

**2023 – 2024 Borrower Acknowledgment Statement**

**Total and Permanent Disability Discharge**

**Name:** \_\_\_\_\_ **Student ID # :** \_\_\_\_\_

The National Student Loan Data System (NSLDS.ed.gov) indicates that you have one or more federal student loans and/or TEACH Grant service obligations discharged because of a total and permanent disability (TDP). 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. However, it may be necessary to resume repayment on the previously discharged loan(s).\*

This form serves to reestablish your eligibility for the Federal Student Loan Program when prior loans have been discharged due to total and permanent disability. Completion of this form does not guarantee that you will qualify for a Federal Student Loan Program.

By signing this form, you acknowledge you are aware any future Federal Direct Student loan funds you request and receive must be paid back and the loans are not able to be discharged. You must submit the Borrower Acknowledgement Statement form for every semester you wish to receive additional federal student loan funds while attending Germanna Community College. This form must be completed and submitted to the Financial Aid Office with the Federal Direct Student Loan form.

**Physician's Statement**

You must provide the Financial Aid Office with a signed letter from a licensed physician stating that you are able to engage in substantial gainful employment to pay back your loans once you finish your degree. We will not be able to process your loan unless you provide this to us.

I have included my physician's signed statement with this form and my Federal Direct Student Loan form.

Before you sign this document, you are strongly encouraged to review the Total and Permanent Disability website before you submit your Federal Direct Student Loan form. You can visit the website here: <https://www.disabilitydischarge.com/>

Upon signing this document, I acknowledge that any new Federal Direct Student Loan(s) that I may qualify for cannot be discharged in the future for any present impairment unless it deteriorates so that I am again total and permanently disabled.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Electronic signatures are not accepted on this form.**

*\* The 3-year post-discharge monitoring period does not apply to borrowers who are approved for a total and permanent disability (TPD) discharge based on a Veterans Administration (VA) determination of unemployability due to a service-connected disability.*

## DISCLOSURE

### *Total and permanent disability (TPD) discharges*

Total and permanent disability is the condition of an individual who:

- is 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; or 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.

For Title IV aid purposes, 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.

- ***Qualifying for TPD Discharge.*** Perkins Loans, FFEL and Direct Loans, as well as TEACH Grant service obligations may qualify to be discharged if the borrower/obligation holder becomes totally and permanently disabled. Except in the case of veterans who qualify for a total and permanent disability (TPD) discharge based on a determination by the Department of Veterans Affairs (VA) that they are unemployable due to a service-connected disability, the Department of Education monitors the status of borrowers who have received a TPD discharge for a three-year period. If a borrower requests a new loan or TEACH Grant within three years of a prior TPD discharge, their prior loan and/or TEACH Grant service obligation must be reinstated.

Note that a borrower for whom data is obtained from the VA showing that the borrower is “totally and permanently disabled” as defined in regulation, will be automatically eligible for loan discharge without additional documentation or action from the student.

- ***Taking out another loan.*** If a borrower whose prior loan was discharged due to a total and permanent disability wishes to take out another FSA loan or wishes to receive a TEACH grant, he must obtain a physician’s certification (the student only needs to obtain the physician certification once; the school keeps a copy of it in the student’s file. But the school must collect a new borrower acknowledgment from the student each time he receives a new loan) that he has the ability to engage in substantial gainful activity, and he must sign a borrower statement acknowledging that the new FSA loan or the TEACH grant service obligation can’t later be discharged for any present impairment unless it deteriorates so that he is again totally and permanently disabled.

If the borrower requests a new loan or TEACH Grant during the post-discharge monitoring period, he must also resume payment on the old loan before receipt of the new loan or TEACH grant. If the loan on which the borrower must resume payment was in default when it was discharged, it remains in default upon reinstatement, and the student must make satisfactory repayment arrangements before receiving the new loan, in addition to meeting the other requirements described.

A borrower who received a TPD discharge based on a determination from the VA that he is unemployable due to a service-connected disability is not subject to a monitoring period and is not required to resume payment on the discharged loan as a condition for receiving a new loan. But he must still provide the physician’s certification and borrower acknowledgement described above.