



Loss of Subsidy Counseling Form

What is SULA?

SULA stands for 'Subsidized Usage Limit Applies.' This is in reference to the U.S. Department of Education's regulations regarding the 150% rule for subsidized loans.

What does this mean for me?

There is a limit on the maximum period of time you can receive Direct Subsidized Loans. In general, you may not receive subsidized loans for more than 150% of the published program length of your program. This is called your "maximum eligibility period" (MEP) For example, a 2-year program has a MEP of 3 years (or 6 fulltime semesters). For a 1-year program, the MEP would be 1.5 years (or 3 fulltime semesters). For students who enroll in less than 12 hours, the MEP would be reduce accordingly.

What is loss of subsidy and how can this occur?

If a student has a loss of subsidy on a loan, this means that the interest that was being paid by the government is now the responsibility of the student. This can occur if:

1. A student reaches the 150% MEP for their program of study, has not completed the program of study, and continues enrollment in the program of study.
2. A student does not complete their prior program of study and enrolls in an undergraduate program that is the same length or shorter than the prior program.
3. A student transfers into a shorter program and loses eligibility for subsidized loans because they have received subsidized loans for a period that equals or exceeds the new, lower MEP. Ex. A student reverse transfers to Cowley after attending a 4-year university. The university processed subsidized loan funds for a total MEP of 3.2. Since no program at Cowley has a MEP over 3.0, the student will lose subsidy because their new program at Cowley is shorter than the program at the 4-year university.

By signing this form, I understand that a change in my enrollment can change my eligibility with a result of loan funds being unsubsidized instead of subsidized.

By signing this form, I understand that by indicating I am a degree seeking student at Cowley College, I understand that a loss of subsidy may occur with all previous subsidized loans.

Student Signature

Student ID

Date