

## Chapter HEA 3

## STUDENT LOANS

HEA 3.01 Terms of loans  
HEA 3.03 Financial need

HEA 3.04 Appeal rights for student loan  
borrowers

Note: Chapter HEA 3 as it existed on March 31, 1978, was repealed and a new chapter HEA 3 was created effective April 1, 1978.

**HEA 3.01 Terms of loans (1) ANNUAL LIMIT.** (a) The total of guaranteed loans made to a student in any academic year or its equivalent may not exceed \$2,500 for an undergraduate student; \$5,000 for a graduate student; \$7,500 for a student enrolled in a school of pharmacy; or \$10,000 for a graduate student enrolled in a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry or public health.

(b) No student shall be eligible to borrow a total of more than the annual maximums set forth in (a) through any combination of 2 or more student loan programs under which federal interest benefits are paid, i.e., Wisconsin state student loan, Wisconsin guaranteed student loan, united student aid fund, and federal insured student loan.

(2) **AGGREGATE LIMITS.** The aggregate unpaid principal balance of such loans shall not exceed \$15,000 in the case of a graduate or professional student or \$7,500 in the case of any other student.

(3) **INTEREST.** Loans made will bear interest at the rate of 7% per annum on the unpaid principal balance beginning on the date the check is written and continuing until the loan is paid in full.

**History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**HEA 3.02 Loan guarantee insurance fee.** **History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78; r. Register, September, 1978, No. 273, eff. 10-1-78.

**HEA 3.03 Financial need.** The financial need of the student shall be determined by the financial aid officer at the institution in which the student is enrolled or accepted for enrollment and certified to the board by the financial aid officer. A student shall be deemed to have financial need if that student is eligible to receive federal interest benefits. The amount of a student's loan may not exceed the difference between the estimated cost of the student's attendance at the institution (which, for purposes of this section, means the cost for the period for which the loan is sought, of tuition, fees, room and board, and other reasonable supporting expenses) and any student aid reasonably available or awarded to the student. The board reserves the right to assess the student's financial need in cases it determines to be exceptional and unusual.

**History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78; am. Register, September, 1978, No. 273, eff. 10-1-78.

**HEA 3.04 Appeal rights for student loan borrowers.** In the event that a student loan borrower requests a reduced payment arrangement, a financial statement shall be provided to the board. In the event that the borrower is not satisfied with the resulting payment arrangement, the following appeal steps are available:

Register, September, 1978, No. 273

(1) The initial decision may be appealed in writing to the director-bureau of collections.

(2) If the borrower is dissatisfied with the bureau director's decision or if the bureau director does not respond within 15 days, the borrower may then appeal in writing to the administrator-division of management services.

(3) If the borrower is dissatisfied with the division administrator's decision or if the division administrator does not respond within 15 days, the borrower may then appeal in writing to the executive secretary of the board.

(4) If the borrower is dissatisfied with the executive secretary's decision or if the executive secretary does not respond within 15 days, the borrower may then appeal to the higher educational aids board.

**History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78.