

June 7, 2019

Subject: Federal Stafford, Federal PLUS, Federal SLS, and Federal Consolidation Interest Rate Calculations for the Period July 1, 2019 – June 30, 2020

The attached charts show the variable interest rates applicable to the Federal Stafford, Federal SLS, Federal PLUS, and Federal Consolidation loan programs for the period **July 1, 2019 – June 30, 2020**. Interest rates for variable-rate loans under these programs are determined annually, and are based on the following:

- **Stafford Loans** – based on the bond equivalent rate of 91-day Treasury Bills auctioned at the final auction held before June 1st of each year. The bond equivalent rate for 91-day Treasury Bills auctioned on May 28, 2019 is **2.36** percent.
- **PLUS/SLS Loans** – based on either the bond equivalent rate of 91-day Treasury Bills auctioned at the final auction held before June 1st of each year, or the weekly average of the one-year constant maturity Treasury yield as published for the last calendar week ending on or before June 26th of each year. The bond equivalent rate for 91-day Treasury Bills auctioned on May 28, 2019, is **2.36** percent. **NOTE: The weekly average of the one-year constant maturity Treasury yield for the last calendar week ending on or before June 26th will not be available until the end of June, at which time this memo will be updated and reissued.**
- **Consolidation Loans** – for which the loan application was received by an eligible lender on or after 11/13/97 but prior to 10/1/98 are based on the bond equivalent rate of 91-day Treasury Bills auctioned at the final auction held before June 1st of each year, or **2.36** percent. For the HEAL portion of consolidation loans for which the loan application was received by an eligible lender on or after 11/13/97, the rate is based on the average of the bond equivalent rates of the 91-day Treasury Bills auctioned for the quarter ending June 30th of each year. **NOTE: The average of the bond equivalent rates of the 91-day Treasury Bills auctioned for the quarter ending June 30th will not be available until the end of June, at which time this memo will be updated and reissued.**

These rates do not affect Federal Stafford or Federal PLUS loans made on or after July 1, 2006 that are subject to fixed rates.

Accounting Operations Division
Finance Office

Attachment

**FFEL “Converted” Variable-rate Stafford Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Loans That Were Subject to the “Windfall Profits” Provisions of §427A(i) of the HEA)
(Table 1)**

COHORT			CITATION	INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)				
Type of Loan/ Borrower	First Disbursement Made On or After	First Disbursement Made Before	Higher Education Act of 1965, As Amended	91-Day Treasury Bill Rate	Additional Sum	Total	Maximum Rate	INTEREST RATE FOR THE PERIOD 7/1/19 – 6/30/20
8/10% Loans (SD/XB FVAR10) (new borrowers)	7-1-88 and 7-23-92	7-23-92 10-1-92	§427A(i)(1) §427A(i)(7)(A)	2.36%	3.25%	5.61%	10%	5.61%
7% Loans (SD/SE FVAR7) (old borrowers)	7-23-92 SD 10-1-92 SE	10-1-92 SD 7-1-94 SE	§427A(i)(3) §427A(i)(7)(A)	2.36%	3.1%	5.46%	7%	5.46%
8% Loans (SD/SE FVAR8) (old borrowers)	7-23-92 SD/XB 10-1-92 SE	10-1-92 SD 7-1-94 SE	§427A(i)(3) §427A(i)(7)(A)	2.36%	3.1%	5.46%	8%	5.46%
9% Loans (SD/SE FVAR9) (old borrowers)	7-23-92 SD 10-1-92 SE	10-1-92 SD 7-1-94 SE	§427A(i)(3) §427A(i)(7)(A)	2.36%	3.1%	5.46%	9%	5.46%
8/10% Loans (SD) (SE/XE FVAR10) (old borrowers)	7-23-92 SD 10-1-92 SE/XE	10-1-92 SD 7-1-94 SE/XE	§427A(i)(3) §427A(i)(7)(A)	2.36%	3.1%	5.46%	10%	5.46%

**FFEL Regular Variable-rate Stafford Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 2)**

COHORT			CITATION	INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)					
Type of Borrower	First Disbursement Made On or After	First Disbursement Made Before	Higher Education Act of 1965, As Amended	During	91-Day Treasury Bill Rate	Additional Sum	Total	Maximum Rate	INTEREST RATE FOR THE PERIOD 7/1/19 – 6/30/20
“New” Borrower (SE/XE EVAR)	10/1/92	7/1/94	§427A(e)(1)		2.36%	3.1%	5.46%	9%	5.46%
“New” Borrower (SE/XE EVAR)	7/1/94 (for a period of enrollment ending prior to 7/1/94)		§427A(e)(1)		2.36%	3.1%	5.46%	9%	5.46%
All Borrowers (regardless of prior borrowing) (SG/XG EVAR)	7/1/94 (for a period of enrollment that includes or begins on or after 7/1/94)	7/1/95	§427A(f)(1)		2.36%	3.1%	5.46%	8.25%	5.46%

**FFEL Regular Variable-rate Stafford Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 2)**

COHORT			CITATION	INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)					
Type of Borrower	First Disbursement Made On or After	First Disbursement Made Before	Higher Education Act of 1965, As Amended	During	91-Day Treasury Bill Rate	Additional Sum	Total	Maximum Rate	INTEREST RATE FOR THE PERIOD 7/1/19 – 6/30/20
All Borrowers (regardless of prior borrowing)	7/1/95	7/1/98	§427A(g)(2) (SH/XH EVAR)	In-school, grace and deferment periods	2.36%	2.5%	4.86%	8.25%	4.86%
			§427A(f)(1) (SG EVAR)	All other periods	2.36%	3.1%	5.46%	8.25%	5.46%
All Borrowers (regardless of prior borrowing)	7/1/98	7/1/2006	§427A(j)(2) §427A(k)(2) (SJ/XJ/CA/CE/LA/LE EVAR)	In-school, grace and deferment periods	2.36%	1.7%	4.06%	8.25%	4.06%
			§427A(j)(1) §427A(k)(1) (SK/XK/CB/CF/LB/LF EVAR)	All other periods	2.36%	2.3%	4.66%	8.25%	4.66%

**FFEL Variable-rate PLUS and SLS Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 3)**

COHORT			CITATION	INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)					
Type of Loan	First Disbursement Made On or After	First Disbursement Made Before	Higher Education Act of 1965, As Amended	91-Day Treasury Bill Rate	One-year Constant Maturity	Additional Sum	Total	Maximum Rate	INTEREST RATE FOR THE PERIOD 7/1/19 – 6/30/20
PLUS/SLS* (SD VAR)		10/1/92	§427A(c)(4)(B)		TBD**	3.25%	TBD	12%	TBD
SLS* (SE/XE EVAR)	10/1/92 (for a period of enrollment beginning prior to 7/1/94)		§427A(c)(4)(D)		TBD**	3.1%	TBD	11%	TBD
PLUS* (SE EVAR)	10/1/92	7/1/94	§427A(c)(4)(D)		TBD**	3.1%	TBD	10%	TBD
PLUS (SG EVAR)	7/1/94	7/1/98	§427A(c)(4)(E)		TBD**	3.1%	TBD	9%	TBD
PLUS* (SH EVAR)	7/1/98	1/1/2000	§427A(j)(3) §427A(k)(3)	2.36%		3.1%	5.46%	9%	5.46%
PLUS (CD/XQ/CH/LD/LH/ EVAR)	1/1/2000	7/1/2006	§427A(k)(3)	2.36%		3.1%	5.46%	9%	5.46%

* These loans will **not** be subject to special allowance payments during the four quarters ending 9/30/19, 12/31/19, 3/31/2020, and 6/30/2020. See Sections 438(b)(2)(C)(i); 438(b)(2)(C)(ii); 438(b)(2)(G)(v); and 438(b)(2)(H)(v) of the Higher Education Act of 1965, as amended.

**To Be Determined - The weekly average of the one-year constant maturity Treasury yield for the last calendar week ending on or before June 26th will not be available until the end of June, at which time this memo will be updated and reissued.

**FFEL Variable-rate and Fixed-rate Consolidation Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 4)**

COHORT				CITATION	INTEREST RATE FORMULA	
Consolidation Loans Made On or After	Consolidation Loans Made Before	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender On or After	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender Before	Higher Education Act of 1965, As Amended	Method Used to Determine Interest Rate	Maximum Rate
	7/1/94			§428C(c)(1)(B)	The interest rate is the weighted average of the interest rates on the loans consolidated, rounded to the nearest whole percent, but may not be less than 9 percent.	
7/1/94 (SE)			11/13/97	§428C(c)(1)(C)	The interest rate is the weighted average of the interest rates on the loans consolidated, rounded upward to the nearest whole percent.	

**FFEL Variable-rate and Fixed-rate Consolidation Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 4)**

COHORT				CITATION	INTEREST RATE FORMULA	
Consolidation Loans Made On or After	Consolidation Loans Made Before	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender On or After	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender Before	Higher Education Act of 1965, As Amended	Method Used to Determine Interest Rate	Maximum Rate
		11/13/97 (SG/XG EVAR)	10/1/98	§427A(f) §428C(c)(1)(D)	The interest rate is determined annually and equals the bond equivalent rate of 91-Day Treasury Bills auctioned on the final auction held before June 1 st of each year, plus 3.10 percent. The interest rate may not exceed the maximum rate. (For the period July 1, 2019 through June 30, 2020 the interest rate for these loans is 2.36 percent plus 3.10 percent or 5.46 percent.)	8.25%
		10/1/98 (SL/XL/CC/CG/CK/LC/LG/LK)	6/30/2010	§427A(k)(4)(A) §428C(c)(1)(A)	The interest rate is the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8 th of one percent. The interest rate may not exceed the maximum rate.	8.25%

**FFEL Variable-rate and Fixed-rate Consolidation Loan Interest Rates for the Period July 1, 2019 through June 30, 2020
(Table 4)**

COHORT				CITATION	INTEREST RATE FORMULA	
Consolidation Loans Made On or After	Consolidation Loans Made Before	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender On or After	Consolidation Loans for Which the Loan Application Was Received by an Eligible Lender Before	Higher Education Act of 1965, As Amended	Method Used to Determine Interest Rate	Maximum Rate
HEAL Portion of the Consolidation Loan		11/13/97	6/30/2010	§428C(d)(2)(B)	The interest rate for the HEAL portion of the consolidation loan is determined annually and equals the average of the bond equivalent rates of the 91-Day Treasury Bills auctioned for the quarter ending June 30, plus 3.0 percent. There is no maximum rate on this portion of the loan.	N/A

Loans First Disbursed on or After July 1, 2006 have Fixed Rates:

LOAN TYPE	GRADE LEVEL	First Disbursed July 1, 2006 through June 30, 2008	First Disbursed July 1, 2008 through June 30, 2009	First Disbursed July 1, 2009 through June 30, 2010
Subsidized Stafford	Undergraduate (CE/CF/CI/CJ/LE/LF/LI/LJ)	6.80	6.00	5.60
	Graduate (CE/CF/CI/CJ/LE/LF/LI/LJ)	6.80	6.80	6.80
Unsubsidized Stafford	Undergraduate (CE/CF/CI/CJ/LE/LF/LI/LJ)	6.80	6.80	6.80
	Graduate (CE/CF/CI/CJ/LE/LF/LI/LJ)	6.80	6.80	6.80
PLUS Loans	Parent and Grad Student (CH/CM/LH/LM)	8.50	8.50	8.50