

COMMON MANUAL

Unified Student Loan Policy

Policy Committee Update January 5, 2007

Revised Policy Proposal Batch Distribution Schedule

The Policy Committee was in high gear just before the holidays, scheduling extra meetings to complete comment responses on batch 137 and develop proposals for batch 139. There are three remaining policy proposal batches (139, 140 and 141) in this manual production year, which translates into three remaining opportunities for the Committee to propose new policies for inclusion in the July 2007 *Common Manual* update. The Committee anticipates distributing approximately 45 policy proposals in these three batches to address the HERA interim and final rules and other miscellaneous federal and correction proposal issues. To the extent possible, the Committee will maintain a relatively equal number of policy proposals in each of the upcoming batches so that no single batch presents a challenge to review and comments can be provided within ample time. To achieve that goal, the Committee needs additional time for batch 139 policy proposal development and discussion after the New Year's holiday. The current distribution schedule for batches 139, 140, and 141 has no lag time between the comment due date for one batch and the distribution date for the subsequent batch. Therefore, to avoid distributing policy proposal batches with overlapping comment periods, the Committee has chosen to revise the distribution schedule for batches 139, 140, and 141. The community will continue to have three calendar weeks to consider and provide comments on each policy proposal batch.

The only notable modification in the revised batch distribution schedule is the day of the week on which policy proposal batches will be distributed for comment, and the day of the week on which comments will be due. Usually, the Committee distributes a policy proposal batch on a Friday, and comments are due three weeks later, also on Friday. Under the revised schedule, the Committee will distribute a policy proposal batch on Wednesday and comments will be due on Wednesday three weeks later. The Committee did carefully consider pushing back the batch 139, 140 and 141 distribution schedule by one full week to preserve the normal Friday distribution and comment due date. However, doing so would not leave sufficient time for the Committee to carefully review comments and otherwise prepare Batch 141 for Governing Board consideration.

The revised distribution schedule for policy proposal Batches 139, 140, and 141 is as follows:

Batch 139

Out for Comment – Wednesday, January 17, 2007
Comments Due – Wednesday, February 7, 2007

Batch 140

Out for Comment – Wednesday, February 7, 2007
Comments Due – Wednesday, February 28, 2007

Batch 141

Out for Comment – Wednesday, February 28, 2007
Comments Due – Wednesday, March 21, 2007

Policy 911 Moved to Considered

Policy 911 from Batch 136 was moved to the Policy Committee's considered log based on comments from the community that clearly indicated a lack of community support for its premise. When the Committee moves a policy to its considered log, it is permanently tabled. No further action is taken to advance the proposal and the original policy language remains unchanged in the *Common Manual* text. Proposal 911, with a summary of comments received, is attached to this update for community review. Note that the policy was not forwarded to the Governing Board for approval and thus, is provided for information purposes only.

Community Work Group Conclusion

The Policy Committee issued a call for community experts this fall to assist with the review of issues related to policy proposal 867. The proposal's initial distribution generated substantive comments indicating that the community may have varied interpretations of the "new borrower" definitions as they

relate to deferment eligibility for consolidation loan borrowers. The Committee is pleased to report that the proposal 867 workgroup has concluded its deliberations and recommended that the proposal be advanced with further refinements. The workgroup provided the Committee with the product of its exhaustive research into the federal basis for the proposal's premise. The Committee anticipates that the revised draft proposal 867 will be referred to the community for an additional comment period in an upcoming policy proposal batch.

The Committee salutes the efforts of the following community members for their contribution to the workgroup's success: Michelle Anderson & Michael McSpadden–TG; Brad Remmenga–ISAC; Brendan Furey–ASA; Eunice Powell–NASFAA, Lynn Racculia–AES/PHEAA; Allison Magill–EdFinancial; LaTreece Langston–OGSLP; Melissa Scott–Access Group; Ed Brandt, Nick Orbinati and Kristin Hubley–ACS; Pat Riemenschneider–Iowa Student Loan; Sandra Winfrey–CFS Suntech;– ACS; Darin Katzberg–Nelnet.

Addressing New Regulations

As noted in a prior Policy Committee update, the Committee conducted a preliminary analysis of the impact of the August 9, 2006, HERA interim final rule changes on the manual but decided that it would be prudent to postpone the distribution of related policy proposals since final rules were expected to be published soon thereafter. After final rules were published on November 1, the Committee conducted a second analysis to ensure that any changes present in the final rules were also addressed. The Committee is now developing and distributing interim and final rule related policy proposals, and estimates that approximately 20 related proposals will result, some of which have already been distributed for comment.

The Committee is also conducting a preliminary review of the December 28, 2006, interim final rules that implement the September 11, 2001, loan discharge provisions of the Third Higher Education Extension Act. These interim final rules are subject to a public comment period that expires on January 29, 2007. Given that the Department may modify these rules based on public comments, the Committee again believes it is wise to delay policy development until the Department issues final regulations. Since February 28, 2007, will be the last opportunity to distribute policy proposals that will be included in the manual's July 2007 update, it is unlikely that policies addressing the September 11, 2001, loan discharge will be included in the next manual reprint. However, as with all policies that are approved in the interim between manual reprints, the community will have access to future policies on the September 11 loan discharge provisions in an *Integrated Common Manual* monthly update.

NCHELP Fall Training Session

The *Common Manual* Policy Committee provided its "Cool Tools" presentation at NCHELP's Fall Training Conference in Dallas. The session focused on the use of the manual as a primary research tool for FFELP policy information, and highlighted the new *Common Manual* website as the primary source for all manual-related information and resources. The attendance at the session was double the number that attended in prior years, and the audience asked interesting questions about the policy development process and communicating with the Committee. The updated "Cool Tools" presentation the Committee used at the fall training conference is posted on the *Common Manual* web site under the "Training Resources" tab on the home page.

Policy Committee Face-to-Face Meeting

The Policy Committee meets weekly via teleconference, and generally meets face-to-face only twice each year in the spring and fall. This year, the Committee met immediately following the close of NCHELP's Fall Training Conference until mid-afternoon on the Thursday afternoon following the conference. The Committee reviewed internal administrative task assignments, developed a strategic plan for advancing policy proposals based on final rules and recent statutory changes, and discussed action plans for all of the outstanding policy development issues on its "to do" list.

Policy Committee Communication

All correspondence related to the Policy Committee's activities should be sent to Co-Chairs Dan Tryon or Carolyn Small at tryond@michigan.gov or carolyn.small@iowa.gov. If you have questions about the Policy Committee's activities, policies in development or out for community review, please contact Carolyn at (515) 725-3413 or Dan at (517) 383-4981, or by e-mail at the addresses provided above.

Information regarding the *Common Manual*, including the current and historic versions of the manual may be accessed on the *Common Manual* website at www.commonmanual.org.