

Student Loan Help During COVID –19

What did the CARES Act Do for Student Loans?

The CARES Act suspended payments and waived interest from March 13, 2020 through September 30, 2020 for

- Direct Loans or
- Federal Family Education Loan (FFEL) currently owned by the U.S. Department of Education.

How do I know whether my loan is a Direct Loan or FFEL?

- go to <https://studentaid.gov/>
- or call your servicer
- or the United States Department of Education at 1-800-4-FED-AID (1-800-433-3243; TTY for the deaf or hearing-impaired 1-800-730-8913)

What if my loan was in already collections ?

For the loans that the CARES Act covers, involuntary collections have been suspended. Any withholdings from Social Security, Veteran's benefits, tax offsets, and wage garnishments should have been stopped until September 30, 2020.

If I stop making payments until September 30, 2020, will I still be eligible for loan forgiveness?

For the loans that the CARES Act covers, payments due from March 13, 2020 through September 30, 2020 are suspended. Payments for those months are treated as being made for purposes of the loan forgiveness program even if you did not pay.

Do I have to request the payment suspension if I have a student loan that is covered by the CARES Act?

No, the CARES Act suspends all payments for the loans automatically. Your student loan servicer (the company you pay your loans to) should have notified you by April 10, 2020 that your loan payments are suspended until September 30, 2020.

What if I was set up for an automatic payment or I have money taken that was not supposed to be during this time by a wage withholding, benefit withholding, or tax offset?

If you were set up for an automatic payments to be withdrawn from your bank account, the loan servicer should stop withdrawing payments. If that does not happen, you can request a refund of the money that was taken out between March 13, 2020 and September 30, 2020.

You can also request a refund if wages were withheld, taxes were offset or a portion of your Social security payment was withheld after March 13, 2020. If you have questions about whether your federal tax refund was withheld, call the U.S. Department of Education’s Default Resolution Group at 1-800-621-3115 (TTY for the deaf or hearing-impaired 1-877-825-9923).

However, this only applies if you have a loan that is covered by the Act.

If I stop making these payment payments because I have a student loan that is covered by the Act, will it hurt my credit score?

No. Your loan servicer is not supposed to be reporting that you failed to make a payment on your credit report if you stop making payments between March 13, 2020 and September 30, 2020. Instead, it should show up on a credit report as you making the payment on the regularly scheduled day.

Do I have any options if I just enrolled in school and then the COVID-19 outbreak made me withdraw?

If you withdrew from school due to COVID—19, the CARES Act requires that Direct Loans be cancelled during payment period you withdrew.

For legal help for these issues, please contact your local Legal Aid.

SEOLS: 800-686-3669

FRANKLIN & MADISON: (614) 241-2001 or Toll Free 1-888-246-44420

DELAWARE, MARION, MORROW, & UNION: 740-383-2161 or Toll Free 1-888-201-2411

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