

The General Provisions proposed regulations revise current regulations in areas of program administration for Title IV, HEA programs. Sections 668.3, 668.4, 668.10, 668.22, 668.164, 668.165, 668.183, 668.193, 674.16, 676.16, 682.200, 672.603, 682.604, 685.301, 685.303 contain information collection requirements.

Sections 668.4, 668.22, 668.164, 682.200, 682.604, 685.301 -- Payment periods and disbursements of Title IV grant and loan funds.

These proposed regulations would, with few exceptions, align disbursements for all Title IV grant and loan programs by making a number of changes to the payment period definitions and disbursement requirements for all Title IV grant and loan programs.

Inconsistent requirements for disbursing Title IV grant and loan funds for certain types of programs can result in a student receiving the subsequent disbursements of his or her grant funds or Perkins Loan funds at a different point in time than second disbursements of his or her FFEL or Direct Loan funds. The proposed regulations align Title IV disbursements to the same point in time and thus reduce burden for institutions and students. Changes to the regulations that would achieve greater consistency in the timing of the disbursements of Title IV grant and loan funds are proposed to reduce this burden and confusion for institutions and students. These proposed changes include (1) specifying that an institution must disburse all Title IV grant and loan funds on a payment period basis; (2) requiring, generally, that an institution disburse all Title IV grant and loan funds once each payment period; (3) adding a time component to the payment period definitions for clock hour programs to make the disbursements of Title IV grant and Perkins Loan funds conform with the disbursements of FFEL and Direct Loan funds, which must, by law, include a time component; (4) using weeks of instructional time as the time component for determining all Title IV grant and loan disbursements; (5) removing the institutional option to have more than two payment periods for nonterm credit hour programs and clock hour programs; and (6) extending to clock hour programs the provision that addresses how to identify the end of a payment period when an institution is unable to determine whether a student in a nonterm credit hour program has completed half the credit hours in a program, academic year, or remainder of a program.