

Having trouble paying your federal student loans after a hurricane or other disaster? It is important to act quickly. With just two calls or a few clicks of a mouse, you can avoid expensive collection fees, garnishments, and a negative mark on your credit report. **Here's how:**

### **1. How to Get Temporary Relief—Ask for a Disaster-Related Forbearance.**

This is the fastest solution for staying current on a federal loan when you can't make payments. However, it is only temporary and your loan balance will continue to increase.

- **What does it do?** If your area has been declared a federal disaster area, you may qualify for disaster forbearance for up to 90 days. Borrowers are eligible if they live or work in disaster areas designated by FEMA for individual assistance. For Hurricane Maria, these areas include all of Puerto Rico. Areas are listed at <https://www.fema.gov/disasters>. During that time, you do not have to make payments, though interest will still accumulate on your loans that you will have to pay later. After the initial 90 days, you may request more forbearance time (30 days at a time for up to 1 year after the disaster) if you are still recovering.
- **How to get it:** Some servicers automatically put loans into forbearance when borrowers in disaster areas miss payments, but don't count on this unless your servicer has specifically told you that your loans are in forbearance.
  - ✓ **First: Get your servicer's contact information.** Find this at [www.nslsds.ed.gov](http://www.nslsds.ed.gov) or call 1-800-4-FED-AID.
  - ✓ **Second: Call your servicer and request a disaster forbearance for 90 days.** Make sure you specifically request a disaster-related administrative forbearance. This is different than general or economic hardship forbearances.
  - ✓ **If your forbearance comes to an end and you need more time,** call your servicer again and request additional disaster-related forbearance time.

### **2. How to Get Long-Term Relief—Reduce Your Payments to Fit Your Income.**

Adjusting your payments through an "income-driven repayment plan" requires paperwork, but can potentially be done quickly online. It may be a better solution than a temporary forbearance because the lower payment amount would last for 12 months (after which you can reapply) and you could be "earning time" toward eventual forgiveness of your loans.

- **Income Driven Repayment Plans:** If your student loan payments are unaffordable, an income-driven repayment plan may help. In these plans, your monthly payments are based on your current income and family size. And if your current income is less than 150% of the federal poverty guidelines, then your payment will be \$0/month (for example, for 2018, this would mean \$0 payments for borrowers with income under \$18,210 for a single person with no dependents or under \$37,650 for a family of four). Any remaining loan balance owed after 20-25 years of qualifying payments will be forgiven (or 10 years if you qualify for Public Service Loan Forgiveness): visit <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service>). These plans are not available for borrowers in default.
- **Already repaying your federal student loans under an Income-Driven Repayment Plan?** You can request an adjustment of your monthly payment at any time due to changed income. So if your income drops after a disaster, you can request to have your payment recalculated.

- **How to get or adjust an Income-Driven Repayment Plan:**
  - ✓ **Online:** You can apply for an income-driven repayment plan or request to recalculate your payment amount online at: <https://studentloans.gov/myDirectLoan/ibrInstructions.action>.
  - ✓ **Paper:** If you don't have access to the internet, call your servicer and ask them to send you a [paper application](#) for an income-driven repayment plan. If you are already on an income-driven repayment plan but your income has dropped, call and request that your monthly payment be recalculated. To get your servicer's name and phone number, call 1-800-4-FED-AID.
- **Learn More:** If you have access to the internet, you can estimate your monthly payments under these plans and get more information at <https://studentaid.ed.gov/sa/repay-loans/understand/plans>. You can also call your servicer and ask about income-driven repayment options.

**TIP: Access short- and long-term relief options for free online or with the help of your servicer. Be wary of companies offering relief for an upfront fee.**

### Other Student Loan Issues

- **Already in default?** You can contact the agency collecting on your loans and ask them to stop any wage garnishments, social security (or other benefits) offsets, or tax refund seizures for 90 days due to the disaster. To find contact information for the agency collecting on your loan, visit [www.nsls.ed.gov](http://www.nsls.ed.gov) or call 1-800-4-FED-AID.
- **Have private student loans?** Private loans are not covered by the above relief or payment programs. If you are struggling to pay private student loans following a disaster, you will have to ask your lender whether it offers any relief options.
- **Watch out for auto-debit!** If you have set up auto-debit payments for your student loans, then payments may continue to be withdrawn from your bank account automatically – whether or not you have the money. You can cancel the auto-debit by contacting your servicer and re-establish it later.

### More Resources for Managing your Student Loans Following a Disaster

- U.S. Department of Education
  - FAQ for students and borrowers impacted by natural disasters: <https://studentaid.ed.gov/sa/about/announcements/disaster#current-students>
  - Formal legal guidance about relief for borrowers impacted by natural disasters: <https://ifap.ed.gov/dpclatters/GEN1708.html>
  - Information about income-driven repayment plans: <https://studentaid.ed.gov/sa/repay-loans/understand/plans/income-driven>

National Consumer Law Center's Student Loan Borrower Assistance Project has information for student loan borrowers about repayment plans, forbearances and deferments, dealing with default, loan cancellation options, and more. Visit: <http://www.studentloanborrowerassistance.org/>