

Summary of Changes to Proposed Regulatory Text – Day 3

§ 685.203

Amend paragraphs (f) (2) (iv) and (g) (5):

(f) * * *

(2) * * *

(iv) For the purposes of this subparagraph (f), a student who changes majors within the same degree or certificate shall be considered to be enrolled in the same program of study.

* * *

(g) * * *

(5) For the purposes of this subparagraph (g), a student who changes majors within the same degree or certificate shall be considered to be enrolled in the same program of study.

Amend paragraph (m) (1):

(m) * * *

(1) *Less Than Full-Time Enrollment.* Notwithstanding any provision of 34 CFR parts 682 or 685, in any case in which a student is enrolled in an eligible program (except for a subscription-based program as defined in § 668.2 or a non-term program) at an institution on a less than a full-time basis during any academic year, the amount of any Direct Loan that student may borrow for an academic year or its equivalent shall be reduced in direct proportion to the degree to which that student is not so enrolled on a full-time basis, as of the date the institution determined the student's eligibility for the disbursement in accordance with 34 CFR 668.164(b) (3), rounded to the nearest whole percentage point, as follows:

Amend paragraph (m) (1) (i) :

(m) * * *

(1) * * *

(i) ~~Borrower Who Transfers to Another Institution~~ Periods of Enrollment that are Less than a Full Academic Year. ~~If a borrower transfers from one eligible institution to another eligible institution within the same academic year~~ For a period of enrollment of less than an academic year as defined under § 668.3, the ~~transfer~~ institution must calculate the Direct Loan eligibility that student may borrow for the term in which the borrower is enrolled, or its equivalent, in direct proportion to the degree to which that student is not so enrolled on a full-time basis for that term.

(A) The ~~transfer~~ institution shall first determine the amount of the academic year loan limit under this section that the term represents.

* * * * *

§ 685.209

Amend paragraph (TK) :

(TK) For purposes of the Repayment Assistance Plan under this section, a borrower's monthly payment under (f) (5) of this section is considered on-time if the payment is received on or before the due date for the current month, but after the due date for the previous month. ~~When the borrower elects to make a payment in excess of the amount due, the Secretary allows the borrower to opt-out of advancing the due date which is provided for in 34 CFR 685.211. In the case where the borrower makes an electronic payment, the Secretary allows the borrower to select when submitting the payment whether the excess payment will advance the due date (and eliminate the possibility of a RAP subsidy until the next month in which a payment becomes due), or~~

to not advance the due date. No matter the method of payment, the borrower may contact their servicer by phone to elect not to advance the due date. The Secretary shall disclose to the borrower the potential consequences of electing to advance the due date or not.