



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

SEP 20 2005

THE ASSISTANT SECRETARY

FP-05-09

Subject: Federal Family Education Loan (FFEL) Consolidation loans for borrowers with both FFEL and non-FFEL loans.

Summary: This letter extends the date applicable to the guidance that was included in Dear Colleague Letter (FP-04-06) regarding FFEL Consolidation loans.

Reference: Section 428C of the Higher Education Act (HEA)
Dear Colleague Letter FP-04-06 (August 26, 2004)
Dear Colleague Letter FP-04-05 (April 29, 2004)

Dear Colleague:

In my August 26, 2004, Dear Colleague Letter (FP-04-06), I announced the Department's decision not to deny reinsurance for FFEL Consolidation loans that do not comply with the Department's interpretation of the single-holder rule in certain circumstances described in that letter, as long as all Loan Verification Certificates were sent to loan holders by September 30, 2005 (unless the Higher Education Act was reauthorized before that date). This letter serves to notify you that the Department is extending that date to March 31, 2006.

We thank you for your cooperation. If you have any questions on the issues discussed in this letter, please contact Pamela Moran by email at Pamela.Moran@ed.gov or by phone at (202) 502-7732.

Sincerely,

Sally L. Stroup
Assistant Secretary
Office of Postsecondary Education