

# AMERICAN PAYROLL ASSOCIATION

November 21, 2022

Mr. Richard Cordray  
Chief Operating Officer  
Federal Student Aid Office  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Re: Involuntary federal student loan repayment and wage garnishments

Dear Mr. Cordray:

The American Payroll Association (APA) brings to your attention concerns regarding the management of involuntary federal student loan payments currently suspended. The APA supports the Biden Administration's efforts to provide borrowers with relief; however, we are concerned about the administration of these loans for individuals ineligible for relief or full relief, specifically related to orders for employers/payors to withhold from employees' wages.

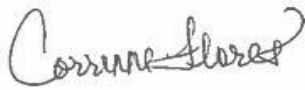
The APA's concerns center around three specific items related to the restart of involuntary student loan payments:

1. Ensuring that employers are provided with early communication related to if and 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. Following the end of the forgiveness period or for those ineligible for forgiveness, employers will require a new order if student loan garnishments are to resume. The new order, 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, based on federal laws, identifying the current amount owed and when to begin withholding from the employee's disposable earnings.

3. The payment address must be clearly communicated on all new orders. Employers were previously notified that the current payment address was closed by the 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.

The APA would be pleased to discuss federal student loan repayment orders or any communication to employers with you and your staff. You can reach us through Corrinne Flores at [corrinne.flores@adp.com](mailto:corrinne.flores@adp.com) or 909-971-5858 and Alice Jacobsohn, Esq., at [ajacobsohn@americanpayroll.org](mailto:ajacobsohn@americanpayroll.org) or 202-669-4001. Thank you for your attention to this matter.

Sincerely,



Corrinne Flores  
Chair, Garnishments Subcommittee



Alice P. Jacobsohn, Esq.  
Director, Government Relations

### **About the APA**

APA is a nonprofit association representing more than 20,000 payroll professionals throughout the United States. APA's primary mission is to educate its members and the payroll industry regarding best practices associated with paying America's workers while complying with applicable federal, state, and local laws. In addition, the APA's Government Relations Task Force works with the legislative and executive branches of government to find ways to help employers satisfy their legal obligations, while minimizing the administrative burden on government, employers, and individual workers.