

A THEMATIC TITLE	LEGAL PROBLEMS ON EDUCATIONAL LOAN REPAYMENT UNDER THE STUDENT LOAN FUND ACT B.E. 2560
KEYWORDS	STUDENT LOAN FUND (SLF)
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ABSTRACT

The purpose of this thematic paper was to study problem conditions and effects from enforcement of the Student Loan Fund Act B.E. 2560 (2017) regarding the rule on period of repayment requiring to repay the fund upon 2 years after graduation or termination of studentship, interest rate setting which is too high, and the problem of finding a guarantor by studying background, concepts, theories as well as laws related to educational loans to conduct a comparative analysis of the problems and provide suggestions for further solutions.

The study results revealed that according to the relevant laws including the Student Loan Fund Act B.E. 2560 (2017), which came into effect on 26 July 2017, and the Regulations of the Student Loan Fund Committee on Rules, Procedures and Conditions for Granting the Student Loan and Repayment to the Fund B.E. 2561(2018), the said laws were not able to solve the problem of failure to repay the debt to the Student Loan Fund and there were also legal issues: (1) Section 44, Paragraph 1, there was a problem on the rule for determining period of repayment requiring to repay the fund upon 2 years after graduation or termination of studentship, resulting in the debt repayment being unable to meet the fund's requirements; (2) Section 44, Paragraph 2, the interest rate set at rate not exceeding 7.5 percent per year, which is too high rate, and; (3) Section 41, Paragraph 2, requiring a guarantor in entering into a loan agreement with the fund, it caused difficulty to the borrowers because they were poor to find a guarantor. The above

problems resulted in default of payment and caused the Student Loan Fund to lack working capital to allow students to borrow in the subsequent years and affected the country's fiscal system as well.

Therefore, this thematic paper suggests to amend the Student Loan Fund Act B.E. 2560 (2017), Section 44, Paragraph 1, Section 44, Paragraph 2, and Section 41, Paragraph 2, together with the Regulations of the Student Loan Fund Committee on Rules, Procedures and Conditions for Granting the Student Loan and Repayment to the Fund B.E. 2561(2018), Clause 14, Clause 17 and Clause 10, by setting the minimum income threshold for the students who have graduated or been ordered to terminate their studentship not to repay to the fund if the income has not yet reached the minimum threshold, that is, earning 200,000 baht per year, without having to set a minimum grace period, charging the interest at fixed rate of 1% per annum and waiving the interest in the event that full repayment is made within the first 6 months after graduation or termination of studentship, and cancelling the requirement of a guarantor for entering into of the loan agreement between the borrowers and the Student Loan Fund in order to solve the mentioned problems. These will improve the borrowers' ability to repay the debt and then, the Student Loan Fund will receive a higher repayment rate and be able to proceed according to the objectives of the fund continuously.