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Tip^{of} the Week

Help your students and parents understand the risks of borrowing private loans for a college education with TG's *Adventures In Education* (AIE™). You can find AIE's informational Web page on private loans at www.aie.org/handouts/PrivateStudentLoans.pdf.

Federal updates

ED releases final rules for loan-related provisions

Last July 1, ED issued proposed rules for the federal student loan programs, as a result of the negotiated rulemaking (Neg Reg) process that occurred in early 2008 (see *Shoptalk Online* edition [460](#)). ED provided a 45-day period during which the financial aid and higher education communities submitted comments on the proposed rules. After reviewing comments submitted by over 1700 parties, ED published final rules in the October 23 *Federal Register*.

The regulations concern various provisions enacted by the College Cost Reduction and Access Act of 2007 (CCRAA), and incorporate certain changes made to the Higher Education Act by the Higher Education Opportunity Act (HEOA), the reauthorization bill enacted on August 14, 2008. As a reminder, the rules address the following topics:

- Eligibility for economic hardship deferment
 - Defines the term "family size"

- Clarifies the source and applicability of poverty guidelines
- Eliminates the economic hardship deferment based on the 20/220 provision
- Military service deferment and post-active duty student deferment
 - Sets guidelines regarding a borrower's eligibility for a post-active duty student deferment after re-enrolling
 - Clarifies qualifying active duty statuses
 - Establishes a borrower's concurrent — rather than consecutive — eligibility for the 180-day military service deferment and the 13-month post-active duty student deferment
- Income-based repayment (IBR) plan
 - Defines the term "partial financial hardship"
 - Creates a statutory formula for calculating a monthly payment under IBR
 - Establishes procedures for annually determining a borrower's partial financial hardship
 - States the conditions a borrower must satisfy in order to qualify for loan forgiveness under IBR
- Public Service Loan Forgiveness
 - Establishes a FFELP borrower's ability to obtain a Direct Consolidation loan for the purpose of using the Public Service Loan Forgiveness program
 - States the conditions a borrower must satisfy in order to qualify for Public Service Loan Forgiveness
- Definition of eligible not-for-profit holder status
 - Identifies the circumstances in which a state or non-profit entity is deemed to be owned or controlled by a for-profit entity
 - Requires a not-for-profit holder to provide certain documentation annually to ED to establish and re-confirm its eligibility for not-for-profit status

No significant changes

ED states that there are no significant differences between the proposed and final regulations resulting from public comments, but there are a few revisions of note, including:

- Changes to the definition and certification of family size for the purpose of determining eligibility for the economic hardship deferment and/or IBR;

- Changes made by the HEOA pertaining to defaulted loans and IBR eligibility and the definitions of “public service organization” and “government employee” in the Public Service Loan Forgiveness program; and
- Clarification that the mandatory forbearance available to military borrowers with a FFELP loan in repayment begins on the day after the borrower ceases enrollment on at least a half-time basis.

Effective date

Generally, Title IV final regulations that are published by November 1 must be implemented by the following July 1. However, ED has designated the regulations regarding the changes in the military service and post-active duty student deferments, including the related forbearance provisions, for early implementation at the discretion of each school, lender, guarantor, or servicer, as appropriate.

For more information

The above summary of the final rules topics is not all-inclusive. We encourage readers to review the complete text of the final rules, available online at <http://edocket.access.gpo.gov/2008/pdf/E8-24922.pdf>.

TG updates

Updated integrated regulations available on *TG Online*

TG is pleased to announce the availability of a new integrated regulations compilation for our customers. The new compilation incorporates changes from the final rules that were published on October 23, 2008 (see previous article).

Since the changes in the October 23 final rules affect only portions of the Title IV regulations, TG has created a separate file incorporating changes to the following parts:

- Part 682 — Federal Family Education Loan (FFEL) Program, and
- Part 685 — William D. Ford Federal Direct Loan Program.

This file is titled “Integrated Regulations Parts 682 and 685 (October 2008).”

Note that the regulations compilation that includes changes from the November 1, 2007, final rules is also available, and is titled “Integrated Regulations Parts 600, 668, 682, and 685 (November 2007).”

The PDF shows the language that has been removed (stricken) as well as language that has been added (underlined). The language is color coded to indicate the final rule package from which it originates. Additionally, each part, section, and appendix has been bookmarked for easy navigation.

Accessing the bookmarked integrated regulations

To access this practical research tool, visit *TG Online* at www.tgslc.org/policy/intreg.cfm.

More information

For questions about the updated integrated regulations, contact TG customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org.

Mark your calendar for TG's webinars on its new lender survey tool, List AssistSM

List AssistSM, TG's forthcoming lender survey tool, provides a convenient, electronic way to gather lender information for a recommended or suggested lender list. TG will offer two webinars on List Assist in early November. The webinars will profile the product's features and highlight its key benefits for schools, lenders, and borrowers.

Among other things, participants will learn about:

- List Assist's online process for generating, communicating, and managing lender surveys;
- Its library of assessment questions that can be tailored to individual campus needs; and
- Reports that document survey results and offer a downloadable record for future reference.

Webinar times

Join in the discussion about List Assist by attending one of the webinar sessions listed below.

Tuesday, November 4
10:00 - 11:00 a.m., CDT

Wednesday, November 5 (repeat)
2:00 - 3:00 p.m., CDT

To register

To register for a List Assist webinar, visit *TG Online* at www.tgslc.org/training/webinars/webinars0811.cfm.

For questions about the webinar

If you have any questions regarding the upcoming webinar, please contact Lisa Felder, external product training coordinator, at lisa.felder@tgslc.org. If you need

technical assistance with TG's products, please contact TG's product support team at (800) 332-1455, or send an e-mail to product.support@tgsllc.org.

More about List Assist

To view an online demo of List Assist, visit *TG Online* at www.tgsllc.org/products/index.cfm and click TG List Assist Demo in the right column.

Learn, grow, lead: Find out how TG's Financial Aid Leadership Symposium can help you hone your leadership skills

Leadership workshops designed specifically for financial aid professionals are few and far between. In fact, TG's Financial Aid Leadership Symposium is unique in its complete focus on the skills needed to be a leader in the financial aid arena.

TG has been offering this week-long training since 2006. Alumni regularly hail the workshop for its mix of interactive sessions and open forums on real-world issues of a financial aid office. Like many other participants, Bridgette Ingram of Texas A&M University says the Symposium helped renew her commitment to the mission of financial aid.

"I think the training brought back that excitement we all have about financial aid," said Ingram. "When I reflect on the week I spent at the Symposium, there are so many things that I have put into practice since I came back to work."

Over the course of a week, the Symposium offers a series of workshops on the principles of good leadership. Among other things, participants learn how to build trust, motivate staff, and create a vision for a team. The great advantage to attendees is that they learn these concepts partly by discussing issues drawn from their own work experiences.

TG has set training dates for the 2009 Financial Aid Leadership Symposium, which will be held February 2-6 in Round Rock, Texas.

A network of colleagues for life

Ingram notes other key benefits of the Symposium.

"The training cohort was small enough that I got some really valuable interaction and could share ideas with colleagues," said Ingram. "We also formed a great network that I still use today."

Symposium participants work in small groups and make individual presentations on particular topics. Throughout the week, attendees get the feedback of experts in various fields like policy and training.

Besides grooming participants to be more effective leaders, the Symposium offers other benefits, including an informal network of peers who stay in touch via telephone and e-mail. Graduates use the e-mail network to seek advice or feedback on particular issues.

Attendees enjoy the freeing atmosphere of the Symposium, which encourages candid discussion on current challenges in the industry or at the office.

TG senior corporate trainer Tom Rebstock describes the Symposium's benefits this way: "The Symposium plays an important role in these times of rapid change in the financial aid industry," he said. "We're continuously improving the agenda to maintain a state-of-the-art curriculum that is focused on a financial aid office."

Attending the 2009 Symposium

To enhance the hands-on learning environment, enrollment in the Symposium is limited to a small, diverse cohort of selected applicants.

To apply, complete an application on TG Online at www.tgslc.org/training/leaders.

The application deadline is December 1, 2008. The fee for the Symposium is \$1,000 per participant and includes the full week of classes and materials, as well as hotel accommodations and selected meals.

More information

To learn more about TG's Financial Aid Leadership Symposium, visit *TG Online* at www.tgslc.org/training/leaders. You can also contact Tom Rebstock at (800) 252-9743, ext. 2835, or send an e-mail message to tom.rebstock@tgslc.org.

Trends and issues

Policy Potpourri

Q.: Can you tell me about the new loan forgiveness program for areas of national need created by the HEA reauthorization?

A.: The Higher Education Opportunity Act (HEOA), the recently-signed reauthorization bill, creates a new loan forgiveness program for borrowers serving in areas of national need. Funding for the program is authorized to begin in fiscal year 2009. Funding is subject to appropriations and will be available to borrowers on a "first-come, first-served basis."

The program provides up to \$2,000 for each year of full-time employment in an area of national need that a borrower completes on or after August 14, 2008, the date of enactment of the HEOA. A borrower may receive up to a maximum of \$10,000. In order to be eligible, a borrower must be employed full time and must not be in default. Parent PLUS loans and certain Consolidation loans will not qualify for this program.

"National need" covers various professions or careers, including: early childhood educators; nurses; foreign language specialists; librarians; highly qualified teachers; child welfare workers; speech-language pathologists; audiologists; national service; school counselors; public sector employees; nutrition professionals; medical specialists; physical therapists; superintendents, principals, and other (school) administrators; occupational therapists; and dentists.

The law also states that "[t]he Secretary is authorized to issue such regulations as may be necessary to carry out this section." So, it is very likely this program will be discussed in negotiated rulemaking beginning this winter. (See *Shoptalk Online* edition [469](#).)

Do you have a question?

If you have a question, feel free to *Ask TG™*. *Ask TG* is TG's online query tool for borrowers, schools, and lenders. It includes a database of frequently asked questions about financial aid, student loan processing, and TG's products and services. To submit a question, visit <http://tgslc.custhelp.com>.

This, that, and the other

College graduates are leaving school with an average debt burden of more than \$20,000, an amount that outpaces any growth in starting salaries, according to the Project On Student Debt, an Initiative of The Institute of College Access and Success.

Graduates of the class of 2007 carried six percent more student loan debt than the class of 2006, while starting salaries for recent graduates rose just three percent in the same period.

Over the past decade, debt levels for graduating seniors with student loans more than doubled. At public universities, debt levels increased some 116 percent. At private universities, indebtedness grew by 95 percent.

Students in Iowa and New Hampshire graduate with the highest debt levels: \$26,208 and \$25,211, respectively. Those in Utah have the lowest average debt at \$13,266. South Dakota, North Dakota, New Hampshire, and Iowa have the highest proportions of students graduating with student loans, at 81 percent, 75 percent, 74 percent, and 73 percent, respectively.

Learn more about these recent findings by reading the complete press release at http://projectonstudentdebt.org/files/pub/2007_state_debt_NR.pdf.



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To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732, or send an e-mail message to communications@tgslc.org.

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