

Overview

This fact sheet summarizes your benefits under the Federal Perkins Student Loan Program.

Accelerated Payments

You may pay future installments without penalty; however, these accelerated payments will not apply to future installments unless you do the following:

1. Attach a written request to your payment
2. Send an amount sufficient to cover all amounts due plus the complete amount for future installments you want to pay.

Note: Late charges and collection fees that become due might preclude accelerated payments from covering the installments you intend to pay. Payments in excess of the amount due that do not cover complete future installments will be applied to the loan principal balance, thus reducing any future interest that will accrue.

Deferment of Payments

You may request to defer the repayment of your loan(s) and to interrupt your repayment period. To apply for a deferment of payments you must complete a deferment request form, and submit this form to the school where you received the loan(s) or to its billing agent, Campus Partners. You should complete and mail this form immediately upon receipt of the first bill after you are eligible to request deferment of payments. If you are unable to make your loan payments and if you are not eligible for any of the following deferments, you should contact the school where you received the loan(s).

Federal Perkins Loans Made July 1, 1993 and After

If you received your loan(s) on or after July 1, 1993, you are eligible to apply for deferment benefits if you are:

1. Enrolled and in attendance as a regular student in at least a half-time course of study in an institution of higher education;
2. Enrolled and in attendance as a regular student in an approved fellowship program or approved rehabilitation training program for disabled individuals (does not include a medical internship or residency program, except a residency in dentistry);
3. Unemployed and unable to find full-time employment (3-year limit);
4. Experiencing an economic hardship (3-year limit);
5. Engaged in services described on the reverse side of this Fact Sheet, under the Cancellation Benefits; or
6. Serving in a residency program in dentistry.

Federal Perkins Loans Made From July 1, 1987 through June 30, 1993

If you received your loan(s) within these dates, you are eligible to apply for deferment benefits for the circumstances listed below. You may also apply for the deferments listed above for loans made July 1, 1993 and after, **but only for periods beginning October 7, 1998 and after.**

1. Enrolled and in attendance as a regular student in at least a half-time course of study in an institution of higher education.
2. Serving in an internship program required for certification or a residency program in a hospital or health-care facility offering postgraduate training and leading to a degree/certificate awarded by an institution of higher education. (2-year limit)
3. Active duty as a member of the Armed Forces or in the Commissioned Corps of the Public Health Service. (3-year limit)
4. Volunteer service under the Peace Corps Act or Domestic Volunteer Service Act of 1973 (VISTA). (3-year limit)
5. Full-time volunteer for at least one year in a non-profit organization comparable to the Peace Corps. (3-year limit)
6. Temporary total disability of the borrower or spouse. (3-year limit)

7. Temporary total disability of a dependent in your care preventing you from attending school or from being employed. (3-year limit)
8. Active duty in the National Oceanic and Atmospheric Administration Corps. (3-year limit)
9. Mother of preschool age children entering or re-entering the work force and making less than \$1 more than the federal minimum wage. (12-month limit)
10. Parental leave (6-month limit) if you are pregnant or are caring for your newborn or newly adopted child, you are not gainfully employed or not attending school, and you have attended an eligible school at least half-time during the last six months.

Federal Perkins Loans Made Prior to July 1, 1987

1. You may apply for deferment of payments under the circumstances listed above (Loans made from July 1, 1987 through June 30, 1993) **except those listed under numbers 8 through 10.**
2. You may also apply for the six deferments listed above for loans made July 1, 1993 and after, **but only for periods beginning October 7, 1998 and after.**

Partial Loan Cancellation Benefits

You are eligible to apply for partial cancellation of loan principal and accrued interest on your Federal Perkins, National Direct, or National Defense student loan if you meet one of the eligibility criteria described below, and regardless of the provisions listed in your promissory note. **However, if the service or employment for which you are claiming partial loan cancellation is not included in your promissory note, then the service or employment must start October 7, 1998 or after. In this case, teachers employed in a year-around program may qualify if the school year began on or after July 1, 1998.**

Teacher Cancellations

A teacher is defined as one who is a professional employee of a school or school system working **full-time** and who is devoted to providing classroom instruction or related services in support of the educational program. Up to 100% of the outstanding loan principal balance may be cancelled for the following three types of teaching positions, at the rate of 15% the first and second year, 20% the third and fourth year, and 30% the fifth year.

1. **Full-time teacher** in a public or nonprofit elementary or secondary school designated by the Secretary of Education as having a high concentration of low-income students, and in which more than 30 percent of the school's enrollment is Title I children, according to the list published annually in the *Federal Register*.
2. **Full-time special education teacher**, including teachers of infants, toddlers, children and youth with disabilities in a public or nonprofit elementary or secondary school system. The applicant must specify what percentage of students or clients in the class are disabled.
3. **Teacher in a field of expertise** such as mathematics, science, foreign languages, bilingual education or other fields where the state education agency determines there is a shortage of qualified teachers.

Employment Cancellations

Up to 100% of the outstanding loan principal balance may be cancelled for the following four types of employment services, at the rate of 15% the first and second year, 20% the third and fourth year, and 30% the fifth year. The employment must be full time and for a complete academic year or its equivalent.

1. **Service as a law enforcement or corrections officer** in an eligible local, state or federal agency. The agency must be publicly funded and its principal activities must pertain to crime prevention, control, or reduction or enforcement of criminal law, and your principal responsibilities are unique to the criminal justice system. The applicant must be a sworn law enforcement officer, or a person whose principal responsibilities are unique to the criminal justice system.
2. **Full-time employment as a nurse or medical technician** providing health care services for 12 consecutive months. A medical technician is an allied health professional (working in fields such as therapy, dental hygiene, medical technology, or nutrition) who is certified, registered, or licensed by the appropriate State agency. An allied health professional is someone who assists, facilitates, or complements the work of physicians and other specialists in the health care system.
3. **Providing or supervising the provision of services to high-risk children** from low-income communities and families of such children, and working full time in a public or private nonprofit child or family service agency for 12 consecutive months.

4. **Qualified professional provider of early intervention services** working full-time for 12 consecutive months in a public or other nonprofit program authorized in Section 676 (b)(9) of the Individuals with Disabilities Education Act.

Service Cancellations

1. **Active duty service in the military** in an area of hostilities that qualifies for special pay under Section 310 of Title 37 of the U.S. Code. Up to 50% of the outstanding loan principal balance may be cancelled at the rate of 12½% for each year of qualifying service.
2. **Volunteer service under the Peace Corps Act or Domestic Volunteer Service Act of 1973 (VISTA)**. Up to 70% of the outstanding loan principal balance may be cancelled, at the rate of 15% for the first two years of service, and 20% for the third and fourth year.
3. **Full-time service in a Head Start program** carried out under the Head Start Act (formerly under the Economic Opportunity Act of 1964), and operated for a complete academic year or its equivalent. The applicant must be a full-time educational staff member, and must not earn more than a comparable employee working in the local educational agency. Validation must be attached. Up to 100% of the outstanding loan principal balance may be cancelled, at the rate of 15% for each year of service.

Loan Rehabilitation

The Higher Education Amendments of 1998 created a Loan Rehabilitation program for Perkins Loans. Under this program you have the opportunity to request the rehabilitation of a defaulted loan. Rehabilitation means that, after making 12 on-time, consecutive monthly payments of an amount agreed to by your lending institution, your loan will be returned to regular repayment status, the default will be removed from your credit history, and you will be again eligible to borrow Title IV funds.

Department of Education Ombudsman

If you are unable to resolve a dispute with your lending institution concerning the terms of your student loan, you may contact the [Department of Education Ombudsman](http://ombudsman.ed.gov) (<http://ombudsman.ed.gov>), by telephone at 877-557-2575, by [e-mail](mailto:fsaombudsmanoffice@ed.gov) (fsaombudsmanoffice@ed.gov), or by mail at the following address:

U.S. Department of Education
FSA Ombudsman
830 First Street, NE
Washington, DC 20202-5144

For additional information on benefits that may be available to you such as loan consolidation and viewing your loan status on NSLDS, visit [My Campus Loan](http://www.mycampusloan.com) (<http://www.mycampusloan.com>). **If you wish to obtain a copy of your promissory note, please contact the officials at the university that granted your loan.**