

§ 2525.310

disbursement prior to death that the National Service Trust had not yet either received or acted upon as of the date of death.

Subpart E—Payment of Accrued Interest

§ 2525.310 Under what circumstances will AmeriCorps pay interest that accrues on qualified student loans during an individual's term of service in an approved position?

(a) *Eligibility.* AmeriCorps will pay interest that accrues on an Eligible Individual's qualified student loan, subject to the limitation on amount in paragraph (b) of this section, if:

(1) The Eligible Individual successfully completes a term of national service in an approved position; and

(2) The loan holder approves the Eligible Individual's request for forbearance for a time period specified by the loan holder during the term of service.

(b) *Amount.* The portion of accrued interest that AmeriCorps will pay is determined by the length of service. The percentage of accrued interest that AmeriCorps will pay is the lesser of—

(1) The product of—

(i) The number of completed service hours divided by the number of days for which forbearance was granted; and

(ii) 365 divided by 17; and

(2) One hundred (100).

(c) *Supplemental to education award.* A payment of accrued interest under this part is supplemental to an education award received by an Eligible Individual under this part.

(d) *Limitation.* AmeriCorps is not responsible for the payment of any accrued interest in excess of the amount determined in accordance with paragraph (b) of this section.

(e) *Suspended service.* AmeriCorps will not pay interest expenses that accrue on an Eligible Individual's qualified student loan during a period of suspended service.

45 CFR Ch. XXV (10–1–24 Edition)

§ 2525.320 What steps are necessary to obtain forbearance in the repayment of a qualified student loan during an individual's term of service in an approved AmeriCorps position?

(a) An Eligible Individual seeking forbearance must submit a request to the loan holder.

(b) If, before approving a request for forbearance, the loan holder requires verification that the Eligible Individual is serving in an approved national service position, AmeriCorps will provide verification upon a request from the Eligible Individual or the loan holder.

§ 2525.330 What steps are necessary for AmeriCorps to pay interest that has accrued on a qualified student loan in forbearance?

(a) If an Eligible Individual has obtained forbearance on a qualified student loan, AmeriCorps will make payments from the National Service Trust for interest that has accrued on that student loan during the individual's term of service, after:

(1) The program verifies that the Eligible Individual has successfully completed the term of service and the dates when the term of service began and ended;

(2) The holder of the loan verifies the amount of interest that has accrued during the term of service.

(b) When AmeriCorps receives all necessary information from the program and the loan holder, it will pay the loan holder and notify the individual of the payment.

Subpart F—Transfer of Education Awards

§ 2525.410 Under what circumstances may an Eligible Individual transfer an education award?

An Eligible Individual may transfer an education award if—

(a) The Eligible Individual was 55 or older on the day they began the term of service in an approved national service position;

(b) The Eligible Individual successfully completed a term of service in an approved national service position;

(c) The education award the Eligible Individual is requesting to transfer has not expired, consistent with the period of availability set forth in § 2525.40(a);

(d) The individual designated to receive the transferred education award (the Designated Recipient) is:

(1) The Eligible Individual's child, grandchild, stepchild, step-grandchild, or foster child; and

(2) A citizen, national, or lawful permanent resident of the United States.

(e) The Designated Recipient is not entitled to the education award until their citizenship status has been verified. Once citizenship is confirmed, the Designated Recipient has all the benefits of an Eligible Individual.

§ 2525.420 For what purposes may a transferred award be used?

A transferred award may be used by the Designated Recipient to repay qualified student loans or to pay current educational expenses at an institution of higher education, as described in § 2525.210.

§ 2525.430 What steps are necessary to transfer an education award?

(a) *Request for transfer.* Before transferring an education award to a Designated Recipient, AmeriCorps must receive a request from the transferring Eligible Individual, including:

(1) The Eligible Individual's written authorization to transfer the education award, the year in which the education award was earned, and the specific amount of the education award to be transferred;

(2) Identifying information for the Designated Recipient who is to receive the transferred education award;

(3) A certification that the transferring Eligible Individual and the Designated Recipient have completed or satisfy the requirements of § 2525.410.

(b) *Notification to Designated Recipient.* Upon receipt of a request, including all required information listed in paragraph (a) of this section, AmeriCorps will contact the Designated Recipient to:

(1) Notify the Designated Recipient, or their legal guardian, of the proposed transfer;

(2) Confirm the Designated Recipient's identity;

(3) Confirm that the Designated Recipient is a citizen, national, or lawful permanent resident of the United States; and

(4) Give the Designated Recipient the opportunity to accept or reject the proposed transferred education award.

(c) *Acceptance by Designated Recipient.* To accept an education award, a Designated Recipient, or their legal guardian, must certify that the Designated Recipient is eligible under § 2525.410. Upon receipt of the Designated Recipient's acceptance and verification of the Designated Recipient's eligibility, AmeriCorps will create an account in the National Service Trust for the Designated Recipient, if an account does not already exist, and the accepted amount will be deducted from the transferring Eligible Individual's account and credited to the Designated Recipient's account.

(d) *Timing of transfer.* AmeriCorps must receive the request from the transferring Eligible Individual before the date the education award expires.

(e) *Refusal.* The Designated Recipient can refuse to accept the transferred education award under § 2525.470.

(f) *Revocation.* The Eligible Individual can revoke part or all of the remaining balance of the transfer that has not yet been requested for use under §§ 2525.480 and 2525.485.

§ 2525.440 Is there a limit on the number of recipients an individual may designate to receive a transferred award?

(a) An Eligible Individual may transfer all or part of a non-expired education award to no more than two recipients.

(b) If a Designated Recipient rejects, in whole or in part, a transferred education award, or a transfer was revoked in accordance with § 2525.480, the education award can be transferred to another Designated Recipient, so long as the education award has not yet expired.

§ 2525.450 Is there a limit on the amount of transferred education awards a Designated Recipient may receive?

(a) If the sum of the value of the requested transfer plus the aggregate value of education awards a Designated