

Important guidance for student loan borrowers from the Department of Education (ED)

In December 2021, for borrowers already in loan repayment, the Biden Administration extended the repayment pause on Federal Direct Loans another 90 days, **through May 1, 2022**. The following information is provided to help student loan borrowers transition back into repayment. After reviewing this information, if you have any questions or need further assistance, we encourage you to contact your federal loan servicer.

Note: Except where Federal Family Education Loans (FFEL) and Perkins loans are referenced, the following information applies to Direct loan borrowers (subsidized/unsubsidized/PLUS).

Borrower's return to repayment checklist

- **Confirm [your servicer](#)** and watch for communications from them. If you haven't heard from your servicer recently, reach out to them.
- **Ensure your contact information is updated** with your servicer.
- **Review your auto-debit enrollment information** or sign up for the first time at your loan servicer's website. Auto-debit users receive a 0.25% interest rate reduction. For most borrowers, auto-debit will not restart automatically. Here's how to [stay on top](#) of your auto-debit status.

Status: On auto-debit-
after March 13, 2020

Your servicer will contact you before the payment pause ends to confirm whether you want to stay on auto-debit. If you do not respond to these messages, your servicer will cancel your auto-debit.

Status: Signed up for
auto-debit after Mar. 13,
2020

Your auto-debit payments will start automatically on your first due date when payments begin again.

Status: Opted out of
payment pause and are
signed up for auto-debit

Your auto-debit will continue as normal. You don't need to take any action to stay on auto-debit.

Status: Have loan(s) in default

[Contact ED's Default Resolution Group](#) to discuss your auto-debit options.

Status: Have Perkins Loans

Your servicer (ECSI) cancelled all auto-debit enrollment on Jan. 5, 2022, so you'll need to sign up again.

Understand the best repayment plan for your situation

After you leave school or drop below half-time, you get a one-time six-month grace period before loan payments begin. If your [grace period ends \(or ended\) during the payment pause](#), your loan payments were (or will be) suspended through May 1, 2022. Unless you request a different repayment plan, your student loans will automatically be placed in the Standard repayment plan when the payment suspension ends.

For borrowers who were in repayment when the repayment pause began, you'll remain in the same plan you had unless you request a different one from your servicer.

Investigate which repayment plan makes the best sense for your situation using [ED's Loan Simulator](#). For example, [income-driven repayment](#) plans base your monthly payment on factors such as your income and family size, resulting in a manageable payment amount as low as zero dollars per month.

PSLF - When in doubt, fill it out!

On Oct. 6, 2021, ED announced a temporary period during which borrowers may receive credit for payments that previously did not qualify for Public Service Loan Forgiveness (PSLF) or Temporary Expanded PSLF (TEPSLF). If you're unsure if this benefit applies to you, ED strongly suggests you use the [PSLF Help Tool](#) as soon as possible to help ensure you obtain any eligible benefits before the waiver ends on Oct. 31, 2022.

- ***If you only borrowed Direct loans*** – File a PSLF form for each eligible employer you had since you borrowed the loan (or since Oct. 1, 2007, whichever is more recent).
- ***If you previously consolidated into a Direct loan*** – File a PSLF form for each eligible employer you had since you borrowed any loans under the Direct Consolidation loan (or since Oct. 1, 2007, whichever is more recent).
- ***If you still have FFEL or Perkins loans*** – Consolidate your loans into the Direct loan program and file a PSLF form for each eligible employer since you borrowed the loans you are consolidating (or since Oct. 1, 2007, whichever is more recent).

Loan Servicer Transfers - FedLoan Servicing is the current loan servicer managing PSLF processing through 2022. It's anticipated that all FedLoan Servicing PSLF accounts will be transferred to MOHELA by the end of 2022.