



July 12, 2023

Office of Post Secondary Education  
U.S. Department of Education  
400 Maryland Avenue, SW, Room 2C179  
Washington, DC 20202  
[www.regulations.gov](http://www.regulations.gov)

Re: Docket ID ED-2023-OPE-0123, Negotiated Rulemaking Committee, Public Hearing

Dear Office of Post Secondary Education:

PayrollOrg (PAYO)<sup>1</sup> brings to your attention concerns regarding the management of involuntary student loan payments currently scheduled to restart September 1, 2023. PAYO is concerned about the administration of these loans as we prepare to restart student loan payments, specifically related to orders for employers/payors to withhold from employees' wages.

PAYO's concerns center around the following specific items related to the end of the suspension period:

**The creation of a grace period for restarting the student loan set up.** PAYO respectfully request a more flexible grace-period to allow employers to receive and process orders. Typically, employers that receive these student loan orders must process and withhold on the first pay period after the order is issued. However, many employers will be receiving thousands of these new orders at one time and many of these must be manually processed into employers' payroll systems. While the mail volume will increase significantly because of resuming student loan orders, many employers are not accustomed to such a large volume of orders occurring at the same time. The increased volume, along with the remote work environment, will create challenges in meeting the first pay period timeframe for set-up.

**New orders needed.** Following the end of the forbearance period, employers will require new orders if student loan garnishment are to resume. Any new order, like previous orders, must include employee's identity, amount due at the time issued, the percentage to withhold, and where to remit payments. If the debt is still owed, the employer/payor must receive official

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<sup>1</sup> Established in 1982, PayrollOrg is a non-profit organization serving the interests of more than 20,000 payroll professionals nationwide. One of PayrollOrg's core missions is providing representation for payroll professionals at the federal, state, and local levels. This is done primarily through PayrollOrg's Government Relations Task Force in which members educate government and community leaders about the payroll industry and the best practices associated with paying workers.



documentation, based on federal laws, identifying the current amount owed and when to begin withholding from the employee's disposable earnings.

**Clear direction provided to Guaranty Agencies:** We strongly encourage the U.S. Department of Education to advise the Guaranty Agencies to follow the same process the U.S. Department of Education is implementing, which is to issue new orders for each loan that will restart. Since amounts have changed during the suspension period, as well as other considerations, the only way to restart these loans accurately and fairly is a new order sent to the employer directly. The issuance of a new order will ensure that amounts are correct, loans are restarted properly, and the correct address is listed as to where payments should be sent.

**Payment location.** The payment address must be clearly communicated on all new orders. Employers were previously notified that the current payment address was closed by the U.S. Department of Education. Employers will need to know whether the current payment address will be reopened, or a different address will be used for payments.

PAYO would be pleased to discuss these comments further with the U.S. Department of Education and would like to participate in the public hearing. If possible, PAYO would like to serve as an official observer on the negotiated rulemaking committee. Issues associated with student loan relief do not directly impact payroll professionals, but PAYO members would like to keep track of discussions and receive information provided to and by the committee.

You can reach PAYO through Corrinne Flores at [corrinne.flores@adp.com](mailto:corrinne.flores@adp.com) or 909-971-5858 and Alice Jacobsohn, Esq., at [jacobsohn@payroll.org](mailto:jacobsohn@payroll.org) or 202-669-4001. Thank you for your attention to this matter.

Sincerely,



Alice P. Jacobsohn, Esq.  
Director, Government Relations

For: Government Relations Task Force  
Garnishments Subcommittee  
Chair Corrinne Flores