Dear SCNM Alumni,

The U. S. Department of Education (ED) is providing relief to student loan borrowers during the COVID-19 national emergency. Borrowers have some options to help with their monthly payments.

**Interest Rates**

* Effective March 13, 2020, interest on all Direct loans (Stafford and PLUS), Perkins loans and loans under Federal Family Educational Loan Program (FFEL), held by ED will be waived. Private student loans are not eligible for this benefit
* The Department of Education will automatically adjust accounts, which will stop daily interest accrual.  Borrowers do not have to contact their lender to request this change
* This benefit also applies to any federal student loans that are currently in forbearance
* Schedule monthly payments will not change, if borrowers continue making their payments, the full amount will be applied to the principle balance
* Interest will only be waived for at least 60 days or until ED issues an end date
* ED is diligently working with lenders to make these changes; it may take several days to see these reflected on your account

**Emergency Forbearance**

* Effective March 20, 2020, borrowers can ask for an administrative forbearance, allowing you to temporarily stop making payments on all Direct Loans, Perkins Loans and FFEL loans, held by ED. Private student loans are not eligible for this benefit
* If you are 31 days or more delinquent on your federal student loans, the lender will automatically place your loans into an administrative forbearance
* If you wish to place your loans in an administrative forbearance, you will need to contact your lender. If you need to locate your lender’s information, visit <https://studentaid.gov/>
* The administrative forbearance will last at least 60 days from March 13, 2020 or until ED issues an end date
* Time spent in an administrative forbearance period, will not be counted towards the Income Driven Repayment forgiveness or Public Service Loan Forgiveness programs

Here are some resources you may find helpful:

* Federal Student Loan Servicers - <https://studentaid.gov/manage-loans/repayment/servicers>
* Announcements from the Department of Education - <https://studentaid.gov/announcements-events/coronavirus>

SCNM’s Financial Aid Office is here to assist you with any questions or concerns you may have regarding the information provided. Please contact Ana Borjas at 480.222.9202 or via email at a.borjas@scnm.edu.

Thank you,

Ana Borjas, MEd

Financial Aid Manager

Southwest College of Naturopathic Medicine