

# Student Loan Borrowers!

## What you need to know right now about income-driven repayment plans

As a student loan borrower, you may feel overwhelmed right now and it may not just be about the amount of debt. Keeping track of all the latest news and determining whether any of the administrative changes and legal challenges of student loan repayment impact you, could be leaving you feeling anxious.

## Making student loan payments

One of the most important actions you can take right now is to monitor your student loan account, make payments to reduce your debt, and contact your servicer if you have any questions.

Even if you have been placed in general forbearance and are not required to make payments right now, you can make voluntary payments. One of the advantages of this action is that you reduce the principal amount of your student loan debt. As a borrower, you may fall into one of three different categories:

- Borrowers enrolled in the SAVE (Saving on a Valuable Education) Plan
- Borrowers enrolled in the SAVE Plan and seeking Public Service Loan Forgiveness (PSLF)
- Borrowers enrolled in other income-driven repayment (IDR) plans (who may or may not be seeking PSLF)



## Borrowers enrolled in the SAVE Plan



Because of legal challenges, borrowers enrolled in the SAVE Plan have been placed in general forbearance. As a result, if you are among these borrowers, you:

- are not required to make monthly payments on your student loans.
- do not have interest accruing on your loans.

Although it may seem quite nice to not have to make payments and to not have any interest being applied to your debt, you should also note:

- Your student loan debt, while not growing, is also not decreasing.
- You are not making progress toward forgiveness (see section below for borrowers enrolled in PSLF).

Borrowers enrolled in the SAVE Plan do have some options:

- **Stay in forbearance and make voluntary payments on your student loan.** One of the advantages of this strategy is that you will pay down the principal amount of your debt more than if you were not in general forbearance. In addition, once the federal government begins applying interest charges to your student loan, the amount on which it is applied will be less – reducing the overall amount you will pay.
- **Stay in forbearance and save the money that would be used to make payments.** Once forbearance has ended you can use the money to pay down your student loan debt. One of the advantages of this strategy is that you will earn interest if you put the money in a savings account and you will actually pay down your debt more than if you were not in general forbearance. Additionally, once repayment starts, you will have already budgeted for monthly payments, making the transition easier.
- **Apply for a different repayment plan to resume progress toward repayment.** Borrowers now have the option to switch from SAVE to a new repayment plan and resume progress toward repayment. You should note that there may be a delay in applications being processed while servicers update their systems, and you should carefully consider whether switching repayment plans is the best option.

# Borrowers enrolled in the SAVE Plan and seeking Public Service Loan Forgiveness



After understanding their current status in the SAVE Plan, borrowers seeking Public Service Loan Forgiveness (PSLF), should understand that the time in forbearance means they are not making payments toward forgiveness.

These borrowers have some options:

- Stay in forbearance and save the money that would be used to make payments. These borrowers may be able to use that money to “buy back” months of PSLF credit for the time spent in forbearance as a result of the legal challenges to the SAVE Plan.
- Apply for a different repayment plan to resume progress toward repayment and ultimately forgiveness. In addition, these borrowers may still have the option to buy back the months (while they were in general forbearance) to credit toward PSLF.

Student loan borrowers should also be aware the definition of a qualifying employer for PSLF could change. The Department of Education announced on April 3, its intent to begin negotiated rulemaking to review proposed changes to the program. In a draft Federal Register announcement (published on April 4) the Department listed “refining definitions of a qualifying employer for the purposes of determining eligibility for the Public Service Loan Forgiveness program” as one of the topics for negotiated rulemaking.

## Borrowers enrolled in other income-driven repayment (IDR) plans (who may or may not be seeking PSLF)

Borrowers should continue repaying their student loans and understand the court’s action could impact them in the following ways:

- **Some IDR Benefits are on pause.** Some of the benefits put on pause that may impact you include certain forgiveness benefits, the calculation of monthly payment amounts, and which deferments and forbearances count toward forgiveness. More information about the court action and the pause on certain benefits is available on [StudentAid.gov](https://studentaid.gov).
- **Some borrowers may need to complete IDR Recertification.** Borrowers, who have had their monthly payment amount increased recently, should check to see if they need to complete recertification. Some borrowers were unable to complete recertification for income-driven repayment (IDR) while the application was unavailable.



### IDR Recertification date on or before March 17, 2025

If your recertification date was on or before March 17, 2025, and you submitted your recertification before February 20, 2025, you would not need to take any action at this time.

However, if you did not submit a recertification before February 20, 2025, and your recertification date was on or before March 17, 2025, you must submit a recertification request as soon as possible to potentially lower your payment. Some borrowers in this situation may have had their payments recalculated and the payment amount was not based on income or family size.

### IDR Recertification date on or after March 18, 2025

If your recertification date was on or after March 18, then recertification has been extended by one year.

## More Information

For specific information about your student loan, contact your servicer. If you are not sure the name of your servicer or how to contact your servicer, log into your account at [StudentAid.gov](https://studentaid.gov).