[1], which will enhance the borrower experience by simplifying the overly complex repayment process.

The Department is committed to keeping borrowers updated with clear information about their payment options to put them on a productive path toward repaying their federal student loans. In April 2025, the Department announced that it would resume involuntary collections of its defaulted federal student loan portfolio on May 5, as required under the *Higher Education Act* and conducted only after sufficient notice to student and parent borrowers. Following this announcement, the Department launched a comprehensive communications and outreach campaign to engage all borrowers on the importance of repayment. FSA has conducted outreach to borrowers through emails and social media reminding them of their obligations and providing resources and support to assist them in selecting the best repayment plan, like the new Loan Simulator, AI Assistant (Aidan®), and extended servicer call center availability.

The Department has also enlisted our partners—states, institutions of higher education (IHEs), financial aid administrators, college access and success organizations, third-party servicers, and other stakeholders—to assist in this campaign to restore common sense and fairness with the message: student and parent borrowers must repay their student loans, not taxpayers. This campaign was in addition to regular outreach from loan servicers, which are contractually required to maintain ongoing communication with borrowers via email and postal mail. This is often conducted in a graduated manner, such that outreach can become more urgent as payment becomes increasingly overdue. We are already seeing results from these efforts, as the share of borrowers who are current on their federal loan increased by three percentage points as of May 2025. Additionally, the number of delinquent borrowers has decreased.

In your letter, you asked a number of questions about borrowers in default. As of June 2025, there were 5.6 million borrowers in default. At that time, the median borrower balance of defaulted loans was $10,650, and the median loan balance of defaulted loans was $4,020—with many borrowers having more than one loan. Once an account defaults, the balance becomes due in full immediately. Borrowers who are unable to pay the balance in full are extended an opportunity to enter into an approved payment plan that could potentially lead to resolution of the defaulted debt. This includes, but is not limited to, loan rehabilitation or loan consolidation. The approved payment plan varies from borrower to borrower and in many cases is unique to their specific circumstances and ability to pay. This payment amount can be as low as $5 per month. FSA emailed all defaulted borrowers in mid-June encouraging them to contact the Default Resolution Group[2] to make a payment, enroll in an IDR plan, or sign up for loan rehabilitation. Borrowers were also encouraged to visit myeddebt.ed.gov to learn more about programs available to get their defaulted accounts back into good standing. The Department also restarted the Treasury Offset Program, administered by the U.S. Department of Treasury, on May 5, 2025. Later this summer, FSA will send required notices beginning administrative wage garnishment.

You also inquired about the Biden-Harris Administration's Saving on a Valuable Education (SAVE) Plan and the backlog of IDR applications. While we regret the delay and the backlog, the Department must comply with court orders, including injunctions, and pause work if required as it did under the previous Administration in August 2024. In February 2025, the IDR application was temporarily paused to comply with the injunction issued by the U.S. Court of Appeals for the Eighth Circuit that ordered the Department to cease implementation of SAVE Plan and parts of other IDR plans. Because the online application incorporated provisions subject to the injunction, it was necessary to revise the form, making it unavailable to borrowers in the interim. During that time, paper loan consolidation applications were available to borrowers.

It is unfortunate that the Biden-Harris Administration chose to issue the so-called SAVE Plan, as the

[1] https://www.congress.gov/bill/119th-congress/house-bill/1/text
[2] https://myeddebt.ed.gov/

courts were inevitably forced to intervene to halt the unlawful plan, which resulted in a backlog of applications. Under the Trump Administration's leadership, the Department worked incredibly hard to relaunch the IDR application within weeks of the injunction, ensuring borrowers have access to all legal repayment plans. Although the IDR application is now available again, loan servicers are still updating their systems in accordance with the court's actions. As of early July, there were approximately 1.49 million IDR applications awaiting processing. As we briefed staff on the appropriations and authorizations committees, FSA is also making updates to StudentAid.gov to emphasize to borrowers that they can speed processing time by updating their tax information. The Department is working closely with its loan servicers to ensure IDR applications are being processed in a timely manner.

Regarding your concerns about IDR payment counters on StudentAid.gov, under the July 1, 2024, regulatory package,[3] certain deferments and forbearances were counted as progress toward IDR forgiveness. Due to the revised injunction in the ongoing SAVE litigation, the ability to count these deferments and forbearances toward IDR forgiveness was enjoined as of March 1, 2025. As a result, the Department removed the IDR payment counters displayed on StudentAid.gov to avoid misleading borrowers with potentially incorrect information. FSA is working with its loan servicers to develop a solution to correctly report these deferments and forbearances publicly. However, the Eighth Circuit Court of Appeals injunction places certain limitations on this effort. The Department expects to make some of this information publicly available in a manner that is consistent with the court's order.

To date, there have been no announcements on an end-date for the SAVE Plan forbearance, and thus it would be premature to address this matter at this time. The Department has made clear on StudentAid.gov, and through other external communications, that the SAVE Plan forbearance does not count toward Public Service Loan Forgiveness (PSLF), a position similar to the previous administration. However, PSLF borrowers can now "buy back" certain months in their payment history to make those months qualifying payments for PSLF purposes. Specifically, a borrower can buy back months that do not count as qualifying payments because they were in an ineligible deferment or forbearance status. During the month of May 2025, FSA received 8,713 PSLF buyback cases and processed 6,875. As of mid-June, the Department had received 65,595 total PSLF buyback applications. FSA continues to process these requests as expeditiously as possible in the order they were received.

The Trump Administration supports helping borrowers choose a new, legal repayment plan that best fits their needs so that they can get on a sustainable financial path that protects American taxpayers. As you may know, on July 9, 2025, the Department announced that, pursuant to the Eighth Circuit Court of Appeals injunction, the Department would restart interest accrual for borrowers with loans in the unlawful SAVE Plan on August 1. The Department is now conducting direct outreach to nearly 7.7 million borrowers enrolled in the SAVE Plan with instructions on how to move to a legal repayment plan so that these borrowers can begin making qualifying payments.

Regarding the virtual chatbot, Aidan, we have previously responded to questions from your office, and I have enclosed that response for your immediate reference. Please find additional updates on Aidan at our June 25, 2025, blog, *What's New for the 2026–27 FAFSA® Form? Beta Launch, Smarter Virtual Assistant, and More*. Additionally, please see Enclosure 1 for your requested metrics on the Office of the Ombudsman.

You reiterated your interest in the performance of loan servicers, particularly the Missouri Higher Education Loan Authority (MOHELA). As we have communicated to your office multiple times, FSA is prioritizing efforts to improve customer service to students and parent borrowers, particularly in the aftermath of the pandemic and the illegal actions of the Biden-Harris Administration. MOHELA's

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[3] https://www.federalregister.gov/documents/2024/05/29/2024-11300/improving-income-driven-repayment-for-the-william-d-ford-federal-direct-loan-program-and-the-federal

performance is steadily showing progress, and FSA's focus remains on improving the borrower experience. FSA is collaborating with MOHELA to help the servicer manage the multiple strains on its portfolio to help drive overall improvement. As part of these efforts, FSA intends to transfer a portion of MOHELA's PSLF portfolio to other servicers later this year. This work will be done thoughtfully and in a responsible way that avoids negative impacts to borrowers. The Department looks forward to continuing to review the performance of all our current contractors with the goal of improving service delivery on behalf of American students, their families, and taxpayers.

Empowering American Students and Families Before Bureaucracy

We welcome your question regarding institutions' pending applications to participate in the Title IV program. No IHEs should be left waiting for years to participate in federal student aid programs, particularly for routine compliance issues, as they were under the previous Administration. These delays harm students as well as the Nation's workforce that needs to fill millions of open jobs. The Trump Administration has been laser-focused on cutting bureaucracy and streamlining processes at the Department. Functions that should have been routine during the previous Administration were unnecessarily delayed while the Biden-Harris team fixated on transferring student loan debt to taxpayers. Secretary McMahon has rightfully directed the Department to reduce red-tape and only undertake statutorily permitted activities—this is how we better serve customers and the public. We have already begun to reinvigorate the Title IV workstreams to ensure postsecondary programs are effectively educating the future workforce. In furtherance of this agenda, President Trump issued Executive Order, *Preparing Americans for High-Paying Skilled Trade Jobs of the Future*,[4] to streamline workforce program-delivery across the federal government and Executive Order, *Reforming Accreditation to Strengthen Higher Education*[5], instructing the Department to begin reviewing new accreditors and allowing IHEs to more freely change accreditors. As the Secretary has said, we must foster a competitive marketplace amongst colleges and universities in order to lower college costs and refocus postsecondary education on improving academic and workforce outcomes.

Your letter listed several questions about the reduction in force announced on March 11, 2025. On July 14, 2025, the Supreme Court granted the Department's application for a stay of the district court's preliminary injunction in *McMahon v. New York.* As the Secretary said, the President of the United States, as the head of the Executive Branch, has the authority to make decisions about staffing levels, administrative organization, and day-to-day operations of federal agencies. This litigation is ongoing, and this is not a final ruling on the merits. Due to ongoing litigation, we are unable to comment further on this issue at this time.

You requested details on the career backgrounds of individuals hired at the Department. We have announced our appointees and nominees, posted publicly to our Newsroom, should you wish to review their qualifications and career accomplishments. We are unable to provide additional requested information, as the Department does not comment on personnel matters, beyond the aforementioned announcements.

Your letter posed several questions related to the March 20, 2025, Executive Order, *Improving Education Outcomes by Empowering Parents, States, and Communities*,[6] which directed the Secretary of Education to take all necessary steps to facilitate the closure of the Department of Education and return education authority to the states. Again, on July 14, 2025, the Supreme Court granted the Department's application for a stay of the district court's preliminary injunction, in *McMahon v. New York*. The Secretary stated that the Department will ensure resources are directed where they matter most – to students, parents, and

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[4] https://www.whitehouse.gov/presidential-actions/2025/04/preparing-americans-for-high-paying-skilled-trade-jobs-of-the-future/

[5] https://www.whitehouse.gov/presidential-actions/2025/04/reforming-accreditation-to-strengthen-higher-education/

[6] https://www.federalregister.gov/documents/2025/03/25/2025-05213/improving-education-outcomes-by-empowering-parents-states-and-communities

teachers. As we return education to the states, this Administration will continue to perform all statutory duties while empowering families and teachers. This litigation is ongoing, and this is not a final ruling on the merits. Due to ongoing litigation, we are unable to comment further on this issue at this time.

Finally, your letter requested data about Department workforce matters, including the Deferred Resignation Program. I invite you to review Enclosure 2 for responsive information.

Addressing Root Causes of Tuition Inflation

You inquired about the Supplemental Educational Opportunity Grants (SEOG) program. SEOG is a poorly targeted program that contributes to rising college costs. It is duplicative of, and less targeted than, Pell Grants and not available at institutions with the most need. For example, undergraduate students with higher family incomes at some IHEs receive a larger SEOG award on average than similarly situated undergraduates with the lowest family income level ($1,019 compared to $891) at other IHEs. In addition, nearly 40 percent of SEOG aid is awarded through private institutions that have their own radical agendas and admit fewer low-income students, compared to the only 19 percent awarded through public, 2-year colleges, which serve the highest proportion of low-income students. This program is ineffective, poorly targeted, and inconsistent with the Administration's priorities.

You also inquired about Federal Work Study (FWS). The Trump Administration's recommendation for the Fiscal Year (FY) 2026 Budget reduces funding for FWS. In its current form, FWS is an unnecessary taxpayer-paid subsidy to woke universities who can already pay for the cost of their student employees. Reform of this poorly targeted program should redistribute remaining funding to institutions that serve the most low-income students and provide a financial incentive to create more career-oriented employment opportunities for low-income students that will set them up for long-term career success. Specifically, the FY 2026 recommendation proposes to require that employers pay 75 percent of a student's hourly wages and reduce the federal contribution to 25 percent. The contribution ratio is currently reversed, overburdening taxpayers and subsidizing IHEs that often have many millions—even billions—of dollars in endowments.

We would welcome your support for the President's proposed approach to the SEOG and FWS programs in the FY 2026 White House Budget, as these essential reforms are long overdue.

Reducing Regulatory Burden

Secretary McMahon tasked the Department and its leaders with bringing back common-sense solutions to postsecondary education and leveraging innovation to reduce college costs. At the heart of these problems are numerous and burdensome federal regulations resulting in unnecessary red tape that forces institutions to incur large administrative and personnel costs, which leads to increases in tuition and fees. Students are the customers for colleges, but they are rarely treated that way as colleges and universities are forced to prioritize compliance with government regulations over serving students.

You inquired about repayment plans that have been subject to the negotiated rulemaking process. The Trump Administration is eager to improve affordability and increase accessibility across the entire education system. In postsecondary education, the Department is taking steps to encourage states and institutions to reduce student barriers to entry and increase college completion. We are also taking steps to reduce the cost-burden of postsecondary education. On April 4, 2025, the Department announced the intention to host public hearings and establish one or more negotiated rulemaking committees to prepare proposed regulations on various programs authorized under Title IV of the Higher Education Act of 1965. The Department invited public feedback, especially addressing topics such as PSLF, Pay As You Earn, Income-Contingent Repayment, or other topics that would streamline current federal student financial assistance programs.

The first negotiated rulemaking committee was formed from a diverse group of nominees and recently met from June 30 to July 2, 2025, to address changes to PSLF. The meetings were viewed by a sizable audience in attendance at the Department's auditorium and viewed via livestream across the country with 20 individuals having the opportunity to publicly address the committee.[7] Congress established the PSLF program to cancel the outstanding balance on eligible Direct Loans after 10 years of full-time employment in a public service job and after 120 monthly payments under a qualifying repayment plan. As President Trump articulated in Executive Order, *Restoring Public Service Loan Forgiveness,*[8] the Biden-Harris Administration exploited the PSLF program through a waiver process that forgave borrowers' loans who had not yet met all of the statutorily required number of payments. The program also misdirected tax dollars to individuals working in jobs at organizations that are not serving the public interest and are actually harming our national security and American values, sometimes through illegal means.

During these negotiated rulemaking meetings, the committee considered dozens of proposals offered by the representatives who were specifically tasked with refining definitions of a qualifying employer for the purposes of determining eligibility. During the deliberations, the Department agreed to 15 substantive changes to the draft regulations in an effort to achieve consensus. The language was supported by representatives of borrowers, veterans, IHEs, taxpayers, state and local governments, with only representatives of legal assistance organizations opposing the changes. The Department will issue a Notice of Proposed Rulemaking in the next few weeks for public comment and publish final regulations later this year.

You requested information on the 90/10 Rule. To clarify, the Secretary supports quality education across all IHEs. The 90/10 Rule requires only proprietary institutions to derive at least 10 percent of their revenue from sources other than federal education assistance funds disbursed to or on behalf of students attending the institution. While some advocates view the rule as a way to hold proprietary institutions accountable, it does not accurately measure institutional quality; rather, it reflects students' ability to pay for their education out-of-pocket. Not only is the rule an imperfect measure of quality, it is ineffective and has only resulted in the loss of Title IV eligibility under rare and limited circumstances. For example, we encourage you to review the Department's most recent annual 90/10 report to Congress. While Congress expanded the 90/10 Rule to include all Federal education funding sources, not just Title IV, only 16 institutions exceeded this new revenue threshold—none of which failed the previous year's calculation.[9] As a result, none of these institutions triggered the two-consecutive-year requirement for Title IV ineligibility. We also invite you to review the interpretive rule issued by the Department on July 7, 2025, which corrects a deficiency in the application of the regulations issued under the Biden-Harris Administration.

You also inquired about the Gainful Employment rule. On February 14, 2025, the Department announced it was extending the deadline until September 30, 2025, for institutions to evaluate Completers' Lists and reporting data associated with Financial Value Transparency and Gainful Employment (FVT/GE). The extension applied to both evaluation of Completers Lists and debt reporting for the 2024 cycle to give additional time to certain institutions. During the previous Administration, a number of technical and operational complexities arose, which were left unresolved for the new Administration. Additionally, several institutions continue to report delays in software development. Because of these issues, the Department does not plan to produce any FVT/GE metrics prior to the new deadline and will take no enforcement or other punitive actions against institutions that have been unable to complete reporting to date. The Department is working to address outstanding issues and concerns, and to answer remaining questions from the community. The Department also hopes that, irrespective of these challenges and this 7-month extension, institutions will continue gathering the requisite data between now and September 30,

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[7] https://www.ed.gov/laws-and-policy/higher-education-laws-and-policy/higher-education-policy/negotiated-rulemaking-for-higher-education-2025-2026

[8] https://www.whitehouse.gov/presidential-actions/2025/03/restoring-public-service-loan-forgiveness/.

[9] The Department posts full reports on the Federal Student Aid Data Center website.

2025, and report such data when available. The Department anticipates that this notice will be the final extension of the reporting deadline for FVT/GE.

The goals for all final regulations and policy guidance are advancing educational opportunity for millions of students and their families, addressing the ongoing problem of rising college costs, and providing a path for institutions to truly innovate, unburdened from unnecessary interference by the federal government. Regarding potential forthcoming rulemaking, it would be premature at this time to provide further comment on regulations before finalization. We welcome you and your staff to find additional information publicly posted on our website.[10] The Department will continue to administer all legal repayment programs according to established law and regulations.

As mentioned, President Trump recently signed into law the *One Big Beautiful Bill Act*. As you know, this law makes major changes that impact aforementioned repayment policies and will guide our forthcoming rulemaking. We will keep Congress appropriately apprised of our progress, as always.

Working with Congress

As the Secretary has repeatedly stated, she is very much willing to continue engaging with Congress to improve educational outcomes in America. Again, she welcomed the opportunity to sit down with you, and we have continued to engage with your office and be responsive to your requests. Below I touch on a few matters directly related to our collaboration with Congress.

When Congress passed the *FAFSA Simplification Act* in 2020, it did not fund the generous changes to Pell Grant award determination and eligibility expansion, creating untenable financial instability for this important program. In addition, appropriations bills have been steadily increasing the maximum award for the Pell Grant program without additional Budget authority. In January, the Congressional Budget Office projected the Pell Grant program would run out of reserves by the end of this fiscal year and face a $71 billion to $111 billion 10-year shortfall.[11] The Trump Administration remains committed to and acknowledges the importance of Pell Grants, but the ongoing financial situation has been unsustainable. The Secretary testified at recent budget hearings that, in the FY 2026 White House Budget, we propose continued support for Pell Grants for low-income students and career and technical education grants. This aligns with this Administration's vision—expressed in multiple executive orders—of postsecondary pathways that include both four-year college and non-college options, such as work-based learning and apprenticeship opportunities. Congress attempted to resolve these issues through the *One Big Beautiful Bill Act* by addressing the shortfall and establishing the Workforce Pell Grant. Be assured the Department will continue to administer Pell Grants as statute requires.

You asked for comment regarding unspecified speculation about possible reductions to the loan servicing budget. The Department published on our website the FY 2026 White House Proposed Budget, including FY 2026 Education Budget Summary and Background Information, which provides program information and detailed budget tables, and the FY 2026 Justifications of Appropriations Estimates to the Congress. We invite you to explore these documents, which outline our priorities for loan servicing. For FY 2026, the Administration is requesting $1 billion for loan servicing activities. This request includes costs for Unified Servicing and Data Solution operations and maintenance. We continue to make ourselves available for technical and other assistance as Congress determines the forthcoming appropriations legislation.

Finally, you asked about the Secretary's stance on the *One Big Beautiful Bill Act*. The Secretary is fully supportive of the President's bill. As you are aware, the bill was only signed into law on July 4, 2025. The Department is just beginning implementation of the education provisions in the law to institute accountability for colleges and universities, expand Pell Grants to short-term workforce programs, and

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[10] https://www.ed.gov/laws-and-policy/higher-education-laws-and-policy/higher-education-policy/negotiated-rulemaking-for-higher-education-2025-2026.

[11] https://www.cbo.gov/system/files/2025-01/51304-2025-01-pellgrant.pdf.

simplify the overly complex student loan repayment system, to name just a few of its exciting provisions for reform. We look forward to the work ahead and will continue to follow the law, regulations, and the U.S. Constitution.

Office for Civil Rights

In your letter, you inquired about the Office for Civil Rights (OCR), including the complaint backlog. OCR plays a vital role within the Department and in supporting America's students. OCR remains committed to robust enforcement of students' civil rights. The Biden-Harris Administration left a backlog of more than 20,000 OCR cases. The Secretary, along with OCR leadership and staff, is dedicated to fulfilling its important mission while improving efficiencies and timeliness with its complaint processing and investigative procedures. As the Secretary has stated publicly, OCR will continue to carry out its essential and legally required duties—reviewing and investigating complaints and vigorously enforcing Federal civil rights laws. Under President Trump's leadership, OCR has been recalibrated to enforce civil rights laws as Congress wrote them and to achieve their noble nondiscriminatory aims. Past Administrations have muddled the enforcement of these statutes, creating administrative confusion and hostile environments. Indeed, under the Biden-Harris Administration, massive backlogs of legitimate civil rights complaints languished in OCR, while staff were apparently directed to focus on cases involving novel and untested theories rooted in transgender ideology and other ideological causes that have created the very discriminatory conditions that Congress enacted our civil rights laws to remedy.

As the Secretary recently testified before the House Appropriations Committee,[12] we have created efficiencies and improved processes to accomplish more with a refined workforce in OCR. For example, certain OCR workflows have been reworked to more effectively target subject matter expertise to the particular facts of each case. This more focused approach, most effectively expressed in OCR's collaboration with the Department of Justice through the Title IX Special Investigations Team, aligns well with the urgent yet diverse priorities we are addressing. Since January 20, 2025, OCR has resolved or closed more than 3,490 cases,[13] which is a testament to the improved efficiencies implemented under the leadership of President Trump and Secretary McMahon. The Secretary has been unequivocal that OCR will continue to carry out its statutory obligations. From March 11 to June 27, 2025, OCR received 4,833 complaints; opened 309 for investigation; opened 26 directed investigations; dismissed 3,424 complaints consistent with OCR's Case Processing Manual; resolved 96 complaints after investigation concluded insufficient evidence for findings; and resolved 290 complaints with voluntary agreements, OCR-mediated settlements, or technical assistance from OCR to ensure a recipient's digital resources are accessible to students with disabilities. For historical context, there was a net increase in OCR's caseload of approximately 1,100 cases in the 2nd quarter of 2025; a net decrease in OCR's caseload of approximately 590 cases in the 2nd quarter of 2024; and a net increase in OCR's caseload of approximately 3,569 cases in the 2nd quarter of 2023. The Secretary, OCR leadership, and its staff are dedicated to ensuring that all American students' civil rights are protected. We will never abandon this commitment.

Commitment to the American Public

As you are aware, the American people—including well over a million of your constituents—overwhelmingly sent President Donald J. Trump back to the White House to end the Biden-Harris Administration's managed decline of the American Republic. We are honored to carry out the agenda of this historic presidency such that students, their families, and the American taxpayer are prioritized above self-interested bureaucrats and special interests in Washington, DC. We will be sure to steward American taxpayer dollars properly and responsibly. We are working to correct the many serious errors of the Biden-Harris Administration, including by rehabilitating the federal student loan portfolio.

[12] https://docs.house.gov/meetings/ap/ap07/20250521/118275/hhrg-119-ap07-wstate-mcmahonl-20250521.pdf
[13] As of June 6, 2025.

Moving forward, we must establish accountability measures throughout the student aid process and simultaneously eliminate excess bureaucracy and spending to instead focus on delivering programs authorized in statute in a streamlined fashion. We look forward to continuing to deliver for the American people in the years ahead.

As you know, Congress recently passed and President Trump signed the *One Big Beautiful Bill Act*, which makes numerous changes to Federal Student Aid programs. The Department is working to implement the new law and will share additional details with Congress in the coming weeks and months.

The Secretary is committed to working with Congress to improve education in this country and is available to meet with Members of Congress, as she did with you, to discuss. Should you need further assistance, your staff may contact our Office of Legislation and Congressional Affairs at (202) 401-0020.

Sincerely,

Sarah Ursprung
Acting Assistant Secretary
for Legislation and Congressional Affairs

Enclosures

ENCLOSURE 1 - Backlog of complaints with the Office of the Ombudsman[14]

Office of the Ombudsman Casework			
Case List[15]	**Open Cases[16]**	**Received on or after Mar. 12**	**Closed During May 2025**
All Feedback, Dispute	41,507	50,946	13,748
Ombudsman Staff Workstreams	27,006	5,252	1,122

ENCLOSURE 2 - DEFERRED RESIGNATION PROGRAM

You inquired about the Deferred Resignation Program (DRP). Regarding employees who accepted the DRP; 259 staff accepted the offer, which equates to an estimated $27.4 million in salaries and benefits during the time period of March 23, 2025, through September 30, 2025. Please see below for more detailed information by Principal Operating Component (POC).

POC	# DRP Applications	# DRP Accepted	# DRP Excluded	# Rescinded Applications*	Total Separating via DRP
FSA	126	126	0	0	126
IES	6	6	0	0	6
OCIO	9	9	0	0	9
OCO	2	2	0	0	2
OCR	40	40	0	0	40
OCTAE	5	5	0	0	5
ODS	2	2	0	0	2
OELA	1	1	0	0	1
OESE	4	4	0	0	4
OFO	22	22	0	0	22
OGC	3	3	0	0	3
OIG	21	21	0	-1	20
OLCA	0	0	0	0	0
OPE	10	10	0	-1	9
OPEPD	5	5	0	0	5
OS	2	2	0	0	2
OSERS	3	3	0	0	3
OUS	0	0	0	0	0
Total	**261**	**261**	**0**	**-2**	**259**

*2 employees rescinded their applications

[14] As late June 2025.

[15] All Feedback, Dispute refers to all cases submitted to the FSA complaint system, including those worked by vendors (servicer and business process operations (BPO) agents). Ombudsman Staff Workstreams refers to cases worked by Ombudsman staff, which includes the Sweet and Research case types and cases assigned to the Program Compliance case owner's business unit.

[16] This category includes 9,236 cases (of those 9,165 assigned to Ombudsman staff workstreams) awaiting guidance for bulk closure due to implementation of the IDR Account Adjustment and Joint Consolidation Loan Separation Act.

POC	Salary and Benefits of employees March 23, 2025, through September 30, 2025
FSA	$13,460,112
IES	$702,148
OCIO	$1,073,926
OCO	$241,293
OCR	$3,726,886
OCTAE	$580,931
ODS	$195,790
OELA	$116,825
OESE	$378,699
OFO	$2,133,458
OGC	$272,111
OIG	$2,359,864
OLCA	-
OPE	$912,058
OPEPD	$633,172
OS	$281,281
OSERS	$328,052
OUS	-
Total	**$27,396,605**