

ACT 121 (HB2124)



ANNUAL STUDENT LOAN NOTIFICATION SUMMARY

Annual Student Loan Summary Notification



- Implementation target date – September, 2019
- Annually but no later than July 1 of each year -
Institutions can determine when to send as long as it is
no later than July 1 of each year
- Frequency – institutions can determine

Compliance



- The Pennsylvania Department of Education (PDE) shall administer and enforce the provisions of this Act

Requirements



Amount Disbursed – an estimate of the total amount of Federal loans (or other student loans) disbursed by the institution and borrowed by the student

Repayment Amount – if the loans are to go into repayment as of the date of the annual student loan summary notification, then the information shall also include an estimate of the total payoff amount of loans

Requirements



Years of Repayment – the number of years used in determining the potential total payoff amount

Repayment Tools – a link to a federal online aid counseling tool and information on how student can access an online repayment calculator

Disclaimer – information may include a statement that any estimate or range provided is general in nature and not intended to be a guarantee or promise of actual projected amount

ACT 121 of 2018: Sample Letter (Annual Student Loan Summary Notification)

Annual Student Loan Summary Notification

<<Month>> <<Day>>, <<Year>>

Dear <<FIRST NAME>> <<LAST NAME>>,

<<Institution Name>> is committed to keeping you informed about your student loan debt and providing you with the guidance necessary to assist you with your financial aid planning throughout your journey toward postsecondary success.

In an effort to fulfil this commitment, we are providing you with a summary of your total estimated student loan liability as of <<Current Date>>. The student loan summary provided below includes information on the following items:

1. The total amount of Federal Student Loans that you have borrowed at <<Institution Name>> and at other institutions you may have previously attended; and
2. The total amount of Non-Federal Student Loans that you have borrowed at <<Institution Name>>. However, this estimate does not reflect any Non-Federal Student Loan debt you may have incurred at other institutions you previously attended.

It is important to also note that the student loan summary provided does not include information on any student loan funds you may borrow in the upcoming academic year. We ask that you take the time to review the student loan summary information carefully as it may assist you with future borrowing decisions about your student loans.

Student Loan Summary

Estimated Federal Student Loans

Principal Loan Amount¹ [Amount Disbursed]
Interest Rate²
Monthly Payment [Repayment Amount]
Total Payoff Amount²

Estimated Non-Federal Student Loans

Principal Loan Amount
Interest Rate
Monthly Payment
Total Estimated Payoff Amount²

[Years of Repayment]

¹ RISEAA leadership recommends using the following "Interest Rate" for the above field:

- Use a weighted average specific to the student, if possible. [x]
- Use an average that is student specific, if weighted average is not possible. [x]
- Use the current year's federal interest rate, if necessary. [and]
- Regardless of the interest rate included, please be sure to describe how it was calculated.

² Please note that this amount is an estimate and does not include any loans related to interest that may accrue while you are in college.

INSERT
SCHOOL LOGO
HERE

While the factors that influence an individual's decision to borrow student loans may vary, **ultimately the responsibility to pay back the student loans rests exclusively with you.** The more informed you are about the short- and long-term implications of your borrowing decisions, the better off you will be when it comes time for repayment. For this reason, we encourage you to take advantage of the following resources that are available to students that will help you better understand your loan debt and repayment options:

[Repayment Tools]

- Visit www.NSIDS.ed.gov to access information about other Federal student loans you may have borrowed from other postsecondary institutions.
- Visit www.Studentloans.gov for information on calculating monthly payments and to explore various repayment options.
- Visit www.annualcreditreport.com to view information on your individual credit score and your Non-federal private student loans.
- Visit www.studentaid.gov to learn about financial aid options.
- [INSERT ADDITIONAL SCHOOL RESOURCES]

<<Institution Name>> is committed to your financial well-being and future success and realize that the best strategy for managing your student loan debt is to stay on track to complete your program in a timely manner. With this in mind, the office of student financial assistance would like to offer up this additional advice:

ADVICE

- Graduate on Time: Schedule an appointment with an academic advisor to make sure you are on track to graduate.
- Textbook Affordability: Research ways to reduce the cost of textbooks.
- Lower Your Student Loan Payments: Paying down the interest or principal on your loans while you are in school will lower your payments after graduation.

Loan Forgiveness: Inquire about the various state and federal loan forgiveness opportunities that are available to you. As always, if you have any questions or believe that the student loan summary provided is not accurate, please contact the financial aid office at <<PHONE NUMBER>>, or email us at <<E-MAIL>>.

[Disclaimer]
[Insert Disclaimer Here]



Developing your plan



- Mail or email
- Timing of notification
- Internal processes
- Getting help with the notifications
- Additional information you plan to include