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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3560

[Docket No.: RHS–23–MFH–0013]

RIN 0575–AD36

Updates to the Off-Farm Labor Housing (Off-FLH), Loan and Grant Rates and Terms; Clarification of Grant Agreement Terms; Announcement of Enforcement Date

AGENCY: Rural Housing Service, U.S. Department of Agriculture (USDA).

ACTION: Final rule; announcement of enforcement date.

SUMMARY: On October 25, 2024, Rural Development's Multifamily Housing (MFH or Agency), an Agency of the United States Department of Agriculture (USDA), published a final rule. The final rule amended the current regulation for the Off-Farm Labor Housing (Off-FLH) program to clarify the grant agreement term and adopted the period of performance as required by Federal award information requirements. The changes clarified for applicants and grantees their obligations and requirements as Federal award recipients. The effective date set out in the preamble of the final rule was October 25, 2024 (the date the final rule published in the **Federal Register**). The effective date should have been November 25, 2024 (30 days after the final rule published in the **Federal Register**). This document sets November 25, 2024, as the enforcement date for the amendments in the October 25, 2024, final rule.

DATES: The enforcement date for the amendments to 7 CFR 3560.5668 in the final rule published at 89 FR 85035 on October 25, 2024, is November 25, 2024.

FOR FURTHER INFORMATION CONTACT: Christa Lindsey, Finance and Loan Analyst, United States Department of Agriculture Rural Housing Service, Multifamily Housing Production and Preservation Division; telephone number: (352) 538–5747; email address: *mfh.programsupport@usda.gov.*

SUPPLEMENTARY INFORMATION: On October 25, 2024, RHS published a final rule amending 7 CFR 3560.5668. RHS incorrectly established the effective date as October 25, 2024. The intention was for the final rule to become effective on November 25, 2024. Because the amendments in the rule were incorporated into the CFR on October 25, 2024, RHS is announcing in this document that enforcement of, and compliance with, the amended regulations is November 25, 2024.

Joaquin Altoro,

Administrator, Rural Housing Services.

[FR Doc. 2024–26638 Filed 11–14–24; 8:45 am]

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DEPARTMENT OF EDUCATION

34 CFR Part 685

[Docket ID ED–2024–OPE–0135]

RIN 1840–AD97

Income Contingent Repayment Plan Options

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Interim final rule; request for comments.

SUMMARY: The Department of Education (Department) issues this interim final rule (IFR) to amend the regulations governing income contingent repayment (ICR) plans available to Federal student loan borrowers to make certain that the Department meets its statutory obligation under the Higher Education Act of 1965, as amended, (HEA) to offer borrowers access to an income contingent repayment plan. The scope of this rule is narrow. It just revises the end date for most borrowers to enroll in ICR or Pay as You Earn plans from July 1, 2024, to July 1, 2027. This time-limited change to eligibility restrictions that went into effect on July 1, 2024, will allow the Department to meet its statutory obligations while it undertakes the necessary administrative changes to make its repayment plans that would otherwise be available for borrowers compliant with the terms of an injunction from the U.S. Court of Appeals for the Eighth Circuit (Eighth Circuit).

DATES:

Effective date: These regulations are effective on July 1, 2026.

Implementation date: For the implementation date of these regulatory changes, see the *Implementation Date of These Regulations* section of this document.

Comments due date: We must receive your comments on or before December 16, 2024.

ADDRESSES: For more information regarding submission of comments, please see **SUPPLEMENTARY INFORMATION**. Comments must be submitted via the Federal eRulemaking Portal at *Regulations.gov.* However, if you require an accommodation or cannot otherwise submit your comments via *Regulations.gov,* please email the Help Desk at *regulationshelpdesk@gsa.gov* or contact by phone at 866–498–2945.

Federal eRulemaking Portal: Please go to *www.regulations.gov* to submit your comments electronically. Information on using *Regulations.gov,* including instructions for finding a rule on the site and submitting comments, is available on the site under ''FAQ.''

A summary of the rule is available at *https://www.regulations.gov/docket/ED-2024-OPE-0135.*

FOR FURTHER INFORMATION CONTACT: For further information contact Tamy Abernathy, U.S. Department of Education, Office of Postsecondary Education, 400 Maryland Avenue SW, 5th Floor, Washington, DC 20202. Telephone: (202) 245–4595. Email: *NegRegNPRMHelp@ed.gov.*

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7–1–1.

SUPPLEMENTARY INFORMATION:

Implementation Date of These Regulations: These regulations are effective on July 1, 2026. Section 482(c) of the HEA requires that regulations affecting programs under title IV of the HEA be published in final form by November 1, prior to the start of the award year (July 1) to which they apply. However, that section also permits the Secretary to designate any regulation as one that an entity subject to the regulations may choose to implement earlier, as well as the conditions for early implementation.

The Secretary is exercising the authority under section 482(c) of the HEA to designate the regulatory changes to 34 CFR part 685 included in this document for early implementation effective on December 16, 2024, for the reasons set forth in the *Background* and *Need for Regulatory Action* sections of this document. This date reflects when the Department anticipates being ready to process borrower applications for these plans.

Invitation to Comment: We invite you to submit comments regarding this IFR. For your comments to have maximum effect in developing the final regulations, we urge you to clearly identify the specific section of the regulations that each of your comments addresses. The Department will not accept comments submitted after the comment period closes. Please submit your comments only once so that we do not receive duplicate copies.

The following tips are meant to help you prepare your comments and provide a basis for the Department to respond to issues raised in your comments in the final regulations:

- Be concise but support your claims.
- Explain your views as clearly as possible and avoid using profanity.
- Refer to specific sections and subsections of the regulations throughout your comments, particularly in any headings that are used to organize your submission.
- Explain why you agree or disagree with the regulatory text and support these reasons with data-driven evidence, including the depth and breadth of your personal or professional experiences.
- Where you disagree with the regulatory text, suggest alternatives, including regulatory language, and your rationale for the alternative suggestion.
- Do not include personally identifiable information (PII) such as Social Security numbers or loan account numbers for yourself or for others in your submission. Should you include any PII in your comment, such information may be posted publicly.
- Do not include any information that directly identifies or could identify other individuals or that permits readers to identify other individuals. Your comment may not be posted publicly if it includes PII about other individuals.

Privacy Note: The Department's policy is to generally make comments received from members of the public available for public viewing on the Federal eRulemaking Portal at *Regulations.gov.* Therefore, commenters should include in their comments only information about themselves that they wish to make publicly available. Commenters should not include in their comments any information that identifies other individuals or that permits readers to identify other individuals. If, for example, your comment describes an experience of someone other than yourself, please do not identify that individual or include information that would allow readers to identify that individual. The Department may not make comments that contain personally identifiable information (PII) about someone other than the commenter publicly available on *Regulations.gov* for privacy reasons. This may include comments where the commenter refers to a third-party individual without using their name if the Department determines that the comment provides enough detail that could allow one or more readers to link the information to the third-party individual. If your comment refers to a third-party individual, please refer to the third-party individual anonymously to reduce the chance that information in your comment could be linked to the third party. For example, ''a former student with a graduate level degree'' does not provide information that identifies a third-party individual, as opposed to ''my sister, Jane Doe, had this experience while attending University X,'' which does provide enough information to identify a specific third-party individual. For privacy reasons, the Department reserves the right to not make available on *Regulations.gov* any information in comments that identifies other individuals, includes information that would allow readers to identify other individuals, or includes threats of harm to another person or to oneself.

Mass Writing Campaigns: In instances where individual submissions appear to be duplicates or near duplicates of comments prepared as part of a writing campaign, the Department will post one representative sample comment along with the total comment count for that campaign to *Regulations.gov.* The Department will consider these comments along with all other comments received.

In instances where individual submissions are bundled together (submitted as a single document or packaged together), the Department will post all the substantive comments included in the submissions along with the total comment count for that document or package to *Regulations.gov.* A well-supported comment is often more informative to the agency than multiple form letters.

Public Comments: The Department invites you to submit comments on all aspects of this IFR, specifically the regulatory provisions in § 685.209(c)(4) and (5), the *Regulatory Impact Analysis,* and the *Paperwork Reduction Act* sections.

The Department may, at its discretion, decide not to post or to withdraw certain comments and other materials that are computer-generated. Comments containing the promotion of commercial services or products, and spam will be removed.

We may not address comments outside of the scope of this IFR. Generally, comments that are outside of the scope of this IFR are comments that do not discuss the content or impact of the rule or the Department's evidence or reasons for this IFR. For instance, the Department is not changing the terms of the Income Based Repayment (IBR) plan, so we would not respond to a comment exclusively about the terms of IBR because it is outside the scope of these regulations.

Comments that are submitted after the comment period closes will not be posted to *Regulations.gov* or addressed in the IFR.

Comments containing personal threats will not be posted to *Regulations.gov* and may be referred to the appropriate authorities.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866, 13563, and 14094 and their overall requirement of reducing regulatory burden that might result from these regulations. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the Department's programs and activities.

During and after the comment period, you may inspect public comments about this IFR by accessing *Regulations.gov.*

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request, we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for these regulations. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact one of the persons listed under **FOR FURTHER INFORMATION CONTACT**.

Background

In this interim final rule, the Department uses ''income contingent repayment plans'' to refer to repayment plans promulgated by regulation pursuant to the statutory requirement to create an opportunity for borrowers to

pursue income contingent repayment. This includes the plan known as ''ICR,'' as well as Pay As You Earn (PAYE), Revised Pay As You Earn (REPAYE), and the Saving on a Valuable Education (SAVE) plans.

Section 455(d)(1) of the HEA requires the Secretary of Education (Secretary) to offer Direct Loan borrowers a variety of student loan repayment plans. This includes an ''income contingent repayment plan,'' under which a borrower makes payments ''based on the borrower's income'' for ''an extended period of time prescribed by the Secretary, not to exceed 25 years.'' [1] Until recently, the Department offered three repayment plans in that category: the Income Contingent Repayment (ICR) plan, the Pay As You Earn (PAYE) plan, and the Revised Pay As You Earn plan, which we refer to as the ''2015 REPAYE plan'' in this IFR. Separately, the Department offers an income-based repayment (IBR) plan created under section 493C of the HEA. The IBR plan has slightly different terms and conditions for borrowers depending on whether they first borrowed on or after July 1, 2014. The pre- and post-2014 versions are referred to as ''old IBR'' and ''new IBR,'' respectively.

On May 26, 2021, the Department announced its intent to consider changes to regulations on a range of topics, including income driven repayment (IDR) plans.[2] As required by the HEA, these changes were considered and developed by a negotiated rulemaking committee. On August 10, 2021, the Department announced the creation of the Affordability and Student Loans Committee to consider changes to IDR plans, among other issues.[3] That committee held week-long meetings in October, November, and December 2021. On January 11, 2023, the Department published a notice of proposed rulemaking (NPRM) that proposed a range of changes to IDR plans, including proposals to limit the future eligibility of certain repayment plans created under the income contingent repayment authority because the Department was creating a single plan issued under this authority that would be the best choice for the vast majority of borrowers.[4] After carefully considering the more than 13,600 public comments [5] received on the proposed rule, the Department issued a final rule making changes to IDR plans on July 10, 2023.[6] As noted, one of the goals of the regulatory changes in the IDR final rule was to streamline the income contingent repayment options available to borrowers by offering a repayment option that would be the best choice for the majority of borrowers. Specifically, § 685.209(c)(4)(iv) restricts enrollment in the PAYE plan to borrowers already enrolled in the plan as of July 1, 2024. Section 685.209(c)(5)(i) also restricts enrollment in the ICR plan to borrowers who were on that plan as of July 1, 2024, except under § 685.209(c)(5)(ii), for borrowers who had a Direct Consolidation Loan disbursed on or after July 1, 2006, that repaid a parent Direct PLUS Loan or a parent Federal PLUS Loan. Finally, the rule made improvements to the 2015 REPAYE plan and renamed it the Saving on a Valuable Education (SAVE) plan.

As noted in the IDR final rule's preamble and in response to public comments, the Department chose to limit future eligibility for PAYE and ICR because we believed the changes that the rule made to the 2015 REPAYE plan were such that virtually all borrowers who might otherwise have chosen ICR or PAYE would be better off under the updated REPAYE plan.[7] (The Department refers to the amended version of the 2015 REPAYE plan as the ''SAVE plan'' in the remainder of this document.) Under that final rule, because the Department would be offering borrowers an option to repay their loans on the SAVE plan, limiting future enrolment on ICR and PAYE would not be inconsistent with the HEA requirements that the Department provide borrowers access to a repayment plan created under the income contingent repayment authority.

Since the publication of the IDR final rule, the SAVE plan has been challenged in Federal court actions.[8] Those challenges have resulted in several preliminary orders stopping implementation of some or all major provisions of the SAVE plan.[9] At the time of this writing, an injunction pending appeal entered by the Eighth Circuit is in effect.[10] That court order enjoins changes in loan repayment terms that increase the amount of income protected from payments, decrease the share of income borrowers pay on undergraduate loans, cease charging monthly interest that is not covered by a borrower's payment so that they do not see their balance grow from unpaid interest, and provide loan forgiveness after a shorter period for borrowers with lower original principal balances.[11] That order also covers provisions not specific to the SAVE plan, including enjoining the Department from providing loan forgiveness to borrowers on the ICR, PAYE, and both SAVE and the 2015 REPAYE plans, as well as certain interest benefits available on those plans.[12]

In the IDR final rule, the Department explained that each of those SAVE plan provisions operated in a manner that was separate and independent from the others.[13] For instance, we discussed how the provision to protect more income from payments operates separately from the provision affecting the share of income put toward undergraduate loans. We also noted in the IDR final rule that each of those four main provisions separately would make SAVE more advantageous for many borrowers than the existing repayment options, even if only any one of those four provisions was in place.

Following the Eighth Circuit's injunction pending appeal and ongoing litigation, the Department is not currently complying with the HEA requirement to provide all Direct Loan borrowers with a repayment option issued under the income contingent repayment authority. The Department has placed borrowers enrolled in the SAVE plan into forbearance and is not currently able to offer borrowers a version of the SAVE plan that reflects the terms of the 2015 REPAYE plan that was in place prior to the issuance of the IDR final rule and is now in effect due

[1] 20 U.S.C. 1087e(d)(1)(D).

[2] 86 FR 28299 (May 26, 2021).

[3] 86 FR 43609 (Aug. 10, 2021).

[4] 88 FR 1894 (Jan. 11, 2023).

[5] *https://www.regulations.gov/document/ED-2023-OPE-0004-0001/comment.*

[6] 88 FR 43820 (July 10, 2023).

[7] 88 FR 43836 (July 10, 2023).

[8] *See Alaska* v. *Cardona,* No. 24–cv–1057 (D. Kan.) (filed Mar. 28, 2024); *Missouri* v. *Biden,* No. 24–cv–520 (E.D. Mo.) (filed Apr. 9, 2024).

[9] Specifically, in the *Missouri* case, the U.S. District Court for the Eastern District of Missouri entered a preliminary injunction on June 24, 2024, enjoining the shortened time to forgiveness that had been offered by the SAVE Plan. *Missouri* v. *Biden,* No. 4:24–CV–00520–JAR, 2024 WL 3104514, at *1 (E.D. Mo. June 24, 2024) (preliminary injunction). The challengers appealed and on July 18, 2024, the Eighth Circuit stayed the entire rule pending appeal, *Missouri* v. *Biden,* No. 24–2332, 2024 WL 3462265, at *1 (8th Cir. July 18, 2024), and then on August 9, 2024, the Eighth Circuit entered an injunction pending appeal that replaced the previously entered stay, *Missouri* v. *Biden,* 112 F.4th 531 (8th Cir. 2024) (per curiam) (injunction pending appeal). In the *Alaska* case, the U.S. District Court for the District of Kansas entered a preliminary injunction on June 24, 2024. *See Alaska* v. *Cardona,* No. 24–1057–DDC–ADM, 2024 WL 3104578, at *1 (D. Kan. June 24, 2024). Thereafter, the Tenth Circuit Court of Appeals stayed the preliminary injunction pending appeal. *See Alaska* v. *Cardona,* No. 20–3089, Order Staying Prelim. Inj. (10th Cir. June 30, 2024). That Tenth Circuit appeal has been held in abeyance pending the outcome of the Eighth Circuit proceedings.

[10] *Missouri,* 112 F.4th at 538.

[11] *See id.*

[12] *See id.*

[13] 88 FR 43828 (July 10, 2023); *https://www.federalregister.gov/d/2023-13112/p-147.*

to the Eighth Circuit's injunction. The Department is actively working to offer borrowers a version of the SAVE plan that complies with the Eighth Circuit's injunction pending appeal, but doing so requires additional coding and development work across major systems and contractors in the Federal student loan system. The Department anticipates that such work will not be completed until well into 2025.

While the Department works to implement a compliant version of the SAVE plan, the absence of such a plan, coupled with the regulatory limitations on new borrowers enrolling in ICR and PAYE established by the IDR final rule, have rendered the Department unable to meet its statutory obligation to offer all Direct Loan borrowers in repayment the ability to make payments on an income contingent repayment plan as required by the HEA.[14] In particular, the Department is not currently meeting its legal obligation to offer a plan under the income contingent repayment authority for student borrowers in repayment who are not already enrolled in PAYE, ICR, or SAVE. And for borrowers on SAVE who would like to make payments, such as those seeking Public Service Loan Forgiveness (PSLF), the Department is not able to accept payments or offer these borrowers a different plan under the income contingent repayment authority.

The changes in this IFR therefore address the immediate issue of the Department's inability to offer plans under the income contingent repayment authority to all Direct Loan borrowers in repayment, by adjusting the restrictions in the IDR final rule that prevented borrowers from enrolling in the PAYE or ICR plans after July 1, 2024, unless they were already on that plan on that date (provisions affecting borrowers who consolidate a Parent PLUS loan do not currently have an enrollment limitation date on ICR). Moving this date from July 1, 2024, to July 1, 2027, allows the Department to comply with the HEA while we continue to build a version of the SAVE plan that complies with the Eighth Circuit's injunction pending appeal. This adjustment also allows time for the Department to implement further changes that may result from final court orders on the merits of the SAVE plan, and would accommodate, if necessary, the master calendar for any additional required rulemaking. Because these changes are time-limited, the long-term effect of this IFR after July 1, 2027, is the same as what the Department established in the IDR final rule.

[14] HEA section 455(d)(1)(D).

Good Cause To Waive Notice-and-Comment Rulemaking

The Department for good cause finds that conducting notice-and-comment rulemaking would be impracticable, as explained further below. Under the Administrative Procedure Act (APA), an agency is not required to conduct notice-and-comment rulemaking when the agency ''for good cause finds . . . that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.'' [15] It is impracticable for the Department to conduct notice-and-comment rulemaking in this case, because doing so would further prevent us from complying with our statutory duty under the HEA to provide borrowers with an income contingent repayment plan option. *See, e.g.,* Riverbend Farms, Inc. v. Madigan, 958 F.2d 1479, 1484 n.2 (9th Cir. 1992) (''Notice and comment is 'impracticable' when the agency cannot 'both follow section 553 and execute its statutory duties.' . . . Emergencies, though not the only situations constituting good cause, are the most common.'') (quoting Levesque v. Block, 723 F.2d 175, 184 (1st Cir. 1983)).

The Department issues this IFR so that it can expeditiously provide affected borrowers with the option to make payments on an income contingent repayment plan. Providing such a plan is an HEA requirement that the Department is not currently meeting for the vast majority of borrowers. In particular, borrowers who are not currently enrolled on PAYE or ICR do not have access to any repayment plan created under the income contingent repayment authority on which they can make payments, as is their statutory right. Borrowers not enrolled in an income contingent repayment plan can only sign up for the SAVE plan. But the Department cannot bill borrowers on SAVE, and has therefore placed them all in forbearance, because we are still making the administrative changes necessary to offer a version of that plan that complies with the Eighth Circuit injunction.[16] Similarly, a borrower on the SAVE plan who wishes to make payments, such as a borrower seeking PSLF, does not have an income contingent repayment plan available to them that would provide such an opportunity.

Under section 492(b)(2) of the HEA, regulations governing rules under title IV of the HEA are generally subject to negotiated rulemaking, unless the Secretary determines that applying such a requirement with respect to given regulations is impracticable, unnecessary, or contrary to the public interest (within the meaning of section 553(b) of title 5, United States Code), and publishes the basis for such determination in the **Federal Register** at the same time as the proposed regulations in question are first published. This standard is the same as the standard used under the under the APA to waive notice-and-comment rulemaking. Conducting a negotiated rulemaking process, followed by notice and comment rulemaking, typically takes 18 months from start to finish. It is important that the Department be able to comply with its statutory obligation to offer borrowers an income contingent repayment plan as quickly as possible so that borrowers can resume repaying their loans. By issuing this interim final rule, the Department is undertaking stop-gap measures to comply with the HEA by revising its regulations to adjust the dates limiting enrollment in PAYE and ICR that were previously adopted through negotiated rulemaking, followed by notice-and-comment rulemaking. The current provisions have benefited from negotiated rulemaking in the past, as well as notice-and-comment rulemaking.

Conducting negotiated and notice-and-comment rulemaking regarding availability of the ICR and PAYE plans would create an extended time-period during which the Secretary could not meet the statutory obligation to offer income contingent repayment to most borrowers. Accordingly, consistent with section 492(b)(2) of the HEA, the Secretary determines that applying the negotiated rulemaking requirement with respect to these regulations is impracticable within the meaning of 5 U.S.C. 553(b).

The Department undertook work over many months to prepare for the implementation of all provisions of the IDR final rule by July 2024. Although the regulations were issued in summer 2023 and some pieces were implemented beginning in July 2023, cases challenging the rule were filed in late March and early April 2024, with motions for emergency relief nearly concurrent with the complaints. Two district courts ruled on preliminary injunction motions on June 24, 2024, and from there the two cases have taken divergent paths through the district and appellate courts. These two different rulings just a few days prior to the rule's effective date meant it was not possible to reverse the many months of prior work immediately. The two circuit courts entered their own orders—one limiting the district court's injunction

[15] 5 U.S.C. 553(b)(B).

[16] *See Missouri,* 112 F.4th at 538 (injunction pending appeal).

and the other significantly expanding it. After each of these rulings, the Department had to reconfigure its stopgap measures to avoid violating any court rulings and to follow its obligations to borrowers. Following the Eighth Circuit's injunction, the Department focused on immediate compliance with the order, including going through the necessary change management with servicers, issuing stop work orders, and examining effects on a range of different systems. For example, the Department had to pause processing of applications, pause the new features that automatically calculated borrowers' payment amounts using a data match with another Federal agency, and reconfigure the online application for IDR plans, following a lengthy outage, in order to be in compliance.

This IFR allows the Department to comply as quickly as possible with the HEA requirement to offer an income contingent repayment plan. The Department is actively working to offer borrowers a version of the SAVE plan that complies with the Eighth Circuit injunction but anticipates that will not be completed until well into 2025. Providing such a plan requires making coding changes to major FSA systems related to loan repayment and working with all major student loan contractors. That involves a ''change management process'' that takes significant time to negotiate costs, test the new programming to confirm accuracy, and other necessary steps to make sure the Department does not violate any terms of the injunction. It is not until the first few steps of this process (drafting requirements, submitting change requests to servicers, receiving times and estimates and negotiating with servicers to complete the required work) are finished that the Department can accurately assess how long the rebuild will take. Once it became clear that this process would take the better part of a year, the Department needed to find a stopgap solution to meet its statutory obligations. As noted above, implementing these changes for a limited period also allows the Department to address any further alterations to income contingent repayment plans required by future court orders, while continuing to meet its HEA requirements. The long-term effect of these changes is the same as what was issued in the final IDR rules.

Regulations

The following is a discussion of the regulations in this IFR.

Statute: Section 455(d) of the HEA provides that the Secretary will offer a variety of plans for repayment of eligible Direct Loans, including principal and interest on the loans. Section 455(d)(1)(D) of the HEA requires the Secretary to offer an income contingent repayment plan that allows borrowers to make payments of varying annual repayment amounts based on the borrower's income, paid over an extended period prescribed by the Secretary, not to exceed 25 years. Section 455(e)(4) of the HEA authorizes the Secretary to establish income contingent repayment plan procedures and repayment schedules through regulations. Section 455(e)(2) of the HEA provides that a repayment schedule for a Direct Loan that is repaid pursuant to the income contingent repayment authority is based on the adjusted gross income (AGI) (as defined in section 62 of the Internal Revenue Code of 1986) of the borrower or, if the borrower is married and files a Federal income tax return jointly with the borrower's spouse, on the AGI of both the borrower and the borrower's spouse. Section 455(e)(7) of the HEA identifies the periods that the Secretary must include in the calculation of the maximum repayment period under the income contingent repayment plans.

Current Regulations: Section 685.209(c)(4)(iv) states that a borrower cannot repay a loan under the PAYE plan unless they were enrolled in that plan on July 1, 2024. Section 685.209(c)(5) also restricts enrollment in the ICR plan to borrowers who were on that plan as of July 1, 2024, or who had a Direct Consolidation Loan disbursed on or after July 1, 2006, that repaid a parent Direct PLUS Loan or a parent Federal PLUS Loan.

New Regulations: The Department adjusts the date after which a borrower cannot begin to repay a loan under PAYE unless they are already on the plan as provided in § 685.209(c)(4)(iv) from July 1, 2024, to July 1, 2027. Similarly, we revise the date after which borrowers cannot begin to repay a loan under ICR unless they are already on that plan or have a consolidation loan that repaid a Parent PLUS loan as provided in § 685.209(c)(5)(i)(B) from July 1, 2024 to July 1, 2027. Note that we are not changing § 685.209(c)(5)(iii), which provides that a borrower with a consolidation loan disbursed on or after July 1, 2025, that repaid a Parent PLUS loan may only access the ICR plan.

Reasons: Section 455(d)(1)(D) of the HEA requires the Secretary to offer Direct Loan borrowers in repayment the opportunity to make payments under an income contingent repayment plan that is based upon the borrower's income and for a period not to exceed 25 years. In the IDR final rule, the Department adopted restrictions that limited PAYE to only borrowers who were enrolled in that plan as of July 1, 2024, and ICR to only borrowers who were enrolled in that plan as of July 1, 2024, or who had a consolidation loan that repaid a Parent PLUS loan. The Department adopted those policies on two grounds. First, we believed that borrowers were not harmed by the removal of access to PAYE and ICR, because the SAVE plan was superior to ICR and PAYE. The sunsetting of new enrollment in those plans still allowed the Department to meet its obligations to offer an income contingent repayment plan due to the presence of SAVE, and not leave any borrowers worse off. Second, we were concerned at the time that offering many repayment plans based upon borrowers' incomes created confusion for borrowers that made it harder for them to select the best plan and could cause some borrowers to not choose any of these plans and instead risk delinquency and default.

However, the Department is concerned that current restrictions on REPAYE plus the current inability to offer a version of the SAVE plan that complies with the Eighth Circuit's injunction pending appeal leaves us unable to meet our HEA requirement to offer an income contingent repayment plan to Direct Loan borrowers in repayment. The Department does not have discretion to waive this requirement.

The Department is therefore changing the dates limiting eligibility for the ICR and PAYE plans so that we can comply with the HEA requirement to offer an income contingent repayment plan to borrowers as fast as possible through a time-limited adjustment. Absent these changes, the only income contingent repayment plan currently available to borrowers who are newly entering repayment or who did not remain in the ICR or PAYE plan is the SAVE plan. However, the Eighth Circuit's injunction pending appeal requires the Department to update and modify that plan to offer a version that is compliant with the court order. The Department is actively working to make such changes. However, we anticipate they will not be ready until well into 2025, as changes must be made to every major system that touches student loan repayment, including significant additional work by Department contractors, the speed of which the Department is often unable to fully control. Those changes must be negotiated through the change management process and include extensive development and testing. Altering the eligibility dates for the PAYE and ICR plans therefore is the

only course available to the Department to make certain it meets its obligations under the HEA as fast as possible. These changes make no other alterations to the underlying terms or conditions of such plans, including no changes to the amount a borrower pays each month or the types of loans otherwise available.

The Department views these changes to the eligibility dates as severable, as each could operate sensibly and independently if the other were struck down. Specifically, § 685.209(c)(4)(iv) relates only to borrower eligibility to repay under PAYE, while § 685.209(c)(5)(i)(B) relates only to borrower eligibility to repay under ICR.

The Department is making these changes time-limited to reflect that providing a compliant version of SAVE will eventually allow us to otherwise fulfill our obligations under the HEA to offer an income contingent repayment plan. We ultimately selected the end date of July 1, 2027, because we believe that date provides a sufficient window to implement any future court-ordered changes to SAVE. Although the Department hopes for a final decision on the merits of the SAVE plan by summer 2025, it is possible the cases could not be fully resolved until later, even extending as far as summer 2026 or beyond. The Department also wants to make sure that if any further implementation work is needed to comply with a final decision, that the Department has time to meet its HEA requirement to offer borrowers an income contingent repayment plan. Because the Department generally implements changes to the title IV programs on July 1, at the start of the new award year, we believe July 1, 2027, is the most reasonable date that makes certain we will not need to further adjust dates if the litigation is not resolved relatively quickly.

Though the Department's focus in this IFR is on meeting its statutory requirement to offer borrowers an income contingent repayment plan, we note that the timing of the early implementation of these changes is also critical for borrowers due to the expiration of temporary benefits to help ease the transition to repayment following the national pause on payments, interest, and collections. In particular, until September 2024 the Department had in effect an on-ramp period that assisted borrowers who were unable to make their payments or needed more time to access information to best determine the right repayment plan. The on-ramp required borrowers to make their payments, and interest continued to accrue. However, the policy prevented the worst consequences of missed, late, or partial payments, including negative credit reporting delinquent payments. Now that the on-ramp period has ended, borrowers who miss at least 90 days of payments will start seeing negative credit reporting as early as January 2025 and borrowers will start moving toward default. Making these time-limited changes now will allow borrowers to have the full set of repayment options required under the HEA as they begin to navigate this final stage of return to repayment.

The Department recognizes that granting access to PAYE and ICR for some additional time is contrary to the other policy goal stated in the IDR final rule of simplifying the set of repayment options for borrowers. However, we believe this step is reasonable in light of changed circumstances and legal developments that have occurred since the finalization of the rule that created those eligibility limitations. In particular, we enacted those limitations because borrowers would have access to the SAVE plan. But the Department is not currently able to offer a version of that plan that complies with the Eighth Circuit injunction. Therefore, the simplification goal of the IDR final rule is not currently achievable, and the Department is not otherwise meeting the HEA requirement to offer an income contingent repayment plan for borrowers who are not currently enrolled in ICR, PAYE, or REPAYE.

Finally, the Department notes that restoring access to PAYE and ICR is not inconsistent with the Eighth Circuit's injunction pending appeal that prevents the Department from providing loan forgiveness to borrowers on plans established under the income contingent repayment authority, nor with any other court order. The Eighth Circuit's injunction pending appeal affects the provision of forgiveness to borrowers on these plans, not the authority to offer them. The injunction, as the court noted, does not otherwise apply to borrowers on the PAYE and ICR plans and borrowers currently enrolled in those plans continue to make payments. The Department will continue to comply with any orders from any court preventing the offering of forgiveness on plans promulgated using the income contingent repayment authority.

Until borrowers receive final certainty about the pending cases, the necessary step taken by this IFR represents a stop-gap solution for the Department to carry out its responsibilities under the HEA. At the same time, it is critical to note that the Eighth Circuit's injunction against forgiveness, if continued long-term, would impose a significant limitation on the share of borrowers who would achieve their best financial outcomes through a restored PAYE or ICR plan. As noted above, borrowers seeking PSLF and other subsets of borrowers who would benefit from entering repayment at a reduced payment amount would derive the greatest benefit from PAYE and ICR.

Regulatory Impact Analysis (RIA)

Under Executive Order 12866, the Office of Management and Budget (OMB) must determine whether this regulatory action is ''significant'' and, therefore, subject to the requirements of the Executive order and subject to review by OMB. Section 3(f) of Executive Order 12866, as amended by Executive Order 14094, defines a ''significant regulatory action'' as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of $200 million or more (adjusted every 3 years by the Administrator of the Office of Information and Regulatory Affairs (OIRA) at OMB for changes in gross domestic product), or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, territorial, or Tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise legal or policy issues for which centralized review would meaningfully further the President's priorities, or the principles stated in the Executive order, as specifically authorized in a timely manner by the Administrator of OIRA in each case.

This regulatory action is a significant regulatory action subject to review by OMB under section 3(f)(4) of Executive Order 12866, as amended by Executive Order 14094. The proposed annual net budget effect is not larger than $200 million, as a result this regulatory action is not significant under section 3(f)(1) of Executive Order 12866, as amended by Executive Order 14094. Notwithstanding this determination, we have assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action and have determined that the benefits will justify the costs.

We have also reviewed these regulations under Executive Order 13563, which supplements and

explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency—

(1) Propose or adopt regulations only on a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and considering—among other things and to the extent practicable—the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." OIRA has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these final regulations only on a reasoned determination that their benefits would justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that in the Department's estimation best balance the size of the estimated transfer and qualitative benefits and costs. Based on the analysis that follows, the Department believes that these final regulations are consistent with the principles in Executive Order 13563.

We have also determined that this regulatory action will not unduly interfere with State, local, territorial, and Tribal governments in the exercise of their governmental functions.

As required by OMB Circular A–4, we compare the final regulations to the current regulations. In this regulatory impact analysis, we discuss the need for regulatory action and summarize key provisions, potential costs and benefits, net budget impacts, and the regulatory alternatives we considered.

Elsewhere in this section under *Paperwork Reduction Act,* we identify and explain burdens specifically associated with information collection requirements.

1. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), OIRA has found that this rule does not meet the criteria in 5 U.S.C. 804(2).

2. Need for Regulatory Action

These regulations address an urgent challenge that prevents the Department from currently complying with requirements in section 455(d)(1)(D) of the HEA to offer an income contingent repayment plan to Direct Loan borrowers. This is a result of restrictions on the ability of borrowers not currently enrolled in PAYE or ICR to participate in those plans, plus the urgent need to revise the SAVE plan to comply with an injunction issued by the Eighth Circuit. These regulations allow the Department to offer at least one repayment option under the income contingent repayment authority to borrowers on a time-limited basis while the Department actively works to carry out the operational steps necessary to offer an injunction-compliant version of SAVE.

3. Summary of Key Provisions

Provision	Regulatory section	Description of provision
Change eligibility limitation on PAYE to 2027.	§ 685.209(c)(4)(iv)	Limits PAYE to borrowers enrolled in that plan as of July 1, 2027, instead of July 1, 2024.
Change eligibility limitation on ICR.	§ 685.209(c)(5)(i)(B)	Limits ICR to a borrower who was enrolled in that plan as of July 1, 2027, instead of July 1, 2024, while continuing the exception for borrowers repaying a Direct consolidation loan that repaid a Parent PLUS loan.

4. Discussion of Costs, Benefits and Transfers

This rule adjusts the eligibility requirements that allow borrowers to enroll in the ICR and PAYE plans until July 1, 2027, an extension from the existing date of July 1, 2024.

As described further in the *Net Budget Impact* section of this RIA, the Department does not estimate a significant budgetary impact from this regulation. For existing borrowers, the Department already assumes in our budget baseline that borrowers who would benefit from PAYE or ICR over SAVE in the long term are already in those plans. As noted in the IDR final rule that created the SAVE plan,[17] the Department's budget modeling assigns IDR borrowers to specific plans based on a comparison of the net present value of the payments the borrower makes under the various plans for which they are eligible. For future borrowers, we anticipate continued availability of the SAVE plan and do not evaluate borrowers having the choice of ICR or PAYE against IBR in the absence of SAVE. Moreover, the time-limited nature of these changes means that only a future borrower who enters repayment by July 1, 2027, would be able to select the ICR or PAYE plans.

The primary benefit of these changes for the Department is that they allow us to meet our statutory obligation under the HEA to offer payments under the income contingent repayment authority. There may also be secondary benefits to the Department. This includes the possibility that borrowers choose to enroll in PAYE or ICR instead of falling delinquent or going into default. It could also mean a reduction in questions or concerns from borrowers, such as those seeking PSLF, who are trying to figure out how to make qualifying monthly payments.

Borrowers who elect to enroll in the PAYE or ICR plans during this time-limited period may also see some benefits, which would include some additional certainty about their payment amounts in the face of litigation as well as the ability to make progress toward certain types of forgiveness during the time until the pending cases are resolved. For instance, there are approximately 200,000 borrowers enrolled in the SAVE plan who have certified at least some employment toward PSLF, and who are eligible for the PAYE plan, but who are not eligible for the terms of the IBR plan offered to borrowers who first took out a loan on or after July 1, 2014. If these individuals choose to sign up for PAYE, they would

[17] 88 FR 43820 (July 10, 2023).

be able to continue making progress toward PSLF by making payments equal to 10 percent of their discretionary income. By contrast, if these borrowers did not have access to PAYE, they would have to choose a version of the IBR plan that sets their payments at 15 percent of discretionary income. For instance, a single borrower who makes $60,000 a year would pay $318 a month on PAYE instead of $477 on the older IBR plan, a savings of $159. It is possible that there may be other borrowers on SAVE who would consider a switch on a temporary basis, such as a borrower who would have a $0 payment on either PAYE or ICR. There were also just over 800,000 borrowers who switched from either of these plans onto SAVE after its creation.

Beyond borrowers currently enrolled in SAVE, there are approximately 13.9 million borrowers who are in repayment and who do not have Parent PLUS loans who are not currently on an income contingent repayment plan.[18] While the Department cannot speculate on how many of these borrowers may want to sign up for either ICR or PAYE, depending on their eligibility, the Department is not currently meeting its obligations under the HEA to provide these borrowers with an income contingent repayment option.

The monthly payment savings described above would be similar for any borrower with older loans that are not eligible for the version of IBR for newer borrowers but who is eligible for PAYE. This could include borrowers who have recently returned to repayment through the Fresh Start Initiative, which allowed borrowers to exit default. It also could include older borrowers who are now considering IDR plans.

This IFR creates administrative costs relating to systems updates that allow borrowers to access PAYE and ICR. We anticipate these would be one-time costs of $400,000 as these plans still exist for continuously enrolled borrowers. The ability to select PAYE or ICR could also create costs in the form of transfers if borrowers are able to select plans that produce lower payments over the borrower's time in repayment. The nature and extent of these costs depends on baseline policy, namely what other plans are available and the terms of those plans. We do not anticipate these costs will be significant, as we discuss in the *Net Budget Impact* section.

There may be additional costs related to the potential that borrowers may have a harder time choosing among repayment plans. However, we think several factors mitigate this concern. One is that, until a version of the SAVE plan that is compliant with the court injunction is available, the number of options for borrowers to make payments on an income contingent repayment plan will not be appreciably larger. For some borrowers, the ICR plan may be their only option, while the choice for borrowers who are eligible for PAYE and ICR should be simple, because the former generally produces lower payments for most borrowers. Over the long run, the time-limited nature of these changes means that eventually borrowers will go back to only choosing the SAVE plan, or the ICR plan if they have a consolidation loan that repaid a Parent PLUS loan. The Department will also continue working to improve and update tools available to help borrowers choose their plans.

5. Net Budget Impact

As the Department expects the SAVE plan to be available and advantageous to most borrowers in the long run, we do not estimate a significant budget impact from making PAYE and ICR available again to eligible borrowers, including those who had chosen SAVE. As was noted in the final rule that created the SAVE plan (88 FR 43820), the Department's budget modeling assigns IDR borrowers to specific plans based on a comparison of the net present value of the payments the borrower makes under the various plans for which they are eligible.[19] That means the borrowers we estimate would be better off in PAYE or ICR are already in that plan in the President's Budget for fiscal year (FY) 2025 (PB2025) baseline. These borrowers are generally going to be those who have graduate debt and those with incomes that are expected to rise to the point where their calculated payment would eventually be equal to or greater than what they would owe on the 10-year standard repayment plan. These borrowers might be better off on PAYE because the terms of PAYE, absent the current injunction, provide for forgiveness after 20 years of payments instead of the 25 years on IBR if the loan was borrowed before July 1, 2014, or the 25 years for graduate borrowers on SAVE.[20] In addition, PAYE caps payments at the amount determined under the 10-year standard plan for borrowers so long as their payments were below that level when they first enrolled. By contrast, there is no payment cap on SAVE. With this assumption that borrowers know their income and family profile trajectories over the life of their loans and choose the plan that offers the lowest lifetime, present-discounted payments, the regulation provides borrowers with an option to enroll in a non-SAVE income contingent repayment plan that does not have a significant scoreable budgetary impact.

However, there is considerable uncertainty regarding when borrowers in SAVE may see their payments resume due to ongoing litigation. A lengthy forbearance for borrowers in the SAVE plan could lead some borrowers to decide to enroll in a different income contingent repayment plan if that would result in lower net present value of payments. In order to evaluate this, the Department has done a sensitivity analysis that includes a nine-month forbearance in FY 2025 that does not count toward IDR forgiveness with the PB2025 baseline SAVE borrowers and compared that to a run with the SAVE or PAYE/ICR choice redone to include that forbearance in the choice decision. As is the case for the baseline choice decision, the plan choice for the sensitivity is based on the net present value (NPV) at a 30 percent discount rate between the cashflow streams for each plan generated for the borrower sample. This is the approach the Department has used for modeling IDR plan choice decisions and takes into account changes across the entire payment stream. This approach assumes borrowers know their income and family profile trajectories over the life of their loans and choose the plan that offers the lowest lifetime, present-discounted payments. The Department recognizes that borrowers may use different logic when choosing a repayment plan, such as comparing near-term monthly payments, and will not have information about their future incomes and family patterns to match this type of analysis, but we believe any decision logic would result in a relatively small percentage of borrowers choosing to revert to PAYE or ICR long-term. The sensitivity run resulted in a cost of $70.5 million, which represents the effect of the change in payments on the estimated net present value of all future non-administrative Federal costs associated with cohorts of loans.

6. Accounting Statement

As required by OMB Circular A–4, we have prepared an accounting statement

[18] We exclude borrowers with a Parent PLUS loan because those who consolidate would have access to the ICR plan regardless of this IFR. This number also excludes borrowers in deferments.

[19] *https://www.federalregister.gov/d/2023-13112/p-1006.*

[20] Forgiveness on income contingent repayment plans is currently enjoined, but the modeling discussed here took place prior to that injunction.

showing the classification of the expenditures associated with the provisions of these regulations. These effects occur over the lifetime of the first ten loan cohorts following implementation of this rule. The cashflows are discounted to the year of the origination cohort in the modeling process and then those amounts are discounted at two percent to the present year in this Accounting Statement. This table provides our best estimate of the changes in annualized monetized transfers that result from these final regulations. Expenditures are classified as transfers from the Federal Government to affected student loan borrowers.

Category	Benefits
Complying with statutory requirements to offer an income contingent repayment plan	Not quantified.
Category	Costs (2%)
One-time administrative costs to Federal Government to update systems and contracts to implement the final regulations	$0.04.
Category	Transfers (2%)
Reduced transfers from borrowers based on borrowers now accessing PAYE or ICR	Not quantified.

7. Alternatives Considered

The Department considered a few alternatives in issuing this IFR. First, we considered not issuing any regulations and leaving access to IDR plans unchanged. Second, we considered not issuing these regulations as an IFR and instead conducting negotiated rulemaking followed by notice and comment. However, for the reasons explained above, we decided to make these changes in an IFR. As outlined in the preamble to this IFR, we are making these time-limited changes because the Department is not currently complying with the statutory requirement to offer borrowers an income contingent repayment plan while we work to offer a version of the SAVE plan that complies with the Eighth Circuit's injunction. We also considered alternative new dates for when a borrower would no longer be able to access PAYE or ICR unless they were already enrolled in that plan. All the dates we considered were on July 1 to reflect the start of the new award year, which is when changes to Federal student aid regulations generally go into effect. We initially considered dates before July 1, 2026 but were concerned that we may not have a final decision on SAVE by that point and therefore will not know if we need to make any further changes that would prevent us from offering a compliant version of SAVE by that date. We also declined to use these earlier dates because we thought choosing a date to sunset these provisions that was the same as or before the effective date of this IFR would generate unwanted confusion. Because we want to provide clarity to borrowers and not make further adjustments to the dates in this IFR, we chose July 1, 2027, as the date that provides sufficient time to make certain the Department is not again in a position of being unable to offer an income contingent repayment plan without making a change that reopens PAYE and ICR without a cutoff.

8. Regulatory Flexibility Act

The Secretary certifies, under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), that this final regulatory action will not have a significant economic impact on a substantial number of "small entities." [21]

These regulations will not have a significant impact on a substantial number of small entities because they are focused on arrangements between the individual borrower and the Department. There are no small entities that are impacted by this rule. This rule does not affect institutions of higher education in any way, and those entities are typically the focus of the Regulatory Flexibility Act analysis for the Department of Education.

9. Paperwork Reduction Act

We have determined that there are no Paperwork Reduction Act of 1995 implications specifically associated with regulations in this IFR. Borrowers who wish to sign up for PAYE or ICR repayment plans under this IFR will be completing the form that already exists for enrollment in other IDR plans, OMB Control Number 1845–0102. To accommodate the changes made to the programs in the IDR final rule and the court challenges, we are separately updating the current IDR form under an emergency clearance and will be providing a full 60-day and 30-day public comment period. We do not estimate any new burden to 1845–0102 from this IFR.

[21] 5 U.S.C. 601(3), (4), (5), and (6) defines *small business, small organization, small governmental jurisdiction,* and *small entity,* respectively.

10. Intergovernmental Review

This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

11. Assessment of Educational Impact

In accordance with section 411 of the General Education Provisions Act, 20 U.S.C. 1221e–4, the Secretary particularly requests comments on whether these final regulations would require transmission of information that any other agency or authority of the United States gathers or makes available.

12. Federalism

Executive Order 13132 requires us to provide meaningful and timely input by State and local elected officials in the development of regulatory policies that have federalism implications. "Federalism implications" means substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government. The regulations do not have federalism implications.

Accessible Format: On request to the program contact person(s) listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or

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List of Subjects in 34 CFR Part 685

Administrative practice and procedure, Colleges and universities, Education, Loan programs—education, Reporting and recordkeeping requirements, Student aid, Vocational education.

Miguel Cardona,

Secretary of Education.

For the reasons discussed in the preamble, the Secretary of Education amends part 685 of title 34 of the Code of Federal Regulations as follows:

PART 685—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

■ 1. The authority citation for part 685 continues to read as follows:

Authority: *20 U.S.C. 1070g, 1087a, et seq.,* unless otherwise noted.

■ 2. Amend § 685.209 by revising paragraphs (c)(4) and (5) to read as follows:

§ 685.209 Income-driven repayment plans.

* * * * *

(c) * * *

(4) A borrower may repay under the PAYE plan only if the borrower—

(i) Has loans eligible for repayment under the plan;

(ii) Is a new borrower;

(iii) Has a partial financial hardship when the borrower initially enters the plan; and

(iv) Was repaying a loan under the PAYE plan on July 1, 2027. A borrower who was repaying under the PAYE plan on or after July 1, 2027, and changes to a different repayment plan in accordance with § 685.210(b) may not re-enroll in the PAYE plan.

(5)(i) Except as provided in paragraph (c)(5)(ii) or (iii) of this section, a borrower may enroll under the ICR plan only if the borrower—

(A) Has loans eligible for repayment under the plan; and

(B) Was repaying a loan under the ICR plan on July 1, 2027. A borrower who was repaying under the ICR plan on or after July 1, 2027, and changes to a different repayment plan in accordance with § 685.210(b) may not re-enroll in the ICR plan unless they meet the criteria in paragraph (c)(5)(ii) or (iii) of this section.

(ii) A borrower may choose the ICR plan to repay a Direct Consolidation Loan disbursed on or after July 1, 2006, and that repaid a parent Direct PLUS Loan or a parent Federal PLUS Loan.

(iii) A borrower who has a Direct Consolidation Loan disbursed on or after July 1, 2025, which repaid a Direct parent PLUS loan, a FFEL parent PLUS loan, or a Direct Consolidation Loan that repaid a consolidation loan that included a Direct parent PLUS or FFEL parent PLUS loan, may not choose any IDR plan except the ICR plan.

* * * * *

[FR Doc. 2024–26698 Filed 11–14–24; 8:45 am]

BILLING CODE 4000–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R01–OAR–2024–0117; FRL–12283–02–R1]

Air Plan Approval; Connecticut; New Haven and Fairfield Counties Second 10-Year Limited Maintenance Plan for the 2006 24-Hour $PM_{2.5}$ Standard

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a State Implementation Plan (SIP) revision submitted by the State of Connecticut. On May 9, 2023, and supplemented on February 21, 2024, the State submitted a Limited Maintenance Plan (LMP) for the 2006 24-hour $PM_{2.5}$ National Ambient Air Quality Standard (NAAQS) for New Haven and Fairfield Counties (New Haven-Fairfield). This revision provides for the maintenance of the 2006 24-hour $PM_{2.5}$ NAAQS through the end of the second 10-year portion of the maintenance period. Additionally, EPA finds the LMP to be adequate since it meets the appropriate transportation conformity requirements. The intended effect of this action is to approve Connecticut's LMP for the 2006 24-hour $PM_{2.5}$ NAAQS for the New Haven-Fairfield maintenance area into the Connecticut SIP. This action is being taken in accordance with the Clean Air Act.

DATES: This rule is effective on December 16, 2024.

ADDRESSES: EPA has established a docket for this action under Docket Identification No. EPA–R01–OAR–2024–0117. All documents in the docket are listed on the *https://www.regulations.gov* website. Although listed in the index, some information is not publicly available, *i.e.,* CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available at *https://www.regulations.gov* or at the U.S. Environmental Protection Agency, EPA Region 1 Regional Office, Air and Radiation Division, 5 Post Office Square—Suite 100, Boston, MA. EPA requests that if at all possible, you contact the contact listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding legal holidays and facility closures due to COVID–19.

FOR FURTHER INFORMATION CONTACT: Ayla Martinelli, Air Quality Branch, U.S. Environmental Protection Agency, EPA Region 1, 5 Post Office Square—Suite 100, (Mail code 5–MI), Boston, MA 02109–3912, tel. (617) 918–1057, email *martinelli.ayla@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document whenever "we," "us," or "our" is used, we mean EPA.

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I. Background and Purpose

On December 14, 2009, EPA designated the New Haven-Fairfield area as nonattainment for the 2006 $PM_{2.5}$ NAAQS (74 FR 58688). Subsequently, on October 24, 2013, EPA redesignated the New Haven-Fairfield area to attainment for the 2006 $PM_{2.5}$ NAAQS (78 FR 58467). On September 27, 2024, EPA published a Notice of Proposed Rulemaking (NPRM) for the State of Connecticut (89 FR 79189). The NPRM