

information on the amount due and due date for their payments. Express misrepresentations or misrepresentations regarding central characteristics such as cost or payment due dates are material.

2.5.3 Debiting Unauthorized Amounts

Regulation E requires the designated payee to obtain written authorization before transferring funds from consumers' accounts.¹⁷ Examiners observed that student loan servicers obtained authorizations that allowed them to withdraw the monthly payment amount, but the servicers then withdrew amounts that exceeded the written payment amount, in some cases instead withdrawing the entire outstanding loan balance. Because the authorizations allowed the servicers to withdraw only the monthly payment amounts, the preauthorized electronic funds transfers were not authorized in writing and therefore violated Regulation E.

In other instances, consumers signed authorizations that allowed servicers to withdraw monthly payment amounts for certain loans from one deposit account and monthly payment amounts for other loans from a different deposit account. The servicers then withdrew payments for all the loans from one of the two deposit accounts. Because the authorization only allowed the servicers to withdraw the monthly payment amounts for specific loans and they instead withdrew monthly payment amounts for other loans, the preauthorized electronic funds transfers were not authorized in writing and therefore violated Regulation E.

2.5.4 Excessive Delays in Processing of Applications for Income-Driven Repayment Plans

Federal student loan borrowers are eligible for a number of repayment plans that base monthly payments on their income and family size; these plans are called IDR plans. To enroll in IDR plans, consumers must submit applications to their servicers who process the applications.

Examiners found that servicers engaged in unfair acts or practices when they caused consumers to experience excessive delays in processing times for IDR applications. In many reviewed files, it took more than 90 calendar days for servicers to process the IDR applications. These delays caused or were likely to cause substantial injury as interest continued to accrue while servicers processed IDR applications, so excessive delays likely resulted in unnecessary accrued interest. In

addition, the delays may have prevented borrowers from making payments which count towards loan forgiveness. These delays also caused borrowers considerable frustration and wasted time as they repeatedly tried to obtain information from servicers about the status of their applications. Consumers could not reasonably avoid the injury because they do not choose their servicer and have no control of how long it takes servicers to review and evaluate borrowers' applications. The injury to consumers was not outweighed by countervailing benefits to consumers or to competition.

2.5.5 Improper Denials of Applications for Income-Driven Repayment

Examiners found that servicers engaged in unfair acts or practices when they improperly denied consumers' IDR applications. Examiners found that servicers denied consumers' applications for failing to provide sufficient income documentation despite consumers providing sufficient documentation of income. Examiners also found that servicers denied consumers' applications because they had ineligible loan types, when in fact the consumers had eligible loans. These improper denials caused or were likely to cause substantial injury because consumers who are improperly denied paid or were at risk of paying higher monthly payments. Additionally, some consumers may have spent time and resources addressing the denials. Consumers could not reasonably avoid the injury because servicers are responsible for processing IDR applications in accordance with processing requirements and consumers do not choose their servicers. And the injury to consumers is not outweighed by countervailing benefits to consumers or competition.

2.5.6 Providing Inaccurate Denial Reasons in Response to Income-Driven Repayment Applications

Examiners found that servicers engaged in deceptive acts or practices by providing inaccurate denial reasons to consumers who applied for IDR plans. The denial letters misled or were likely to mislead borrowers as the denial reasons were not accurate, and in multiple cases, erroneously denied eligible consumers. It is reasonable for borrowers to expect servicers to properly evaluate their eligibility for IDR plans and for denial letters to accurately explain the reasons why servicers denied their IDR applications. The misleading representations were material as the inaccurate denial reasons were likely to influence borrower

choices with respect to applying for IDR plans by, for example, leading to borrowers' confusion about eligibility criteria and discouraging borrowers from re-applying for an IDR plan by telling them to find and provide unnecessary additional information in order to qualify.

2.5.7 Failure To Advise Consumers of the Option to Verbally Provide Income in Connection With Income-Driven Repayment Applications

During the COVID-19 pandemic and through February 29, 2024, the Department of Education allowed consumers to apply for IDR plans by providing an attestation of income over the phone or in writing, this process was referred to as self-certification.

Examiners found that servicers engaged in unfair acts or practices by failing to advise consumers that they could self-certify their income when applying for an IDR plan. Consumers contacted their servicers to discuss their pending IDR applications that were delayed due to missing income documentation, but the servicer representatives did not advise consumers that they could provide the missing information by making an oral attestation during the call. These acts or practices caused or were likely to cause substantial injury because it caused servicers to deny consumers' applications, preventing lower payment amounts, potential interest subsidies, and credit towards loan forgiveness. Consumers could not avoid this injury because they do not choose their servicers and relied on the servicers to provide relevant information regarding IDR applications. The injury to consumers is not outweighed by countervailing benefits to consumers or competition.

Rohit Chopra,

Director, Consumer Financial Protection Bureau.

[FR Doc. 2024-30758 Filed 12-23-24; 8:45 am]

BILLING CODE 4810-AM-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-19]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The DoD is publishing the unclassified text of an arms sales notification.

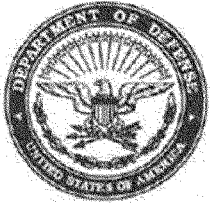
¹⁷ 12 CFR 1005.10(b).

FOR FURTHER INFORMATION CONTACT: Pamela Young at (703) 953-6092, *pamela.a.young14.civ@mail.mil*, or *dsca.ncr.rsrcmgmt.list.cns-mbx@mail.mil*.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is

published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives with attached Transmittal 21-19 and Policy Justification.

Dated: December 17, 2024.
Stephanie J. Bost,
Alternate OSD Federal Register Liaison Officer, Department of Defense.
BILLING CODE 6001-FR-P



DEFENSE SECURITY COOPERATION AGENCY
2800 Defense Pentagon
Washington, DC 20301-2800

DEC 22 2023

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 21-19 concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Kingdom of Saudi Arabia for defense articles and services estimated to cost \$1 billion. We will issue a news release to notify the public of this proposed sale upon delivery of this letter to your office.

Sincerely,

James A. Hursch
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Regional Balance (Classified document provided under separate cover)

BILLING CODE 6001-FR-C

Transmittal No. 21-19
Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended
(i) *Prospective Purchaser:* Kingdom of Saudi Arabia

(ii) *Total Estimated Value:*

Major Defense Equipment *	\$0 billion,
Other	\$1 billion,
Total	\$1 billion.

Funding Source: National Funds

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:*

Major Defense Equipment (MDE):

None

Non-MDE:

Continuation of a blanket order training program inside and outside of the Kingdom of Saudi Arabia that includes, but is not limited to, flight training; technical training; professional military education; specialized training; Mobile Training Teams (MTTs); Technical Assistance Field Team (TAFT); Extended Training Service Specialists (ETSS); and English language training. These blanket order training cases will cover all relevant types of training offered by or contracted through the United States (U.S.) Air Force or Department of Defense (DoD) Agencies. This training for the Royal Saudi Air Force (RSAF) and other Saudi forces will include such subjects as civilian casualty avoidance; the laws of armed conflicts; human rights; command and control; and targeting via MTTs and/or broader Programs of Instruction (POIs). Program management; trainers, simulators; travel; billeting; and medical support may also be included.

(iv) *Military Department:* Air Force (SR-D-THP)

(v) *Prior Related Cases, if any:* SR-D-THI, SR-D-THJ, SR-D-THK, SR-D-THL, SR-D-THM, SR-D-THN, SR-D-THO

(vi) *Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:* None

(vii) *Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:* None

(viii) *Date Report Delivered to Congress:* December 22, 2023

* As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Saudi Arabia—Blanket Order Training

The Kingdom of Saudi Arabia has requested a continuation of a blanket order training program inside and outside of the Kingdom of Saudi Arabia that includes, but is not limited to, flight training; technical training; professional military education; specialized training; Mobile Training Teams (MTTs); Technical Assistance Field Team (TAFT); Extended Training Service Specialists (ETSS); and English language training. These blanket order training cases will cover all relevant types of training offered by or contracted through the U.S. Air Force or DoD. This training for the Royal Saudi Air Force (RSAF) and other Saudi forces will include such subjects as civilian casualty avoidance; the laws of armed conflicts; human rights; command and control; and targeting via MTTs and/or broader Programs of Instruction (POIs). Program management; trainers, simulators; travel; billeting; and medical support may also be included. The estimated total cost is \$1 billion.

This proposed sale will support the foreign policy goals and national security objectives of the U.S. by improving the security of a friendly country that is a force for political stability and economic progress in the Middle East.

The proposed sale will improve Saudi Arabia's capability to meet current and future threats and increase its interoperability with the U.S. through comprehensive U.S. Air Force training. The training will assist Saudi Arabia by fostering a climate of security in the region through the improved proficiency of the RSAF. Saudi Arabia will have no difficulty absorbing this training into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

There is no principal contractor for the proposed sale. Training will be provided by U.S. Government or contract vendors based upon

requirements as they are determined. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the temporary or continuation of assignment of approximately three hundred thirty-nine (339) U.S. Government or contractor training personnel to Saudi Arabia for at least one year with a possibility of extension.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

[FR Doc. 2024-30631 Filed 12-23-24; 8:45 am]

BILLING CODE 6001-FR-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 24-16]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The DoD is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Pamela Young at (703) 953-6092, pamela.a.young14.civ@mail.mil, or dsca.ncr.rsrcmgmt.list.cns-mbx@mail.mil.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives with attached Transmittal 24-16, Policy Justification, and Sensitivity of Technology.

Dated: December 17, 2024.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 6001-FR-P