

## **Eligibility Guidelines for the Loan Forgiveness Program for State Veterans Homes Nurses**

The **Loan Forgiveness Program for State Veterans Homes Nurses** offers qualifying applicants the opportunity to have their student loans reduced up to 50%, to a maximum of \$10,000, with funds provided by the PHEAA, powered by AES.

**To qualify for participation in the “Loan Forgiveness Program for State Veterans Homes Nurses” (definitions follow):**

1. You must have at least one outstanding *AES owned, guaranteed, and serviced federal Stafford* or one outstanding *AES owned, guaranteed, and serviced Consolidated loan, in good standing*.
2. You must submit an application no later than June 30, 2008, and complete your *qualifying Program of study* between January 1, 2008 and June 30, 2008.
3. You must pass the Pennsylvania State Board of Nursing examination for a license to work as a Practical Nurse or Registered Nurse within nine months of receiving your *nursing degree, diploma, or certificate*.
4. You must begin *full-time* employment within six months of graduation as a direct patient care nurse at one of the six *Pennsylvania State Veterans Homes*.
5. You must complete at least one full year of *continuous employment in this position* to receive any benefit through this program.
6. You must have your employer *verify* that you have met the employment conditions of eligibility.
7. You must meet a *residency requirement*.
8. You may meet all the qualifications for the program, but receive no *benefit* or a smaller *benefit* than other qualifying applicants.

FOR ADDITIONAL INFORMATION, PLEASE CALL A PROGRAM REPRESENTATIVE AT: 1-800-233-0557 EXT. 5473.

## Definitions

1. *Outstanding AES owned, guaranteed, and serviced federal Stafford or outstanding AES owned, guaranteed, and serviced consolidated loan in good standing.*

AES can only forgive Stafford or Consolidated loans that it owns, services, and guarantees. If you are not certain that your loans qualify, submit your application and AES will make the determination and let you know.

If AES does not own, guaranty, and service your Stafford or Consolidated loan(s), you will need to contact the Agency at 1-800-233-0557 ext.5473 for further information.

If AES informs you that your loans are not in good standing, the letter will provide you with information on how you can bring your account into good standing.

2. *Qualifying program of study.*

A nationally accredited Program of study that leads to a degree, diploma, or certificate in a nursing discipline or approved by the Pennsylvania State Board of Nursing or by the state agency vested with such authority for the type of institution you attended.

3. *Degree, diploma, or certificate.*

A Bachelors Degree, Associates Degree, Hospital Diploma or Practical Nursing Certificate.

4. *Full-time.*

For direct care nursing, this is generally determined by your employer, but should be at least 32 hours per week.

*Pennsylvania State Veterans Homes.*

You must be employed by one of the following Pennsylvania State Veterans Homes, as a full-time, direct care nurse, in order to qualify for this Program:

Delaware Valley Veterans Home, Philadelphia  
Gino J. Merli Veterans Center, Scranton  
Hollidaysburg Veterans Home, Hollidaysburg  
Pennsylvania Soldiers and Sailors Home, Erie  
Southeastern Veterans Center, Spring City  
Southwestern Veterans Center, Pittsburgh

5. *Continuous employment in this position.*

If you are a direct care nurse, you will become eligible for program benefits after you complete one year of continuous full-time service in this position at this employer, from the date of initial employment, after graduation. Continuous means you took no leave from your position other than the standard leave benefits for your position or those provided under Pennsylvania and federal law. This is also required for the benefits available after the second and third year.

6. *Verification.*

Your Employer must verify your position and employment status in order to qualify for this Program.

7. *Residency requirement.*

For Program purposes, you were a Pennsylvania resident during the 30 day period immediately preceding AES's receipt of the guarantee application for your AES owned, guaranteed and serviced federal Stafford loan(s) (or your supporting parent was a Pennsylvania resident during such time period if you were under 18 years of age at the time of the guarantee application) or you have completed or will complete your nursing education at an approved Pennsylvania institution.

8. *Benefit.*

The receipt of benefits through the Nursing Loan Forgiveness Program for State Veterans Homes Nurses depends on the availability of funds.

Two considerations affect the size of the benefit you receive:

- a. Amount borrowed
- b. Years of continuous qualifying employment at your initial employer.

Amount Borrowed. AES will base your annual benefit on the aggregate principal balance of your qualifying Stafford or Consolidated loan(s), used for your nursing education, as of the date you complete your nursing degree/diploma/certificate, to a maximum of \$20,000 in loan debt.

Years of Employment. AES will reduce your qualified, outstanding Stafford or Consolidated loan balance by:

- a. 10 percent at the end of the first year (max. \$2,000) of qualified employment
- b. 15 percent at the end of the second year (max. \$3,000) of qualified employment
- c. 25 percent at the end of the third year (max. \$5,000) of qualified employment.

**A Note on the Tax Status of Loan Forgiveness Benefits.**

AES is obligated to issue a form 1099-C to the I.R.S. and the student borrower reporting all forgiveness of indebtedness. AES cannot, however, advise any borrower whether debt forgiveness reported on the form 1099-C must be included in taxable income for state or federal tax purposes. Consequently, each student borrower should consult his or her tax advisor in order to determine the state and federal tax consequences of AES forgiveness.



10. HAVE YOU BEEN CONVICTED OF OR PLEAD GUILTY TO A FELONY? YES  NO

11. WERE YOU A PENNSYLVANIA RESIDENT AT THE TIME YOU APPLIED FOR A SCHOOL LOAN FOR YOUR POSTSECONDARY NURSING EDUCATION? YES  NO

12. DID YOU ATTEND A NURSING PROGRAM AT A PENNSYLVANIA SCHOOL? YES  NO

I understand that if an award is authorized for me, I must maintain employer-verified, full-time, continuous employment as a direct care nurse at a licensed Pennsylvania State Veterans Homes Facility for a minimum of one year and hold federal Stafford or Consolidation loans that are owned, serviced, and guaranteed by AES and such loans are in good standing. I understand that I must continue to work for the same employer, in a direct care role, for three consecutive years in order to receive full benefits from AES. If I fail to begin or complete this employment requirement, I will be disqualified from the Loan Forgiveness Program for State Veterans Homes Nurses and will not be eligible for further loan forgiveness. I understand that I may meet all the qualifications for the program, but receive no benefit or a smaller benefit than other qualifying applicants. I further understand that AES's obligation to provide loan forgiveness is subject to availability of funding sources and that AES may discontinue the Loan Forgiveness Program for State Veterans Homes Nurses at any time. I authorize my employer to release to AES verification of my employment. I authorize my postsecondary institution to release to AES verification of my program of study and completion of that program. I authorize AES to contact the Pennsylvania State Board of Nursing to verify my nursing license. I further authorize AES to make public announcements of my participation in the Loan Forgiveness Program for State Veterans Homes Nurses, including my application for it. I understand that AES, my employer and other parties in connection with the program may need to have access and to share my confidential financial, personal background, educational and employment information ("Confidential Information"). I understand that my Confidential Information may be used to determine my initial qualification, continued qualification and continuing participation in the program. I understand that AES and any other sources of funding agree to use my Confidential Information, principally for purposes associated with the program. I fully authorize AES, my employer and all other parties that are connected with the program to obtain, review and share among each other my Confidential Information. I declare under penalty of the criminal laws of the Commonwealth of Pennsylvania and the provisions of 24 P.S. Sec. 5104 (9), that this completed form and all supporting documentation have been examined by me and to the best of my knowledge and belief the information contained herein is true, correct and complete. I understand the penalty for the submission of fraudulent information may be repayment of as much as three times the amount received plus a fine and/or imprisonment.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

PRINTED NAME \_\_\_\_\_ SSN \_\_\_\_\_

**The completed application and all pertinent documents must be received by June 30, 2008.**

**Please send to:**

Loan Forgiveness Program for State Veterans Homes Nurses  
AES Loan Forgiveness Group  
P.O. Box 2461  
Harrisburg, PA 17105-2461

**A Program of the Pennsylvania Higher Education Assistance Agency  
powered by American Education Services (AES)  
P.O. Box 2461 - Harrisburg, PA 17105-2461**

## **LOAN FORGIVENESS PROGRAM FOR STATE VETERANS HOMES NURSES APPLICATION INSTRUCTIONS**

The Application information must be completed and submitted to the PHEAA, powered by AES, in order to apply for the Loan Forgiveness Program for State Veterans Homes Nurses.

Please note specific instructions provided below for selected questions:

- 7a. Indicate the degree/diploma/certificate obtained from your postsecondary education. A copy of your degree/diploma/certificate must accompany your completed Program Application. If you have not received your degree/diploma/certificate at this time, submit a copy to PHEAA when it is received.
  
- 7b. To be eligible for the Loan Forgiveness Program for State Veterans Home Nurses, you must graduate between January 1, 2008 and June 30, 2008.
  
- 9a.b.c. You must be employed full-time, as a direct care nurse, at one of the following Pennsylvania State Veterans Homes in order to be eligible for this Program:

Delaware Valley Veterans Home, Philadelphia  
Gino J. Merli Veterans Center, Scranton  
Hollidaysburg Veterans Home, Hollidaysburg  
Pennsylvania Soldiers and Sailors Home, Erie  
Southeastern Veterans Center, Spring City  
Southwestern Veterans Center, Pittsburgh

A copy of your Practical or Registered Nursing license or your application for a license to practice nursing in Pennsylvania must accompany this application. If you do not currently have a license, submit a copy to PHEAA when it is received.

### **Preliminary Eligibility**

To be determined as eligible for the initial year of funding through this Program, you must complete these additional steps:

1. Provide a certified copy of your transcript or certificate of completion for your Program of study within 45 days of completion or graduation. You must graduate or complete your Program of study on or before June 30, 2008.
  
2. Provide verification that you received licensure as a registered or practical nurse within 10 days of notification of licensure. You must receive your license within nine months of graduation or completion of your Program of study.

3. Obtain and verify qualifying employment within six months of completion of, or graduation from, your Program of study. This verification will need to come from your employer.
4. Complete and verify 12 months of full-time employment at your qualified place of employment, after graduation. This verification will need to come from your employer.

You will receive notification of preliminary eligibility for the loan forgiveness benefit after completing steps 1-3 above.

### **Program Administration**

The Loan Forgiveness Program for State Veterans Homes Nurses will forgive 50% of the aggregate outstanding principal balance, up to a maximum of \$20,000 in qualifying loans, of the AES owned, guaranteed, and serviced federal Stafford or outstanding AES owned, guaranteed, and serviced Consolidated loan, subject to available funds, as of the date of completion of your nursing education. Monies will be applied after each year of qualified employment and the amount of forgiveness will be determined by the aggregate outstanding principal balance of such loans at the date you completed your nursing degree/diploma/certificate.

Subject to availability of funding sources, AES will provide loan forgiveness to qualified nurses in a graduated format:

- a) 10 percent (max. \$2,000) of outstanding, qualified loan principal after the first year of continuous (full-time) qualified employment.
  - b) 15 percent (max. \$3,000) of outstanding, qualified loan principal after the second year of continuous (full-time) qualified employment.
  - c) 25 percent (max. \$5,000) of outstanding, qualified loan principal after the third year of continuous (full-time) qualified employment.
5. The completed application and all pertinent documents must be received by June 30, 2008.

Please send to:

Loan Forgiveness Program for State Veterans Homes Nurses  
AES Loan Forgiveness Group  
P.O. Box 2461  
Harrisburg, PA 17105-2461

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