



November 7, 2002

MEMORANDUM

To: Mr. Dalton Floyd, Chair, and Members,
Commission on Higher Education

From: Ms. Susan Cole, Chair, and Members,
Committee on Access & Equity and Student Services

2001-02 South Carolina National Guard Student Loan Repayment Program

During the 2001 legislative session, the General Assembly approved Act 41. The Commission on Higher Education, in consultation with the South Carolina Student Loan Corporation, developed a loan repayment program for providing incentives for enlisting or remaining for a specified time in both the South Carolina Army and Air National Guards (SCNG) in areas of critical need *. The Commission on Higher Education must define areas of critical need annually in consultation with the Adjutant General. The Commission on Higher Education promulgated regulation to set forth the following terms of the loan repayment program:

- Must enlist, reenlist, accept a warrant or be commissioned for a term of at least six years and, at the time of enlistment, meet a critical needs area
- Must be a legal resident of South Carolina
- Must maintain satisfactory performance in the National Guard
- Must submit an application each year to Commission on Higher Education in order to be eligible for loan repayment
- Eligible student loans may be repaid at the rate of \$4500 per year for a maximum of four years
- Payments made directly to the loan provider
- Eligible loans are guaranteed under part B, part D, or part E of Title IV of the Higher Education Act of 1965, must not be in default and be at least one year old

The following 2001-02 report provides: names of the loan providers who received payment; the amount of funds disbursed to each loan provider; and, the number of service members who received loan repayment.

* For 2001-02, the critical need area was not applicable.

**South Carolina National Guard Report
2001-02 Fiscal Year**

<i>Loan Provider</i>	<i>Total Amount Paid</i>	<i>Number of Recipients</i>
South Carolina Student Loan Corporation	\$83,326.16	22
Citibank Student Loan Corporation	\$16,380.00	4
Sallie Mae Student Loan Corporation	\$17,036.35	5
EFG Technologies	\$900.00	1
US Department of Education	\$28,660.75	8
TOTAL	\$146,303.26	38 Unduplicated

* For 2001-02, the critical need area was not applicable.