

Common Manual Policy Proposal Batch 209 Transmittal

February 27, 2017

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1320	Loan Rehabilitation and Interest Capitalization <i>[Deferred for additional review and consideration.]</i>	<p>10.10 Capitalizing Accrued Interest 13.7 Rehabilitation of Defaulted FFELP Loans</p> <p>This change conforms common policy to regulations published in the November 1, 2016 <i>Federal Register</i> (81 FR 75926), which prohibit capitalizing outstanding accrued interest when a lender purchases a rehabilitated loan and establishes the borrower's repayment schedule.</p>	Federal	For rehabilitated loans purchased on or after July 1, 2017.
1321	Death Discharge	<p>11.21.F Death 11.23.A Death 13.1.D Claim File Documentation 13.1.E Missing Claim File Documentation 13.8.C Death Figure 13-4 Timely Filing Deadlines for Claims and Discharges</p> <p>Allows two additional types of documentation for a death discharge. Those are an accurate and complete original or certified copy of the death certificate that is scanned and submitted electronically or by facsimile transmission or verification of the borrower's or student's death through an authoritative Federal or State electronic database approved for use by the Department.</p>	Federal	For death discharge applications and claims received on or after July 1, 2017.

Batch 209 (Common Bulletin Language)