

SLGFA E-Updates Special Edition

January 11, 2008

Special Edition

E-UPDATES is an electronic newsletter sponsored and operated by the Student Loan Guarantee Foundation of Arkansas (SLGFA) to provide program information to schools and lenders participating in the Federal Family Education Loan Program (FFELP).

IN THIS ISSUE:

1. CCRAA Changes Made to Title IV Loan and Grant Programs

On January 8, 2008, the U.S. Department of Education announced the technical changes to the College Cost Reduction and Access Act of 2007 (CCRAA) that President Bush signed into law on December 21, 2007. Some of these changes include interest rate reductions over a four-year period beginning July 1, 2008, modifications to military service deferment, as well as the establishment of a new income-based repayment for FFEL and Direct Loan Borrowers. Please click on the following link for more detailed information: <http://www.ifap.ed.gov/dpclletters/010808GENFP0801.html>

2. U.S. Department of Education Releases FP-08-02

The U.S. Department of Education released FP-08-02 on January 8, 2008. The letter announces the revised promissory notes addenda and Plain Language Disclosures for Federal Stafford Loans and Federal PLUS Loans and a new promissory note addendum for Federal Consolidation Loans.

These revised addenda and disclosures explain the changes to loan terms and conditions that were made by both the Higher Education Reconciliation Act of 2005 (HERA) and the College Cost Reduction Act of 2007 (CCRAA). The new addendum for the Federal Consolidation Loan Application and Promissory Note is based on changes made by CCRAA.

The letter states these new addenda and disclosures must be used with current promissory notes and must be used as soon as possible. The revised addenda and disclosures have been posted to the SLGFA website. Please click on the following link to view the entire Dear Colleague Letter and the new addenda and disclosures:

http://www.fp.ed.gov/fp/attachments/activities_whatnew/REVISEDFFELCCRAAAddendaJan8.doc

3. Mark Your Calendars: SLGFA Annual Conference

SLGFA is excited to announce the dates for its 2008 Annual Conference, so mark your calendars: March 6-7, 2008, at the Embassy Suites Hotel in Little Rock. Conference and registration information will be available soon.

Disclaimers: <http://www.slgfa.org/slgfa/e-updates/f-print.asp>.

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