Direct Subsidized Loan Time Limitation

Federal Regulations, effective July 1, 2013, state first time borrowers cannot receive direct subsidized loans longer than 150% of the published length of their current educational program.

What does that mean? Know your loan limits and plan accordingly!

- Enroll in the right program for you – Not sure what program you want? Check out our Career Center here.
- Do not change majors multiple times – Once you begin classes and take out a subsidized loan the clock starts ticking!
- Complete the classes for which you received aid – Need help? There are many resources around campus to assist students, check out the Learning Assistance Center here.
- Enroll only in the classes required for your degree – Be wise, get advised! Visit your program advisor, a list of program advisors can be found here.

Maximum Eligibility Period to receive subsidized loans

- Measured in academic years (August – July)
- 150% of the published length of your program (available in school catalog)

Example:

<table>
<thead>
<tr>
<th>Program Length</th>
<th>150% = Maximum Eligibility Period to Complete Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>1.5 years</td>
</tr>
<tr>
<td>2 years</td>
<td>3 years</td>
</tr>
<tr>
<td>3 years</td>
<td>4.5 years</td>
</tr>
<tr>
<td>4 years</td>
<td>6 years</td>
</tr>
</tbody>
</table>

- Maximum eligibility can change if you enter a longer program however; any direct subsidized loans received for an earlier program will count towards your new maximum eligibility period.

Example:

<table>
<thead>
<tr>
<th>Original Program Length</th>
<th>150% of Original Program Length</th>
<th>Amount Used</th>
<th>New Program Length</th>
<th>150% of New Program Length</th>
<th>Amount of Eligibility Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Years</td>
<td>3 Years</td>
<td>1 Year</td>
<td>4 Years</td>
<td>6 Years</td>
<td>5 Years</td>
</tr>
</tbody>
</table>

Subsidized Usage Period

- Enrollment periods for which you have received a Direct Subsidized Loan

How is this Calculated?

- Full time attendance during both fall and spring terms will count as 1 year against your maximum eligibility limit. Enrollment at anything less than full time for either the term, or the academic year, will result in a reduced subsidized usage period.
- Example:
  - If the maximum loan amount (depending on your need and year in school) was taken at half time enrollment status, the subsidized usage period is 1 academic year
Interest starts accruing the day you meet the 150%!
*Your lender will notify you if you become responsible for paying the interest on your subsidized loan.*

**Interest Subsidy**

- First time borrowers that complete their program within their 150% time frame retain their interest subsidy for the loans they received while they were completing their program.

- If you lose your eligibility for subsidized loans by reaching your maximum eligibility period you may lose the interest subsidy for your subsidized loans if you:
  - Did not complete your program **AND**
    - Continue to be enrolled in the same program
  - **OR**
  - You enroll in another program with the same or shorter program length

**NOTE:** Capitalization will still occur with any unpaid interest!

Check on your 150% loan subsidy usage [here](#).

For more information about maximum eligibility for subsidized loans please visit [here](#).