

This publication includes information as of July 8, 2022.
Please also monitor nyc.gov/studentloans.

Important Information for Student Loan Holders:

Automatic Payment Suspension and Other Relief During COVID-19

Federal Student Loan Holders

Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, federal student loan payments are automatically suspended, without interest or penalties, until August 31, 2022—an end date which has been extended six times. Below is a quick overview.

Qualifying Federal Student Loans ¹	Suspension Start Date	Suspension End Date	Interest Rate During Suspension
<p><i>Owned by U.S. Department of Education (U.S. ED)*:</i></p> <ul style="list-style-type: none"> ▪ Direct Loans ▪ Federal Family Education Loans (FFEL) ▪ Federal Perkins Loans <p>*includes non-defaulted and defaulted loans</p> <p><i>NOT owned by U.S. ED:</i></p> <ul style="list-style-type: none"> ▪ Defaulted FFEL loans only <p>Log in to the National Student Loan Data System at NSLDS.ed.gov to see which of your federal loans qualify.</p>	<p>March 13, 2020</p>	<p>August 31, 2022*</p> <p>*extended from May 1, 2022</p>	<p>0%</p>

Loans that do *not* qualify for this relief include:

- older FFEL loans not owned by U.S. ED *and not in default*;
- Perkins Loans owned by schools; and
- private student loans.

See the section “Other Student Loan Holders” if you have loans that are not owned and administered by the federal government.

¹ The U.S. Department of Education’s federal student loan program is the William D. Ford Federal Direct Loan (Direct Loan) Program. There are four types of Direct Loans: Direct Subsidized Loans, Direct Unsubsidized Loans, Direct Plus Loans, and Direct Consolidation Loans. The Federal Family Education Loan (FFEL) or “Stafford Loan” program ended on July 1, 2010. All loans are now made through the Direct Loan Program. For more information about federal student loans, visit studentaid.gov.

What You Need to Know

During the payment suspension period (March 13, 2020-August 31, 2022):

- You are in automatic administrative forbearance. Autopay (auto-debit payments) is canceled during administrative forbearance.
- U.S. ED will report “on-time payments” to credit bureaus *whether or not you keep making loan payments*.

If you choose to stop making loan payments, your credit will not be hurt.

If you choose to keep making loan payments, you need to contact your loan servicer to re-enroll in autopay or manually schedule payments online.

Important

Make sure your loan servicer has your up-to-date address, email address, and phone number on file so you receive timely information about your loan. You will receive a billing statement or other notice at least 21 days before a payment is due once the suspension ends.

Federal Student Loan Holders Enrolled in Autopay

- Autopay is suspended during administrative forbearance. You can contact your loan servicer to opt out of administrative forbearance and re-enroll.
- You can get a refund for any payment between March 13, 2020 and August 31, 2022. Contact your loan servicer for help with refunds.

Federal Student Loan Holders Enrolled in Public Service Loan Forgiveness (PSLF) or Income-Driven Repayment (IDR) Programs

- Suspended payments (March 13, 2020-August 31, 2022) count toward your total number of “qualifying payments” in PSLF and IDR.
- As part of administrative forbearance, you will not have to recertify your income before the end of the COVID emergency relief period, regardless of whether your recertification would have happened prior to the end of the relief period. Note:
 - Your loan servicer will notify you about your new recertification date before it is time to recertify.
 - You will also receive a reminder 60-90 days before the new recertification date.
 - Contact your loan servicer if you do not receive information about your new recertification date.

See next page for additional important information for borrowers currently enrolled in IDR or PSLF, as well as borrowers considering IDR/PSLF.

Important Information for Eligible Borrowers Currently Enrolled in IDR: One-Time Payment Count Revision

As of April 19, 2022, U.S. ED began a one-time revision of IDR-qualifying payments for all Direct Loans and federally managed FFEL loans to borrower accounts. The one-time adjustment will count time toward IDR forgiveness, including:

- any months in which you had time in repayment status, regardless of the payments made, loan type, or repayment plan;
- 12 or more months of consecutive forbearance or 36 or more months of cumulative forbearance toward IDR and PSLF forgiveness;
- months spent in deferment (with the exception of in-school deferment) prior to 2013; and
- any time in repayment prior to consolidation on consolidated loans.

You should see changes in your account starting fall 2022. For more information, visit [StudentAid.gov/IDRAdjustment](https://studentaid.gov/IDRAdjustment)

Note:

- If you have loans with accumulated time in repayment of at least 20 or 25 years, you will see automatic forgiveness, *even if you are not currently in an IDR plan.*
- **If you have commercially held FFEL loans, you can only benefit from the IDR account adjustment if you consolidate to a Direct Consolidated Loan before January 1, 2023.**
- If you made qualifying payments that exceed forgiveness thresholds (20 or 25 years), you will receive a refund for your overpayment.

Important Information for Borrowers Currently Enrolled in PSLF: Limited PSLF Waiver

Under temporary rules in effect until October 31, 2022, you may receive credit for payments that previously did not qualify for PSLF. Below are key details:

- The waiver applies to loans taken out by students.*
- The waiver will allow you to count all payments you made on FFEL, Perkins, or other non-Direct Loans whether or not you made the payments on time, for the full amount due, or on a qualifying repayment plan.
- **If you have FFEL, Perkins, or other non-Direct Loans, you will need to consolidate your loans into a Direct Consolidation Loan by October 31, 2022 to qualify for the waiver.**
- **You must submit a PSLF form by October 31, 2022.**
- For more information, visit [StudentAid.gov/PSLFWaiver](https://studentaid.gov/PSLFWaiver)

*If you are a parent repaying a parent PLUS loan, you can consolidate the parent PLUS loan with a *loan you took out for your own education* to qualify for the waiver.

Important Guidance for Enrollees and Borrowers Considering IDR/PSLF

Submit your recertification or enrollment now if any of these situations apply to you:

- Your income decreased.
- Your family size increased.
- You want to lower your loan payment.

Use the [Loan Simulator](https://studentaid.gov/loan-simulator) at studentaid.gov to find a repayment plan that meets your needs and goals or to decide whether to consolidate.

New IDR/PSLF enrollees will also get credit for suspended payments during the administrative forbearance.

Federal Student Loan Holders Who are Delinquent or in Default

- No collection actions will happen before August 31, 2022. Collection actions may include administrative wage garnishment (garnishment without a court hearing), federal tax refund offsets, and federal benefit offset (for example, seizure of Social Security benefits).
- If your refund or benefits were offset or your wages garnished after March 13, 2020, you will receive a refund.
- If you made voluntary payments on any of your defaulted loans during the payment pause, you have the option to request a refund.
- Suspended payments (March 13, 2020-August 31, 2022) count toward loan rehabilitation.
- ***If you have FFEL loans not owned by U.S. ED that went into default before March 13, 2020, U.S. ED will work with your guaranty agency to apply the pause retroactively.***
 - You can receive a refund for any tax refund seized or wages garnished since March 13, 2020. If you made voluntary payments during this time, you can request a refund for those payments.
- ***If you have FFEL loans not owned by U.S. ED that went into default on March 13, 2020 or later, all of the following apply:***
 - Your loan will be assigned to U.S. ED.
 - You will automatically receive a refund for garnishments and offsets made since March 13, 2020.
 - The record of default will be removed from your credit history.
 - Your loan will be returned to good standing.

<p><i>For more information on <u>federal loans owned by or assigned to U.S. ED:</u></i></p> <p>Contact U.S. ED's Default Resolution Group at:</p> <ul style="list-style-type: none">▪ 1-800-621-3115▪ 1-877-825-9923 (TTY for the deaf or hearing-impaired)	<p><i>For more information on <u>defaulted FFEL loans NOT owned by U.S. ED:</u></i></p> <p>Contact the guaranty agency assigned to your defaulted loan.</p> <p>If you do not know who is servicing your loan or how to contact them:</p> <ul style="list-style-type: none">▪ Visit StudentAid.gov/login OR▪ Call 1-800-4-FED-AID (1-800-433-3243) for assistance.
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Federal Student Loan Holders Who are Able to Continue Payments

- Your payments will pay off accrued interest before March 13, 2020 and go toward the principal loan balance.
- Your monthly payment will not go down; however, you will repay your loans more quickly and pay less over time.
- If you are in forbearance, there is no penalty if you pay less than the monthly payment amount.

Other Student Loan Holders

Loans Owned by New York State Higher Education Services Corporation

- For FFEL loans owned by the New York State Higher Education Services Corporation (HESC) *and not in default*, contact NYS HESC to understand your options.

<p><i>If you're having trouble repaying your non-defaulted NYS HESC FFEL loan and need help:</i></p> <p>Contact NYS HESC in one of the following ways:</p> <ul style="list-style-type: none">▪ Submit the webform at hesc.ny.gov; or▪ Email defaultprevention@hesc.ny.gov

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FFEL and Perkins Loans Not Covered by the Payment Pause

- For FFEL and Perkins loans not covered by the payment pause, contact your student loan servicer to understand your options. You may be able to consolidate your loan(s) into a Direct Consolidation Loan that qualifies for relief; however, consolidation will affect your long-term interest rate and total repayment amount. Deferment and forbearance may also be an option.

Loans Owned by Private Entities

- Some private student loan servicers are offering relief to borrowers impacted by the COVID-19 pandemic. Contact your private loan servicer to ask about available alternative payment options.

All Student Loan Holders

No matter which type of lender you have, here are important questions to ask:

- Does my loan qualify for an income-driven repayment (IDR) plan?
- Are deferment or forbearance available to me? If Yes:
 - What is the duration for both options?
 - What are the implications for both options?
- Are there fees associated with the relief the loan servicer is offering? If Yes:
 - Can the fees be waived?
- Will any relief I receive result in negative credit reporting?

Resources and Free Help

Federal Student Aid (part of U.S. ED): Visit studentaid.gov or click [Federal Student Aid Frequently Asked Questions](#) for coronavirus and forbearance information.

Student Borrower Protection Center (SBPC): Visit protectborrowers.org or click [SBPC Information & Resources for Borrowers During COVID](#)

City University of New York Chancellor's Emergency Relief Fund: Visit cuny.edu or click [Chancellor's Emergency Relief Grant Program FAQs](#)

Free Financial Counseling: Visit nyc.gov/TalkMoney to make an appointment or call 311 and say "Financial Counseling."

NYC Department of Consumer and Worker Protection (DCWP): Visit nyc.gov/studentloans