



This publication includes information as of April 8.
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, for six months. No action is required by borrowers. Below is a quick overview.

Qualifying Federal Student Loans <i>Must be owned by the U.S. Department of Education (ED).</i>	Suspension Start Date	Suspension End Date	Interest Rate During Suspension
<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>Log in to the National Student Loan Data System at NSLDS.ed.gov to see which of your federal loans qualify.</p>	March 13, 2020	September 30, 2020	0%

Loans that do *not* qualify for this relief include older FFEL loans not owned by U.S. ED, Perkins Loans owned by schools, and private student loans.

For FFEL and Perkins Loans not owned by U.S. ED, 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.

What You Need to Know

During the payment suspension period (March 13-September 30):

- 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 may need to re-enroll in autopay.

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 also cancel autopay on your loan servicer's website before the suspension takes effect. It can take three business days to process cancellation requests.
- You can get a refund for any autopayment between March 13 and September 30. 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-September 30) count toward your total number of "qualifying payments" in PSLF and IDR.

Federal Student Loan Holders Who are Delinquent or in Default

- No collection actions will happen before September 30, 2020. 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.
- Suspended payments (March 13-September 30) count toward loan rehabilitation.

For more information, contact the U.S. ED's Default Resolution Group at 1-800-621-3115 (TTY for the deaf or hearing-impaired 1-877-825-9923).

Federal Student Loan Holders Who are Able to Continue Payments

- Your payments will pay off accrued interest before March 13 and go toward the principal.
- 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.

Private Student Loan Holders

- Five major loan servicers—EdFinancial Services, Navient, Nelnet, PHEAA, and MOHELA—are offering relief that includes 90 days of deferred monthly payments; waived late fees; no negative reporting to credit agencies; and enrollment of eligible borrowers in available long-term assistance programs. Visit the **New York State Department of Financial Services** at dfs.ny.gov/consumers
- For other private student loan servicers, contact them to request alternative payment options.

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 the Coronavirus Pandemic](#)

City University of New York Chancellor's Emergency Relief Fund: Visit cuny.edu

Free Financial Counseling by Phone: Visit nyc.gov/TalkMoney to make an appointment.

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