

# ENSURING CONTINUED ACCESS TO STUDENT LOANS ACT OF 2008 (ECASLA)



## LOAN LIMIT INCREASES

### LOANS FIRST DISBURSED AFTER JULY 1, 2008

The Ensuring Continued Access to Student Loans Act of 2008 (Public Law 110-227) , included provisions for increasing the borrowing limits for additional unsubsidized Stafford loans for undergraduate students by \$2,000 and raising the aggregate borrowing limits to accommodate the increases. **The subsidized Stafford loan limits have not changed and there are no changes for graduate and professional students.**

These increases are effective for loans first disbursed on or after July 1, 2008, for loan periods that include July 1, 2008 or begin on or after July 1, 2008. For loan periods that crossover July 1, 2008, the increased loan limits only apply if (1) the FFELP loan certification or Direct Loan origination provides that the first disbursement will be on or after July 1, 2008, or (2) the institution certifies or originates a supplemental loan for the loan period where the first disbursement on the supplemental loan will be on or after July 1, 2008.

For schools that have already packaged for the 2008-2009 academic year, the school can either re-package an otherwise eligible student with the increased loan amounts or provide notification to the student that he or she may be eligible for increased amounts of unsubsidized loans.

OGSLP's guarantee system is able to process loan guarantee requests for the increased unsubsidized loan limits.

### NEW ANNUAL UNSUBSIDIZED STAFFORD LOAN LIMITS

For a summary of the new loan limits, check out OGSLP's [Undergraduate Unsubsidized Loan Limit Chart](#). The new annual additional unsubsidized Stafford loan limits are as follows:

- Undergraduate dependent students (except students whose parents cannot borrow a PLUS loan), can receive a \$2,000 additional unsubsidized Stafford loan. The aggregate loan limit is increased from \$23,000 to \$31,000 with no more than \$23,000 of which can be subsidized.
- Undergraduate independent students and dependent students whose parents cannot borrow a PLUS loan can receive a \$2,000 additional unsubsidized Stafford loan. First and second year undergraduate students' annual unsubsidized Stafford loan limits increase from \$4,000 to \$6,000 and third year and beyond students' annual unsubsidized Stafford loan limits increase from \$5,000 to \$7,000. The aggregate loan limit is increased from \$46,000 to \$57,500 with no more than \$23,000 of which can be subsidized.
- Graduate/Professional annual unsubsidized Stafford loan limits remain unchanged at \$12,000. The aggregate loan limit is unchanged at \$138,500 with no more than \$65,500 of which can be subsidized.
- For undergraduate dependent students (except students whose parents cannot borrow a PLUS loan), enrolled in preparatory coursework for enrollments in an undergraduate program, the annual loan limit available remains unchanged at \$2625. The additional unsubsidized Stafford loan limit available for preparatory coursework remains unchanged with an annual loan limit of \$5,500.
- For undergraduate independent students and dependent students whose parents aren't able to borrow a PLUS loan enrolled in preparatory coursework for enrollment in an undergraduate program, the unsubsidized Stafford loan limit increases from \$4,000 to \$6,000. The additional unsubsidized Stafford loan limit available for preparatory coursework remains unchanged at \$7,000.

# ENSURING CONTINUED ACCESS TO STUDENT LOANS ACT OF 2008 (ECASLA)



## NEW ANNUAL UNSUBSIDIZED STAFFORD LOAN LIMITS (CONT.)

- For graduate or professional students enrolled in preparatory coursework or teacher certification, the additional unsubsidized Stafford loan annual limit is \$7,000 (no change).

*Note: The aggregate loan limits for all categories of undergraduate borrowers has been increased, but the portion of unsubsidized Stafford loans included in those limits remains unchanged.*

Loan Limits			
Grade Level	*Base Subsidized/Unsubsidized	**Additional Unsubsidized	Total Annual Loan Limit
<b>First Year</b> – Dependent Students whose parents <b>can</b> borrow a PLUS loan	\$3,500	\$2,000	\$5,500
<b>Second Year</b> – Dependent Students whose parents <b>can</b> borrow a PLUS loan	\$4,500	\$2,000	\$6,500
<b>Third Year and Beyond</b> – Dependent Students whose parents <b>can</b> borrow a PLUS loan	\$5,500	\$2,000	\$7,500
<b>First Year</b> – Independent students including dependent students whose parents <b>can't</b> borrow a PLUS loan	\$3,500	\$6,000	\$9,500
<b>Second Year</b> – Independent students including dependent students whose parents <b>can't</b> borrow a PLUS loan	\$4,500	\$6,000	\$10,500
<b>Third Year and Beyond</b> – Independent students including dependent students whose parents <b>can't</b> borrow a PLUS loan	\$5,500	\$7,000	\$12,500
† <b>Graduate and Professional Students</b>	\$8,500	\$12,000	\$20,500
† <b>Health Professions</b> – Graduate or professional students	\$8,500	\$12,000	†\$47,167
† <b>Preparatory Coursework</b> – Undergraduate program enrollment for dependent students whose parents <b>can</b> borrow a PLUS loan	\$2,625	\$0	\$2,625
† <b>Preparatory Coursework</b> – Graduate or professional program enrollment for dependent students whose parents <b>can</b> borrow a PLUS loan	\$5,500	\$0	\$5,500
† <b>Teacher Certification</b> – Dependent students whose parents <b>can</b> borrow a PLUS loan	\$5,500	\$0	\$5,500
<b>Preparatory Coursework</b> – Undergraduate program enrollment for independent students and dependent students whose parents <b>can't</b> borrow a PLUS loan	\$2,625	\$6,000	\$8,625
† <b>Preparatory Coursework</b> – Graduate or professional program enrollment for independent students and dependent students whose parents <b>can't</b> borrow a PLUS loan	\$5,500	\$7,000	\$12,500
† <b>Teacher Certification</b> – Independent students including dependent students whose parents <b>can't</b> borrow a PLUS loan	\$5,500	\$7,000	\$12,500

\* Subsidized Stafford amounts are for dependent or independent students.

\*\* "Additional" unsubsidized Stafford amounts are for dependent, independent students, or a dependent student whose parent is denied a PLUS loan.

† \$47,167 is the total annual graduate professional Stafford loan maximum of \$20,500 plus the maximum Health Education Assistance Loan of \$26,667 in additional Unsubsidized Stafford loans

† No changes to the annual unsubsidized Stafford loan amounts.

# ENSURING CONTINUED ACCESS TO STUDENT LOANS ACT OF 2008 (ECASLA)



Aggregate Loan Limits Changes		
Classification	Maximum Subsidized Borrowing	Maximum Combined Borrowing
Dependent Students whose parents can borrow a PLUS loan	\$23,000	\$31,000 (no more than \$23,000 can be subsidized)
Independent students including dependent students whose parents can't borrow a PLUS loan	\$23,000	\$57,500 (no more than \$23,000 can be Subsidized)
Graduate and Professional Students	\$65,500	\$138,500 (no more than \$65,500 can be Subsidized). This debt includes any Stafford Loans borrowed during Undergraduate study.
* Health Professions - Graduate and Professional Students	\$65,500	\$224,000 (no more than \$65,500 can be Subsidized). This debt includes any Stafford Loans borrowed during Undergraduate study.

\* DCL GEN-08-04 increased the aggregate loan limit for health professions graduate and professional students from \$189,125 (no more than \$65,500 can be subsidized) to \$224,000 (no more than \$65,500 can be subsidized).

## References:

- [DCL GEN-08-08/FP-08-07](#)
- [DCL GEN-08-04](#)
- All the above information is easily accessible on [OGSLP Legislation Page](#)

## HAVE QUESTIONS?

If you have additional questions about the new loan limits, contact Lisa Hale at 405.234.4384 or [lhale@ogslp.org](mailto:lhale@ogslp.org).