Implementation and Policy Guidance of the Pre-Dispute Arbitration Agreement Provisions for Federal Student Loan Programs

This notice is provided in relation to the Implementation and Policy Guidance of the Pre-Dispute Arbitration Agreement Provisions in 34 CFR 685.300:

As specified in 34 CFR 685.300(f)(3)(iii)(B) ["We agree not to use any pre-dispute arbitration agreement to stop you from bringing a lawsuit concerning our acts or omissions regarding the making of the Federal Direct Loan or the provision by us of educational services for which the Federal Direct Loan was obtained. You may file a lawsuit regarding such a claim, or you may be a member of a class action lawsuit regarding such a claim even if you do not file it. This provision does not apply to any other claims. We agree that only the court is to decide whether a claim asserted in the lawsuit is a claim regarding the making of the Direct Loan or the provision of educational services for which the loan was obtained." for existing pre-dispute arbitration agreements. We specified the text of the notice for a class action prohibition — whether in an existing pre-dispute arbitration agreement or in a separate pre-dispute agreement — in 34 CFR 685.300(e)(3)(iii)(B) ["We agree not to use any pre-dispute agreement to stop you from being part of a class action lawsuit in court. You may file a class action lawsuit in court, or you may be a member of a class action lawsuit even if vou do not file it. This provision applies only to class action claims concerning our acts or omissions regarding the making of the Federal Direct Loan or the provision by us of educational services for which the Federal Direct Loan was obtained. We agree that the court has exclusive jurisdiction to decide whether a claim asserted in the lawsuit is a claim regarding the making of the Federal Direct Loan or the provision of educational services for which the loan was obtained."].