

10/08/2007

(original message posted via email)

OGSLP NewsFlash

CCRAA Provisions Effective October 1, 2007

On September 27, 2007 President Bush signed into law the College Cost Reduction and Access Act (CCRAA), Pub. L. 110-084. OGSLP provided a preliminary summary of the CCRAA provisions prepared by the National Council of Higher Education Loan Programs (NCHELP) in the September 27 Online Newsletter and in the September 17, 2007 Legislative Update. To help you quickly identify the loan related provisions that went into effect on October 1, 2007, a list is provided below.

**Loan Provisions Effective October 1, 2007**

- Reduction of Lender Special Allowance Payments - loans first disbursed on or after October 1, 2007
- Elimination of Exceptional Performer Status for Lenders
- Increased Loan Fees from Lenders – from 0.5% to 1.0% for loans first disbursed on or after October 1, 2007
- Loan Forgiveness for Public Service Employees (Income Contingent Repayment) - 120 payments must be made after October 1, 2007 in the Direct Loan Program
- Economic Hardship Deferment eligibility requirements have changed
- Military Deferment - removed three-year limitation and added 180 days after demobilization to the deferment timeframe
- Military Deferment - extends deferment period to include 13 months following conclusion of active duty military service
- Guaranty Agency Collection Retention reduced from 23% to 16% for payments received on or after October 1, 2007
- Account Maintenance Fee – reduced from 0.10% to 0.06% for payments received on or after October 1, 2007

To provide guidance, the Department of Education is working on a Dear Colleague Letter for community use, which may be released in the next few weeks. Additionally, OGSLP is planning CCRAA training sessions for school and lender customers. Stay tuned for more information about training dates and registration.

For immediate information about CCRAA, customers can also refer to the following resources:

- [CCRAA bill text](#)
- [NCHELP summary of CCRAA](#)
- [NCHELP side-by-side preliminary analysis of the loan provisions Fontained in CCRAA](#)

CCRAA and other legislative information can be found on [OGSLP s Legislation Page](#). If you have questions, please contact our Policy, Compliance, and Training department at 405.234.4432 or [pct@ogslp.org](mailto:pct@ogslp.org).

-----  
Communications  
OGSLP  
P.O. Box 3000  
Oklahoma City, OK 73101-3000

[gslcommunications@ogslp.org](mailto:gslcommunications@ogslp.org)  
[www.ogslp.org](http://www.ogslp.org)