

Item 15

(Information Item)

Update on federal student loan forgiveness

SUMMARY:

This item will provide an update to federal efforts related to providing one-time federal student loan debt relief for eligible borrowers.

RECOMMENDATION:

This is an informational item only; no action is required.

BACKGROUND:

The U.S. Department of Education has announced a three-part plan to help working and middle-class federal student loan borrowers, transition back to regular loan payment as pandemic-related support expires. This plan includes loan forgiveness of up to \$20,000. Applications are currently being accepted for the program. A federal appeals court temporarily halted the student loan forgiveness program in late October 2022; the application for the student loan forgiveness program remains open and is still active and available, and the Education Department can still review applications, but cannot process applications or implement any student loan forgiveness while the emergency stay remains in force.

The State of California Department of Financial Protection and Innovation (DFPI) is the lead State agency responsible for student loan and borrower resources in California. This presentation from DFPI will give current information about the loan forgiveness programs being offered.

RESPONSIBLE PERSON(S):

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