

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

AMERICAN FEDERATION
OF TEACHERS,

Plaintiff,

v.

U.S. DEPARTMENT OF EDUCATION,
et al.,

Defendants.

No. 1:25-cv-802-RBW

STATUS REPORT

Pursuant to the Court’s order of October 23, 2025, ECF No. 55, the United States Department of Education (“ED”) and Linda McMahon (in her official capacity as Secretary of Education) hereby provide the following information, which was provided to undersigned counsel by the Department of Education:

I. Ongoing Data Reporting

A. Data Tables

Income-Driven Repayment (“IDR”) Applications	
IDR applications received during November 1-30, 2025	157,408 ⁽¹⁾
IDR applications decided (approved or denied) during November 1-30, 2025	245,441 ⁽²⁾
IDR applications pending as of November 30, 2025	802,730
IDR plan discharges during November 1-30, 2025	170 ⁽³⁾
- Discharges under the Income-Based Repayment Plan	170
- Discharges under the Original Income Contingent Repayment Plan	0
- Discharges under the Pay As You Earn Plan	0

Public Service Loan Forgiveness (“PSLF”) Buyback Applications	
PSLF Buyback applications received during November 1-30, 2025	3,960 ⁽¹⁾
PSLF Buyback applications decided (approved or denied) during November 1-30, 2025	2,960 ⁽²⁾
PSLF Buyback applications pending as of November 30, 2025	80,210
PSLF discharges during November 1-30, 2025	280 ⁽⁴⁾

B. Notes to Data Tables

(1) Applications received. Defendants agreed to identify the number of IDR and PSLF applications received in a given month. Joint Status Report of October 17, 2025, ECF No. 54 ¶ 13(a), (e). Due to logistical issues related to the government shutdown in October-November 2025, ED was unable to provide hard data for these specific data points for November 2025. For the month of November only, the Department of Justice (“DOJ”) has provided estimates for these figures based on data currently available to ED.¹ Defendants have informed undersigned counsel that starting in December, they will provide hard numbers for applications received.

(2) Applications approved or denied. Defendants agreed that “if possible,” they would provide separate figures for IDR plan application approvals and denials. Joint Status Report of October 17, 2025, ECF No. 54 ¶ 13(c). Defendants also agreed to provide separate figures for PSLF Buyback approvals and denials. *Id.* ¶ 13(g). Due to technical limitations raised by Department staff, the parties are still discussing whether it is possible to provide approval/denial figures for IDR and PSLF, as well as potential workarounds (if any) that might suit Plaintiffs’ needs. Accordingly, the parties agree that for this status report, Defendants will provide only the

¹ Specifically, DOJ has estimated the number of applications in a given month using the following formula: *Applications in November 2025 = Applications pending as of November 30, 2025 – Applications pending as of October 31, 2025 + Applications decided in November 2025.*

total number of IDR and PSLF decisions. After further discussions, the parties will update the Court with proposal(s) to address approvals and denials in future status reports.

(3) IDR Discharges. The number of applications decided in a given month will not necessarily line up with the number of loan discharges in that month. A borrower has the opportunity to decline an IDR discharge. As such, when ED notifies IDR borrowers of their discharge eligibility, it provides a two-month opt-out period.

(4) PSLF Discharges. In October 2025, ED sent a set of discharges to student loan servicing companies for processing. Many of these discharges were processed in early December 2025, and are not reflected in the November 2025 statistics.

C. Correction to August 2025 Report

Defendants' previous status report for August 2025, ECF No. 42 (filed Sept. 15, 2025), did not account for ED's procedural denials of 327,955 applications for individuals who, instead of applying for a specific IDR plan, requested to enroll in the plan with the "lowest monthly payment." After the Eastern District of Missouri enjoined the SAVE Plan, which had envisioned particularly low monthly payments for certain borrowers, the option for "lowest monthly payment" could have meant two possible repayment plans with equal monthly payments, creating an unforeseen ambiguity. In response, ED opted to procedurally deny such applications without prejudice to refiling new applications. These procedural denials were not classified as "decided" in ECF No. 42, but should have been. Accordingly, Defendants respectfully submit the following correction:

- Applications decided in August 2025: 633,596 (previously reported as 305,641)
- Applications pending as of August 31, 2025: 748,311 (previously reported as 1,076,266)

II. Specific Questions

A. **The method that the Department of Education used to identify borrowers whose loans are eligible for discharge through the Income-Driven Repayment (IDR) plans.**

IDR enrollees become eligible for a loan discharge after reaching a certain number of qualifying months, which may include a mixture of actual monthly loan repayments and/or months subject to a qualifying repayment forbearance or deferment. The word “qualifying” is important, because not all repayment forbearances and deferments count as qualifying progress towards loan forgiveness. *Cf.* 34 C.F.R. §§ 685.209(k)(4), 685.219(c)(2) (identifying specific qualifying forbearances and deferments). ED no longer employs a regularly scheduled process for assessing whether a borrower has reached the qualifying number of months for a discharge.² Instead, ED assesses discharge eligibility as follows:

- ED contracts with several loan servicing companies, which as relevant process student loan applications, track the status of existing student loans, and report data to ED.

² In the past, ED commissioned an online progress-checker tool that automatically tracked how many qualifying months of progress a respective borrower had accrued towards their discharge threshold. On July 10, 2023, ED issued a Final Rule (the “SAVE Plan Final Rule”) modifying its criteria for a qualifying forbearance and/or deferment for all income-driven repayment plans. *See Improving Income Driven Repayment for the William D. Ford Federal Direct Loan Program and the Federal Family Education Loan (FFEL) Program*, 88 Fed. Reg. 43820–43905 (July 10, 2023). ED’s progress-checker tool was coded to apply the SAVE Plan Final Rule’s criteria. However, the SAVE Plan Final Rule simultaneously created the Saving on a Valuable Education (SAVE) Plan, an income-driven repayment plan that was challenged in court. On February 18, 2025, the Eighth Circuit instructed the Eastern District of Missouri to enjoin the entire SAVE Plan Final Rule, including the changes to the criteria for qualifying forbearances and/or deferments for all income-driven repayment plans, not just SAVE. *See Missouri v. Trump*, 128 F.4th 979, 997–98 (8th Cir. 2025) (“The forgiveness provisions undergird the entire SAVE plan and therefore are not severable. Enjoining forgiveness necessitates enjoining the entire rule.”). The Eastern District of Missouri entered that injunction two months later. Order of April 14, 2025, *Missouri v. Trump*, No. 4:24-cv-520-JAR (E.D. Mo.), ECF No. 69. Because the accuracy of the progress-checker tool depended on the now-enjoined criteria for qualifying forbearances and deferments, the tool was no longer accurate following the injunction, and ED stopped using it. ED currently has no plans to resume using the tool.

- Every month, the loan servicers record when a borrower has accrued progress that month towards loan forgiveness, and report that progress to the National Student Loan Data System (“NSLDS”), a student loan database maintained by ED.
- NSLDS then checks whether borrowers enrolled in IDR plans have reached their particular threshold for a discharge. Currently, NSLDS does not check eligibility on any specific schedule. NSLDS is currently programmed to check eligibility for discharges under the Income-Based Repayment plan, but not any other IDR plans. ED is working on the programming for the other IDR plans, and anticipates that starting in February 2026, NSLDS will check eligibility on a regular basis (every other month).
- NSLDS defines the month when forgiveness becomes effective as the month when the borrower’s accrued progress equals the discharge threshold—not the month when the discharge is actually processed. ED understands that there may be a delay between the date a borrower becomes eligible for a discharge and the date ED processes that discharge. During this period, the borrower may end up making excess monthly payments on their loans. As ED previously explained in this litigation, ED reimburses those excess payments after processing the discharge. ECF No. 54 ¶ 9.

B. The number of borrowers whose applications for the Income-Based Repayment plan were denied on or after July 4, 2025, on the ground that the borrower lacked a partial financial hardship.

9,459.

Dated: December 15, 2025

Respectfully submitted,

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