



nassgap

Summer Washington DC Update

As families begin the summer vacation season, which includes a total solar eclipse that's drawing a lot of attention, there's no eclipsing changes coming this fall for federal student financial aid.

Financial Aid for the 2017-18 Academic Year (AY)

First the good news: the maximum Pell grant amount increases to \$5920 from \$5815 for the upcoming academic year. There will be generally level funding for the SEOG and College Work-Study Programs, and Perkins loans will continue to be available, for undergraduates only, as long as first disbursed by September 30, 2017.

The Stafford and PLUS loan interest rates for the 2017-18 AY were determined in May; the interest rates on new loans are rising 0.69% when compared with loans made for the 2016-17 AY:

For loans first disbursed on/after July 1, 2017, the interest rate will be:

- Undergraduate Stafford (Subsidized and Unsub): 4.45%
- Graduate Stafford: 6.00%
- Grad and Parent PLUS: 7.00%

For loans first disbursed on or before September 30, 2017, the loan origination fee will be:

- Stafford (all types and levels): 1.069%
- PLUS (all types) 4.276%
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For loans first disbursed on/after October 1, 2017, the loan origination fee will be:

- Stafford (all types and levels): 1.066%
- PLUS (all types) 4.264%

The loan interest rate was determined based on an auction of 10-year Treasury notes in May; the decrease in the loan origination fee is based on budget sequestration as required by the Budget Control Act of 2011.

Reauthorization

Action on Reauthorization of the Higher Education Act still seems unlikely for 2017. The final budget for FFY 2017 provided funding to reinstate Year-Round Pell (YRP) grants effective July 1, 2017.

Upcoming Fall Conference:

This year's NASSGAP's Annual Fall Conference will be held October 24th through 27th in Washington DC. The conference should be a great opportunity to hear from your peers about their successes and lessons learned from the first year of 'early FAFSA'.