

283—37.2(261) Definitions.

37.2(1) A “debtor” is a person who has defaulted on any obligation owed to or collected by the commission.

37.2(2) A debtor is in “default” if:

a. The debtor is obligated to pay under a federal student loan guaranteed by the commission pursuant to the provisions of Iowa Code sections 261.35 to 261.43, and the debtor’s defaulted loan has been purchased by the commission from an eligible lender;

b. The debtor is obligated to pay under a partnership student loan issued by Iowa Student Loan Liquidity Corporation (ISLLC), and the commission acquires the debtor’s loan as a default pursuant to Iowa Code section 261.38 due to the debtor’s failure to make payments to ISLLC;

c. The debtor becomes obligated to repay the commission under any forgivable loan program administered by the commission, and fails to make an agreed payment within 20 days of the agreed due date; or

d. The debtor enters into a written repayment agreement with the commission and fails to make an agreed payment within 20 days of the due date stated in the repayment agreement.

37.2(3) The phrase “defaulted obligation owed” means the total amount of the debtor’s obligation, including principal and unpaid accrued interest, and may include collection costs and other allowable fees.