Beginning July 1, 2012, the following changes will be made to the William D. Ford Direct Loan Program in accordance with the Budget Control Act of 2011:

**Graduate Student Borrowers**

- Effective for periods of enrollment (loan periods) beginning on or after July 1, 2012, **graduate and professional students will no longer have the option to borrow Federal Direct Subsidized Stafford Loans**. Graduate and professional students will only be able to borrow Federal Direct Unsubsidized Stafford Loans.

- Direct Subsidized Loans received for loan periods prior to July 1, 2012, will **NOT** be affected by this change.

- Borrowers receiving Federal Direct Loans for preparatory course work for admission into a graduate or professional program or for course work required for teacher certification or recertification will **NOT** be affected by this change.

- Annual and aggregate limits will remain the same for Federal Direct Loans. The maximum amount a graduate or professional student can borrow in a Federal Direct Loan will remain at $20,500 per academic year and at $138,500 for the aggregate total (with no more than $65,500 having been borrowed in subsidized loans).

**Undergraduate and Graduate Student Borrowers**

- Borrowers will **no longer** receive an origination fee rebate for any Federal Direct Loans (Stafford and PLUS) disbursed on or after July 1, 2012. A 1% origination fee will be deducted from each Federal Direct Stafford Loan disbursement and a 4% origination fee will be deducted from each PLUS Loan disbursement.

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**For more information**

The Budget Control Act of 2011  
[www.umaine.edu/stuaid/loans/changes-to-federal-direct-loans](http://www.umaine.edu/stuaid/loans/changes-to-federal-direct-loans)

Personal Student Federal Loan History  

Federal Direct Loans  
[www.direct.ed.gov](http://www.direct.ed.gov)