



On March 27, 2020, President Trump signed the CARES Act into law. The Act, among other things, provides relief for federal student loan borrowers. As a result, some federal student loan borrowers are automatically being placed in an administrative forbearance, which allows borrowers to temporarily stop making monthly loan payments. This suspension of payments will last until September 30, 2020, but you can still make your payments if you choose.

The information below provides some of the most commonly asked questions and answers about the Department of Education's relief for federal student loan borrowers. Additional information and subsequent updates can be found [here](#).

Does the relief program apply to all student loan borrowers?

No. Only federal student loans owned by the Department of Education are eligible. This includes Direct Loans, including PLUS Loans, as well as Federal Perkins Loans and Federal Family Education Loan (FFEL) Program loans held by the Department of Education. Private student loans, and some FFEL Program loans owned by commercial lenders, as well as some Perkins Loans held by educational institutions, are not eligible for relief at this time.

What is the specific loan relief being offered?

The relief is broken into two parts:

- **Interest waiver:** Effective March 13, 2020, the loan interest rate for all eligible student loan borrowers was automatically set to 0% for a period of at least 60 days. The Department of Education may extend this period, depending on the status of the COVID-19 pandemic once the 60-day period expires.
- **Suspension period:** In addition, borrowers will have the option to temporarily suspend their student loan payments for at least 60 days from March 13, 2020. The Department of Education may extend this period depending on the status of the COVID-19 pandemic once the 60-day period expires.

The suspension period will not happen automatically. A borrower will need to request a forbearance with their loan servicer. All federal loan servicers are required to grant an administrative forbearance to any borrower who requests one. Should the 60-day period for an administrative forbearance be extended by the Department of Education, borrowers will be notified by their loan servicer.

If a borrower requests a suspension period and the loan is paid through automatic debit payments, loan servicers are responsible for cancelling any scheduled payments. However, action will be needed by the borrower at the end of the forbearance period. The borrower will need to contact their loan servicer and

re-institute automatic debit payments because they will not automatically resume.

Will delinquent borrowers qualify?

Yes. Borrowers who are at least 31 days behind on their payment as of March 13, 2020, or borrowers who become more than 31 days delinquent after that date, will be automatically placed in administrative forbearance to give them a safety net during the COVID-19 national emergency.

Can borrowers keep paying their federal student loans?

Yes. Borrowers who are able to continue making their student payments should do so as usual. These borrowers do not need to contact anyone about making their payments.

During the period of 0% interest (March 13, 2020, through Sept. 30, 2020), the full amount of your payments will be applied to principal once all the interest that accrued prior to March 13 is paid.

What should borrowers do if their income has changed?

Borrowers who currently have an income-driven repayment plan can request to have their monthly payment recalculated at any time during the loan period. Those who have had a change in income, either from COVID-19 or another reason, should contact their loan servicer to see what options are available for either pausing or lowering monthly payments.

Who should a borrower call if they have questions?

Borrowers with questions should contact their loan servicer online or by phone. Borrowers who do not know who their servicer is or how to contact them should visit studentaid.gov/login or call **1-800-4-FED-AID** for assistance.

Below are some additional sites that borrowers may find useful:

[Coronavirus.gov](https://www.cdc.gov/coronavirus) — features everything from prevention tips, common symptoms, and current updates on how many cases there are in the United States, to advice about travel and a list of frequently asked questions.

[USA.gov coronavirus page](https://www.usa.gov/coronavirus) — shares how agencies across the federal government are responding to the outbreak.

[Federal student loan servicers](https://www.federalstudentloan.gov) — lists servicer contact information for borrowers who want to ask questions, request a deferment or forbearance, etc.

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