

150% Time Limit on Subsidized Student Loan Eligibility

Effective for new borrowers July 1, 2013

The Limit:

The Department of Education has placed a limit on how long a student may receive subsidized* student loans. The limit of 150% is based on the time required to complete the program of study. The general time limit calculation is:

4-year program * 150% = 6 years of subsidized loan eligibility

2-year program * 150% = 3 years of subsidized loan eligibility.

**Subsidized means that the government subsidizes (pays) the interest on this type of loan while a student is in college. Students must qualify for subsidized student loans by showing need based on the FAFSA.*

Desired Outcome:

College students start, progress, and complete their degrees in a timely manner.

What You Need to Know:

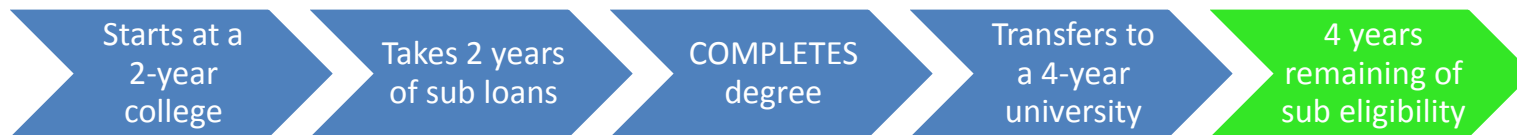
Changing colleges or changing majors can cost you, especially if you transfer from a 4-year college to a 2-year college or trade school or if you change your major to a shorter program.

Examples:

Student #1



Student #2



For more information and examples, visit <http://www.lamarcc.edu/admission/paying-for-college/financial-aid/> under Student Loans, Additional Information.