



HERA and Hurricane Updates Technical Update PK-2006-02

August 9, 2006

This information is intended for the person in your organization who is responsible for working with NSLDS. If that person is not you, please forward this update to the appropriate person.

The purpose of this Technical Update is to inform Schools of new National Student Loan Data System (NSLDS) reporting requirements for compliance with the Higher Education Reconciliation Act of 2005 (HERA). Information regarding the NSLDS reporting of Title IV aid disbursed by Gulf hurricane-affected institutions is also included.

NSLDS is implementing the HERA requirements in a phased approach: Phase I changes were implemented July 1, 2006, and Phase II changes will be completed by December 31, 2006. Another Technical Update will be released later this year with complete Phase II details.

HERA Update — Phase I

Active-Duty Military Deferment Code

NSLDS has designated “MO” for Type of Deferment (Field Code 276) on loans meeting the eligibility requirements for Active-Duty Military Deferment as provided for under HERA. NSLDS will accept the “MO” code on July 1, 2006, for all eligible loans first disbursed on or after July 1, 2001.

Attached are updated DPI pages to reflect these changes. Please insert these pages into your existing Federal Perkins DPI.

Hurricane Update

Reporting Federal Perkins Loan Amounts Eligible for Discharge Due to Hurricane Affected Institutions

830 First St. N.E., Washington, DC 20202
www.FederalStudentAid.ed.gov
1-800-4-FED-AID

Federal Perkins Loan amounts that are eligible for discharge based on *Treatment of Title IV Aid Disbursed at Gulf Hurricane Affected Institutions* guidance are to be reported to NSLDS. The amounts discharged are to be reported as cancellations. Use the following Field Codes:

- Date of Cancellation (Field Code 264) – Enter the date the school completed the Aid Discharge Manifest
- Amount of Cancellation (Field Code 265) – Enter the amount of loan that was discharged
- Type of Cancellation (Field Code 288) – Enter “PT”. (This type along with the date will distinguish the amount as a *Gulf Hurricane Affected* discharge.)

Amount of Disbursement and Amount of Loan should continue to be reported as the amount originally disbursed to the student. If the disbursed amount has not previously been reported to NSLDS, be sure the disbursement amount reported includes the amount discharged. Amount of Outstanding Principal Balance should reflect current balance less the amount discharged.

The complete list of the 33 identified schools can be found on the Information for Financial Aid Professions Web site at www.ifap.ed.gov.

Attachments: Appendix B: Federal Perkins Loan Code Tables

- **Table B–5: Deferment Type Codes**
- **Table B–6: Deferment Type Usage Codes**

If you have any questions, please contact the NSLDS Customer Service Center at (800) 999-8219 or e-mail NSLDS@pearson.com.