

What You Need to Know About Student Loan Interest Rates!

Under the new Budget Reconciliation Bill, there is a change regarding Federal Stafford Loan interest rate for 2006-07 and beyond, as follows:

THE NEW INTEREST RATE FOR FEDERAL STAFFORD LOANS DISBURSED ON OR AFTER JULY 1, 2006 WILL BE FIXED!

The New fixed rate is **6.8%**



The current interest rate for Federal Stafford Loans is variable, at a maximum of 8.25%. The interest rate through June 30, 2006 is 4.70%. The new fixed interest rate goes into effect on July 1, 2006.

Some lenders offer borrower repayment benefits that can reduce total interest paid. Go to the lender links provided on UMBC's Financial Aid Office web site for more information about repayment incentives offered by our preferred lenders. You can find the links by selecting the Apply for a Loan Online button.