

**U.S. Department of Education
Higher Education Act
Student Loan Program Negotiating Committee**

**Meeting Summary
February 13-16, 2012**

Review and Adopt Meeting Summary

The draft meeting summary from the January 2012 meeting was reviewed and accepted.

Review Proposed Meeting Agenda

The committee members approved the meeting agenda.

Membership

The following Primary and Alternate negotiators were present:

Students	Mr. Getachew Kassa Legislative Director United States Student Association	Mr. Abou Amara, Jr. President Graduate and Professional Student Association University of Minnesota, Twin Cities
Legal assistance to students	Deanne Loonin National Consumer Law Center	Ms. Radhika Singh Miller Program Manager Educational Debt Relief and Outreach, Equal Justice Works
Consumer advocacy organizations	Jennifer Mishory Deputy Director Young Invincibles	Maureen Thompson The Hastings Group, LLC
Financial aid administrators	Margaret Rodriguez Senior Associate Director of Financial Aid, University of Michigan Chair, National Direct Student Loan Coalition	Elizabeth Hicks Executive Director Student Financial Services Massachusetts Institute of Technology
Business officers and bursars	David Glezerman Assistant Vice President and University Bursar Temple University	Maria Livolsi Director Student Loan Service Center State University of New York
Institutional third-party servicers	Robert Perrin President Williams & Fudge, Inc.	
State attorneys general	Todd Leatherman Executive Director Office of Consumer Protection	Michele Casey Assistant Attorney General Consumer Fraud Bureau Office of the

	Office of the Kentucky Attorney General	Illinois Attorney General
Two-year public institutions	Ms. Cristi Millard Director of Financial Aid Salt Lake Community College	Mr. Chris Christensen Director of Financial Aid Johnson County Community College, Kansas
Four-year public institutions	Ms. Kris Wright Director, Office of Student Finance, University of Minnesota Executive Council Member and Secretary, National Direct Student Loan Coalition	Elaine Papas-Varas University Director of Student Financial Aid and Director of the Primary Care Practitioner Loan Redemption Program of New Jersey University of Medicine and Dentistry of New Jersey
Private nonprofit institutions	Yvonne Gutierrez-Sandoval Senior Associate Director of Financial Aid Pitzer College	Jeffrey A. Gall, Associate Dean, Office of Student Financial Services Georgetown University
Private for-profit institutions	Tom Sakos Director of Student Lending and Regulatory Quality Assurance DeVry Inc	Anthony Fragomeni Director of Governmental Affairs, Empire Education Group; Chairman, American Association of Cosmetology Schools' Government Relations Team
Guaranty agencies and guaranty agency servicers	Betsy Mayotte Director, Regulatory Compliance and Privacy, American Student Assistance	Scott Giles Vice President for Operations, Social Marketing and Strategy Vermont Student Assistance Corporation
Lenders, secondary markets and loan servicers	Robert Sandlin Director of Policy and Compliance Higher Education Servicing Corporation (Servicer for North Texas Higher Education Authority)	Vicki Shipley Senior Advisor National Council of Higher Education Loan Programs
Accrediting agencies	Albert Gray Executive Director and CEO Accrediting Council for Independent Colleges and Schools	Sharon Tanner CEO National League for Nursing Accrediting Commission

Workshop-Style Review of Issues

Committee members participated in discussions on each item of the Agenda of Issues listed below:

1. Changes to Income Contingent Repayment (ICR) Plan

- Process for Receipt of Forgiveness
- Borrower Access to current ICR (ICR-B) After July 1, 2013
- Annual ICR Income Verification
- Borrower Repayment After Leaving new ICR (ICR-A)

2. Changes to Income-Based (IBR) Repayment Plan

- New Borrower Notification for Annual IBR Evaluation
- Annual IBR Income Verification
- Borrower Repayment After Leaving IBR
- Process for Receipt of Forgiveness

3. FFEL Repayment Disclosures: Borrowers Who Are Having Difficulty Making Payments and Borrowers Who Are 60-Days Delinquent

4. Forbearance Provisions for Borrowers Receiving Department of Defense Student Loan Repayment Benefits

5. Borrowers Who Are Delinquent when Authorized Forbearance is Granted

6. Forbearance for Post 270-Day Defaulted Loan Borrowers Prior to Lender Claim Payment or Transfer to ED Default Collections

- Written and Oral Affirmation

7. Minimum Loan Period for Transfer Students in Non-Term and Certain Non-Standard Term Programs

8. "Reasonable and Affordable" Payment Standard for Rehabilitation of Defaulted Direct Loans and FFEL Program Loans

- Use of Current Payment Standard, Use of IBR Formula Payment, or Combined Approach

9. Rehabilitation of Defaulted Direct Loan and FFEL Program Loans Treatment of Borrowers Subject to Administrative Wage Garnishment

- Number of Concurrent Voluntary and Involuntary Payments
- Amount of Concurrent Payments

10. Participation Rate Index Appeal for Single Cohort Default Rate Loss of Eligibility to Participate in the Direct Loan Program

11. Repeal of Unnecessary FFEL Program Regulations

12. Modification of Direct Loan Program Regulations

13. Total and Permanent Disability Discharge – Single Application Process
14. Total and Permanent Disability Discharge – Borrower Notification of Denial
15. Total and Permanent Disability Discharge – Post-Discharge Monitoring of Employment Earnings
16. Title IV Closed School Loan Discharge
17. Satisfactory Repayment Arrangements on Defaulted Title IV Loans for Borrowers who also Rehabilitate the Loan
18. School Enrollment Status Reporting Requirements
19. Federal Perkins Loan Graduate Fellowship Deferment Eligibility
20. Social Security Number Requirement for Assignment of Federal Perkins Loans to Department of Education
21. Federal Perkins Loan Cancellation Rate Progression Across Cancellation Categories
22. Federal Perkins Loan Economic Hardship deferment Debt-to-Income Ratio Provision
23. Federal Perkins Loan Break in Cancellation Service Due to Condition Covered Under the Family and Medical Leave Act (20 U.S.C. 2601 et.seq.)
24. Standard for On-Time Rehabilitation Payments in the Federal Perkins Loan Program
25. FFEL Program Administrative Wage Garnishment (AWG) Hearings for Defaulted Borrowers

At the conclusion of the discussions, the Committee Members reached tentative agreement on Issues # 3, 4, 5, 7, 10, 19, 20, 21, 22, and 24.

Public Comment

Several opportunities were provided for the public to provide comment. No comments from the public were received.

Having concluded its agenda for the second session, the Committee adjourned the session at the close of the day, February 16, 2012.

Logistics

The third session of the Student Loan Program Negotiating Committee is scheduled for Monday through Friday, March 26-30, 2012, with the following schedule:

Monday: 12:00 pm – 5:00 pm

Tuesday to Thursday: 9:00 am – 5:00 pm

Friday: 9:00 am – 12:00 pm

The session will be held at the U.S. Department of Education in the 8th Floor Conference Center located at 1990 K St. NW in Washington, D.C.

Next Steps

Prior to the next meeting, the Department will provide to the committee the draft Agenda for the third meeting and revised draft regulatory text for the agenda of issues that reflects the workshop discussions of the second session. The facilitators will distribute the Draft Meeting Summary of the second meeting.