

Six Things You Should Know About Federal Student Loan Repayment

1.

Know What You Owe

<https://studentloans.gov>

- **STUDENTLOANS.GOV**
 - displays debt, servicer, and has a personalized repayment estimator
- **NSLDS.ED.GOV**
 - displays total federal debt & servicer info

Log onto the National Student Loan Data System (NSLDS) and/or StudentLoans.gov & write down the name of your servicer (s) here:

2.

Repayment Plans

- 10 year (Standard)
- 25 year (Extended)
- Up to 30 years (Consolidation Loan)
- Use the Repayment Estimator on StudentLoans.gov to compare plans

Under these plans, you pay a fixed amount each month. The shorter the repayment period, the less interest will be paid.

3.

Income Driven Repayment Plans

- **PAYE** - Pay As You Earn (for new borrowers since 10/1/07)
- **IBR** - Income Based Repayment (if not a new borrower)
- **IBR** for new borrowers (on or after 7/1/14)
- Payments adjust annually, based on discretionary income

Discretionary Income (DI) is calculated based on household income & size.
PAYE: 10% of DI, repay for 20 yrs. (max)
IBR: 15% of DI, repay for 25 yrs. (max)
New IBR: 10% of DI, repay for 20 yrs. (max)

4.

Deferment/Forbearance

- Temporarily postpones or lowers monthly loan payments
- Deferment example: In-School, active duty military
- Forbearance example: Loan Debt Burden

Ex. if your monthly loan payment is 20% or more of your total monthly gross income, you may qualify for forbearance.

5.

Consolidation

<https://studentloans.gov>

- If you have multiple servicers
- If you have both FFEL debt and Direct Loans
- If you want to extend repayment up to 30 years

Are your monthly payments manageable?
Consolidating could lower the monthly payment (but increases the grand total paid).
Do you have multiple servicers & payments?
A consolidation loan results in a single servicer and a single monthly payment

6.

Public Service Loan Forgiveness

- Make 120 qualifying payments
- On qualifying loans (Federal Direct Loans)
- While working in eligible jobs (non-profit, for example)

Make 10 years of qualifying payments (under IBR, PAYE, or Standard Plan) while working full-time (avg. 30 hours/week) in qualifying job (non-profit, govt., public interest law,

Questions? Contact Syracuse University College of Law, Office of Financial Aid, at 315-443-1962 or financialaid@law.syr.edu