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STUDENT LOAN RELIEF DURING THIS CORONAVIRUS CRISIS

What all Student Loan Borrowers Should Know

The CARES Act (The Coronavirus Aid, Relief, and Economic Security Act) will help many federal student loan borrowers by temporarily pausing payments on federally held [student loans](#) through Sept. 30, 2020. This includes principal and interest.

These borrowers will not be required to make payments on their loans for this six-month period. The great part is that interest will not accrue during this time, which means that these borrowers will not see their balances grow as the result of not making payments for six months.

Those who had been in default and are subject to forced payments/garnishments will also see relief if they qualify. The CARES Act suspends involuntary collections/wage garnishment/reduction of tax refunds.

As many know, just prior to the federal government declaring the national emergency, the DOE was in the process of refunding almost two billion dollars to almost one million borrowers in various offsets.

The top takeaways for student loan borrowers are as follows:

- With no interest accruing during this period, try to make payments of any kind
- The freeze on collections/payments are **automatic**.
 - **You do not have to fill out anything or provide anyone who calls any information.**
 - AVOID SCAMS OF COMPANIES OFFERING ASSISTANCE- THE PAUSE IS AUTOMATIC.
 - Call your loan servicer for confirmation or if you have any questions about eligibility.

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- Not all federal student loans qualify.
- The pause does not apply to private student loans:
 - Think- Your local, talented, always has a smile on her face attorney who will still be paying her private law school loans. 😞
- Borrowers get six months toward loan forgiveness and loan rehabilitation programs.
- This relief does NOT cover those with Perkins Loans or FFEL loans (Family education loans).
- Even if your loan is not covered under the SIX month pause, you can and should apply for income based relief- forbearance, deferment, lowering monthly payments, etc. CONTACT YOUR LOAN SERVICER.