



March 10, 2025

The Honorable Linda McMahon
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Re: Involuntary federal student loan repayment and wage garnishments

Dear Secretary McMahon:

PayrollOrg (PAYO)¹ brings to your attention concerns regarding the management of involuntary federal student loan payments. PAYO is concerned about the administration of these loans for individuals related to orders for employers/payors to withhold from employees' wages.

PAYO's concerns center around three specific items related to the restart of involuntary student loan payments:

1. Ensuring that employers are provided with early communication related to when new payment orders will start. Many employers could receive thousands of new orders. This will be a challenge for employers in processing such large volumes all at once. Early communication will be key to preparing and planning accordingly for employers.
2. The new orders, like previous orders, must include the 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 documentation,

¹ PAYO is a nonprofit association representing more than 20,000 payroll professionals throughout the United States. PAYO's Government Relations Task Force partners with government agencies to help payroll professionals with compliance, while minimizing the administrative burden on government, employers, and individual workers. PAYO members are directly responsible for calculating wages and withholding for their employers across all industries and employer types. PAYO does not endorse any technology or management approach. Therefore, PAYO is not positioning itself with any specific business, employer, or group.

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

3. Under the Trump Administration, if the U.S. Department of Education is closed, specific programs are moved to other federal agencies or state entities, or student loan repayment is privatized, employers will require specific information on student loan repayment processes, including which entity will have authority to send orders to employers, the address for which payments must be sent, and any other program details requiring employer compliance.
4. Employers would greatly prefer electronic processing of student loan repayment orders, including the ability to receive orders and make payments.

PAYO would be pleased to discuss federal student loan repayment orders or notices to employers with you and your staff. You can reach us at ajacobsohn@payroll.org or 202-669-4001. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Alice P. Jacobsohn".

Alice P. Jacobsohn, Esq.
Director, Government Relations

For: Government Relations Task Force
Subcommittee on Garnishments
Cochairs Corrinne Flores and Debbie Lindenmuth