



This document is intended to be a guide to help support individuals through the process of managing student loans.

Most of this will take place at the Federal Student Aid website (studentaid.gov). This is one of the best government websites out there and is super helpful at providing a lot of tools and information. You can always utilize the “Help Center” on the website. They have simulations that can walk you through most scenarios and help tailor advice to the situation at hand.

This guide will walk you through the process of figuring out where your loans stand, and several different avenues for assistance with repayment and forgiveness. Some resources are specific to Mississippi, but most are national resources.

IF YOU HAVE STUDENT DEBT AND DON'T KNOW WHAT YOUR OPTIONS ARE, THIS GUIDE IS FOR YOU.

Set Up An FSA ID

Visit studentaid.gov and set up an FSA ID to be eligible for federal aid.

What Kind Of Loans

Determine if you have federal or private loans. This will determine what your options are.

Consolidate If Possible

Determine if loans are in default, delinquent, or current. This will be important if you want to consolidate.

Special Cases

There are several special cases with special types of assistance with repayment. Check these out to see if you qualify!

Repayment Plans

Many loans qualify for repayment plans that can potentially end in student loan forgiveness.

1 GO TO STUDENTAID.GOV & SET UP AN FSA ID

FEDERAL STUDENT AID

The US Department of Education runs the Office of Federal Student Aid, which is where all the information about Federal Student Aid is located, including information about federal loans and grants, applications for federal aid, and any information regarding repayment or federal law concerning student aid.

The website for the Office of Federal Student aid is: studentaid.gov



VISIT STUDENTAID.GOV

The first step is to visit studentaid.gov and create an FSA ID. You may have already done this, especially if you know you have received government assistance for school. But even if you haven't, it's good to check if you already have an account.

You can do this by clicking the “login” button on the top right of the website and attempting to login.

NO ACCOUNT?

If you try to login and you don't have an account—that's okay! It will just take a little longer. To create a new FSA ID, click “create account” or visit: studentaid.gov/fsa-id/create-account/launch

From here, you can start the process of creating a new FSA ID. Fill out the necessary contact and account information. You will need to verify both a mobile phone number and an email address to finish the process. It will take the Social Security Administration 1-3 days to verify your information and you won't be able to proceed to other steps until this is done—so hang tight!

If you get to the SSN and it says there already is an ID created for this SSN, that means that you have already at some point created an account (which is good news!) If this happens to you, it means you will need to recover your old account. This page will walk you through recovering an account: studentaid.gov/help-center/answers/article/help-accessing-account-fsa-id

HAVE AN ACCOUNT ALREADY?

GREAT! YOU CAN MOVE ON TO THE NEXT STEPS.

2 DETERMINE WHAT TYPE OF LOANS YOU HAVE & THEIR STATUS

TYPES OF LOANS: FEDERAL VS. PRIVATE

There are two main types of loans that your loan could potentially fall under: federal loans and private loans. Federal loans are loans from the government, while private loans could be from many different places such as a bank or other financial institution.

If you have federal loans there are a lot more options for repayment plans and forgiveness. If you have private loans, you will most likely have to work directly with your loan provider for any sort of repayment plan. For some tips on what to do about private loans, you can visit this website: www.consumerfinance.gov/paying-for-college/repay-student-debt/student-loan-debt-tips/

DO I HAVE FEDERAL LOANS?

To determine if you have federal loans, login to your account on studentaid.gov.

If you've just created a new account you will have to wait until the account is set up and verified. When it is, go to the account dashboard (if you're not automatically directed there, you can find it by hovering on your name next to the person icon and selecting Dashboard from the list). From there, you should be able to see "My Aid" as well as "My Enrollment"

On "My Aid" you should be able to see a list of all the federal aid that you have received. If there are loans listed here, that means you have received federal loans, which will qualify for relief.

If you know that you have loans that are not listed here, that means they are private loans. Unfortunately, private loans are not going to be eligible for this relief or to be put in repayment plans.

Check the "My Enrollment" section to see if you are already enrolled in any repayment plans—like an Income Driven Repayment (IDR) Plan or any of the Loan Forgiveness programs. Sometimes people enroll in these programs, but not really know the ins and outs, or forget, but you may be in good shape if you did previously enroll in one!



DETERMINE YOUR LOAN STATUS

CURRENT

If your loan is current it means you have been making payments and you are in good standing with the loan provider.

DELINQUENT

Delinquency is when someone is behind on a loan payment between 1 and 270 days (at which point it goes into default).

DEFAULT / COLLECTIONS

If your loan is in default or collections it means you are more than 270 days behind on your loan payments. If it is in default, your loan provider is still responsible for it, while if it is in collections your loan provider is no longer responsible for the loan.

3 DETERMINE CONSOLIDATION OPTIONS

IF YOUR LOAN IS CURRENT...

If you have multiple loans, it is often a great idea to consolidate the loans. This not only makes things easier to manage but allows you to enter an income-driven repayment plan (IDR) and Public Service Loan Forgiveness (PSLF)—these options will be discussed in the next pages.

To learn more about the pros and cons of consolidating loans, here is a helpful article: studentaid.gov/manage-loans/consolidation

- If you live in low-income housing, your monthly payments should be \$0 or pretty close to that.
- The biggest thing to consider is if you already have some, but not all, of your loans enrolled in something like an IDR or PSLF. If that is the case, you can still consolidate all the other loans that are not a part of that repayment, but you will lose any credit that you've already earned on the other loans, which you may want to avoid.
- If you want to move ahead with loan consolidation, you can do so here: studentaid.gov/app/launchConsolidation.action

IF YOUR LOAN IS DELINQUENT...

If you are delinquent on your loans, you will likely need to contact your loan servicer for additional information to discuss options. You should still be able to proceed with consolidating loans and entering repayment plans.

For more information on delinquency, including who to call if you don't know who your loan servicer is, visit this website: studentaid.gov/manage-loans/default

IF YOUR LOAN IS IN DEFAULT...

- There is a Fresh Start program that allows people to get out of default. Most of the information about the Fresh Start Program is available here: studentaid.gov/announcements-events/default-fresh-start. Read through it if loans are in default and make sure you understand your options.
- Outside of the Fresh Start program, there are also additional options to get individuals out of default including Loan Rehabilitation and Loan Consolidation. If you are interested in doing these, you can read more about them here: studentaid.gov/manage-loans/default/get-out.
- **Bottom Line:** It is obviously up to you what you want to do with your loan and it could depend on your situation (e.g. do you need to get out of collections right now for school, etc.).

4 SPECIAL CASES

IF YOU WORK IN PUBLIC SERVICE IN FEDERAL, STATE, TRIBAL, OR LOCAL GOVERNMENT, OR FOR A NON-PROFIT ORGANIZATION

You may qualify for Public Service Loan Forgiveness (PSLF)

- If you qualify, it is recommended that you apply as soon as possible.
- There are several pieces of information that you will need when you apply. It is really helpful to read through this article to know what is needed first: studentaid.gov/articles/become-a-pslf-help-tool-ninja

To apply, go here: studentaid.gov/pslf

You can also do a search from this front page to make sure that your employer is eligible. You will need your organization's EIN to do this. This number is definitely on your W2 and tax information. Most EINs are also public (e.g. if you google [your Organization] EIN, it often comes up), but its ideal to have this directly from the W2 to make sure you have the right information.

IF YOU ARE INTERESTED IN GOING BACK TO SCHOOL (& LIVE IN MISSISSIPPI)

You may be eligible for Compete 2 Complete

Through the Compete 2 Complete Program, residents will be assigned a coach who will work with them to transfer credits, find a degree program that fits their interest, and apply for financial aid.

The Compete 2 Complete Grant provides eligible residents with up to \$1,000 for qualifying educational expenses each semester, sometimes they run out of funding—so check back in if it isn't currently open! All information about C2C can be found here: msc2c.org

The application is here: apply.msc2c.org/finishnow

IF YOU TOOK OUT A LOAN TO GO TO A FOR-PROFIT SCHOOL OR A SCHOOL THAT MISLED YOU

You may qualify for more canceled debt through Borrower's Defense

To find out if you qualify, follow these steps:

- Check to see if your school is listed in the named schools: studentaid.gov/sites/default/files/sweet-v-cardona-school-list.pdf
- If the school is on the list, the student should receive Full Settlement Relief
- If your school isn't on the list, but you believe that the school you went to misled you or engaged in misconduct, or if you went to a for-profit school, it is probably worth applying for Borrower's Defense
- It will be helpful to read through these articles to know the details of Borrower's Defense:
- studentaid.gov/announcements-events/borrower-defense-update and
- studentaid.gov/announcements-events/sweet-settlement
- To apply for Borrower's Defense, complete the application here: studentaid.gov/borrower-defense

5 ENTER AN INCOME-DRIVEN REPAYMENT PLAN

INCOME-DRIVEN REPAYMENT PLANS

There are several types of income-driven repayment plans that the federal government offers borrowers. So what exactly are they? They are a repayment plan that accounts for how much income you have—so you don't have to pay more than 10-20% of your income, depending on the plan. Depending on your income you may even qualify for paying \$0 a month. Some offer loan forgiveness after a certain length of time as long as you remain in good standing with your loan. Income-Driven Repayment plans are a good option for many people who have student debt, but you will want to take some time to figure out which one will work best for you.



WHAT ARE MY OPTIONS?

There are 4 different Income-Driven Repayment Plans. They are all very similar but have slight differences that might make one better for someone vs. another. The details of each plan can be found here: studentaid.gov/manage-loans/repayment/plans/income-driven

WHICH IS BEST?

Because there are multiple options, it may be difficult to figure out which one will work best for your situation—but don't worry! They have created a helpful tool to assist people in figuring out what will work best for them. The tool is the Student Aid Loan Simulator found here: studentaid.gov/loan-simulator

- This tool is very helpful at collecting all relevant information about an individual and giving them the best option for their situation.
- Using “I want to find the Best Student Loan Repayment Strategy” will give you direct loan simulations based on your salary, employment information, etc.
- “I’m Struggling with My Student Loan Payment” will give you the simulations and talk a bit more about forbearance and deferment if you want to think about those options.

Once you compare options with the loan simulator, you should be able to select the option that works the best for you and apply right then for that repayment plan.

Most of the information in this document came from studentaid.gov, and may change depending on current government policy. For updated information, you can always check studentaid.gov.

If you are unsure whether the school you attended was a for-profit school, you can ask them directly by getting in touch with the school, as they must disclose their status. If you want to know more about for-profit schools and their potential scams, you can visit this website for a brief overview: truthinadvertising.org/articles/for-profit-schools

Most of the resources in this document are for individuals who took out federal loans, this means loans from the government, to go to school. If you have private loans, and are looking for resources to assist you, here are a few more links that might be helpful:

General information about private student loans:

- www.studentloanborrowerassistance.org/for-borrowers/dealing-with-student-loan-debt/private-loans-other-education-debt

Tips for paying your student loans:

- www.consumerfinance.gov/paying-for-college/repay-student-debt/private-student-loans
- www.studentloanborrowerassistance.org/for-borrowers/dealing-with-student-loan-debt/private-loans-other-education-debt/repayment-plans-options
- www.lendingtree.com/student/private-student-loan-forgiveness

LINKS IN ORDER OF APPEARANCE IN THIS DOCUMENT:

- Create an account on studentaid.gov: studentaid.gov/fsa-id/create-account/launch **Recover account on studentaid.gov: studentaid.gov/help-center/answers/article/help-accessing-account-fsa-id**
- Learn about loan consolidation: studentaid.gov/manage-loans/consolidation **Consolidate your federal loans: studentaid.gov/app/launchConsolidation.action**
- Information on delinquent loans: studentaid.gov/manage-loans/default
- Information about the fresh start program: studentaid.gov/announcements-events/default-fresh-start
- Information about other options when your loan is in default: studentaid.gov/manage-loans/default/get-out
- Understanding the public service loan forgiveness program and application: studentaid.gov/articles/become-a-pslf-help-tool-ninja
- Apply for Public Service Loan Forgiveness: studentaid.gov/pslf
- Complete to Compete program: msc2c.org
- Borrower's Defense application: studentaid.gov/borrower-defense
- Income Driven Repayment Plans: studentaid.gov/manage-loans/repayment/plans/income-driven
- Student Aid Loan Simulator: studentaid.gov/loan-simulator