

DEPARTMENT OF THE ATTORNEY GENERAL

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Hawaii Attorney General Joins Multistate Coalition Fighting for Emergency Relief for Federal Student Loan Borrowers in Response to Coronavirus Pandemic

HONOLULU – Attorney General Clare E. Connors today joined a coalition of 27 attorneys general from around the nation in calling on the U.S. Department of Education to provide federal student loan borrowers with crucial emergency measures to help in the wake of the coronavirus disease 2019 (COVID-19) pandemic. In a letter to Education Secretary Betsy DeVos, the coalition asks the Department of Education to take specific steps to protect borrowers from further financial burden and debt collection due to job losses and lost wages, resulting from the exponential rise in national unemployment in the last few weeks.

"Every day, the economic fallout from this pandemic is becoming more widespread," said Attorney General Connors. "As more Hawaii families struggle with unemployment and other financial burdens, the federal government can take immediate action to help by providing relief to student loan borrowers."

Today's letter, co-led by New York Attorney General Letitia James and Pennsylvania Attorney General Josh Shapiro, urges the Department of Education to immediately implement emergency measures to protect federal student loan borrowers. The letter notes that while the federal government has already taken a series of initial steps to help student loan borrowers — including ceasing some collection actions — the Department of Education must do more, including:

- 1) Halting <u>all</u> new and continuing involuntary collection activities including wage garnishment and the offset of government benefits, such as Social Security and tax refunds and refunding 2019 tax refund offsets for all federal student loan borrowers for the duration of the crisis.
- 2) Automatically enrolling all federal student loan borrowers who are in or enter into forbearance, who are or become delinquent on their loans, or who request enrollment in an Income Driven Repayment (IDR) Plan in an IDR plan with a \$0-per-month payment, without requiring submission of an IDR application,

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verification of income, or recertification for the duration of the crisis. This would permit struggling borrowers to suspend payments while continuing to make progress toward Public Service Loan Forgiveness or IDR loan forgiveness.

3) Extending eligibility for all additional relief available pursuant to previously announced modifications for those affected by national emergencies to all federal loan borrowers for the duration of the crisis.

The coalition's letter urges the Department of Education to extend this emergency relief to all federal student loan borrowers, including borrowers whose Federal Family Education Loans or Federal Perkins loans are not held by the Department of Education.

Joining Attorney General Connors, Attorney General James, and Attorney General Shapiro in signing today's letter to the Department of Education are the attorneys general of California, Colorado, Connecticut, Delaware, Illinois, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, North Carolina, Oregon, Rhode Island, Vermont, Virginia, Washington, Wisconsin, the District of Columbia, American Samoa, and Puerto Rico.

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