Central Arizona College

Financial Aid Office

2022-2023 Borrower Acknowledgement Statement
Total and Permanent Disability Discharge

A student who has had a previous federal education loan discharged due to Total and Permanent Disability (TPD) may under certain circumstances, borrow a **new** federal student loan. Although, it may be necessary to resume repayment on the previously discharged loan. **For more details, please see the reverse side of this form.**

Student Name: _____ Student ID#:_____

Borrower's Acknowledgement Statement

By signing this document, I acknowledge that any **new** Federal Student Aid loans that I may qualify for cannot be discharged in the future for any present impairment unless it deteriorates so that I am again totally and permanently disabled. I am also aware that before I can receive any Federal Student Aid loans, I must obtain a <u>physician's certification</u> stating that I have the ability to engage in "substantial gainful activity." A Borrower's Acknowledgement Statement must be completed before any Federal Student Aid loans are received.

In addition, I have also read and understand the information given on the back of this form.

Student Signature_____ Date _____
(Required)

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

Note: (1) The student must sign a new acknowledgment for the school <u>each time</u> he/she receives a new loan after a disability discharge.
(2) The physician's certification is required <u>only once</u> before the student may borrow new federal student loans after a disability discharge. The school will maintain this certification in the student's files.

The criteria for disability discharge and borrowing again after disability discharge are outlined in Federal Student Aid webpage at https://disabilitydischarge.com/TPD-101 . You are encouraged to review these federal regulations before applying for a new loan. The following is a brief summary:

A Total and Permanent Disability (TPD) means that you are unable to engage in substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death; has lasted for a continuous period of at least 60 months; can be expected to last for a continuous period of at least 60 months; or has been determined by the Department of Veterans Affairs (VA) to be unemployable due to a service-connected disability.

If a borrower whose prior loan was discharged due to a total and permanent disability wishes to borrow another federal student loan, he/she must obtain a physician's certification that he/she has the ability to engage in substantial gainful activity, and must sign a borrower statement acknowledging that the new loan cannot later be discharged for any present impairment unless it deteriorates so that he/she is again totally and permanently disabled.

The phrase "substantial gainful activity" means a level of work performed for pay that involves doing significant physical or mental activities or a combination of both. If a physician's certification does not appear to support this status, the school should contact the physician for clarification.

Borrowers whose previous federal student loans were discharged are monitored by the U. S. Department of Education (ED) for three years. If the borrower fails to meet certain eligibility requirements throughout the monitoring period, ED reinstates the borrower's obligation to repay the discharged loan/s. If the loan/s on which repayment obligation is reinstated was in default status at the time of discharge, it remains in default upon reinstatement, and the student must make satisfactory repayment arrangements before receiving the new loan.

For status information on potentially discharged loans, you may contact Department of Education's TPD servicer (Nelnet) at:

- Phone: 1-888-303-7818
- Fax: 1-303-696-5250
- E-Mail: disabilityinformation@nelnet.net