

July 29, 1994

TO: Schools, Lenders, and Holders Participating in the Health Professions Student Assistance Programs

SUBJECT: Forbearance for Service with AmeriCorps  
HEAL Lender Policy Memorandum L-94-17  
HEAL School Policy Memorandum S-94-15  
Campus-Based Programs Policy Memorandum 94-1

For Schools: Please forward to financial aid administrators and fiscal officers.

This is to inform you that for individuals serving in approved national service positions in AmeriCorps, the national service program administered by the Corporation for National Service, the Department is requiring loan holders to offer forbearance on Health Education Assistance Loans (HEAL), Health Professions Student Loans (HPSL), Loans for Disadvantaged Students (LDS), Nursing Student Loans (NSL), and Primary Care Loans (PCL) during their terms of service. For HEAL loans, any such period would be in addition to the 2-year period of forbearance which lenders and holders can grant under 42 CFR 60.37 without prior approval from the Secretary. As in any forbearance, interest will continue to accrue in accordance with the terms of the promissory note.

Forbearance due to service with AmeriCorps is to be administered in accordance with 45 CFR Part 2529, published in the Federal Register on June 15, 1994 (59 FR 30709). Copies of these regulations may be obtained from the Corporation for National Service, which should be contacting you directly to provide further information on forbearance and on the payment of interest that accrues during these periods of forbearance.

If you have further questions, you may call The National Service Trust at 202 606-5000 extension 347, or write to The National Service Trust, Corporation for National Service, Room 3200, 1100 Vermont Avenue, N.W., Washington, D.C. 20525.

Thank you for your continued cooperation in the administration of the health professions student aid programs. We hope this information is helpful.