

**Tennessee Student Assistance Corporation (TSAC) Defaults**

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**The Background:**

Pursuant to State Board of Education Rule 0520-02-03-.09(2)(f), the State Board of Education must suspend a license for default on a student loan pursuant to T.C.A. § 49-5-108(d)(2). The Tennessee Student Assistance Corporation (TSAC) determines that individuals have defaulted on a state or federal educational loan or service-conditional scholarship guaranteed or administered by TSAC; and after having received proper notice has failed to comply with Tenn. Comp. R. & Regs. 1640-01-23, as authorized by Tennessee Code Annotated § 49-4-210, directs the Board to suspend any active licenses.

**The Recommendation:**

The Board staff recommends renewal of the action taken during the January, 2016, meeting to conduct TSAC related suspensions on a rolling basis, until such time as the automatic suspension provision of the updated teacher disciplinary rule (as passed in October, 2016) takes effect.