

**Federal Stafford Loan Program
With Service Cancelable Options**

REGULATIONS

2009 - 2010 Award Year



Effective Date – July 1, 2009



**Georgia Student Finance Commission
2082 East Exchange Place
Tucker, Georgia 30084**

FEDERAL STAFFORD LOAN PROGRAM
WITH SERVICE CANCELABLE OPTIONS

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STATE LOAN PROGRAMS OVERVIEW

The State of Georgia offers a variety of Federal Stafford Service Cancelable Loan Programs that are designed to attract students into certain careers that are deemed as critical need fields. Critical need fields are those fields that are experiencing a severe shortage of qualified candidates. The programs offer students financial assistance to complete an education program in a particular career or field of study in exchange for service in that career or field of study.

Upon qualification, the Georgia Student Finance Commission (GSFC) may provide students with the particular service cancelable loan to help pay for their education. Upon completing their field of study and working in the "critical need" field in Georgia, the amount borrowed is forgiven.

Service cancelable repayment requirements vary with each program listed. In the event that students do not complete their program of study or do not work in the field that they were funded for, then the loan is repaid in cash installments with interest. Students should be sure to read the details of the program that interests them so that they fully understand the requirements and their obligations.

I. REGULATIONS TO ADMINISTER THE FEDERAL STAFFORD LOAN PROGRAM WITH SERVICE CANCELABLE OPTIONS

A. GENERAL STUDENT ELIGIBILITY REQUIREMENTS FOR SERVICE CANCELABLE LOANS

Students can be considered for a service-cancelable loan when they meet the eligibility requirements of the Federal Stafford Loan regulations and the specific requirements of the Georgia Student Finance Authority (Authority), as follows:

1. The student must be a Resident of Georgia, according to these regulations, for a minimum of 12 consecutive months immediately preceding the first day of classes of the school term for which a Service Cancelable Loan is sought.
2. The student must be a United States citizen or Eligible Non-citizen, according to Federal Title IV Program requirements, for a minimum of 12 consecutive months immediately preceding the first day of classes of the school term for which a Service Cancelable Loan is sought.
3. The student must be maintaining Satisfactory Academic Progress in a course of study according to the institution's standards and statutory requirements.
4. Must have satisfied requirements under the Selective Service Act as required by Title IV of the Higher Education Act of 1965.
5. Must not (other than Dentistry) serving in an eligible medical internship or residency program.
6. The student must be accepted or enrolled as at least a Half-Time student in an Eligible Postsecondary Institution located within the State of Georgia, except for the fields of Optometry and Nurse Anesthesia. These students can attend an institution within or outside the State of Georgia.
7. The student must be enrolled or accepted for admission in an accredited program of study at least Half-Time, leading to a Degree or Certificate or Diploma at an Eligible Postsecondary Institution.
8. Each student must certify, as part of the Free Application for Federal Student Aid (FAFSA) filed with the Department, a statement of educational purpose. [HEA 432 (m) (1) (C); HEA 484(a) (4) (A)].
9. The student must not be in default or owe a refund on any Federal Title IV or State of Georgia Student Financial aid Program.

10. A student cannot simultaneously qualify for more than one State of Georgia Service Cancelable Loan Program and **renewal** applications will receive preference over new applications.

B. GENERAL STUDENT ELIGIBILITY REQUIREMENTS FOR SERVICE CANCELABLE LOANS FOR AGRICULTURE EDUCATION

The eligibility requirements are the same as listed above.

C. ADDITIONAL STUDENT ELIGIBILITY REQUIREMENTS FOR SERVICE CANCELABLE LOANS FOR GERONTOLOGY

In addition to general eligibility requirements as outlined in Section I of this chapter, students must meet specific requirements for Gerontology loans as follows:

1. The student must be pursuing a certificate or degree with a specialty in gerontology in one of the following disciplines: health and social service, public administration, research, or teaching.
2. The student must have course work that includes:
 - a. At least 20 quarter hours or 13.33 semester hours dealing with the problems of aging if enrolled in a certificate program; or
 - b. More than 20 quarter hours or 13.33 semester hours dealing with the problems of aging, as well as practical experience, if enrolled in a degree program.
3. The student must submit a letter of recommendation from the Gerontology Department Head at the institution certifying that he/she is pursuing a certificate/degree specializing in gerontology.

D. ADDITIONAL ELIGIBILITY REQUIREMENTS FOR SERVICE CANCELABLE LOANS FOR DEPARTMENT OF HUMAN RESOURCES-NURSING

In addition to general eligibility requirements as outlined in Section 1 of this chapter, students must meet specific requirements for Georgia DHR-Nursing loans as follows:

1. The student must be enrolled in a baccalaureate or advanced nursing degree program.
2. The student must intend to practice as a registered nurse for the Department of Human Resources (DHR) or any Georgia county board of health.

3. The student must be a current Department of Human Resources (DHR) employee.
4. The student must submit a letter of employment certification from his/her DHR supervisor to the Financial Aid Office.

E. GEORGIA LADDERS IN NURSING CAREERS (LINC)

Ladders in Nursing Careers, or LINC, is a career mobility program developed by the Georgia Hospital Association, with grant funding provided by the Robert Wood Johnson Foundation.

The current loan amount per academic year is \$3,000. The borrower must agree to service one calendar year (12 months) for each Academic Year of loan assistance received at an approved site within the State of Georgia. The approved site locations are listed on page 31 under V "Repayment of State Loan Accounts."

For further information in regard to applying for aid from this program, the borrower should contact the Georgia Hospital Association.

F. ICAPP- HEALTH PROFESSIONS INITIATIVE

The ICAPP Health Professions Initiative program maximum is \$7,500.00. The loan is repaid through service by working in a designated critical shortage field as approved by the Board of Regents. For institutions, the field of study code is "85". Complete instructions and procedures to following in applying for the loan are found on the INTERGOVERNMENTAL Agreement between the Georgia Student Finance Authority and the Institution. Instructions are also found on the promissory note/application and disclosure in which the student will complete for participation in this program.

G. ADDITIONAL ELIGIBILITY REQUIREMENTS FOR SERVICE CANCELABLE LOANS FOR VETERINARY MEDICINE

There is a **geographic restriction** on service cancellation for borrowers practicing Veterinary Medicine. The recipient must practice his profession in a rural or sparsely populated area of the state or in a community of 10,000 populations or less. There must be a need of a licensed veterinarian for purposes of meeting the needs of owners or producers of farm animals used for or in connection with the production or commercial food products.

H. STUDENTS INELIGIBLE TO RECEIVE GEORGIA STUDENT FINANCE AUTHORITY LOAN FUNDS

Students will be considered **ineligible** for Authority loan funds as follows:

1. "Special" students, such as the Audit student, or any student deemed by the postsecondary educational institution not to be in a Matriculated status;
2. Students enrolled in Learning Support, non-credit or other courses (such as "English as a Second Language");
3. Students who have not received their high school diploma nor earned the G.E.D., unless they have been accepted for enrollment in a vocational-technical school according to FFELP regulations. See CRF 5.2B and 5.2H;
4. Students enrolled in "pre-field" programs such as pre-pharmacy and pre-dentistry unless applying for standard cash repay loans.

I. ELIGIBLE FIELDS OF STUDY

To be eligible for service cancelable loans, students must be accepted for admission or enrolled in an approved program of study as follows:

Undergraduate/Vocational/Hospital

Agriculture Education
Dental Hygiene
Dietetics
Gerontology
Health Information Management
Laboratory Technology
Medical Technology
Nurse Anesthesia
Nursing, Licensed Practical
Nursing, Registered
 Associate Degree
 Bachelor's Degree
Department of Human Resources-Nursing
Ladders in Nursing Careers
Occupational Therapy
Pharmacy
Physical Therapy
Physician Assistant
Radiologic Technology
Respiratory Therapy

Graduate

Nurse Anesthesia (Master's Degree)
Dentistry (General)
Dietetics (Master's Degree)
Gerontology
Health Information Management (Master's Degree)
Nursing (Master's Degree)
Optometry
Pharmacy
Physical Therapy (Master's Degree)
Radiologic Technology (Master's Degree)
Respiratory Therapy
Veterinary Medicine

J. ELIGIBLE POSTSECONDARY INSTITUTIONS AND INSTITUTIONAL APPLICATION PROCEDURES

1. Eligible Postsecondary Institutions

Approval of the institution by U.S. Department of Education for participation in the Federal Family Educational Loan Program is required for participation in the Authority loan programs. In addition, the Authority approves each individual program at each institution for participation in the service cancelable loan program. Applicants who enter one of the critical fields of study for the purpose of receiving loan cancellation by service will be eligible only if they enroll in an Authority-approved program of study, college, Vocational-technical School, or teaching hospital.

2. Critical Fields Programs

Each individual program of study under the critical fields' area must also be approved by the appropriate accrediting agency named below:

Agriculture Education - Georgia State Department of Education
Dental Hygiene - American Dental Hygiene Association
Dentistry - American Dental Association
Dietetics - American Dietetics Association
Gerontology - The Board of Regents or the individual Private College
*Laboratory Technology - Board of Certified Laboratory Assistants
*Medical Technology - American Society for Medical Technology
*Medical Records Administration - American Medical Records Association
Nurse Anesthesia - American Association of Nurse Anesthetists
Nursing - National League for Nursing
*Occupational Therapy - American Occupational Therapy Association
Optometry - National Optometric Association
Pharmacy - American Association of College of Pharmacy
*Physical Therapy - American Physical Therapy Association
*Physician's Assistant - American Academy of Physician Assistants
Practical Nurse - National Federal of Licensed Practical Nurses
*Radiologic Technology - American Society of Radiologic Technologists
*Respiratory Therapy - American Association for Respiratory Therapy

Veterinary Medicine - American Veterinary Medical Association

*These associations collaborate with the Council on Medical Education of the American Medical Association for accreditation purposes.

3. Application Procedures

- a. The institution must first be approved to participate in the Federal Family Education Loan Program by the United States Department of Education and the Georgia Higher Education Assistance Corporation (GHEAC).
- b. The institution must submit to the Authority a letter requesting approval for participation in the Service-Cancelable Loan program. The letter should be accompanied by a catalog or description of the particular critical field(s) and the degree levels offered in the field(s). For health related fields only, a copy of the accreditation certificate from the appropriate accrediting agency must be submitted as well.
- c. When all required documentation has been submitted by the institution, the Authority will review the information and approve or deny the critical field program(s) participation. A decision will be sent to the institution in a timely manner in writing. Approval is valid until it is revoked or cancelled in writing by either the institution or the Georgia Student Finance Authority.

K. GENERAL ADMINISTRATIVE POLICIES AND PROCEDURES FOR SERVICE CANCELABLE LOANS

Annually, the Authority will communicate with all participating institutions regarding general required procedures and optional procedures for the coming processing year of service cancelable loans as follows:

1. The Authority will provide each institution, which participated in the service loan program during the previous year an allocation letter in May. The allocation amounts are based on the funds used by the participating institutions for the previous year.
2. On October 1 of the current fiscal year, the Authority will use the remaining service loan funds to make guarantee commitments on a "first-come, first completed" basis for service cancelable loan applications.
3. Funds are allocated by approval program. The total amount available by program is appropriated by the State Legislature for the sole purpose of recruiting a workforce for Georgia of trained personnel in fields in which shortages exist.
4. Institutions will develop their own policy in awarding funds including but not limited to the prorating of service loan funds. The Authority will not automatically send applications to renewal borrowers. The Authority will request that the institution relinquish the allocation of any unused funds by October 1, of the current academic year. The remaining funds will then be used on a first come first completed basis.

5. Loan maximums may be limited annually to amounts that are less than the Federal Stafford loan program. The loan amount will depend upon the field of study and the appropriation of funds for this program. In all cases, the Authority, as the lender, reserves the right to determine the loan amount. The maximum loan amount per academic year, including both subsidized and unsubsidized amounts, is \$2,000 (see exceptions). The minimum loan amount per loan type is \$100, or \$200 per academic year. You may not borrow more than an amount equal to the cost of attendance minus any other financial aid received. **(Exceptions: \$3,000 for LINC, \$3,500 for General Dentistry, and \$4,000 for DHR Nursing. Graduated awards for Nursing and Nurse Anesthesia: \$2,500 freshman year, \$3,500 sophomore year, \$4,000 junior year, \$4,500 senior year.)**
6. The institution should monitor its usage of funds. Canceled loans may be reallocated to other borrowers within the same critical field.
7. The Authority will also monitor the institution's allocation usage, at the time of guarantee, until October 1, applications being held will be processed on a first completed basis until the funds are depleted.
8. For renewal borrowers, exit interviews will not be conducted. Rather, information packets will be mailed to all renewal borrowers prior to September of the calendar year. The packet will include information regarding repayment policies and procedures and the current status of the various critical field areas. Borrowers will be requested to sign and return an acknowledgment form indicating they have read and understand the materials provided.

L. APPLICATION PROCEDURES FOR SERVICE CANCELABLE LOANS

To apply for a service cancelable loan, a valid FFELP Master Promissory Note (MPN) must be submitted by the student to the Authority. The Institution will electronically transmit the field of study or include in item #9 of the institution certification the critical field of study code.

1. The student shall acquire the Master Promissory Note (MPN) form from the financial aid office or GSFA.
2. If the Master Promissory Note is being completed manually, the student must complete all fields in the borrower section. The financial aid administrator shall complete the School Certification form. For all applications, the aid administrator determines the requested loan amount of service cancelable loan funds. The aid administrator will forward the completed Master Promissory Note and School Certification form directly to the Authority or will return them to the student to forward to the Authority for processing. The student will retain the borrower copy of the Master Promissory Note for his/her records.
3. If the Master Promissory Note is being electronically processed, the financial aid administrator will initiate the application electronically upon awarding of

service cancelable loan funds. The pre-printed note will be mailed to the student for completion. The borrower must verify the accuracy of the pre-printed fields and complete any blank fields. The student will retain the borrower copy of the note. The completed application form(s) must then be forwarded to the Authority by the institution or student for processing.

4. When the Authority approves and guarantees the service cancelable loan application, a "Service Cancellation Benefits Contract", describing responsibilities for repayment, will be mailed to the borrower. The contract requests but does not require a signature from the borrower.
5. A Notice of Disclosure and Loan Guarantee will be generated by GHEAC with copies being sent to the institution and borrower. In addition, the institution will receive a notice confirming that the loan has been designated to receive service cancellation benefits.
6. The student who initially plans to enroll in two different institutions for different terms during the same school year will not need to file an additional Master Promissory Note unless the institution requires.
7. A student wishing to appeal the decision of the Authority regarding a loan denial, shall do so in writing to the GSFC Vice President of Financial Aid Operations within ten (10) days after a Denial Letter is received by the borrower.

II.
STATE LOAN AMOUNTS

II. STATE LOAN AMOUNTS

A. MAXIMUM AMOUNTS FOR CRITICAL FIELDS OF STUDY

Maximum loan amounts are approved annually by the Board of Commissioners of the Georgia Student Finance Authority depending on the legislative appropriation of funds. In all cases, the Authority as lender, reserves the right to determine the loan amount, which may be less than the amount requested. Both subsidized and unsubsidized Stafford loans are eligible for service-cancelable benefits.

- * \$2,000 per Academic Year for students in approved health fields.
- * \$2,500 for Freshman, \$3,500 for Sophomores, \$4,000 for Juniors, \$4,500 for Seniors per Academic Year for students in Nursing or Nurse Anesthesia.
- * The eligibility amounts for the Nursing Pilot Project for the Northeast Georgia Health System, Inc. are the same as the maximum eligibility amounts for the fields of Nursing and Nurse Anesthesia for the Federal Stafford Program with the Service option.
- * \$2,000 per Academic Year for students in Agriculture Education.
- * \$3,500 per Academic Year for students in Dentistry.
- * \$3,000 per Academic Year for students in "Ladders in Nursing Careers," LINC
- * \$4,000 per Academic Year for students employed by the Department of Human Resources DHR seeking a degree in Nursing.
- * \$4,500 per Academic Year for students in the Pilot Nursing Program (maximum eligibility \$9,000)
- * Approval amounts are the same for full-time or half-time enrollment, Undergraduate or Graduate study.

B. MINIMUM LOAN AMOUNTS

The minimum loan per quarter/semester, which can be approved on an application, is \$100 per loan type. If a student is eligible for less than that amount per loan type, the application will be denied.

III.

CRIMINAL LIABILITIES AND EXAMINATION OF INSTITUTIONS

BY THE STATE AUDITOR

A. CRIMINAL LIABILITIES AND EXAMINATION OF INSTITUTIONS BY THE STATE AUDITOR

Each participating institution shall be subject to examination by the Auditor of the State of Georgia. The purpose is to determine if the institution has properly certified enrollment and eligibility of students to receive a loan under the program, and whether the institution has properly credited or distributed loan checks for the benefit of students as required by Federal and State law and these regulations.

Nothing in these regulations shall be construed to interfere with the authority of an institution to determine admissibility of students, nor to control its own curriculum, philosophy, purpose or administration.

IV.
REPAYMENT OF STATE LOAN ACCOUNTS

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A. GENERAL REPAYMENT REQUIREMENTS

1. A recipient of a State of Georgia Service Cancellable Loan is responsible for keeping the Authority informed of his or her current status. If there is a change in name and address or a transfer to another institution, the student should notify the Authority immediately. When a student graduates, terminates enrollment, or attends college on a less than half-time basis, he or she must notify the Authority. Under these circumstances, the student borrower becomes liable for repayment and should request repayment information from the Authority.
2. Repayment is required to begin pursuant to Title IV of the Higher Education Act of 1965 as amended. Service Cancelable Loans are repayable by approved service in Georgia, or in cash with interest, as detailed in sections to follow. Service cancelable loans include cancellation of any interest paid on the loan by the State and interest accruing during the repayment period.
3. During the grace period, the borrower can make pre-payments on the loan without penalty. If the student re-enrolls for at least half-time, he/she should notify the Authority at once. Upon verification of this enrollment, the student's account will be considered in an in-school status.
4. If the student borrower received both subsidized and unsubsidized funds for the same critical field of study, the repayment schedule will include both types of loans.

B. ELIGIBILITY CRITERIA FOR CANCELLATION BY SERVICES

Recipients of loans in one of the approved critical shortage fields named may be eligible to cancel all or part of their loans by approved services in Georgia. A student may cancel each academic year's loan of \$2,000 (\$3,500 for Dentistry and \$3,000 for LINC, up to \$4,500 for Nurse and Nurse Anesthesia and the Nursing Pilot Project for The Northeast Georgia Health System, Inc.) by practicing full-time for one calendar year (12 months) at an approved site. To repay the \$4,000 DHR Nursing loan and \$4,500 Darton College Nursing loan through service will require three calendar years (36 months of service) at an approved site. If a student borrows less than the maximum, repayment is prorated. For example, if a student borrows one third of \$2000 (\$666), then the student only has to work 1/3 of 12 months (4 months) to repay the loan. If the student borrower received both subsidized and unsubsidized funds for the same critical field of study, the repayment schedule will include both types of loans.

A borrower becomes eligible for cancellation when the following conditions are met:

1. The borrower must complete the course work required to receive a degree or diploma in the field in which he/she was awarded a loan; and/or
2. Borrower must obtain a license or certificate in the field in which he/she was awarded a loan; and/or
3. Borrower must secure employment at an Authority-approved site in the field in which he or she was awarded a loan; and
4. Borrower must request credit for repayment by service and furnish the Authority with a verification of employment on the appropriate form; and

**NOTE: In certain allied health fields, an individual who currently is licensed/certified in a critical field and who has applied for and received Service Cancelable Loan funds in another critical field, but fails to complete the program of study, may receive service credit by remaining in his/her initial field of study.*

C. ELIGIBILITY TO RECEIVE CREDIT BY SERVICES

Borrowers whose employment sites have been approved by the Authority for repayment by services must meet the following conditions:

1. The borrower must inform the Authority on appropriate forms of any change in his/her status regarding employment, dates and hours worked, and changes of name and address.
2. Borrower must notify the Authority of termination or less than Full-Time employment.
3. Borrower must request approval of any new site not already approved for this purpose to continue to receive credit by services.
4. Borrower must continue to work a minimum of **36** hours per week, except in specific cases where the Authority has given approval, or begin repayment in cash with interest.
5. Borrower must respond promptly to employment verification and other inquiries by the Authority to maintain service-cancellation eligibility.

The repayment policies regarding loan cancellation by service are subject to change prior to a student's employment or as conditions warrant at the discretion of the Authority. Information regarding approved locations for service cancellation of loans may be obtained from the Authority.

D. ELIGIBILITY TO RECEIVE CREDIT FOR PART-TIME WORK

The Authority discourages requests for credit for part-time work. However, where the circumstances affecting such a request are deemed sufficient by the Authority to warrant credit, such requests may be considered if the hours worked total at least twenty (20) per week in one approved site.

Service credit may be requested for either full-time (100%) or half-time (50%) but no credit is granted for less than half-time service.

Circumstances that may warrant Authority consideration include but are not limited to:

1. Pregnancy
2. Illness
3. Sole parent, small children
4. Lack of availability of full-time work
5. Return to school

E. ADDITIONAL RULES AND PENALTIES GOVERNING SERVICE CANCELLATION

The Authority will mail quarterly employment verification inquiries to borrowers approved for service cancellation to confirm the status for continuing eligibility of service cancellation. Conditions affecting eligibility for cancellation are:

1. A borrower who fails to respond to employment verification inquiries from the Authority may forfeit his/her eligibility for cancellation by services, and may be required to repay his/her loans in cash;
2. A borrower whose account has been in cash repayment may subsequently want to receive service credit. To do so, he/she must meet the conditions named in sections B, C, and D.
3. A borrower converting from cash repayment to service repayment **will not receive a refund** on cash payments already made;
4. No credit for service can be applied simultaneously with receipt of another service-cancelable Authority loan.

F. REPAYMENT OF HEALTH RELATED LOANS

Borrowers, who have completed their program of study and qualify for a professional certificate in their field, **may** cancel each academic year's loan (or its equivalent) by practicing full-time for one calendar year (12 months) at an approved site. Except for recipients of the Department of Human Resources Program, the requirement is 24 months. The Borrower must obtain employment within Georgia and request approval from the Authority of the employment site for service credit. Examples of approved sites in allied health fields are hospitals, clinics, nursing homes, and children's homes. Employment by federal agencies (such as V.A. hospitals and military facilities), private duty nursing, temporary service employment, and volunteer work will not be approved for service repayment credit.

There is a geographic restriction on service cancellation for borrowers practicing Veterinary Medicine.

Repayment through services rendered shall not be approved unless the recipient practices his profession in a rural or sparsely populated area of the state or in a community of 10,000 or less according to the United States decennial census in which the community is in need of the services of a licensed veterinarian substantially for purposes of meeting the needs of owners or producers of farm animals used for or in connection with the production of commercial food products.

Credit for part-time service can be given only if, in the opinion of the Authority, the circumstances affecting such a request are sufficient to warrant credit. No credit will be granted for less than half-time service or for service while you are enrolled in school and receiving service-cancelable loan assistance from the Authority.

**NOTE: In certain allied health fields, an individual who currently is licensed/certified in a critical field and who has applied for and received Service-Cancelable Loan funds in another critical field, but fails to complete the program of study, may receive service credit by remaining in his/her initial field of study.*

G. REPAYMENT OF TEACHER TRAINING LOANS

Loans may be canceled on the basis of one academic year (9 months) full-time teaching with a professional Georgia teaching certificate for each academic year of financial assistance received. Recipients must teach in a specified subject and geographic area in an approved location as defined by the Georgia Board of Regents and the US Department of Education. Such locations include but may not be limited to Georgia public schools, vocational-technical school or state-operated institution serving elementary/secondary age students. (For full details see Criteria for Teaching Training loans.)

Borrowers who do not qualify for service cancellation must repay their loans in cash with interest. Repayment of loans, whether in cash or by services rendered, is required to begin by the end of the grace period after the borrower is no longer enrolled in school as at least a half-time student.

A student must complete their repayment obligation prior to seeking funds for additional fields of certification.

H. REPAYMENT OF NATIONAL GUARD LOANS BY SERVICE (Old Program)

All loans for Georgia National Guard members are repayable by approved service as described below or in cash with interest, beginning no later than the expiration of the student's grace period.

1. In consideration of a student retaining his/her membership in the Georgia National Guard, loans may be canceled on the basis of twelve (12) months membership service for each academic year of assistance for Full-Time enrollment.
2. Loans may be canceled by a student retaining his/her membership in the National Guard on the basis of six (6) months membership service for each academic year of assistance based on Half-Time enrollment.
3. Credit for service may be granted only upon termination of National Guard loan assistance and begins upon request for credit by the recipient and certification of membership in good standing, and continuation thereof, by the Adjutant General of Georgia.

I. REPAYMENT OF SERVICE-CANCELABLE LOANS BY CASH

Student borrowers who fail to qualify for service cancellation will be required to repay their loans in cash installments with interest. All standard repayment requirements as defined by Title IV of the Higher Education Act of 1965 apply to loans made under these regulations.

V.

RULES GOVERNING ELIGIBILITY FOR DEFERMENT AND FORBEARANCE

V. RULES GOVERNING ELIGIBILITY FOR DEFERMENT AND FORBEARANCE

Since a service-cancelable loan made under these regulations are Federal Family Education Loans as authorized by the Higher Education Act of 1965, the related law and regulations as published by the United States Department of Education control. Borrowers receive notification of deferment and forbearance rights and responsibilities upon loan application and guarantee.

VI.

**POLICIES FOR PARTICIPATION IN THE FAMILY FEDERAL STAFFORD
LOAN PROGRAM**

VI. POLICIES FOR PARTICIPATION IN THE FAMILY FEDERAL STAFFORD LOAN PROGRAM

Institutional participation in the Federal Family Education Loan Program is authorized by the Higher Education Act of 1965 and governed by the related law and regulations as published by the United States Department of Education.