

## insights

TYPES NOT MAPPED YET September 23, 2019 | TTR not mapped yet | Aaron D. Lacey

# An Examination of ED's New Borrower Defense Rule: The Borrower Defense Claim Process

### Webinar

On August 30, 2019, the U.S. Department of Education released the unofficial version of its new Borrower Defense to Repayment (BDR) rule, along with a brief overview of the regulation. The official version is expected to arrive in the Federal Register in the coming days.

The Department's new BDR rule, which becomes effective on July 1, 2020, and applies to all institutions that participate in the federal financial aid programs, introduces the following important changes:

- It creates new standards and processes for borrowers to seek discharge of their loans based on misconduct of their institutions;
- It revises the federal financial responsibility standards, including the triggering events that would prompt a recalculation of an institution's composite score, the associated reporting requirements, and the composite score calculation;
- It includes material updates to the closed school and false certification loan discharge processes; and
- It requires new disclosures for institutions using pre-dispute arbitration or class action waivers in agreements with students.

Thompson Coburn's Higher Education Practice will host two, back-to-back, 90-minute webinars examining the impact of the new rule. The first webinar, to be held on Monday, September 23, will focus on the new BDR discharge framework, as well as on the relationship between the new framework and the two frameworks that already exist, and will continue to co-exist, in the law (once the new rule becomes effective, there will be three, distinct discharge frameworks in effect at the same time).

The webinars will be led by Aaron Lacey, leader of Thompson Coburn's Higher Education practice, host of the firm's popular Higher Education Webinar Series, and editorial director of REGucation, the firm's higher education law and policy blog. In 2018, Aaron served the U.S. Department of Education as one of 17 primary negotiators charged with creating the new BDR rule. The Department appointed Aaron to represent and negotiate on behalf of general counsels, attorneys, and compliance officers at institutions of higher education nationwide.

### CLE

The live presentation of this webinar was approved for 1.8 hours of general CLE credit in Missouri and 1.5 hour general CLE credit in California and Illinois. CLE credit is no longer available for this recording.

Presenter:

[Aaron Lacey](#)

*\*Please note that this is a 90-minute webinar*

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