

## FIND OUT WHAT KIND OF STUDENT LOANS YOU HAVE.

There are two steps:

- **First, go to [StudentAid.gov](https://studentaid.gov) and log-in with your FSA ID.**
  - You can create an FSA ID on the [StudentAid.gov](https://studentaid.gov) website.
  - Your “loan dashboard” will contain a summary of the types of loans that you have, the current status of the loans, and your current servicer.
- **Second, get a copy of your credit report at [annualcreditreport.com](https://annualcreditreport.com).**
  - If you think that you have private student loans, they should show up on your credit report.
  - Private student loans are generally those student loan accounts on your credit report that are not on your [StudentAid.gov](https://studentaid.gov) loan summary.

## FOR MOST FEDERAL STUDENT LOANS, MONTHLY PAYMENTS ARE “SUSPENDED” UNTIL SEPTEMBER 30, 2020, MEANING YOU WILL NOT NEED TO MAKE YOUR MONTHLY PAYMENT UNTIL OCTOBER 1, 2020.

- **The suspension applies to federal student loans that are “current” or “delinquent” (not those “in default”).**
  - **Current** = making on-time payments
  - **Delinquent** = federal loans account between 30 and 270 days late on payment
  - **Default** = federal loans account 270+ days late on payment
- **This applies to Direct loans and FFEL loans that are owned by the federal government.**
  - Perkins loans owned by your school and FFEL loans owned by a private bank are not covered by these provisions. Contact your servicer for information on Direct Consolidation loans.
- **During this time period, no interest will be running, so your principal balance should not increase.**
  - If your loan was in forbearance prior to March 13, it is possible that the interest that accrued during the time your account was in forbearance will be added to your principal balance, so you will see your balance increase.
- **The months during which your student loan payments are suspended will count towards the 120 payments for Public Service Loan Forgiveness (“PSLF”) or the 20/25 years for income-driven repayment plans (PAYE, REPAYE, IBR or ICR).**
  - If your loan is currently in rehabilitation, it is safest to continue to make your regularly-scheduled rehabilitation payment.
- **During this time period, suspended payments are reported as regularly-scheduled payments on your credit report.**
- **You should begin making your regular monthly payments as of October 1, 2020.**
- **You should receive a notice within 15 days of March 27 if your loans will be covered by this suspension.**



Call

**312.341.1070**

Monday to Friday  
between 8 AM and 4:30 PM

OR



**Apply Online**

[www.legalaidchicago.org](https://www.legalaidchicago.org)

**FOR BORROWERS WHO ARE ALREADY IN DEFAULT, THE DOE HAS ANNOUNCED THAT IT WILL HALT ALL INVOLUNTARY COLLECTIONS UNTIL SEPTEMBER 30, 2020.**

- It is not entirely clear what “involuntary collections” means because the term is not defined in law. It is likely that involuntary collection includes: tax refund withholding, Social Security garnishments, and administrative wage garnishments.
- The Department of Education announced before the CARES Act was enacted that tax refunds and social security withholding would stop as of March 13, 2020.
  - If your tax refund or social security was in the process of being withheld on March 13, 2020, then the withholding should not occur and you should receive your refund.
  - If the process to withhold your refund or social security was completed before March 13, 2020, then your refund or social security will not be returned.
- Administrative wage garnishments should also stop, however you should contact your employer to confirm that the garnishment stops.
  - Wages that were garnished after March 13, 2020 should be returned to you.
- When you are in default, you cannot simply make a payment, instead you can either consolidate or rehabilitate your loan out of default.
  - **Consolidation** = new loan that pays off all of your other loans.
  - **Rehabilitation** = make 9 out of 10 income-based monthly payments on-time.
- Collection calls and letters should also pause during this period of time. This means your loan servicer will not be contacting you during this period of time.
  - However, if you want to work out a payment plan (such as rehabilitation or consolidation out of default), you can contact the Default Resolution Group at **1-800-621-3115**.

**RELIEF FOR ILLINOIS BORROWERS:**

- If you have PRIVATE student loans or FFEL or Perkins loans that are held by a private company, you may still be eligible for relief under a new Illinois initiative.
  - Contact your loan servicer (the company that you send your payments to) and ask about relief. Possible relief includes:
    - Minimum of 90 days of forbearance;
    - Waiving late fees;
    - Preventing negative credit reporting;
    - Ceasing all debt-collection lawsuits for 90 days;
    - Enrollment in income-based repayment plans.
- You should contact the IDFPD Division of Banking if you are unable to access relief from your student loan servicer at **217-785-2900**.
- This is a new initiative announced on April 21, 2020 by Governor Pritzker, more information should be coming out, make sure to check back for updates or check [www2.illinois.gov](http://www2.illinois.gov).



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## **MOST IMPORTANT:**

- Contact your servicer to understand your options after the suspension stops – make sure to inform them if your income has changed so that you can get on an income-driven repayment or recalculate your monthly payment.
- If you withdrew from your school due to the coronavirus, then your Direct student loan for the unfinished academic period should be cancelled.
- Apply for income-driven repayment, and plan to start making your monthly payments as of October 1, 2020.

**Information about federal student loans is rapidly changing, make sure you that check out the following resources for the most up-to-date information:**

- [StudentAid.gov](https://studentaid.gov) – Department of Education’s website for federal student loans.
- [Studentloanborrowerassistance.org](https://studentloanborrowerassistance.org) – website with updated information on student loans, run by the National Consumer Law Center. Information for private and federal student loans.
- Illinois Attorney General’s Student Loan Helpline: **1-800-455-2456**.



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