

**Changes in Loan Counseling Requirements
Higher Education Opportunity Act***

Exit Counseling

Previous Regulations	HEOA	Changes
Exit counseling required for Stafford loan borrowers who also had Grad PLUS loans.	Requires exit counseling for Grad PLUS loan borrowers.	Schools must ensure that exit counseling is conducted for or provided to each Stafford and Grad PLUS borrower.
Repayment options available.	Repayment plans available, including a description of the different features of each plan, sample information showing average anticipated monthly payments under those plans, and differences in interest paid and total payments under each plan.	Schools must ensure that exit counseling materials contain a detailed comparative analysis of the repayment features and the interest amounts and total amounts borrowers can anticipate repaying under each plan.
Terms and conditions to obtain full or partial loan cancellation or forgiveness.	Terms and conditions to obtain full or partial loan cancellation/ forgiveness, plus a copy of information from U.S. Department of Education publication describing assistance programs.	Schools must meet the added requirement of including information from the U.S. Department of Education publication.
Terms and conditions to obtain deferment or forbearance.	Terms and conditions to obtain deferment or forbearance, plus a copy of information from U.S. Department of Education publication describing assistance programs.	Schools must meet the added requirement of including information from the U.S. Department of Education publication.
Not addressed	Explanation that borrower can prepay each loan, have a shorter repayment schedule and change repayment plans.	Schools must provide additional information in exit counseling about prepayment, accelerated repayment options and ability to change repayment plans.
Consequences of default, including adverse credit reports, federal offset and litigation.	Consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation.	Schools must ensure their description of the consequences of loan default includes federal delinquent debt collection procedures.

Previous Regulations	HEOA	Changes
Not addressed	Effects of loan consolidation, including: <ul style="list-style-type: none"> ■ Effect on total interest to be paid and length of repayment term. ■ Effect on borrower benefits for underlying loans, such as loss of grace periods, deferment, cancellation/forgiveness options. ■ Option to prepay or change repayment plans. Statement that borrower benefits differ between lenders.	Schools must ensure that their exit counseling includes additional information regarding the effects of loan consolidation.
Not addressed.	Tax benefits that are available to borrowers.	School must provide information about federal income tax benefits available to borrowers.
Not addressed.	Notice of availability of National Student Loan Data System and how it can be used by the borrower to obtain loan information.	School must provide information about Student Access Web site of NSLDS.

**This table reflects NELA® policy advisers' interpretation of the statutory language from the Higher Education Opportunity Act regarding changes to entrance and exit counseling requirements. It does not reflect guidance from the U.S. Department of Education. The information provided above is subject to change based on future guidance from the U.S. Department of Education. Aug. 29, 2008.*