

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
984	Lender Fee	<p><u>3.5.A Federal Origination Fee and Lender Fee</u></p> <p>States that, beginning with loans first disbursed on or after October 1, 2007, a lender is charged a lender fee equal to 1.0% of the principal amount of each FFELP loan made.</p>	Federal	Loans first disbursed on or after October 1, 2007.
985	Consolidation Loan Verification Certificates	<p><u>15.3.C Reviewing the Loan Verification Certificate</u></p> <p>Incorporates more detailed guidance from DCL GEN-07-03/FP-07-07 regarding when a loan holder may decline to certify a LVC and when the consolidating lender must notify the Federal Student Aid Financial Partners staff of a loan holder's decision not to complete the LVC.</p>	Federal	Consolidation Loan Verification Certificates (LVC) received by a loan holder on or after May 22, 2007.
986	Student Eligibility Requirements	<p><u>5.1.B Student Eligibility Requirements</u></p> <p>States that, in order to receive any Title IV aid <i>other than a parent PLUS loan</i>, the student must certify, as part of the FAFSA, a statement of educational purpose.</p>	Correction	Retroactive to the implementation of the <i>Common Manual</i> .
987	Additional Unsubsidized Stafford Eligibility for a Dependent Student	<p><u>6.15.D Additional Unsubsidized Stafford Eligibility for a Dependent Student</u></p> <p>Places into a bulleted format the list of exceptional circumstances that may prevent a dependent student's parent from obtaining a PLUS loan. Also clarifies that if the school refuses to certify a loan for which the student is eligible, or refuses to certify the full amount of unsubsidized loan funds for which the student is eligible, the school must document the reason.</p>	Correction	Retroactive to the implementation of the <i>Common Manual</i> .
988	Disclosure Requirements	<p><u>7.6.A General and Initial Disclosure Requirements</u></p> <p>Removes the requirement that the lender disclose to the borrower, through the initial disclosure, information on how the interest rate is calculated.</p>	Correction	Disclosures provided by the lender to a borrower on or after July 1, 2006.
989	Overawards	<p><u>8.6 Managing Overawards</u></p> <p>Clarifies that an overaward may occur not only from a student's receipt of</p>	Correction	Retroactive to the implementation of the <i>Common Manual</i> .

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
		additional Title IV funds, but also from the receipt of additional non-Title IV financial assistance, such as a scholarship or an alternative loan.		
990	Excess Interest Rebates	<p><u>10.9.C Excess Interest Rebates</u></p> <p>Revises Subsection 10.9.C to remove historic information on excess interest rebates, called "windfall profits," which were last required in 1994. This information is present in Section H.2 of the History Appendix. The historic information is being replaced with the current requirement for excess interest rebates (as currently listed in Figure A-3 in Appendix A), effective for loans first disbursed on or after April 1, 2006.</p>	Organizational	Upon approval by the Governing Board.

Batch 145

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COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Lender Fee

AFFECTED SECTIONS: 3.5.A Federal Origination Fee and Lender Fee

POLICY INFORMATION: 984/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Loans first disbursed on or after October 1, 2007.

BASIS:

Higher Education Act of 1965, Section 438(d), as amended by the College Cost Reduction and Access Act (P.L. 110-84).

CURRENT POLICY:

Current policy states that a lender is charged a lender fee equal to 0.5% of the principal amount of each FFELP loan made.

REVISED POLICY:

Revised policy states that for loans first disbursed on or after October 1, 1993, and prior to October 1, 2007, a lender is charged a fee equal to 0.5% of the principal amount of each FFELP loan made. Beginning with loans first disbursed on or after October 1, 2007, a lender is charged a lender fee equal to 1.0% of the principal amount of each FFELP loan made.

REASON FOR CHANGE:

This change is being made to comply with statutory changes derived from the College Cost Reduction and Access Act.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 3.5.A, page 11, column 2, paragraph 3, as follows:

Lender Fee

In addition to the origination fee, lenders are charged a lender fee ~~equal to 0.5% of~~ based on the principal amount of each FFELP loan made. This fee is paid to the Department and cannot be charged to the borrower. For loans first disbursed on or after October 1, 1993, and prior to October 1, 2007, the lender fee is 0.5% of the principal loan amount. For loans first disbursed on or after October 1, 2007, the lender fee is increased to 1.0% of the principal loan amount.

[682.305(a)(3)(i); HEA 438(d)]

PROPOSED LANGUAGE - COMMON BULLETIN:

Lender Fees

The *Common Manual* has been revised to comply with statutory changes derived from the College Cost Reduction and Access Act (P.L. 110-84). For loans first disbursed on or after October 1, 1993, and prior to October 1, 2007, a lender is charged a lender fee equal to 0.5% of the principal amount of each FFELP loan made. Beginning with loans first disbursed on or after October 1, 2007, a lender is charged a lender fee equal to 1.0% of the principal amount of each FFELP loan made.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:
None.

Lender/Service:

A lender will be required to pay an increased lender fee to the Department for each new FFELP loan originated, and will be required to adjust system calculations for the payment of the fee.

Guarantor:

A guarantor may be required to adjust program review procedures.

U.S. Department of Education:

The Department will be required to adjust the lender fee billing portion of the LaRS.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

September 27, 2007

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

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CM Guarantor Designees

Interested Industry Groups and Others

sf/edited-bb

984-J043 145

COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Consolidation Loan Verification Certificates

AFFECTED SECTIONS: 15.3.C Reviewing the Loan Verification Certificate

POLICY INFORMATION: 985/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Consolidation Loan Verification Certificates (LVC) received by a loan holder on or after May 22, 2007.

BASIS:

Dear Colleague Letter GEN-07-03/FP-07-07.

CURRENT POLICY:

Current policy contains the information on processing the LVC and lists a limited number of circumstances under which a loan holder may decline to certify the LVC.

REVISED POLICY:

Revised policy includes more detailed guidance from DCL GEN-07-03/FP-07-07 regarding when a loan holder may decline to certify a LVC and when the loan holder must notify the Federal Student Aid Financial Partners staff of a decision not to complete the LVC.

REASON FOR CHANGE:

To align the *Common Manual* with the guidance provided in DCL GEN-07-03/FP-07-07.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise subsection 15.3.C, page 7, column 1, paragraph 2 as follows:

Circumstances That May Prevent the Holder from Certifying the LVC

...

...

If a loan holder receives an LVC that does not include the name and, in the case of a FFELP lender, the identification number (LID) of the eligible consolidating lender or trustee lender, it should not provide any information related to a borrower's loan. The loan holder should instead provide a written explanation to inform the requestor as to why it is not completing the LVC.

~~Additional~~ Other circumstances that may prevent a holder from completing the LVC include those in which:

- ~~• There is a judgment against the borrower on the loan for which the borrower has requested consolidation.~~
- The loan holder never held the loan.
- The loan has been assigned to a guarantor.
- The loan has been sold.
- The loan is more than 270 days delinquent and a default claim has been submitted to the guarantor.

- The loan is not fully disbursed or the borrower is not in grace or repayment status.
- There is a judgment against the borrower on the loan for which the borrower has requested consolidation.
- The loan is subject to collection by wage garnishment.

If the holder is unable to certify the LVC due to one of these ~~additional~~ circumstances, the ~~reason should be included on the LVC and the holder should return the LVC, or other~~ must provide written explanation, to the consolidating lender within 10 business days of the loan holder's receipt of the LVC.

[§682.209(j); DCL FP-04-02]

For each of the following additional circumstances, the loan holder must provide the consolidating lender the reason why the LVC is not being completed with payoff information, and also must notify the Federal Student Aid Financial Partners staff of the holder's decision not to complete the LVC. The additional circumstances are the following:

- Within the last 90 days, the loan holder has completed an LVC on the loan for another lender, indicating the borrower may have more than one consolidation application outstanding.
- The borrower appears to have no eligible loans other than a single consolidation loan that is held by the loan holder.

For the two additional circumstances listed above, once the loan holder provides the consolidating lender with an explanation of why the LVC is not completed, if the consolidating lender provides additional information to the loan holder that supports the borrower's eligibility to consolidate the loans, the holder must complete the LVC within 10 days of receipt of that information. Supporting information is the following:

- For the first circumstance noted above, a written statement from the borrower stating that he or she has canceled any previous consolidation loan applications.
- For the second circumstance, documentation from the consolidating lender showing that the borrower has one or more additional loans that will be consolidated with the single Consolidation loan.

[DCL GEN-07-03/FP-07-07]

PROPOSED LANGUAGE - COMMON BULLETIN:

Circumstances That May Prevent the FFELP Loan Holder from Certifying the LVC

The *Common Manual* has been revised to clarify the circumstances under which a loan holder may decline to complete a Consolidation Loan Verification Certificate. The list of extenuating circumstances has been expanded and manual text is expanded to note the cases where the loan holder must notify the Federal Student Aid Financial Partners staff of its decision to not complete an LVC.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

If the borrower has recently submitted another consolidation application to a loan holder, the borrower may need to provide a statement that all other outstanding consolidation applications have been cancelled.

School:

None.

Lender/Service:

The loan holder may need to adjust procedures for completing LVCs. A consolidating lender must be certain it's LID and name are visible on the LVC and may need to supply additional information to a loan holder if the loan holder shows the only loan the borrower has is a single consolidation loan.

Guarantor:

The guarantor may need to adjust its program review procedures.

U.S. Department of Education:

The Department may need to adjust its program review procedures.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

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May 22, 2007

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CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

djo/edited-as

985 -1078 145

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Student Eligibility Requirements

AFFECTED SECTIONS: 5.1.B Student Eligibility Requirements

POLICY INFORMATION: 986/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Retroactive to the implementation of the *Common Manual*.

BASIS:
§668.32(h).

CURRENT POLICY:

Current policy states that each student who is seeking a Stafford or Grad PLUS loan, or for whom a parent borrower is seeking a PLUS loan, must certify, as part of the Free Application for Federal Student Aid (FAFSA), a statement of educational purpose.

REVISED POLICY:

Revised policy states that, in order to receive any Title IV aid other than a parent PLUS loan, the student must certify, as part of the FAFSA, a statement of educational purpose.

REASON FOR CHANGE:

The *Common Manual* is being revised to remove the incorrect implication that the student must file a FAFSA when the only Title IV aid applied for is a parent PLUS loan.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 5.1.B, page 2, column 1, bullet 2, as follows:

5.1.B Student Eligibility Requirements

In addition to meeting the requirements of subsection 5.1.A, each student who is seeking a Stafford loan or a Grad PLUS loan—and each student for whom a parent borrower is seeking a PLUS loan—must meet the following eligibility requirements:

- . . .
- To receive any Title IV aid other than a parent PLUS loan, the Each student must certify, as part of the Free Application for Federal Student Aid (FAFSA) filed with the Department, a statement of educational purpose.
[HEA 432(m)(1)(C); HEA 484(a)(4)(A); §668.32(h)]
- . . .

PROPOSED LANGUAGE - COMMON BULLETIN:

Student Eligibility Requirements

The *Common Manual* has been revised to clarify that, if the only Title IV aid applied for is a parent PLUS loan, the student is not required to certify a statement of educational purpose by completing the Free Application for Federal Student Aid (FAFSA).

GUARANTOR COMMENTS:
None.

IMPLICATIONS:

Borrower:
None.

School:
None.

Lender/Service:
None.

Guarantor:
None.

U.S. Department of Education:
None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:
CM Governing Board

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September 20, 2007

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PROPOSAL DISTRIBUTED TO:
CM Policy Committee
CM Guarantor Designees
Interested Industry Groups and Others

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986-J021 145

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Additional Unsubsidized Stafford Eligibility for a Dependent Student

AFFECTED SECTIONS: 6.15.D Additional Unsubsidized Stafford Eligibility for a Dependent Student

POLICY INFORMATION: 987/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Retroactive to the implementation of the *Common Manual*.

BASIS:
None.

CURRENT POLICY:

Current policy indicates that a dependent student is eligible for an additional unsubsidized Stafford loan if exceptional circumstances prevent the dependent student's parent from obtaining a PLUS loan.

REVISED POLICY:

Revised policy places into a bulleted format the list of exceptional circumstances that may prevent a dependent student's parent from obtaining a PLUS loan. Revised policy also clarifies that if the school refuses to certify a loan for which the student is eligible, or refuses to certify the full amount of unsubsidized loan funds for which the student is eligible, the school must document the reason.

REASON FOR CHANGE:

Subsection 6.15.D is being reorganized for simplicity and to clarify that the school must document its reason if it refuses to certify the loan, or refuses to certify the full amount of unsubsidized loan funds for which the student is eligible.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 6.15.D, page 30, column 1, paragraph 2, as follows:

Note: This subsection was previously revised by policy 970, batch 142:

6.15.D

Additional Unsubsidized Stafford Loan Certification

If a dependent student's parent is unable to obtain a PLUS loan at a school that participates in the Federal PLUS Loan Program due to exceptional circumstances documented by the financial aid administrator (FAA)—~~such as adverse credit history, incarceration, parental whereabouts unknown, or family income limited to public assistance or disability benefits~~—and the student's family is otherwise unable to provide the expected family contribution (EFC), the school may certify additional unsubsidized Stafford loan funds for the student not to exceed the student's maximum additional unsubsidized Stafford loan limit. See Figure 6-4. ~~The school is not permitted to deny the additional funds to an otherwise eligible student, unless the school's refusal to certify is based on a documented reason. See Subsection 6.15.E.~~

~~Other Exceptional circumstances—if properly documented—that an FAA may use to certify additional unsubsidized Stafford loan funds for an otherwise eligible dependent student may include, but are not limited to:~~

- ~~• The dependent student's parent has an adverse credit history. [§682.201(a)(3)]~~

- The dependent student's parent is incarcerated.
[§682.201(a)(3)]
- The whereabouts of the dependent student's parent is unknown.
[§682.201(a)(3)]
- The dependent student's family income is limited to public assistance or disability benefits.
[§682.201(a)(3)]
- The dependent student's parent is prohibited from borrowing a PLUS loan because he or she is not a U.S. citizen or eligible noncitizen. See Subsection 5.2.A for citizenship and eligible noncitizenship criteria.
[DCL GEN-05-16, Q&A 5]
- The dependent student's parent files a bankruptcy petition and provides the school with an official letter from the bankruptcy court confirming that the parent has filed for bankruptcy and is prohibited from incurring additional debt.
[DCL GEN-05-16, Q&A 6]
- The dependent student's parent is prohibited from borrowing a PLUS loan because he or she is in default on a Title IV loan.
[§682.201(b)(1)(iv)]

The school is not permitted to deny the additional unsubsidized Stafford loan funds to an otherwise eligible student. The school must document its reason if it refuses to certify the loan or to certify the full amount of unsubsidized loan funds for which the student is eligible. See Subsection 6.15.E.

PROPOSED LANGUAGE - COMMON BULLETIN:

Additional Unsubsidized Stafford Loan Eligibility for a Dependent Student

Subsection 6.15.D of the *Common Manual* has been reorganized to improve the clarity of the subsection. Also, language is added to clarify that the school must document its reason if it refuses to certify the loan or to certify the full amount of unsubsidized loan funds for which the student is eligible.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Service:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

TG

DATE SUBMITTED TO CM POLICY COMMITTEE:

August 30, 2007

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PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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J016

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Disclosure Requirements

AFFECTED SECTIONS: 7.6.A General and Initial Disclosure Requirements

POLICY INFORMATION: 988/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Disclosures provided by the lender to a borrower on or after July 1, 2006.

BASIS:
§682.205(a)(2)(vii).

CURRENT POLICY:
Current policy states that the initial disclosure statement provided to a borrower by the lender must include the actual interest rate and information on how the rate is calculated.

REVISED POLICY:
Revised policy removes the requirement that the lender disclose to the borrower information on how the interest rate is calculated.

REASON FOR CHANGE:
This change is necessary as the current interest rates on FFELP loans are fixed.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 7.6.A, page 9, column 1, paragraph 2, bullet 5, as follows:

At or before the first disbursement of a Stafford or PLUS loan, the lender must provide the borrower (at no cost to the borrower) with the following initial disclosure information in a written or electronic format:

- ...
- ...
- ...
- ...
- The actual interest rate, ~~including information on how the rate is calculated.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

The *Common Manual* has been revised to remove the requirement that a lender provide, through the initial disclosure, information on how a borrower's interest rate is calculated. This information is no longer necessary as FFELP loan interest rates are currently fixed.

GUARANTOR COMMENTS:
None.

IMPLICATIONS:
Borrower:
None.

School:
None.

Lender/Service:
None.

Guarantor:
None.

U.S. Department of Education:
None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:
CM Policy Committee

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July 25, 2007

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:
CM Policy Committee
CM Guarantor Designees
Interested Industry Groups and Others

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988-1090 145

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Overawards

AFFECTED SECTIONS: 8.6 Managing Overawards

POLICY INFORMATION: 989/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Retroactive to the implementation of the *Common Manual*.

BASIS:

HEA 428G(d)(2); §682.200; §682.604(h); and FSA Handbook, Volume 5, Chapter 1, p. 5-5.

CURRENT POLICY:

Current policy does not address that an overaward may occur if the student receives additional financial assistance other than Title IV funds.

REVISED POLICY:

Revised policy clarifies that an overaward may occur not only from a student's receipt of additional Title IV funds, but also from the receipt of additional non-Title IV financial assistance, such as a scholarship or an alternative loan.

REASON FOR CHANGE:

This change is necessary to clarify existing text and to align the text of the *Common Manual* more closely with federal regulations.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Section 8.6, page 6, column 2, paragraph 3, as follows:

**8.6
Managing Overawards**

An overaward occurs when a student receives additional financial assistance, which may include financial assistance other than Title IV funds (e.g., a scholarship or an alternative loan) or the student's expected family contribution (EFC) increases, which results in a reduction of the borrower's eligibility for any previously certified Stafford or Grad PLUS loan. If the financial aid package includes up to \$300 of Federal Work-Study earnings, up to \$300 can be applied to eliminate the ~~are excluded from the determination of an overaward.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

The *Common Manual* has been revised to clarify that an overaward may occur not only from a student's receipt of additional Title IV funds, but from receiving additional non-Title IV financial assistance, such as a scholarship or an alternative loan.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:
None.

School:
None.

Lender/Service:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

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August 1, 2007

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CM Guarantor Designees

Interested Industry Groups and Others

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989-J007 145

COMMON MANUAL - ORGANIZATIONAL POLICY PROPOSAL

Date: October 12, 2007

X	DRAFT	Comments Due	Nov 2
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Excess Interest Rebates

AFFECTED SECTIONS: 10.9.C Excess Interest Rebates

POLICY INFORMATION: 990/Batch 145

EFFECTIVE DATE/TRIGGER EVENT: Upon approval by the Governing Board.

BASIS:
§682.305(d)(1).

CURRENT POLICY:
Current policy recaps the "windfall profits" requirements initiated in 1986 and 1992.

REVISED POLICY:
Revised policy removes the historic information on windfall profits and inserts information on excess interest rebates currently required on loans first disbursed on or after April 1, 2006.

REASON FOR CHANGE:
Subsection 10.9.C is being revised to remove historic information on excess interest rebates, called "windfall profits," which were last required in 1994. This information is present in Section H.2 of the History Appendix. The information is being replaced with the current requirement for excess interest rebates (as currently listed in Figure A-3 in Appendix A), effective for loans first disbursed on or after April 1, 2006.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 10.9.C, page 17, column 2, paragraph 1, as follows:

10.9.C Excess Interest Rebates

~~In 1986 and 1992, Congress required lenders to refund interest to certain Stafford loan borrowers under specific circumstances. The process of refunding interest is commonly referred to as excess interest rebates or "windfall profits."~~

~~This requirement affected certain Stafford loan borrowers with fixed rates of 7%, 8%, 9%, or 8%/10%. Until January 1, 1994, lenders were required to make excess interest rebates. On or before January 1, 1995, lenders were required to convert fixed-rate Stafford loans that were eligible for interest rebates to a variable interest rate. Loans that are converted to a variable interest rate under these provisions require lenders to adjust the interest rate annually on July 1. Effective for loans first disbursed on or after April 1, 2006, lenders are required to refund excess interest on Stafford, PLUS, and Consolidation loans for any quarter in which the applicable interest rate of the loan exceeds the average 3-month commercial paper rate plus the special allowance support level. See Figure A-3 in Appendix A for further information on the current calculation of excess interest rebates.~~

~~For more historic information about previous which Stafford loans that were eligible for excess interest rebates, and the conversion of these loans to a variable interest rate, see section H.2.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

Excess Interest Rebates

Subsection 10.9.C of the *Common Manual* is being revised to remove historic information on excess interest rebates, called "windfall profits," which were last required in 1994. This information is present in Section H.2 of

the History Appendix. The information is being replaced with the current requirement for excess interest rebates, effective for loans first disbursed on or after April 1, 2006.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Servicer:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

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August 16, 2007

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CM Policy Committee
CM Guarantor Designees
Interested Industry Groups and Others

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