

DATE : January 30, 2008
TO : Loans Committee Members
FROM : Dan Madzellan
SUBJECT : Materials for the February 4-6 negotiating session

Enclosed are most of the materials for the second negotiating session. We expect to provide the language for the not-for-profit loan holder definition later today. You are free to share this information as you see fit. With respect to preemption, the Department found our discussion at the last session very informative, and senior ED officials continue to gather information, seek input from relevant interests, and consider their options.

Included in this posting is a single package of draft regulatory language in both pdf and MSWord formats. Note that the language itself, with two exceptions, is provided in redline/strikeout, i.e. "contextual," format and not in the usual and customary amendatory style. Instead, we are interested in using this language as the basis for reaching agreements on the issues under negotiation. The language the Committee ultimately agrees to will be written in the usual amendatory style.

We have ordered the issues in this package in the same sequence as that in the agenda for next week's session that Susan sent you yesterday. This numbering is displayed in the lower right-hand corner of each page.

The two exceptions mentioned above regard the language for income-based repayment. As you will see, we propose to redesignate current §682.215 (FFEL teacher loan forgiveness) as new §682.216, and use §682.215 for income-based repayment. Consequently, new §682.215 is not rendered in redline/strikeout format. See pages 8-16 of the "Loans 1" language. Similarly, we propose to add new §685.221 to the Direct Loan regulations, so that language is likewise not shown in redline/strikeout format. This new section begins on page 30.

See you on the 4th.