

LOAN LIMIT TABLE CORRECTION – MARCH 14, 2006

The subsidized/unsubsidized combined loan limit and the additional unsubsidized loan limit for a student, who is enrolled in coursework necessary for enrollment in an undergraduate program, have not been increased, and remain at \$2,625 and \$4,000.

For students who have obtained a baccalaureate degree, and are enrolled in coursework necessary for a professional credential or certification from a state required for employment as a teacher in an elementary or secondary school, the additional unsubsidized loan limit has been increased from \$5,000 to \$7,000. The subsidized/unsubsidized combined loan limit has not been increased for these students.

Effective date: The increased loan limits resulting from the HERA are shown below in bold italics and are effective for any loan certified or originated on or after July 1, 2007:

	Base Sub/Unsub	Additional Unsub
1st year undergraduate	<i>\$3,500</i>	\$4,000
2nd year undergraduate	<i>\$4,500</i>	\$4,000
3rd year & beyond undergraduate	\$5,500	\$5,000
Graduate/professional	\$8,500	<i>\$12,000</i>

Preparatory coursework (for enrollment in an undergraduate program)	\$2,625	\$4,000
Preparatory coursework (for enrollment in a graduate or professional program)	\$5,500	<i>\$7,000</i>

Teacher certification	\$5,500	<i>\$7,000</i>
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Military deferment

§428(b)(1)(M)
§455(f)(2)(C)
§464(c)(2)(A)
§481(d)

Effective July 1, 2006, for all three loan programs (FFEL, Direct Loans, Perkins Loans), a new military deferment has been created, effective for loans for which the first disbursement is made on or after *July 1, 2001*. On or after July 1, 2006, a qualified borrower may receive a deferment for a period in which he or she meets the qualifications after July 1, 2001. The deferment shall not exceed a total of three years, and applies only to periods during which borrowers are serving on active duty during a war or other military operation, or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency. As a result, not all active duty military personnel are eligible for this new deferment. The HERA