



**DEPARTMENT OF EDUCATION**

**Annual Notice of Interest Rates for Variable-Rate Federal  
Student Loans Made under the Federal Family Education Loan  
Program Prior to July 1, 2010**

**AGENCY:** Federal Student Aid, Department of Education.

**ACTION:** Notice.

**SUMMARY:** The Chief Operating Officer for Federal Student Aid announces the interest rates for loans made under the Federal Family Education Loan (FFEL) Program, Assistance Listing Number 84.032, that have variable interest rates. The rates announced in this notice are in effect for the period July 1, 2023, through June 30, 2024.

**FOR FURTHER INFORMATION CONTACT:** Travis Sturlaugson, U.S. Department of Education, 830 First Street, NE, Washington, DC 20202. Telephone: 202-377-4174. Email: [travis.sturlaugson@ed.gov](mailto:travis.sturlaugson@ed.gov).

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7-1-1.

**SUPPLEMENTARY INFORMATION:**

Section 427A of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1077a), provides formulas for determining the interest rates charged to borrowers on loans made under the FFEL Program, including Federal Subsidized and Unsubsidized Stafford Loans (Stafford

Loans), Federal PLUS Loans (PLUS Loans), Federal Consolidation Loans (Consolidation Loans), and Federal Supplemental Loans for Students (SLS Loans). No new loans have been made under the FFEL Program since June 30, 2010.

The FFEL Program includes loans with variable interest rates that change each year and loans with fixed interest rates that remain the same for the life of the loan. For loans with a variable interest rate, the specific interest rate formula that applies to a particular loan depends on the date of the first disbursement of the loan or, in the case of a Consolidation Loan, the date the application for the loan was received. If a loan has a variable interest rate, a new rate is determined annually and is in effect during the period from July 1 of one year through June 30 of the following year.

This notice announces the interest rates for variable-rate FFEL Program loans that will be in effect during the period from July 1, 2023, through June 30, 2024. Interest rates for fixed-rate FFEL Program loans may be found in a *Federal Register* notice published on September 15, 2015 (80 FR 55342).

For the majority of variable-rate FFEL Program loans, the annual interest rate is equal to the lesser of—

(1) The bond equivalent rate of the 91-day Treasury bills auctioned at the final auction held before June 1 of each year, plus a statutory add-on percentage; or

(2) A statutorily established maximum interest rate.

The bond equivalent rate of the 91-day Treasury bills auctioned on May 30, 2023, is 5.462 percent, rounded to 5.46 percent.

For PLUS Loans first disbursed before July 1, 1998, and for all SLS Loans, the annual interest rate is equal to the lesser of—

(1) The weekly average of the one-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before June 26 of each year, plus a statutory add-on percentage; or

(2) A statutorily established maximum interest rate.

The weekly average of the one-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before June 26, 2023, is 5.26 percent.

For Consolidation Loans that have a variable interest rate, the annual interest rate for the portion of a Consolidation Loan that repaid loans other than loans made under the Health Education Assistance Loans (HEAL) Program is equal to—

(1) The bond equivalent rate of the 91-day Treasury bill auctioned at the final auction held before June 1 of each year, plus a statutory add-on percentage; or

(2) A statutorily established maximum interest rate.

If a Consolidation Loan (whether a variable-rate loan or a fixed-rate loan) repaid loans made under the HEAL Program, the interest rate on the portion of the Consolidation Loan that repaid HEAL loans is a variable rate that is equal to the average of the bond equivalent rates of the 91-day Treasury bills auctioned for the quarter ending June 30, plus a statutory add-on percentage. For the portion of a Consolidation Loan that repaid HEAL loans, there is no maximum interest rate.

The average of the bond equivalent rates of the 91-day Treasury bills auctioned for the quarter ending on June 30, 2023, is 5.27 percent.

The statutory add-on percentages and maximum interest rates vary depending on loan type and when the loan was first disbursed. In addition, the add-on percentage for certain Stafford Loans is different depending on whether the loan is in an in-school, grace, or deferment status, or in any other status. If the interest rate calculated in accordance with the applicable formula exceeds the statutory maximum interest rate, the statutory maximum rate applies.

Charts 1 through 4 show the interest rate formulas that are used to determine the interest rates for all variable-rate FFEL Program loans and the interest rates that are in effect during the 12-month period from July 1, 2023, through June 30, 2024. Unless otherwise indicated,

the cohorts shown in each chart include all borrowers, regardless of prior borrowing.

Chart 1 shows the interest rates for loans with rates based on the 91-day Treasury bill, with the exception of “converted” variable-rate Federal Stafford Loans and certain Federal Consolidation Loans.

Chart 2 shows the interest rates for loans with rates based on the weekly average of the one-year constant maturity Treasury yield.

Chart 3 shows the interest rates for “converted” variable-rate Federal Stafford Loans. These are loans that originally had varying fixed interest rates.

Finally, Chart 4 shows the interest rates for variable-rate Federal Consolidation Loans, and for the portion of any Federal Consolidation Loan that repaid loans made under the HEAL Program.

CHART 1—SUBSIDIZED FEDERAL STAFFORD LOANS, UNSUBSIDIZED FEDERAL STAFFORD LOANS, AND FEDERAL PLUS LOANS							
INTEREST RATE BASED ON 91-DAY TREASURY BILL							
Loan type	Cohort	91-day T-bill rate 05/30/23 (%)	Add-on (%)		Maximum rate (%)	Interest rate 07/01/23 through 06/30/24 (%)	
Subsidized Stafford Unsubsidized Stafford	First disbursed on/after 07/01/98 and before 07/01/06	5.46	1.70 (in-school, grace, deferment)	2.30 (any other status)	8.25	7.16 (in-school, grace, deferment)	7.76 (any other status)
PLUS	First disbursed on/after 07/01/98 and before 07/01/06	5.46	3.10		9.00	8.56	

Subsidized Stafford Unsubsidized Stafford	First disbursed on/after 07/01/95 and before 07/01/98	5.46	2.50 (in-school, grace, deferment)	3.10 (any other status)	8.25	7.96 (in-school, grace, deferment)	8.25 (any other status)
Subsidized Stafford Unsubsidized Stafford	First disbursed on/after 07/01/94 and before 07/01/95, for a period of enrollment that included or began on or after 07/01/94	5.46	3.10		8.25	8.25	
Subsidized Stafford Unsubsidized Stafford	First disbursed on/after 10/01/92 and before 07/01/94;  and  First disbursed on/after 07/01/94, for a period of enrollment ending before 07/01/94  (new borrowers)	5.46	3.10		9.00	8.56	

CHART 2—FEDERAL PLUS LOANS AND SLS LOANS					
INTEREST RATE BASED ON WEEKLY AVERAGE OF ONE-YEAR CONSTANT MATURITY TREASURY YIELD					
Loan type	Cohort	Weekly average of 1-year constant maturity Treasury yield for last calendar week ending on or before 06/26/23 (%)	Add-on (%)	Maximum rate (%)	Interest rate 07/01/23 through 06/30/24 (%)
PLUS	First disbursed on/after 07/01/94 and before 07/01/98	5.26	3.10	9.00	8.36

PLUS	First disbursed on/after 10/01/92 and before 07/01/94	5.26	3.10	10.00	8.36
SLS	First disbursed on/after 10/01/92, for a period of enrollment beginning before 07/01/94	5.26	3.10	11.00	8.36
PLUS SLS	First disbursed before 10/01/92	5.26	3.25	12.00	8.51

CHART 3—"CONVERTED" VARIABLE-RATE SUBSIDIZED AND UNSUBSIDIZED FEDERAL STAFFORD LOANS INTEREST RATE BASED ON 91-DAY TREASURY BILL						
Loan type	Cohort	Original fixed interest rate (later converted to variable rate) (%)	91-day T-bill rate 05/30/23 (%)	Add-on (%)	Maximum rate (%)	Interest rate 07/01/23 through 06/30/24 (%)
Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/23/92 and before 07/01/94 (prior borrowers)	8.00, increasing to 10.00	5.46	3.10	10.00	8.56
Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/23/92 and before 07/01/94 (prior borrowers)	9.00	5.46	3.10	9.00	8.56
Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/23/92 and before 07/01/94 (prior borrowers)	8.00	5.46	3.10	8.00	8.00
Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/23/92 and before 07/01/94 (prior borrowers)	7.00	5.46	3.10	7.00	7.00

Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/23/92 and before 10/01/92 (new borrowers)	8.00, increasing to 10.00	5.46	3.25	10.00	8.71
Subsidized Stafford Unsubsidized Stafford	First disbursed on or after 07/01/88 and before 07/23/92	8.00, increasing to 10.00	5.46	3.25	10.00	8.71

CHART 4-FEDERAL CONSOLIDATION LOANS						
Consolidation loan component	Cohort	91-day T-bill rate 05/30/23 (%)	Average of the bond equivalent rates of the 91-day T-bills auctioned for the quarter ending 06/30/23 (%)	Add-on (%)	Maximum rate (%)	Interest rate 07/01/23 through 06/30/24 (%)
Portion of loan that repaid loans other than HEAL loans	Application received on/after 11/13/97 and before 10/01/98	5.46	N/A	3.10	8.25	8.25
Portion of the loan that repaid HEAL loans	Application received on/after 11/13/97	N/A	5.27	3.00	None	8.27

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**Richard Cordray,**  
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