The Higher Education Opportunity Act of 2008 (HEOA)\(^85\) eliminated the $25,000 TILA limit for private education loans\(^86\) and exempted some transactions.\(^87\) The HEOA also added numerous new disclosure requirements to TILA that apply to private student loans.\(^88\) The Federal Reserve Board issued regulations in August 2009.\(^89\) Effective February 14, 2010, lenders making private student loans are required to provide special disclosures.\(^90\) There are three sets of required disclosures: (1) application and solicitation; (2) loan approval; and (3) final disclosures. Each is subject to special timing rules and detailed form and content requirements. The FRB created model forms. Sample notices are included in the *Federal Register* as well as online.\(^91\)

In addition to disclosures, HEOA included several new substantive protections.\(^92\) These include a self-certification form, which provides an overview of the cost of the education and the student’s financial resources.\(^93\) Perhaps most significantly, private student loan borrowers now have a right of cancellation.\(^94\) Co-branding—the use by creditors who are not specifically endorsed by the educational institution of the name of the educational institution or symbols associated with the school, such as a school mascot—is restricted.\(^95\) Borrowers must also be given at least thirty days from loan approval to accept a loan.\(^96\)

Practitioners handling a student loan case should be sure to familiarize themselves with NCLC’s *Student Loan Law*.\(^97\)

**Footnotes**


87 [87] 15 U.S.C. § 1650(a)(7); Reg. Z § 226.46(b)(5) [§ 1026.46(b)(5)] (excluding open-end credit or loan secured by real property). *Cf.* Reg. Z § 226.36(b)(5)(iv) [§ 1026.36(b)(5)(iv)]. These changes are discussed in greater detail at § 2.4.5 [1], *infra*.


90 [90] 15 U.S.C. § 1638(e); Reg. Z § 226.46 [§ 1026.46]. See § 2.4.5.1.3 [2], *infra* (discussing the definition of private student loans).


Source: National Consumer Law Center, Truth in Lending [10th ed.], updated at www.nclc.org/library
Source URL: https://library.nclc.org/il/010207

Links
[1] https://library.nclc.org/nclc/link/TIL.02.04.05
[2] https://library.nclc.org/nclc/link/TIL.02.04.05.01.03