

**Texas Higher  
Education**  
COORDINATING BOARD

# Proposed Rule: **FORWARD Loan Program**

December 12, 2022



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## **Future Occupations & Reskilling Workforce Advancement to Reach Demand (FORWARD) Loan Program**

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# Unique Components of the FORWARD Loan

- Interest Rate
- Student Eligibility
- Aggregate Loan Limits
- Repayment Calculation

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# Interest Rate

- FORWARD Loan: 3.35%
- College Access Loan: 5.35%

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# Student Eligibility

- “Last-mile” support
  - Two years or less to complete their credential
- High-Demand/High-Value credentials
  - Education
  - Energy
  - Nursing
  - Supply Chain

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# Aggregate Loan Limits

Area of Study	Average Annual Earnings (five years after graduation)	Reasonable Monthly Student Loan Payment (based on a 10-year repayment at an average 5% interest)	Reasonable Student Debt to Income Ratio	Maximum Amount of Student Loan Debt
Agriculture and natural resources	\$53,000	\$442	10%	\$50,350
Architecture and engineering	\$83,228	\$694	10%	\$79,067
Arts	\$45,210	\$377	10%	\$42,950
Biological and life sciences	\$48,827	\$407	10%	\$46,386
Business	\$59,123	\$493	10%	\$56,167
Communications and journalism	\$49,098	\$409	10%	\$46,643
Computers, statistics, and mathematics	\$68,246	\$569	10%	\$64,833
Education	\$49,127	\$409	10%	\$46,671
Health	\$60,398	\$503	10%	\$57,378
Humanities and liberal arts	\$47,418	\$395	10%	\$45,047
Industrial arts, consumer services, and recreation	\$49,907	\$416	10%	\$47,412
Law, public policy, and social work	\$45,476	\$379	10%	\$43,202
Physical sciences	\$59,588	\$497	10%	\$56,609
Psychology or undeclared major	\$42,960	\$358	10%	\$40,812
Social sciences	\$50,274	\$419	10%	\$47,760

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# Repayment Calculation

- Monthly payment tied to income
  - 10-year repayment period
  - Annual review
  - 10% of income available for student loan repayment
  - Income threshold

