



UNITED STATES DEPARTMENT OF EDUCATION

WASHINGTON, D.C. 20202-_____

September 2005

Subject: Availability of the Child Care Provider Loan Forgiveness Application for Renewal Benefits and the Child Care Provider Loan Forgiveness Forbearance Form

Summary: This letter announces the approval of the Child Care Provider Loan Forgiveness Application for Renewal Benefits and the Child Care Provider Loan Forgiveness Forbearance Form and provides guidance on the implementation of these revised forms.

Dear Colleague:

This letter announces the availability of a revised *Child Care Provider Loan Forgiveness Application for Renewal Benefits* and a revised *Child Care Provider Loan Forgiveness Forbearance Form*. The new forms are available for immediate use, under the conditions described below.

The Child Care Provider Loan Forgiveness Program is a demonstration program that is intended to bring more highly trained individuals into the early child care profession and to retain them in the profession. Under this program, individuals who work full-time in certain child care facilities that serve low-income families and who meet other qualifications may be eligible to have up to 100 percent of their FFEL and/or Direct Loan program loans forgiven. While, we are not accepting new applicants into the program because no additional funding has been provided, we do need to have an application for renewal benefits available for those borrowers who have previously been granted forgiveness under the Child Care Provider Loan Forgiveness Program. Our Child Care Provider Loan Forgiveness Processing Unit handles the distribution and processing of these applications for the Child Care Provider Loan Forgiveness Program.

You only need to distribute the *Child Care Provider Loan Forgiveness Forbearance Form*. Note that a *Child Care Provider Loan Forgiveness Forbearance Form* is needed for those borrowers who have previously been granted forgiveness under the Child Care Provider Loan Forgiveness Program and who meet other eligibility requirements.

If you have any questions with regard to the Child Care Provider Loan Forgiveness Program or the Child Care Provider Loan Forgiveness application, you can contact the Child Care Provider Loan Forgiveness Unit at 1-888-562-7002 (TDD: 1-800-877-8339). You can direct any correspondence to Child Care Provider Loan Forgiveness Program applications to the following address:

Child Care Provider Loan Forgiveness Program
P.O. Box 4639
Utica, NY 13504-4639

Implementation and Transition to New Forbearance Form

The attached OMB-approved *Child Care Provider Loan Forgiveness Forbearance Form* is available for immediate use. Program participants may begin distributing the revised form immediately. Beginning February 28, 2006, only the attached forbearance request may be provided to eligible borrowers. However, the previous versions of the form may continue to be processed after that date, if applicable.

Imaging Technology

The attached *Child Care Provider Loan Forgiveness Forbearance Form* requires the borrower to complete and sign the form in ink. This request is made to accommodate imaging technology, but a pencil signature does not invalidate the form. Requiring the borrower to complete and sign the form in ink is consistent with the use of other common FFEL and Direct Loan program forms.

In developing the form, consideration was given to bar coding. Accordingly, space at the top, bottom, or sides of the form may be used for this purpose.

Printing Instructions

The enclosed form must be printed using black ink on white paper. The typeface, point size, and general presentation of the form may not be changed. The program names appear in the header of the form. While a program participant may change the order of the program names, the names of the other program(s) must remain on the form.

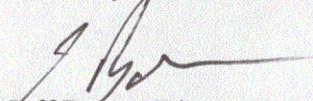
Program participants should pre-print their name and address and provide a contact number for borrowers to call in the boxes provided for that purpose in Section 8 on page 3 of the forbearance form.

Obtaining Copies for Reproduction

The forbearance form is available in PDF format as Attachments to this letter. In addition, the form is available on the *National Council of Higher Education Loan Programs* (NCHELP) web site at www.nchelp.org.

Guaranty agencies are responsible for ensuring that the forbearance form used by the agency and its lenders are identical to the form approved by the Secretary. No changes may be made to the form except those expressly authorized above.

Sincerely,



Jeff Baker, Director
Policy Liaison and Implementation
Federal Student Aid

Attachments: Child Care Provider Loan Forgiveness Application for Renewal Benefits
Child Care Provider Loan Forgiveness Forbearance Form