

April 3, 2020

## **Updates on COVID-19 and Your Student Loans**

As part of the COVID-19 relief package signed into law on March 27, Congress mandated the Department of Education suspend payments and interest accrual on federal-held student loans until Sept. 30, 2020.

According to most lender's websites information no action is required on the student's part. Your account should currently reflect the updated 0% interest rate until Sept. 30, 2020.

The 0% interest rate change will be applied to all federally held loans in any status (in-school, in grace, in repayment, in deferment or forbearance).

All borrowers will automatically be placed on an administrative forbearance which will temporarily suspend monthly payments from March 13, 2020 through Sept. 30, 2020.

Borrowers with a Direct Loan, whom are on a qualifying repayment plan prior to the suspension, and work- full time for a qualifying employer during the suspension, will receive credit toward PSLF for the period of suspension as though one-monthly payments were made.

Your lender will communicate with you in writing about these changes in the next couple of weeks. You can always visit your lender's website for more detailed information, or contact them directly.

You can find information about the relief to student loan borrowers and updates on how COVID-19 is affecting federal student aid at the Federal Student Aid's coronavirus disease page:

[StudentAid.gov/coronavirus](https://studentaid.gov/coronavirus)