

# SLGFA E-Updates

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**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. Signed MPN Not Required for Late Disbursements

It was during the Cash Management session at the 2005 NASFAA Conference, Department of Education (ED) presenters stated that a student - or a parent in the case of a PLUS Loan - does not qualify for a late disbursement of a Title IV loan if the borrower had not signed a Master Promissory Note (MPN) for the loan before the date the student became ineligible. ED presenters later retracted that statement and clarified the borrower need not have signed the MPN before the date the student became ineligible. Additional details about an unsigned MPN and late disbursements can be read by clicking on the provided link: <http://www.slgfa.org/slgfa/pubs/mpn/UnsignedMPN-LateDisbursement.asp>

### 2. Student Loan Interest Rate Charts Available

Student loan interest rate charts for 2005-2006 are now available from SLGFA's Web site, as well as updated historical interest rate charts. To review or download the charts, go to the following link: [http://www.slgfa.org/slgfa/download/ffelp\\_forms/interestrate.asp](http://www.slgfa.org/slgfa/download/ffelp_forms/interestrate.asp)

### 3. HEA Reauthorization Momentum Has Begun

After much political wrangling over the Higher Education Act (HEA) Reauthorization, it seems that momentum has finally begun for reauthorization passage. Born from a three-day marathon of heavy debate by the House Education and Workforce Committee, H. R. 609, College Access and Opportunity Act, was approved on Friday, July 22, 2005. What is in H.R. 609? The House Education and the Workforce Chairman John Boehner released a bill summary of H.R. 609. To read more about H.R. 609, College Access and Opportunity Act, click on the provided link: <http://www.slgfa.org/slgfa/pubs/updates/HEAReauthMomentum.asp>

### 4. E-Legislation

In addition to the action surrounding the *College Access and Opportunity Act (H.R. 609)*, several bills of interest to the student loan community have been introduced since June 20, 2005. To read more about introduced bills, click on the following link: <http://www.slgfa.org/slgfa/pubs/updates/E-Legislation/E-Legislation08-05-05.asp>

### 5. SLGFA Clients Will Experience Delays in Major Database Changes

In order to meet deadlines during peak processing, SLGFA will, once again, implement a period during which delays will occur when major changes are requested to be made to school and lender setup profiles on the guarantor database. The period, during which setup changes may be delayed, will begin with change requests submitted on or after June 1, 2005 and continue through August 31, 2005. For more information about this issue, click on the provided link: <http://www.slgfa.org/slgfa/pubs/updates/lockdown.asp>.

**6. Mortarboard FYI: State's College Savings Plan Recognized Nationally**

The August edition of *Money* magazine named the Arkansas college savings plan as one of the best values in the country. The Legislative Council's Higher Education Subcommittee was told of the article and briefed on the college savings program, which was amended during the recent legislative session to allow Arkansas residents to deduct contributions from their state income tax. To read more about Arkansas' nationally recognized college savings plan, click on the following link:

<http://www.slgfa.org/slgfa/pubs/updates/MortarboardFYI/MFY080505.asp>

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