DCL: GEN-11-02

Subject: Status of the Federal Perkins Loan Program

Summary: This letter provides information about the duration of the authorization for the Federal Perkins Loan Program.

Dear Colleague:

We have received inquiries about the status of the Federal Perkins (Perkins) Loan Program, in light of the several dates in sections 461(b) and 466(b) of the Higher Education Act of 1965, as amended (HEA). This letter provides the Department of Education’s determination that, under section 461(b), the Perkins Loan Program is authorized through September 30, 2014. If Congress does not enact legislation extending or repealing the authorization of the program before that date, the program would be eligible for a one-year extension, through September 30, 2015, under section 422(a) of the General Education Provisions Act (GEPA).

The Department of Education considers section 461(b) of the HEA, which authorizes appropriations for the Perkins Loan Program for fiscal year 2009 and for each of the five succeeding fiscal years, to control the duration of the program. Under section 461(b), Congress may appropriate funds for the Perkins Loan Program through fiscal year 2014. The Department believes that this authority controls the duration of the program, despite the outdated language in section 466(b) of the HEA, which provides that institutions participating in the Perkins Loan Program return to the Secretary, after October 1, 2012, the Federal share of amounts that they have collected on Perkins Loans made from their revolving funds.

If you have questions regarding this letter, please contact Gail McLarnon by phone at (202) 219-7048, or by e-mail at gail.mclarnon@ed.gov.

Sincerely,

Eduardo M. Ochoa
Assistant Secretary for Postsecondary Education