



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

September 19, 2022
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

S. 1098 – Joint Consolidation Loan Separation Act

(Sen. Warner, D-VA, and 3 cosponsors)

The Administration supports House passage of S. 1098, the Joint Consolidation Loan Separation Act. The bill would build on actions the Administration has taken to support federal student loan borrowers.

While the authority to originate joint consolidation loans ended in 2006, borrowers with these loans were given no way to disentangle their debts, even in the event of divorce, economic abuse, or unresponsiveness from a former spouse. S. 1098 would allow two borrowers with a joint consolidation loan to jointly submit an application to the Department of Education to separate their consolidated loan into two separate loans. The loans would be split proportionately based on the original loan amounts. This bill would also allow survivors of domestic violence or economic abuse or borrowers who are unable to reach the other borrower to submit an individual application to separate their portion of the joint consolidation loan.

The Administration urges the House to pass S. 1098, the Joint Consolidation Loan Separation Act, and send it to the President, to fix one part of the student loan program and provide this critical support to borrowers with joint consolidation loans.

* * * * *