Financial Aid and Scholarship Services
Student Services Center, 525 Buena Vista Dr SE
Albuquerque, NM 87106
(505) 224-3090 www.cnm.edu

Experimental Sites Initiative

Department of Education Experimental Sites Initiative
Effective with the 2013-2014 Award Year
Experiment 6 – Limiting unsubsidized loan amounts

Beginning with the 2013-2014 award year, Central New Mexico Community College (CNM) will take part in the Department of Education's (ED) Experimental Sites Initiative, specifically Experiment 6 entitled, "Limiting unsubsidized loan amounts." CNM has elected to participate in this experiment due to the following reasons:

1. CNM's increasing Cohort Default Rate
2. Students over borrowing/increasing debt levels of students

The following describes how CNM has elected to limit unsubsidized loan amounts:

1. Dependent students
   a. Freshmen: reduce unsubsidized loan eligibility by $2000
   b. Sophomore: reduce unsubsidized loan eligibility by $2000
2. Independent students
   a. Freshmen: reduce unsubsidized loan eligibility by $2000
   b. Sophomore: reduce unsubsidized loan eligibility by $2000
3. Exception to 1 and 2:
   a. If a student has been accepted to a 'Coordinated Entry Program' no reduction in unsubsidized loan
4. A student enrolled in any remedial/developmental (non-college level) course will have no eligibility for an unsubsidized student loan

ED anticipates the experiment to last 2-3 years and CNM will participate each year the experiment is active. CNM will have the opportunity, should it chose, to modify limits in place after each year of the experiment. CNM will report data to ED at ED's request so ED can evaluate the experiment.

As of July 1, 2013, CNM has been approved by ED to participate in this experiment and has received an amendment to our Program Participation Agreement with ED exempting CNM from HEA Section 479A(c) and 34 CFR 685.301(a)(8). All other provisions of the HEA, the Student Assistance General Provisions regulations, and the Direct Loan Program regulations remain in effect.