



# CHILD CARE PROVIDER LOAN FORGIVENESS FORBEARANCE FORM

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Form Approved  
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## Federal Family Education Loan Program/William D. Ford Federal Direct Loan Program

This forbearance form should only be used by individuals who previously received loan forgiveness under this program and are requesting additional loan forgiveness.

CCPLFF

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or any accompanying documents is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

### SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information.

SSN |\_\_|\_|\_|-|\_\_|\_|-|\_\_|\_|\_|\_|

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone - Home ( ) \_\_\_\_\_

Telephone - Other ( ) \_\_\_\_\_

E-mail (optional) \_\_\_\_\_

### SECTION 2: GENERAL INFORMATION AND INSTRUCTIONS FOR FORBEARANCE REQUEST

- Complete this forbearance form only if you have previously received benefits from the Child Care Provider Loan Forgiveness Program.
- The Child Care Provider Loan Forgiveness Program is a demonstration program that is intended to bring more highly trained individuals into the early child care profession and to keep those child care providers for longer periods of time. Under this program, individuals who work full-time in certain child care facilities that serve low-income families and meet other qualifications may be eligible to have up to 100 percent of their FFEL and/or Direct Loan program loans forgiven. See Sections 5 and 6 for more detailed information.
- Before completing this Child Care Provider Loan Forgiveness Forbearance Form, read the entire form including the definitions, program eligibility requirements, and terms and conditions in Sections 4, 5, and 6.
- Type or print using dark ink. Provide all requested information. Show dates as MM-DD-YYYY (for example, "January 1, 2006" = "01-01-2006").
- Return the completed form to the address shown in Section 8. **If no address is shown in Section 8, return the completed form to your loan holder.** If you are applying for forbearance of loans that are held by different loan holders, you must submit a separate Child Care Provider Forbearance form to each loan holder.

### SECTION 3: FORBEARANCE REQUEST, UNDERSTANDINGS, AND CERTIFICATIONS

- I **request** forbearance of payments on my eligible loan(s) while I am performing my qualifying child care service.
- I **understand that:** (1) this forbearance is granted in twelve-month increments and that I must reapply for it each year during the five consecutive years of required employment; (2) during the forbearance period, my principal and interest payments may be postponed, but interest continues to accrue and that interest which accrues during the forbearance will be my responsibility if I do not receive forgiveness; (3) any unpaid interest that accrues during the forbearance period may be capitalized, as permitted by law; (4) receiving forbearance does not guarantee that I will receive loan forgiveness benefits; and (5) If I am past due on payments not covered by this forbearance, my loan holder may grant me a separate forbearance to resolve the delinquency on those past due payments at the time this request for forbearance is processed
- I **certify that:** (1) the information I provided in this section is true and correct; (2) upon termination of the forbearance, I agree to repay the loan(s) according to the terms of my promissory note(s) and repayment schedule(s); (3) I will notify my loan holder immediately if my qualifying employment at a qualifying child care facility ends; and (4) I meet the eligibility requirements and have read and understand the terms and conditions for the Child Care Provider Loan Forgiveness Program as explained in Sections 5 and 6.

I intend to work full-time, at least 30 hours per week, as a child care provider providing child care services in a facility that serves a low income community for the next twelve months from |\_\_|\_|-|\_\_|\_|-|\_\_|\_|\_| to |\_\_|\_|-|\_\_|\_|-|\_\_|\_|\_|. The child care facility at which I intend to perform my qualifying employment is the following:

Child Care Facility's Name \_\_\_\_\_ Telephone ( ) \_\_\_\_\_

Child Care Facility's Address (Street, City, State, Zip) \_\_\_\_\_

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_

#### **SECTION 4: DEFINITIONS**

- **Capitalization** is the addition of unpaid interest to the principal balance of a loan. It will increase the principal and total cost of the loan.
- A **child care facility** means a facility, including a home, that provides child care services, and meets applicable State or local government licensing, certification, approval, or registration requirements and serves a low-income community.
- A **child care provider** is a person who provides child care services in a child care facility and has an associate's or bachelor's degree in the field of early childhood education or child care awarded by an institution of higher education.
- **Child care services** means activities and services provided for the education and care of children from birth through age 5 by an individual who has an associate's or bachelor's degree in early childhood education.
- **Consecutive years of employment** means maintaining full-time employment, after October 7, 1998 and after receiving your associate's or bachelor's degree in early childhood education or child care, for successive, uninterrupted 12-month periods as a child care provider in a child care facility.
- **Early childhood education** means education in the areas of early child education or child care, or any other educational area related to child care that the Secretary of Education determines appropriate.
- **Eligible loans** are Federal Stafford Loans (subsidized and unsubsidized), Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), and Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans) that were made (1) on or after October 7, 1998, (2) for the purpose of obtaining your associate's or bachelor's degree in early childhood education or child care, and (3) before beginning your qualifying service. (Federal PLUS Loans, Direct PLUS Loans, Federal Consolidation Loans, and Direct Consolidation Loans are not eligible.) Any loans received for a master's degree are not eligible loans
- A **forbearance** is a temporary cessation of payments, an extension of time for making payments, or temporary acceptance of smaller payments than previously scheduled. The borrower is responsible for any interest that accrues on a loan during forbearance. If the borrower does not pay the interest that accrues on the loan, the interest may be capitalized.
- **Full-time** means working as a child care provider in a child care facility at least 30 hours per week.
- The **holder of a FFEL Program** loan may be a lender, guaranty agency, or the U.S. Department of Education. The **holder of a Direct Loan Program** loan is the U.S. Department of Education.
- An **institution of higher education** means a nationally accredited public or nonprofit private institution that is legally authorized by a State to provide postsecondary educational programs that lead to an associate's or bachelor's degree.
- A **low-income community** means a community in which at least 70 percent of the individuals are from families that earn less than 85 percent of the State median household income. For the purposes of this loan forgiveness program, community means the children who receive child care at the child care facility.

#### **SECTION 5: ELIGIBILITY REQUIREMENTS**

- You must have been a new borrower with eligible loans. For the purpose of this loan forgiveness program, you were considered a new borrower if you had no outstanding balance on a FFEL and/or a Direct Loan program loan on October 7, 1998, or on the date that you obtained a FFEL or a Direct Loan program loan after October 7, 1998.
- You must have received an associate's degree or bachelor's degree in the field of early childhood education or child care that was awarded from an institution of higher education after October 7, 1998.
- If you graduated from an institution of higher education in an area of study other than early childhood education or child care and later returned to postsecondary education in order to obtain an associate's or bachelor's degree in early childhood education or child care, you can only receive forgiveness on eligible loans obtained for a maximum of two of the academic years required to obtain the associate's or bachelor's degree in early childhood education or child care.
- You may not receive benefits for the same child care services under both Subtitle D of Title I of the National and Community Service Act of 1990 (Americorps) and this Child Care Provider Loan Forgiveness Program.
- You must reapply each year to be considered for additional loan forgiveness benefits and the related forbearance. An application or forbearance request for one year does not qualify you for loan forgiveness or the related forbearance in a later year.

#### **SECTION 6: TERMS AND CONDITIONS**

- The total amount of all your eligible loans (principal and interest, including interest that accrued during an approved forbearance period) may be forgiven as follows:
  - 20 percent after completing two consecutive years (24 months) of qualifying employment.
  - 20 percent after completing the third consecutive year (36 months) of qualifying employment.
  - 30 percent after completing the fourth consecutive year (48 months) of qualifying employment.
  - 30 percent after completing the fifth consecutive year (60 months) of qualifying employment.
- If you are eligible for forbearance while you are performing the eligible full-time child care service in a child care facility that serves a low-income community, your loan holder must provide you with a forbearance of repayment of your eligible loans(s) while you are in qualifying employment unless you are in a deferment status on the loan(s). Forbearance allows you to cease making payments while you are performing this service.
- Your loan holder does not refund any payments that you made or that were made on your behalf before or after you were determined to be eligible for loan forgiveness under this program.
- If you receive forbearance based on any false, fictitious, or fraudulent statements that you knowingly make on this form or on any accompanying documentation, you may be subject to civil and criminal penalties under applicable federal law.

**SECTION 7: IMPORTANT NOTICES**

**Privacy Act Disclosure Notice:** The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are 428(b)(2)(A) *et seq.* and 451 *et seq.* of the Higher Education Act of 1965, as amended (20 U.S.C. 1078(b)(2)(A) *et seq.* and 20 U.S.C. 1087a *et seq.*) and the authority for collecting and using your Social Security Number (SSN) is 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)). Participating in the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the FFEL Program and/or Direct Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect on your loan(s) if your loan(s) becomes delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed to third parties as authorized under routine uses in the appropriate systems of records. The routine uses of this information include its disclosure to federal, state, or local agencies, to other federal agencies under computer matching programs, to agencies that we authorize to assist us in administering our loan programs, to private parties such as relatives, present and former employers, business and personal associates, to credit bureau organizations, to financial and educational institutions, to guaranty agencies, and to contractors in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to counsel you in repayment efforts, to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, to locate you if you become delinquent in your loan payments or if you default, to provide default rate calculations, to provide financial aid history information, to assist program administrators with tracking refunds and cancellations, or to provide a standardized method for educational institutions efficiently to submit student enrollment status.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

**Paperwork Reduction Notice:** According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0057. The time required to complete this information collection is estimated to average 0.33 hours (20 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. ***If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:*** U.S. Department of Education, Washington, DC 20202-4651

***If you have any questions regarding the status of your individual submission of this form, contact your loan holder in Section 8 of this form.***

**SECTION 8: WHERE TO SEND THE COMPLETED FORBEARANCE REQUEST**

***Return the completed forbearance request and any attachments to:***  
***(If no address is shown, return to your loan holder)***

KHESLC  
PO BOX 24328  
LOUISVILLE KY 40224-0328

***If you need help completing this form, call:***  
***(If no telephone number is shown, call your loan holder)***