

Reimagining and Improving Student Education (RISE)
Negotiated Rulemaking Session 2, November 3 – 7, 2025
#1 Proposed Draft Regulations
Section 674.39 Loan Rehabilitation

Amend § 674.39 by revising paragraph (e) to read as follows:

§ 674.39 Loan rehabilitation.

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- (e) (1) On or before June 30, 2027, ~~the~~ the borrower may rehabilitate a defaulted loan only one time.
- (2) On or after July 1, 2027, the borrower may rehabilitate a defaulted loan a maximum of two times.