

Loan Repayment Pause FAQ

What do I need to know?

All student loans will restart repayment on January 31, 2022.

How do I know the status of my loans?

There are two ways you can check:

- 1) Log into your profile on [StudentAid.gov](https://studentaid.gov)
- 2) Log into your account with your current loan servicer

Steps to take to be prepared.

- 1) Make sure your contact information is up to date with your servicer and on [StudentAid.gov](https://studentaid.gov) profile.
- 2) Check out the [Loan Simulator](#) to find a repayment plan that meets your needs and goals. Then follow up with your servicer to ensure you know the amount that is due when repayment begins.
- 3) Public Service Loan Forgiveness program: make sure to keep copies of your payment history

What should you do if you are in default?

- 1) Pay the defaulted loans in full.
- 2) Rehabilitation – making monthly on time payments with servicer. Typically agreements are for nine months up to twelve months. After the sixth monthly payment, the servicer will submit a letter for clearance, allowing student to be eligible for TitleIV aid. It is very important that you continue to make payments on time, otherwise the loan can go back into default status. You can only rehabilitate a defaulted loan one time.
- 3) Loan consolidation – if the loans qualify for loan consolidation, you can consolidate the default loans. By consolidation the student is paying off the defaulted loans with a new loan.

What documentation is acceptable to clear default status?

You must obtain a letter from each servicer or guarantee agency indicating that the defaulted loan(s) are in good standing or that the loans have been rehabilitated.

For Perkins Loans, the letter must come directly from that school.

Can I receive any aid if defaulted loans are not cleared?

Yes, you can apply for private alternative loans.

Can I make payments during the pause?

Yes, by making payments during the pause, you will help pay off your loan faster.