

From: Clemson University, Elizabeth Milam
Subject: Reg Z - Truth In Lending

Comments:

Origin: HEOA Section 493
Statute: HEA Section 487 (a) (28)
Regulation: 668.14 (b) (29) and 226.39 (e)
Issue: Private Education Loan Self-Certification Form

Please consider the following comments regarding self-certification form for private educational loans.

1. The financial aid community supports the current certification process for traditional private educational loans. We already certify cost of attendance (COA), estimated financial assistance (EFA), enrollment status, academic progress (if applicable), etc.
2. The financial aid community supports the addition of a certification process for Direct-To-Consumer (DTC) private educational loans, which we agree need to be regulated and reported.
3. The requirement of a self-certification form in addition to school certification will delay delivery of funds to students and families. Students applying for private loans are typically in a worse-case scenario in which they have exhausted Stafford Loan funds; they are not maintaining satisfactory academic progress; their parents are unsupportive or un-creditworthy; or they have unexpected or unusually high expenses. The delay of funds will create additional stress on these students.
4. The requirement of a self-certification form will create duplicative work and unnecessary administrative burden on schools.
5. The self-certification form will allow for the alteration of data by students. The integrity of data currently controlled in the school-to-lender certification will be lost in this process.

Thank you for your consideration.

Elizabeth Milam
Clemson University