

more quickly eliminate their loans in the long run. During this time, borrowers have been able to determine the best path forward for themselves.

The original announcement of this policy specified that it would continue for at least 60 days. In the interim, the Coronavirus Aid, Relief, and Economic Security Act [Pub. L. 116-136] provided this same student loan payment relief, but that program is scheduled to expire on September 30, 2020. Currently, many Americans remain unemployed due to the COVID-19 pandemic, and many more have accepted lower wages and reduced hours while States and localities continue to impose social distancing measures. It is therefore appropriate to extend this policy until such time that the economy has stabilized, schools have re-opened, and the crisis brought on by the COVID-19 pandemic has subsided.

SEC. 2. Extension of Student Loan Payment Relief. (a) In light of the national emergency declared on March 13, 2020, the Secretary of Education shall take action pursuant to applicable law to effectuate appropriate waivers of and modifications to the requirements and conditions of economic hardship deferments described in section 455(f)(2)(D) of the Higher Education Act of 1965, as amended, 20 U.S.C. 1087e(f)(2)(D), and provide such deferments to borrowers as necessary to continue the temporary cessation of payments and the waiver of all interest on student loans held by the Department of Education until December 31, 2020.

(b) All persons who wish to continue making student loan payments shall be allowed to do so, notwithstanding the deferments provided pursuant to subsection (a) of this section.

SEC. 3. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) You are authorized and directed to publish this memorandum in the Federal Register.

DONALD J. TRUMP.

§ 1087f. Contracts

(a) Contracts for supplies and services

(1) In general

The Secretary shall, to the extent practicable, award contracts for origination, servicing, and collection described in subsection (b). In awarding such contracts, the Secretary shall ensure that such services and supplies are provided at competitive prices.

(2) Entities

The entities with which the Secretary may enter into contracts shall include only entities which the Secretary determines are qualified to provide such services and supplies and will comply with the procedures applicable to the award of such contracts. In the case of awarding contracts for the origination, servicing, and collection of loans under this part, the Secretary shall enter into contracts only with entities that have extensive and relevant experience and demonstrated effectiveness. The en-

tities with which the Secretary may enter into such contracts shall include, where practicable, agencies with agreements with the Secretary under sections 1078(b) and (c) of this title, if such agencies meet the qualifications as determined by the Secretary under this subsection and if those agencies have such experience and demonstrated effectiveness. In awarding contracts to such State agencies, the Secretary shall, to the extent practicable and consistent with the purposes of this part, give special consideration to State agencies with a history of high quality performance to perform services for institutions of higher education within their State.

(3) Rule of construction

Nothing in this section shall be construed as a limitation of the authority of any State agency to enter into an agreement for the purposes of this section as a member of a consortium of State agencies.

(b) Contracts for origination, servicing, and data systems

The Secretary may enter into contracts for—

(1) the alternative origination of loans to students attending institutions of higher education with agreements to participate in the program under this part (or their parents), if such institutions do not have agreements with the Secretary under section 1087d(b) of this title;

(2) the servicing and collection of loans made or purchased under this part;

(3) the establishment and operation of 1 or more data systems for the maintenance of records on all loans made or purchased under this part; and

(4) such other aspects of the direct student loan program as the Secretary determines are necessary to ensure the successful operation of the program.

(Pub. L. 89-329, title IV, § 456, as added Pub. L. 102-325, title IV, § 451, July 23, 1992, 106 Stat. 572; amended Pub. L. 103-66, title IV, § 4021, Aug. 10, 1993, 107 Stat. 352; Pub. L. 105-244, title IV, § 453, Oct. 7, 1998, 112 Stat. 1717; Pub. L. 110-227, § 7(c), May 7, 2008, 122 Stat. 747; Pub. L. 111-152, title II, § 2212(a), Mar. 30, 2010, 124 Stat. 1078; Pub. L. 113-67, div. A, title V, § 502(1), Dec. 26, 2013, 127 Stat. 1187.)

Editorial Notes

AMENDMENTS

2013—Subsec. (a)(4). Pub. L. 113-67, § 502(1)(A), struck out par. (4) which related to servicing by eligible not-for-profit servicers.

Subsec. (c). Pub. L. 113-67, § 502(1)(B), struck out subsec. (c) which defined eligible not-for-profit servicer for purposes of this section.

2010—Subsec. (a)(4). Pub. L. 111-152, § 2212(a)(1)(A), added par. (4).

Subsec. (c). Pub. L. 111-152, § 2212(a)(2), added subsec. (c).

2008—Subsec. (b)(2), (3). Pub. L. 110-227 inserted “or purchased” after “loans made”.

1998—Subsec. (b)(3). Pub. L. 105-244, § 453(1), inserted “and” after semicolon.

Subsec. (b)(4), (5). Pub. L. 105-244, § 453(2), (3), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: “services to assist in the orderly tran-

sition from the loan programs under part B of this subchapter to the direct student loan program under this part; and".

1993—Pub. L. 103-66 amended section generally, substituting provisions relating to contracts for former provisions relating to terms and conditions.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1998 AMENDMENT**

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as an Effective Date of 1992 Amendment note under section 1001 of this title.

SELECTION OF STUDENT LOAN SERVICER

Pub. L. 117-328, div. H, title III, Dec. 29, 2022, 136 Stat. 4893, provided in part: "That for student loan contracts awarded prior to October 1, 2017, the Secretary [of Education] shall allow student loan borrowers who are consolidating Federal student loans to select from any student loan servicer to service their new consolidated student loan".

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 117-103, div. H, title III, Mar. 15, 2022, 136 Stat. 480.

Pub. L. 116-260, div. H, title III, Dec. 27, 2020, 134 Stat. 1603.

Pub. L. 116-94, div. A, title III, Dec. 20, 2019, 133 Stat. 2592.

Pub. L. 115-245, div. B, title III, Sept. 28, 2018, 132 Stat. 3102.

Pub. L. 115-141, div. H, title III, Mar. 23, 2018, 132 Stat. 746.

Pub. L. 115-31, div. H, title III, May 5, 2017, 131 Stat. 549.

§ 1087g. Repealed. Pub. L. 111-39, title IV, § 404(b)(3), July 1, 2009, 123 Stat. 1946

Section, Pub. L. 89-329, title IV, §457, as added Pub. L. 102-325, title IV, §451, July 23, 1992, 106 Stat. 572; amended Pub. L. 103-66, title IV, §4021, Aug. 10, 1993, 107 Stat. 352, related to regulatory activities associated with implementation of the first year of the direct student loan program authorized by part D, including establishment of closing date for applications not later than Oct. 1, 1993, and publication of list of selected institutions not later than Jan. 1, 1994.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF REPEAL**

Repeal effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as an Effective Date of 2009 Amendment note under section 1001 of this title.

§ 1087h. Funds for administrative expenses**(a) Administrative expenses****(1) Mandatory funds for fiscal year 2006**

For fiscal year 2006, there shall be available to the Secretary, from funds not otherwise appropriated, funds to be obligated for—

(A) administrative costs under this part and part B, including the costs of the direct student loan programs under this part; and

(B) account maintenance fees payable to guaranty agencies under part B and calculated in accordance with subsections (b) and (c),

not to exceed (from such funds not otherwise appropriated) \$820,000,000 in fiscal year 2006.

(2) Repealed. Pub. L. 113-67, div. A, title V, § 502(2), Dec. 26, 2013, 127 Stat. 1187**(3) Authorization for administrative costs beginning in fiscal years 2007 through 2014**

For each of the fiscal years 2007 through 2014, there are authorized to be appropriated such sums as may be necessary for administrative costs under this part and part B, including the costs of the direct student loan programs under this part.

(4) Continuing mandatory funds for account maintenance fees

For each of the fiscal years 2007 through 2021,¹ there shall be available to the Secretary, from funds not otherwise appropriated, funds to be obligated for account maintenance fees payable to guaranty agencies under part B and calculated in accordance with subsection (b).

(5) Account maintenance fees

Account maintenance fees under paragraph (3)² shall be paid quarterly and deposited in the Agency Operating Fund established under section 1072b of this title.

(6) Technical assistance to institutions of higher education**(A) Provision of assistance**

The Secretary shall provide institutions of higher education participating, or seeking to participate, in the loan programs under this part with technical assistance in establishing and administering such programs.

(B) Funds

There are authorized to be appropriated, and there are appropriated, to carry out this paragraph (in addition to any other amounts appropriated to carry out this paragraph and out of any money in the Treasury not otherwise appropriated), \$50,000,000 for fiscal year 2010.

(C) Definition

In this paragraph, the term "assistance" means the provision of technical support, training, materials, technical assistance, and financial assistance.

(7) Additional payments**(A) Provision of assistance**

The Secretary shall provide payments to loan servicers for retaining jobs at locations in the United States where such servicers were operating under part B on January 1, 2010.

(B) Funds

There are authorized to be appropriated, and there are appropriated, to carry out this paragraph (in addition to any other amounts appropriated to carry out this paragraph and out of any money in the Treasury not otherwise appropriated), \$25,000,000 for each of the fiscal years 2010 and 2011.

¹ See Funds for Account Maintenance Fees note below.

² See References in Text note below.