

## STUDENT LOAN INFORMATION

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Direct Loans are low-interest loans for students and parents to help pay for the cost of a student's education after high school. The lender is the U.S. Department of Education, though the entity the borrower deals with, the loan servicer, can be a private business. The Borrower Rights and Responsibilities Statement issued by the Department of Education with the Master Promissory Note includes information regarding use of the loan money, information the borrower must report to the Department of Education after the loan is received, the amount the borrower may borrow, the interest rate, payment of interest, the loan fee, repayment incentive programs, disbursement information, loan cancellation, the grace period, loan repayment information, late charges and collection costs, demand for immediate repayment, defaulting on the loan, consumer reporting agency notification, deferment and forbearance options, discharge, loan consolidation, Department of Defense and other federal agency loan repayment, and Americorps program education awards.

A Disclosure Statement is issued to the borrower by the Department of Education once the Department receives a loan origination record from the school. A Notice of Disbursement(s) Made Letter is issued to the borrower by the Department of Education once the Department receives a disbursement that was made to the borrower.

Santa Barbara City College notifies the borrower by email of the anticipated date and amount of the loan disbursement and the student's (or parent's) right to cancel all or part of the loan or disbursement and procedures and time by which the student (or parent) must notify the school that he or she wishes to cancel the loan or disbursement.

Students who are California residents can visit the [Calgrants.org](http://Calgrants.org) web site to see if they qualify for a Cal Grant, as well as obtaining the necessary information to apply for a Cal Grant. Students from other states are encouraged to research any state aid for which they may be eligible as a resident of that state.