



National Association
of Independent
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September 4, 2014

Ms. Jean-Didier Gaina
Office of Postsecondary Education
U.S. Department of Education
1990 K Street, NW, Room 8055
Washington, DC 20006-8502

Re: Docket ID ED-2014-OPE-0082

Dear Ms. Gaina:

I am writing on behalf of the National Association of Independent Colleges and Universities (NAICU) to express our support for the proposed rule to amend the William D. Ford Direct Loan Program PLUS Loan regulations. The Notice of Proposed Rule-making was published on August 8, 2014 and would establish fairer eligibility standards for parent and student PLUS Loans.

This regulation is very important for our member colleges whose parents and graduate students depend on these loans. The Department's 2012 changes to eligibility for PLUS Loans was very disruptive and brought hardship to many families, particularly at HBCUs and colleges with large numbers of low-income students. We are glad that this is being addressed in a way that maintains prudent underwriting standards, yet treats fairly borrowers who can repay their loans.

While the proposed changes will increase eligibility for PLUS loans, applicants who will be denied eligibility may only gain it through the provision of additional information to the Department that demonstrates "extenuating circumstances" (34 CFR 685.200(c)(2)) and the completion of financial counseling. Although the number of such cases may be small, we urge the Department to establish efficient processes, including coordination with colleges that do not unnecessarily impede needy students from attending college.

We also urge the Department to implement the regulations as soon as possible, in order to reduce the time that present PLUS applicants who do not meet the current eligibility requirements are burdened with existing secondary financial review procedures.

Thanks you for considering NAICU's position on the NPRM.

Sincerely,

David L. Warren
President