

(4) The borrower must repay the loan in accordance with the repayment schedule.

(5) A borrower may not have a HEAL loan discharged in bankruptcy during the first 5 years of the repayment period. This prohibition against the discharge of a HEAL loan applies to bankruptcy under *any* chapter of the Bankruptcy Act, including Chapter 13. A borrower may have a HEAL loan discharged in bankruptcy after the first 5 years of the repayment period only upon a finding by the Bankruptcy Court that the non-discharge of such debt would be unconscionable and upon the condition that the Secretary shall not have waived his or her rights to reduce any Federal reimbursements or Federal payments for health services under any Federal law in amounts up to the balance of the loan.

(6) If the borrower fails to make payments on the loan on time, the total amount to be repaid by the borrower may be increased by additional interest, late charges, attorney's fees, court costs, and other collection charges. In addition, the Secretary may offset amounts attributable to an unpaid loan from reimbursements or payment for health services provided under any Federal law to a defaulted borrower practicing his or her profession.

(Approved by the Office of Management and Budget under control number 0915-0108)

[48 FR 38988, Aug. 26, 1983, as amended at 52 FR 746, Jan. 8, 1987; 57 FR 28794, June 29, 1992]

Subpart C—The Loan

§ 60.10 How much can be borrowed?

(a) *Student borrower.* An eligible student may borrow an amount to be used solely for expenses, as described in § 60.5(g), incurred or to be incurred over a period of up to an academic year and disbursed in accordance with § 60.33(f). The maximum amount he or she may receive for that period shall be determined by the school in accordance with § 60.51(f) within the following limitations:

(1) A student enrolled in a school of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry or podiatric medicine may borrow up to \$80,000 under this part. The amount

received may not exceed \$20,000 in any academic year.

(2) A student enrolled in a school of public health, pharmacy, chiropractic, or a graduate program in health administration, clinical psychology, or allied health may borrow up to \$50,000 under this part. The amount received may not exceed \$12,500 per academic year.

(3) For purposes of this paragraph, an academic year means the traditional approximately 9-month September-to-June annual session. For the purpose of computing academic year equivalents for students who, during a 12-month period, attend for a longer period than the traditional academic year, the academic year will be considered to be 9 months in length.

(4) The student's estimated cost of attendance shall not exceed the estimated cost of attendance of all students in like circumstances pursuing a similar curriculum at that school.

(b) *Non-student borrower.* An eligible nonstudent may borrow amounts under this authority with the following restrictions:

(1) In no case may an eligible nonstudent borrower receive a loan that is greater than the sum of the HEAL insurance premium plus the interest that is expected to accrue and must be paid on the borrower's HEAL loans during the period for which the new loan is intended.

(2) An eligible nonstudent in the field of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, or podiatric medicine may borrow up to \$80,000 under this part including loans obtained while the borrower was a student. The loan amount may not exceed \$20,000 in any 12-month period.

(3) An eligible nonstudent in the field of pharmacy, public health, chiropractic, health administration, or clinical psychology may borrow up to \$50,000 under this part including loans obtained while the borrower was a student. The loan amount received under this part may not exceed \$12,500 in any 12-month period.

[48 FR 38988, Aug. 26, 1983, as amended at 51 FR 30644, Aug. 28, 1986; 52 FR 746, Jan. 8, 1987; 57 FR 28794, June 29, 1992]