



**United States Department of Justice
Justice Management Division
Debt Collection Management Staff**

May 5, 2022

Washington, DC 20002

COVID-19 BULLETIN UPDATE

The Department of Justice's (Department) suspension of collection and enforcement activities by the United States Attorney's Offices (USAO) and Private Counsel (PC) firms for certain civil remains in effect for the following federal agency:

- **U.S. Department of Education (Education):** The Department's suspension for certain civil debts will continue **until further notice**. The suspension applies to Direct Loans, Federal Family Education Loan (FFEL) Program loans and Federal Perkins Loans¹ held (owned) by Education, and Health Education Assistance Loan (HEAL) Program loans.²

Referrals to the Department: During the suspension for Education debts, the Department's Nationwide Central Intake Facility (NCIF) will continue to receive referral packages and will enter them into the Consolidated Debt Collection System (CDCS). The documentation in support of the referral packages will be available for review by the assigned office in CDCS by accessing the CCLR hyperlink for the referral. USAOs and PCs should not initiate collection or enforcement activities for Education debts unless it is necessary to protect and preserve the interests of the United States that would otherwise be forfeited, such as filing of a suit within the time permitted by the applicable statute of limitations.

Treasury Offset Program (TOP): During the suspension for Education debts, the Department has suspended the reduction or withholding (also known as the "offset") of eligible federal payments authorized by the Internal Revenue Code and the Debt Collection Act of 1982, as amended by the Debt Collection Improvement Act of 1996. Unless necessary to protect the interests of the United States that would otherwise be forfeited, no collection action will be taken against a debtor for the duration of the suspension. **The Department will resume TOP offsets upon the conclusion of the Suspension Period.**

Debts on Active Payment Plans: The Department's Debt Collection Management Staff (DCM) has notified the debtors with Education debts who have active payment plans or other agreements that their regularly scheduled payments have been suspended. Debtors who make regularly scheduled payments through Pay.gov will need to take affirmative action to suspend such payments. Payment plans will not be delinquent and/or in default unless it is necessary to protect the interests of the United States that would otherwise be forfeited. Payment plans will be extended for a period equal to the length of time of the suspension **or** as necessary to pay off the remaining debt balance. Debtors who wish to make voluntary payments during the suspension may do so.

¹ Please note that some FFEL Program loans are owned by private lenders, and some Perkins Loans are owned by the institution attended by the borrower. Only loans owned by Education are eligible for the relief discussed in this notice.

² The United States Department of Health and Human Services (HHS) insured educational loans made by participating lenders for borrowers' graduate work in health sciences from 1978 to 1998. The HEAL Program loans were transferred to Education in 2014. Education owns the HEAL loans that HHS services.

Regularly scheduled payments will resume upon the conclusion of the suspension for Education debts. Debtors who previously set up automatic payments through Pay.gov, **will need to resume payments in Pay.gov, if they suspended them.** Once the suspension ends, debtors who fail to resume making payments in accordance to the terms and conditions of their payment plan or other agreement may result in additional enforcement action being taken against them.

Court Ordered Enforcement: During the duration of the suspensions, the Department and its agents **will not initiate new garnishment actions** on Education debts. Previously existing court ordered enforcement / garnishment actions continue in effect as ordered by the court.

FORECLOSURE/EVICTION MORATORIUM

On July 31, 2021, the [Centers for Disease Control and Prevention's Order of September 4, 2020](#), entitled *Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19* and its subsequent extensions through [March 31, 2021](#), [June 28, 2021](#), and [July 31, 2021](#), known as the Foreclosure Moratorium expired. The expiration Foreclosure Moratorium allows loan servicers to initiate or resume foreclosure proceedings that were previously stayed. **Please note the specific agency exception to the expiration of the Foreclosure Moratorium set forth below:**

- **Farm Service Agency (FSA) of the U. S. Department of Agriculture (USDA):** On January 27, 2021, the USDA issued the following press release [click here](#) to view, indicating that the **moratorium on FSA foreclosures remains in effect until further notice.** USAOs and PC firms have been instructed to consult directly with their respective foreclosure agency point of contact on how to proceed with FSA foreclosures.

USAOs and PC firms should contact their respective agency representatives for foreclosure guidance in addition to reviewing their respective states' guidance on foreclosure/evictions. Some agencies such as USDA follow state laws to the extent the law benefits the borrower. USAOs and PC firms must determine whether there is a foreclosure/eviction moratorium under state law where they plan to file and or take foreclosure action.

Federal agencies should direct questions or concerns to: NCIF@usdoj.gov.