

# The Fresh Start Initiative

This worksheet needs to be submitted along with a current NSLDS Loan History report.

Students Name: \_\_\_\_\_ School: \_\_\_\_\_

**THIS SECTION TO BE COMPLETED BY SCHOOL OFFICIAL:** You'll need the students current NSLDS loan history to answer the questions below to see if the student qualifies for the Fresh Start Initiative.

The Fresh Start initiative restores *Title IV* aid eligibility for borrowers with loans in the following categories that defaulted prior to the start of the student loan repayment pause on March 13, 2020

- Student was in default prior to March 13, 2020 – Proceed to next paragraph.
- Student was NOT in default prior to March 13, 2020 – No signature needed. Check this box and submit with NSLDS loan history for review.
  - Students who are otherwise eligible and who have defaulted FFEL Program loans in Population 2 are eligible to receive *Title IV* aid effective March 12, 2021 (the publication date of DCL [GEN 21-03](#)). A school that receives an ISIR showing that a student has a defaulted loan in Population 2 may award *Title IV* aid to the student in accordance with all normal student and program eligibility requirements provided that the school maintains in the student's file a screenshot of the NSLDS loan detail information showing that the default date was on or after March 13, 2020. The school must retain this documentation for three years after the end of the award year in which the student last attended the school. In these circumstances, the default date determination method is the same as described in the guidance above for students with FFEL Program loans that defaulted prior to March 13, 2020. Because loans in Population 2 will be automatically assigned to the Department for servicing by a new servicer at a later date, there is no requirement for the student to sign an acknowledgment that the loan will be transferred.

Check the box for the applicable defaulted student loans – If the student has any of the loans below, have them sign the agreement below.

- William D. Ford Federal Direct Loan Program loans (Direct Loans)
- Federal Family Education Loan (FFEL) Program loans, including Federal Insured Student Loans (FISL)
- Federal Perkins Loans (Perkins Loans) that are serviced by the Department's Debt Management and Collections System (DMCS).

The following loans are not eligible for the Fresh Start Initiative. If the student has any of the following loans they will need to be resolved separately as they are not a part of the Fresh Start Initiative. If the student has an eligible loan from the list above (Direct, FFEL or DOE held Perkins), you'll need to submit the signed agreement in addition to documentation showing the ineligible defaulted loan was resolved.

- Federal Perkins Loans (Perkins Loans) that are serviced by a school
- Defaulted Health Education Assistance Loan Program loans
- Student Loans remaining with the U.S. Department of Justice (DOJ)
- Direct Loans and commercial-held FFEL Program Loans that default after the end of the pause on student loan payment and collections

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## Fresh Start Agreement to be signed by student:

I, \_\_\_\_\_, understand that I am eligible for Title IV aid as a result of the Fresh Start initiative. As a  
(Students full printed name)

Fresh Start-eligible borrower, I understand that, by accepting Title IV HEA federal student aid during the Fresh Start period, I am agreeing to have my defaulted loans transferred to a new loan servicer – the company that will manage my loan - which will result in continued Title IV, HEA federal student aid eligibility beyond the Fresh Start period. I understand that this transfer may not occur immediately and that I can contact the holder(s) of my defaulted loan(s) to request transfer sooner.

Student Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The school must retain this acknowledgment for three years after the end of the award year in which the student last attended the school. Once new aid is disbursed to borrowers who qualify under the Fresh Start initiative, the Department will automatically initiate a transfer of the borrowers' defaulted loans to a non-default loan servicer. This transfer will remove the default status of the loans and allow the borrowers to remain eligible beyond the Fresh Start period.