



Oklahoma Office of Workforce Development
900 N. Portland Ave.
Oklahoma City, OK 73107

MEMORANDUM – #M-03-2019

DATE: April 11, 2019

TO: Chief Local Elected Officials
Workforce Development Board Chairs
Workforce Development Board Staff

FROM: Dr. Erin Risley-Baird, Executive Director

RE: Student Loan Default and WIOA Eligibility

MESSAGE:

The U.S. Department of Labor (DOL) Region 4 Office recently relayed information from the DOL National Office in regard to Workforce Innovation and Opportunity Act (WIOA) Title I funds and default status on a Federal Student Loan. Conversely to what was communicated previously with the local boards, the DOL National Office has determined that states may not impose restrictions that are not written in regulations. Therefore, WIOA programs and services cannot be denied solely due to an individual's Federal Student Loan being in default status.

Many unemployed or underemployed individuals are unable to make even minimal payments to get out of default. Financial literacy services and the provision of information regarding repayment of student loan default are recommended services for individuals in default, prior to and during training funded by Title I. Information on Student Loan Repayment may be found on the Oklahoma State Regents for Higher Education website <https://okhighered.org/>.

Please distribute this memo to Workforce Development Board Members, Local Service Providers, and all appropriate staff.

INQUIRIES: Questions about this issuance may be directed to Policy and Program Staff in the Oklahoma Office of Workforce Development. Contact information may be located at <http://www.oklahomaworks.gov/about/>.

