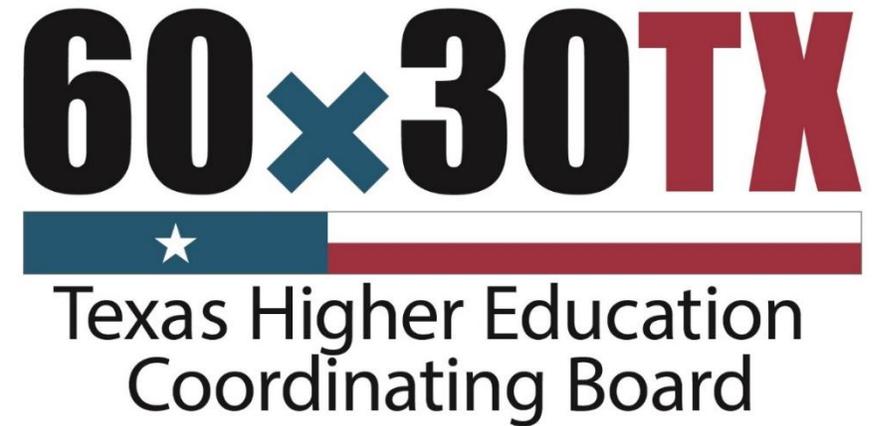


Monitoring Interim Charge: SB 887, 85th Texas Legislature

Ginger Gossman, Ph.D.

Senior Director, Innovation and Policy Development

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SB 887 – Loan Debt Information

- SB 887 requires institutions of higher education that receive state financial aid administered by the Coordinating Board to annually provide students an electronic communication with their loan information including:
 - ✓ an estimate of the total amount of state and federal education loans incurred by the student;
 - ✓ an estimate of the total payoff amount, or a range for that amount including principal and interest; and
 - ✓ an estimate of the monthly repayment amount that the student may incur.
- Institutions are only required to disclose loan information to students that the institution receives or otherwise obtains from the United States Department of Education's central database for student aid and may reasonably collect from its own records.
- SB 887 also requires the disclosure to identify the types of education loans included in the institution's estimates, a statement that the disclosure is not a complete and official record of the student's education loan debt, and a statement that the institution's estimates are general in nature and are not intended as a guarantee.
- The provisions of the bill apply beginning with the 2018-2019 academic year.

SB 887 – Loan Debt Information

IMPLEMENTATION UPDATE

- The Coordinating Board adopted rules for the implementation of SB 887 in April.
- During the development of SB 887 and prior to the adoption of rules, agency staff communicated with the Board's Financial Aid Advisory Committee (FAAC) on a regular basis.
- Staff presented SB 887 to the Texas Association of Student Financial Aid Administrators (TASFAA) in October 2017, and received feedback and information that informed drafting the rules.

SB 887 – Loan Debt Information

IMPLEMENTATION UPDATE

- The Coordinating Board is providing institutions with support and guidance in the implementation of SB 887.
- Agency staff have drafted an optional template to assist institutions in drafting the legislatively required loan debt information.
- Staff hosted a webinar on June 4 featuring Indiana University staff, the original architects of the student debt letter. This webinar was focused on the logistics of sending the letters.
- Staff have scheduled a second webinar that will feature staff from uAspire and Sam Houston State University. This webinar will focus on how to craft an informative and relevant letter to students.