



# It's Time to Prepare for Student Loan Payments to Resume



# GreenPath Financial Wellness

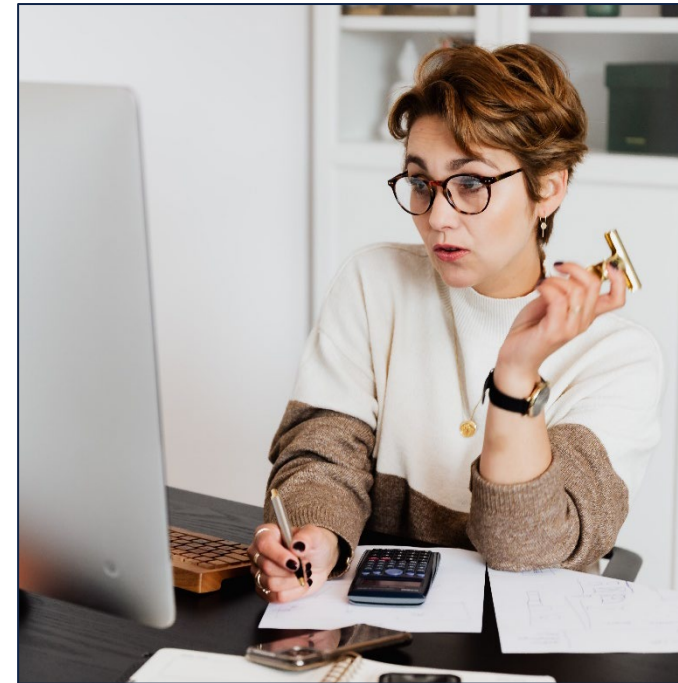
is a nationwide non-profit that provides financial education and tools to empower people to lead *financially healthy lives.*



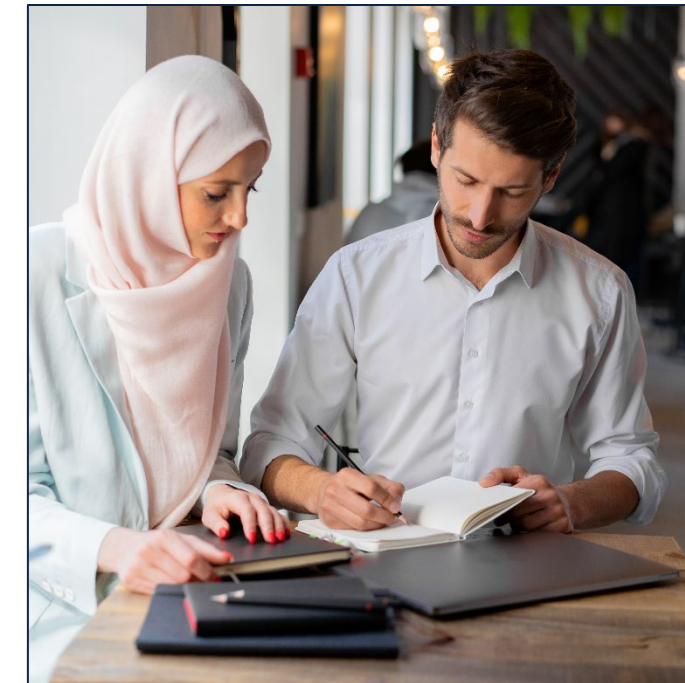
# Today's Agenda:



**Status of federal student loans**



**Choosing a repayment plan**



**Steps to take now & soon**



# Disclaimer

- **The information we are covering today relates to federal student loans only.**



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# Status of Federal Student Loans



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- Interest will resume accruing on **September 1, 2023**





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- Statements will start going out in **September** or **early October**
- Payments will be due starting in **October**



# Status of Federal Student Loans

## Federal student loan debt relief:

- was **blocked** by the Supreme Court on June 30, 2023.



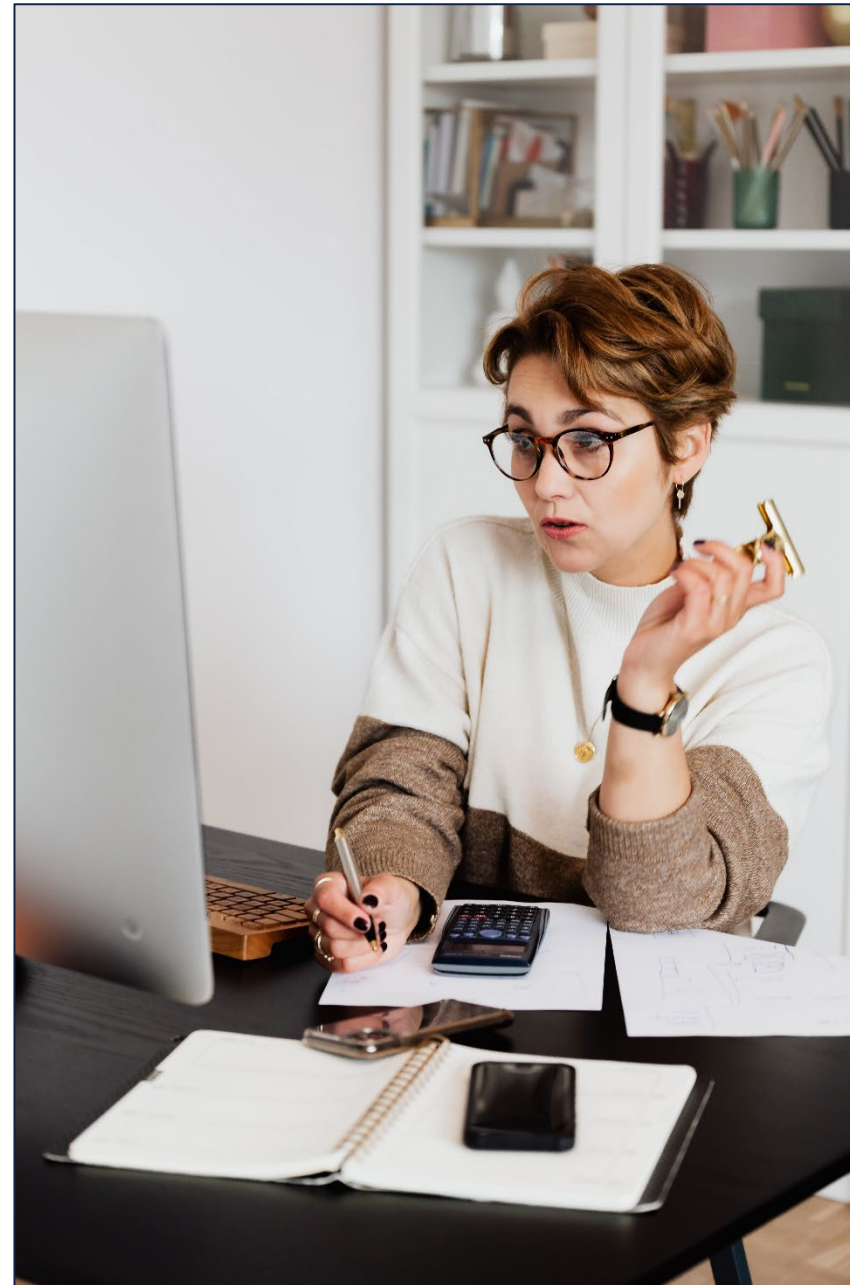
# Status of Federal Student Loans

## In summary:

- If you have a federal student loan balance and are not within a grace period, your payments will resume being due in **October 2023**.



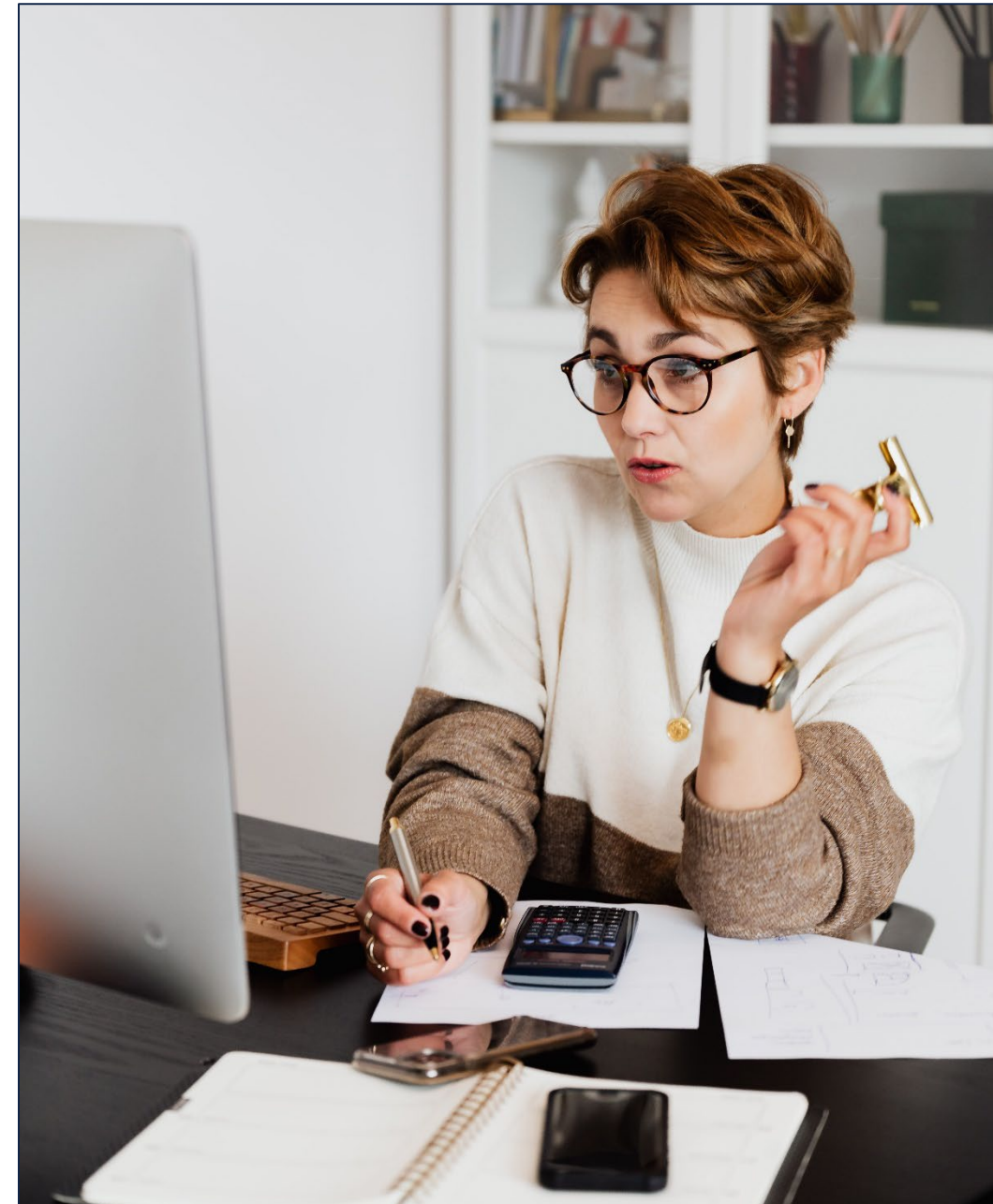
# Choosing a Repayment Plan



# Choosing a Repayment Plan

## Choosing a plan:

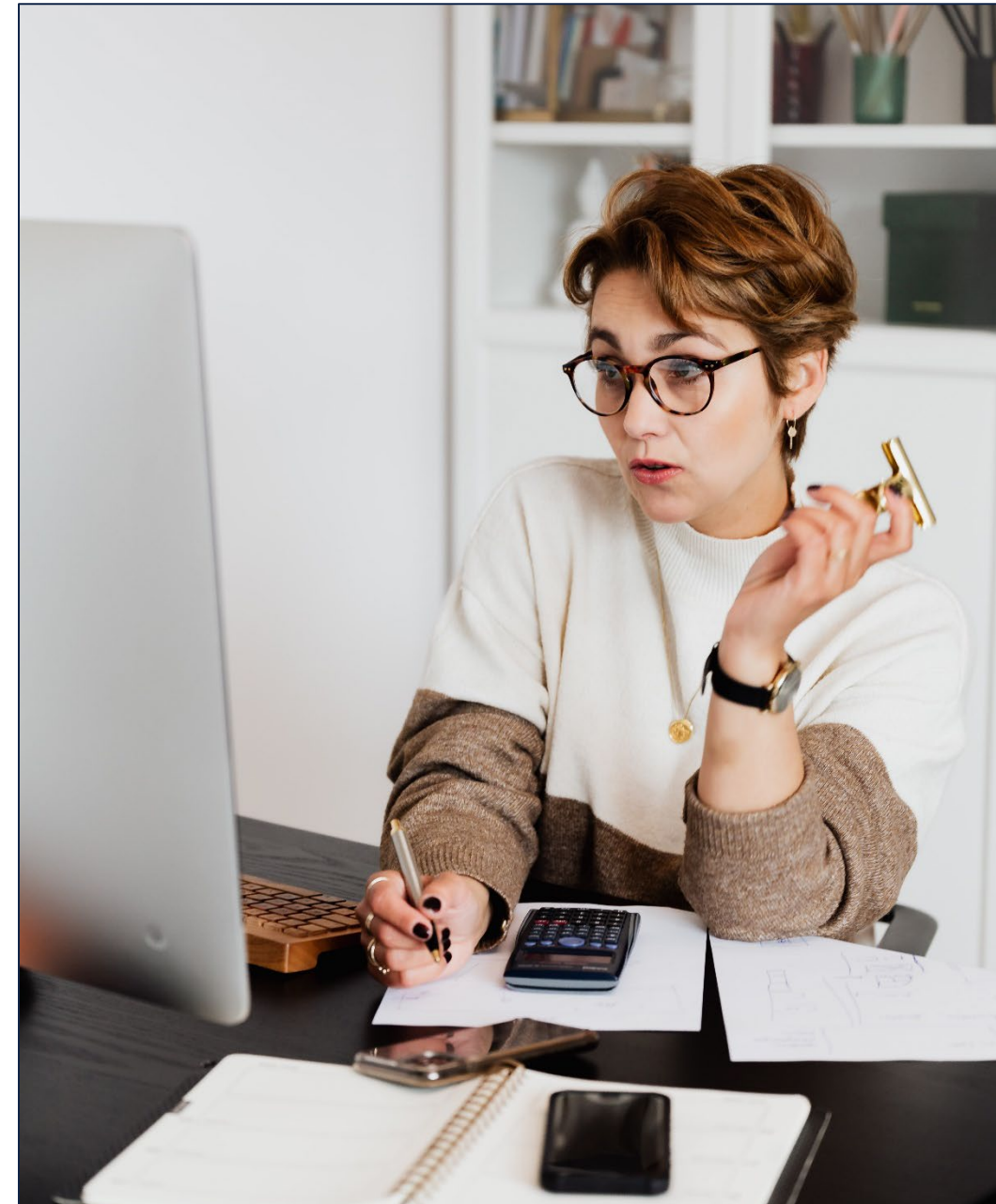
- What are your short-term and long-term financial goals?



# Choosing a Repayment Plan

## Choosing a plan:

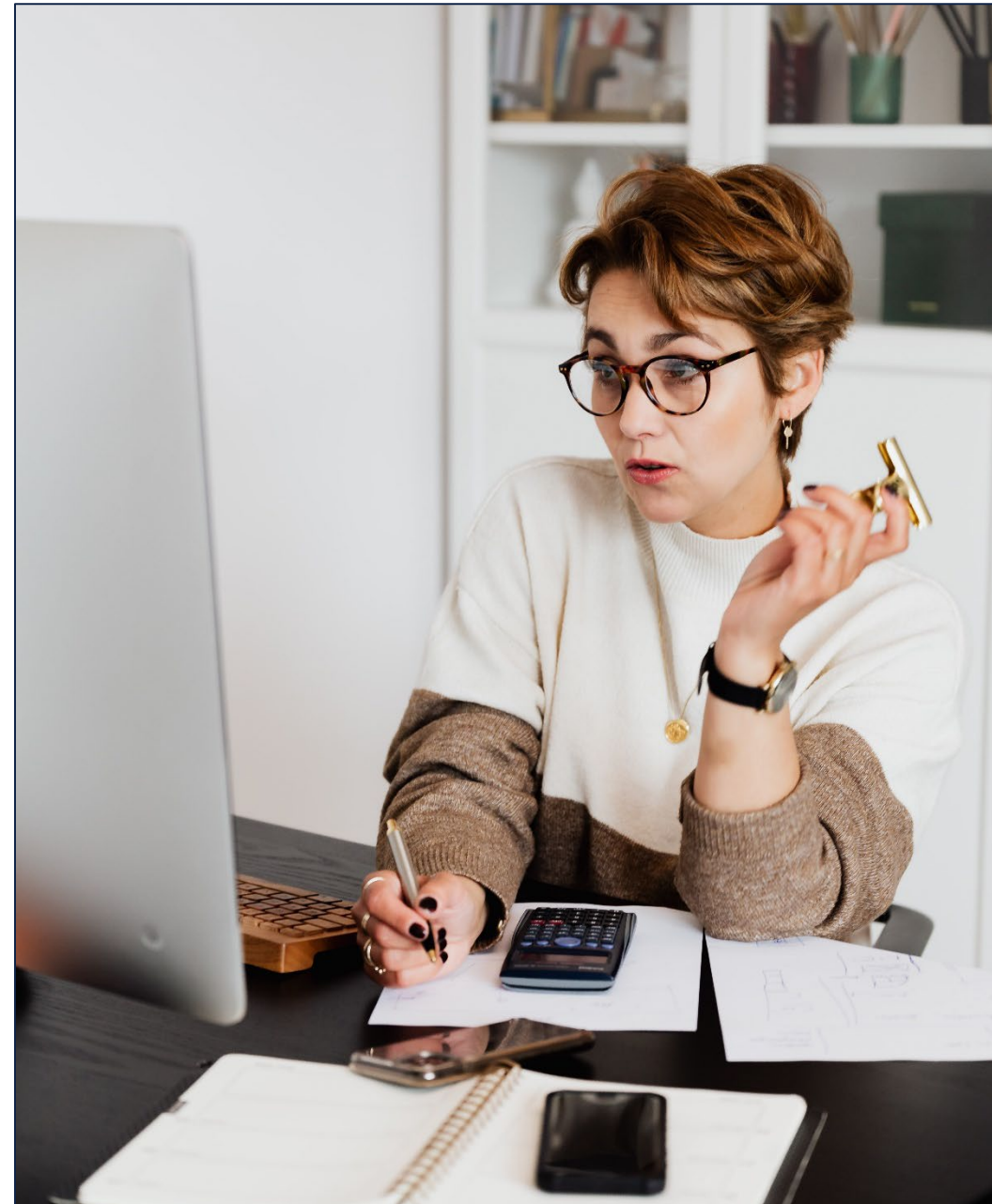
- What are your short-term and long-term financial goals?
- What flexibility do you have within your immediate financial situation?



# Choosing a Repayment Plan

## Choosing a plan:

- What are your short-term and long-term financial goals?
- What flexibility do you have within your immediate financial situation?
- Are you working towards Public Service Loan Forgiveness (PSLF)?

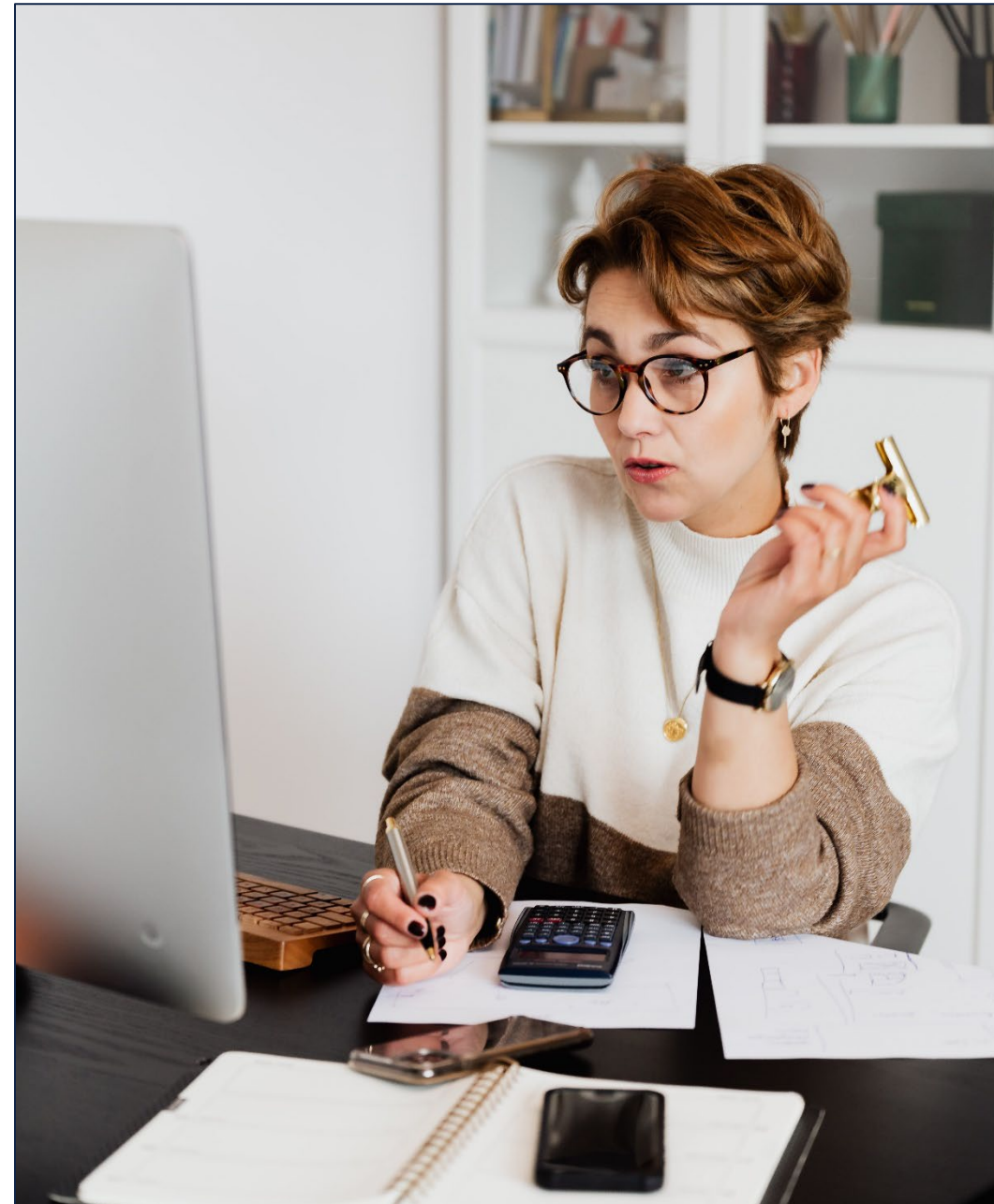




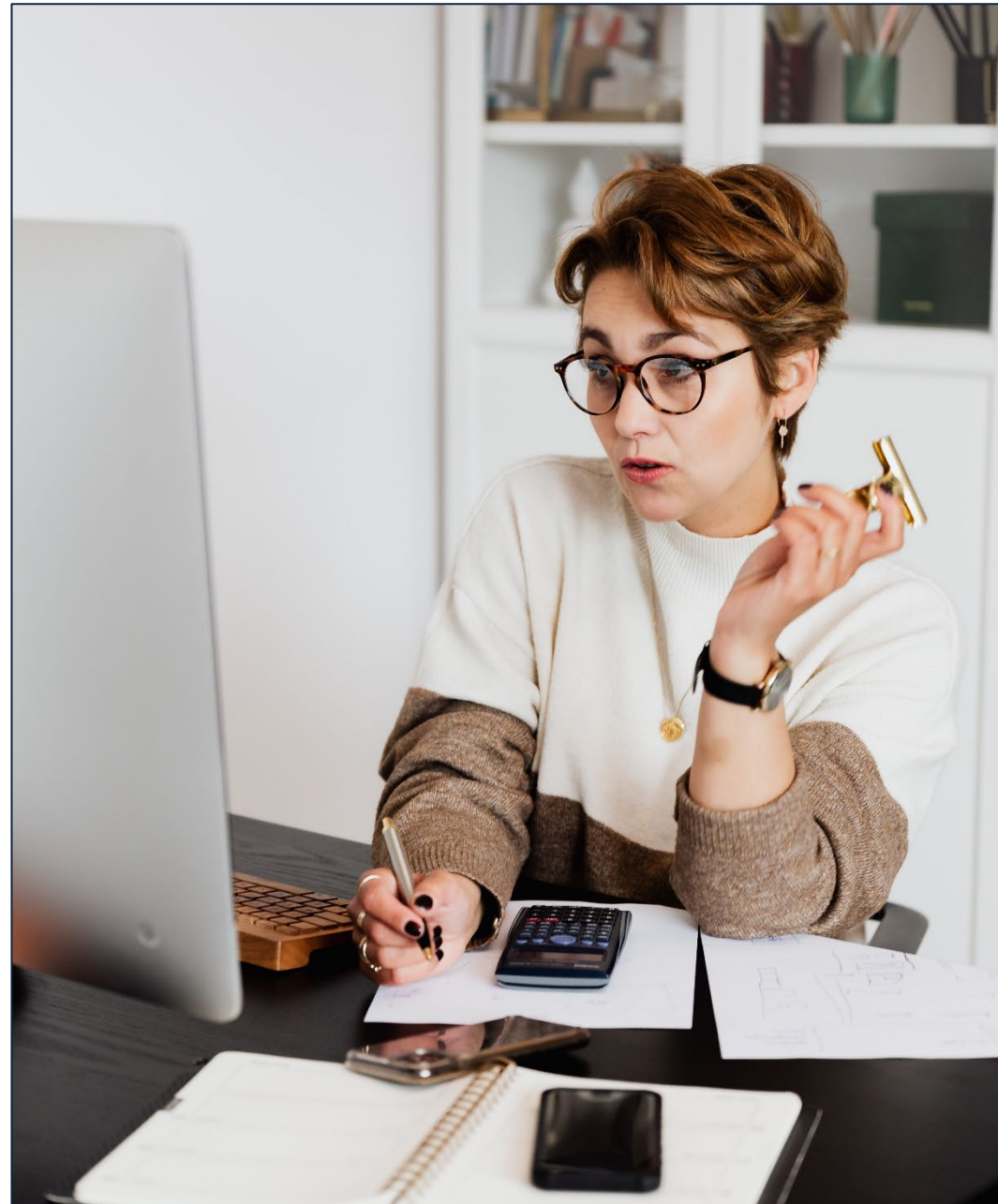
# Choosing a Repayment Plan

## Choosing a plan:

- What are your short-term and long-term financial goals?
- What flexibility do you have within your immediate financial situation?
- Are you working towards Public Service Loan Forgiveness (PSLF)?
- What plan is most in line with your financial goals and works within your financial situation?



# Choosing a Repayment Plan

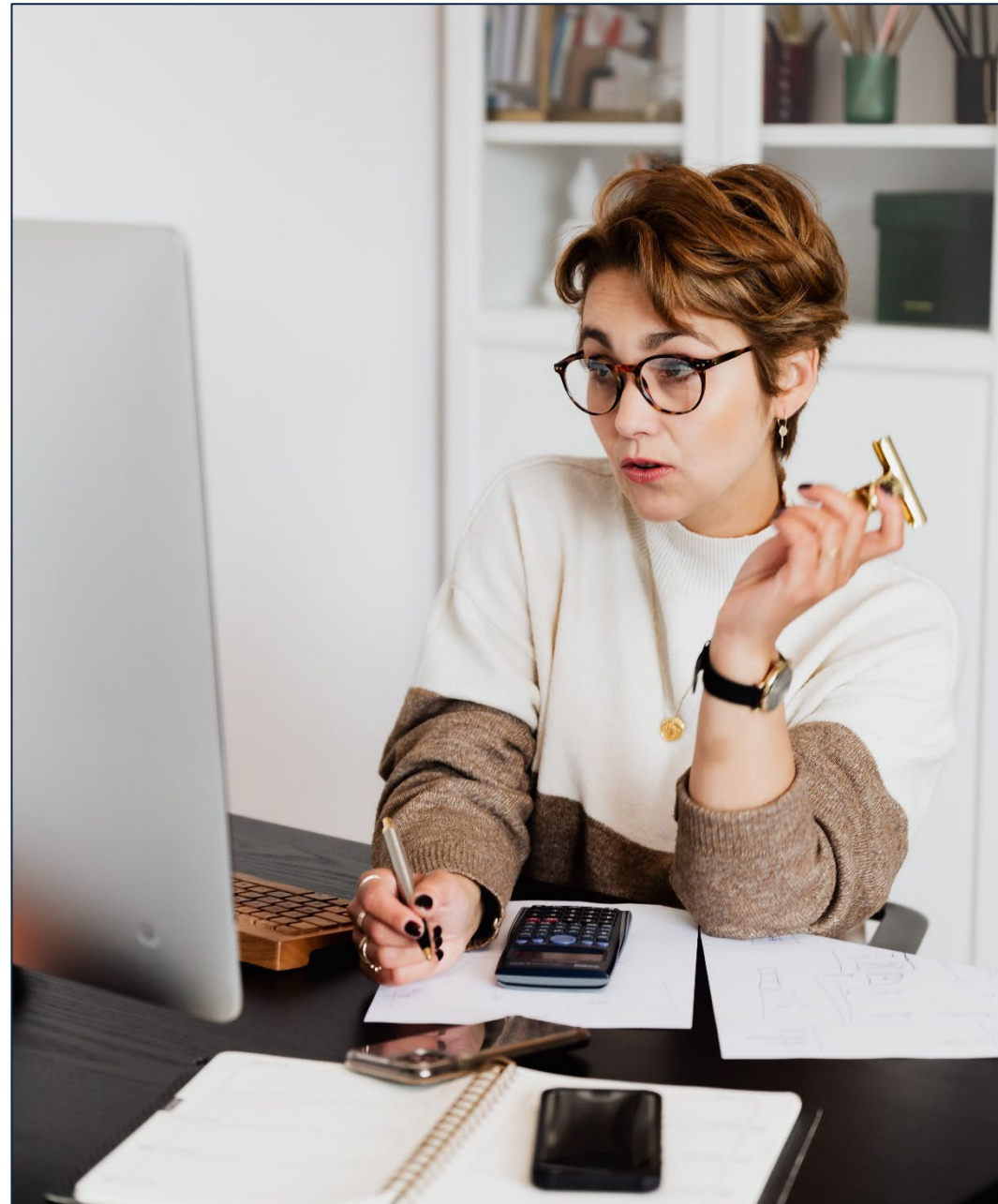


## Standard:

- The default option



# Choosing a Repayment Plan

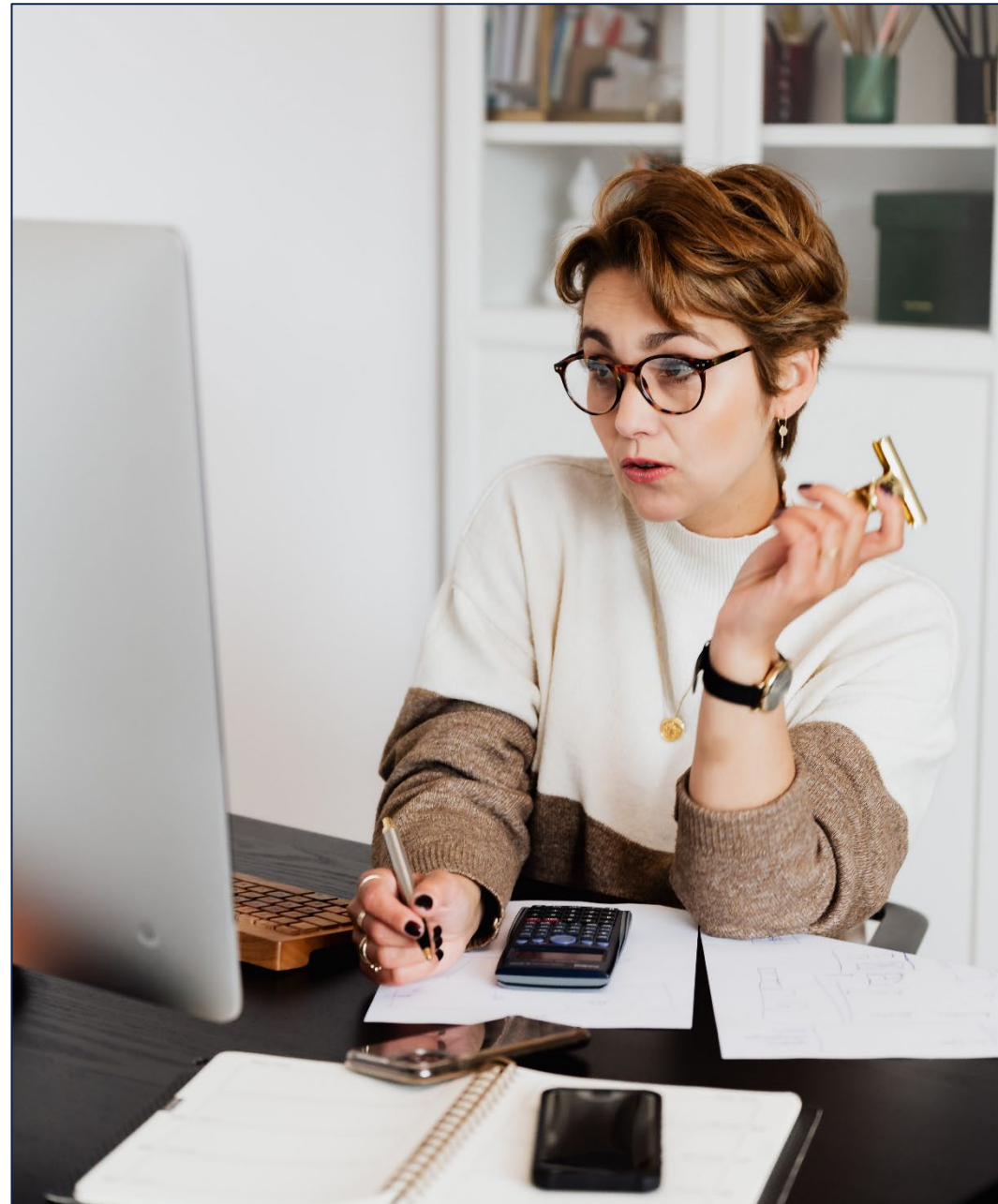


## Standard:

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- Most loans are repaid within 10 years



# Choosing a Repayment Plan



## Standard:

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- May be a good option if your goal is to pay off ASAP



# Choosing a Repayment Plan



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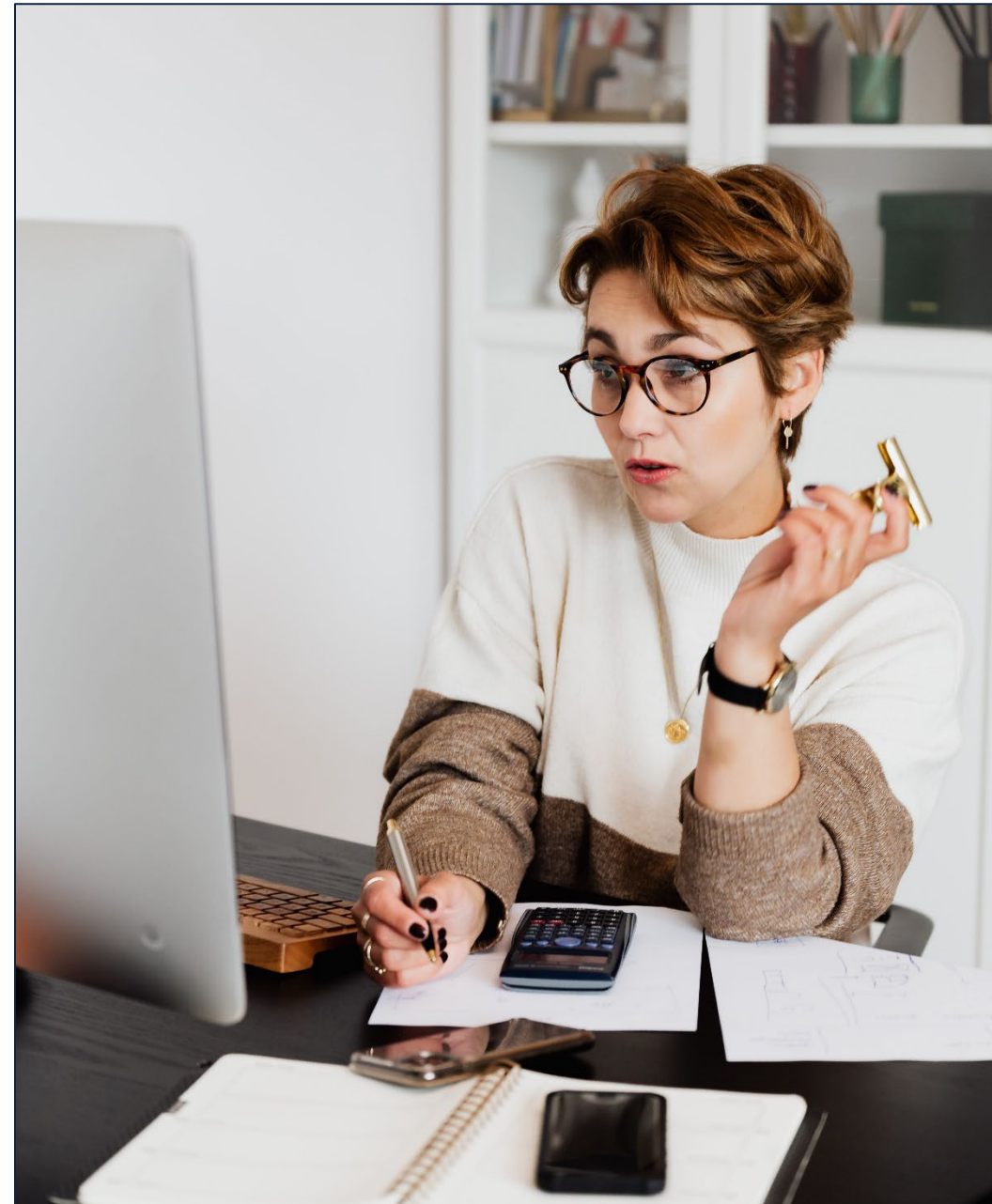
- The default option
- Most loans are repaid within 10 years
- May be a good option if your goal is to pay off ASAP
- May **not** be a good option if your goal is to have smaller payments, or if you are working towards PSLF



# Choosing a Repayment Plan

## Graduated:

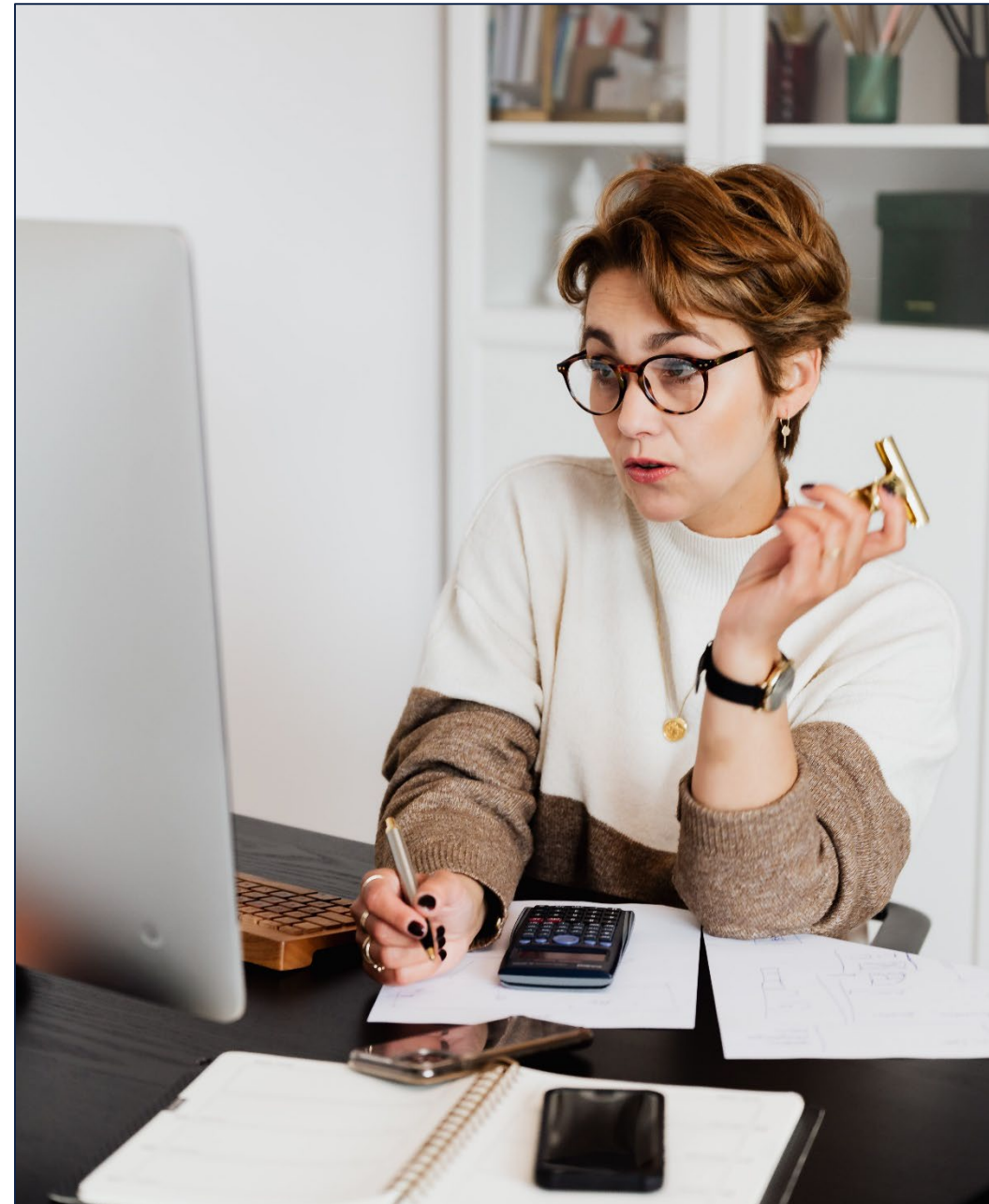
- Payments start lower, then increase over time



# Choosing a Repayment Plan

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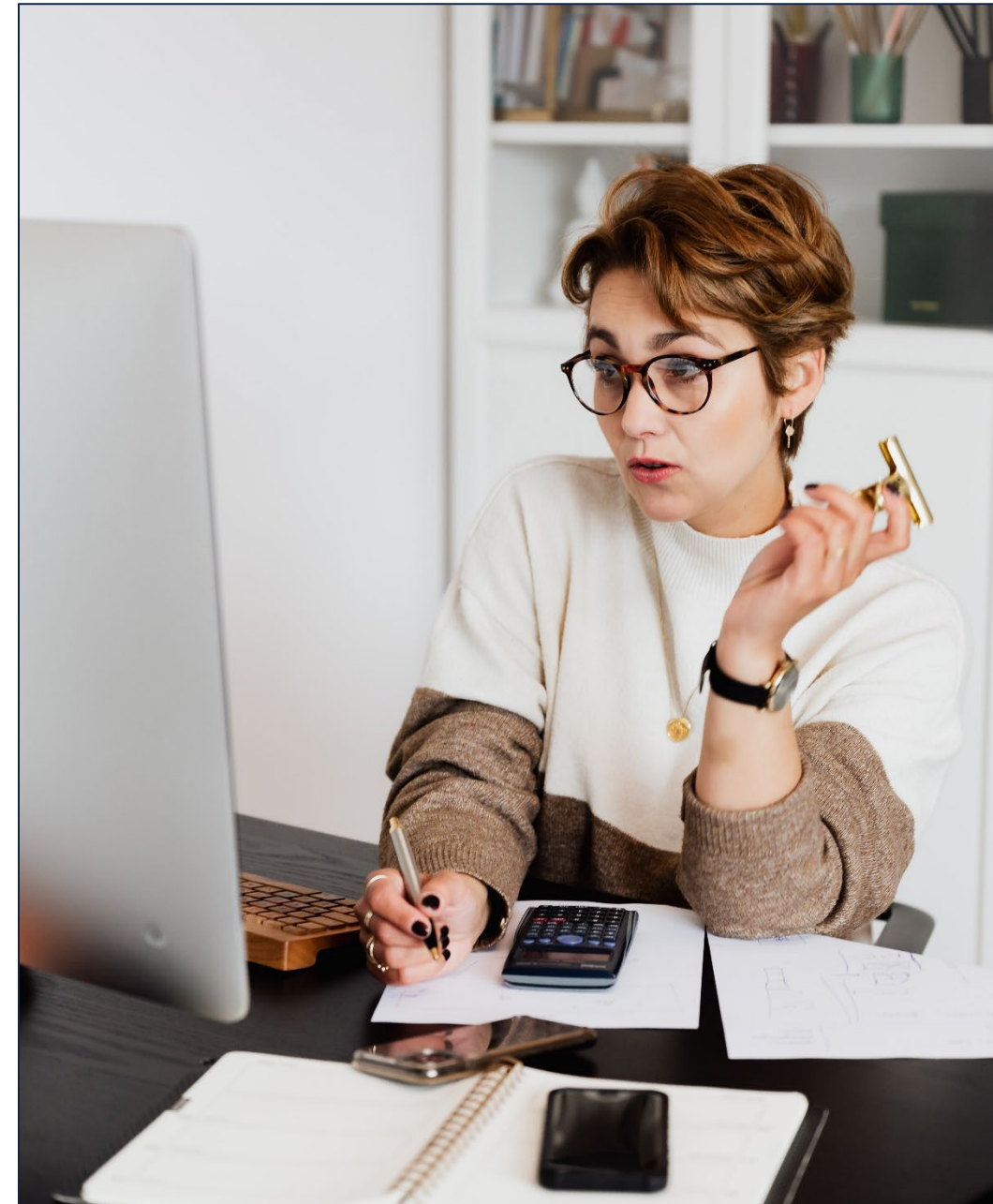
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# Choosing a Repayment Plan

## Graduated:

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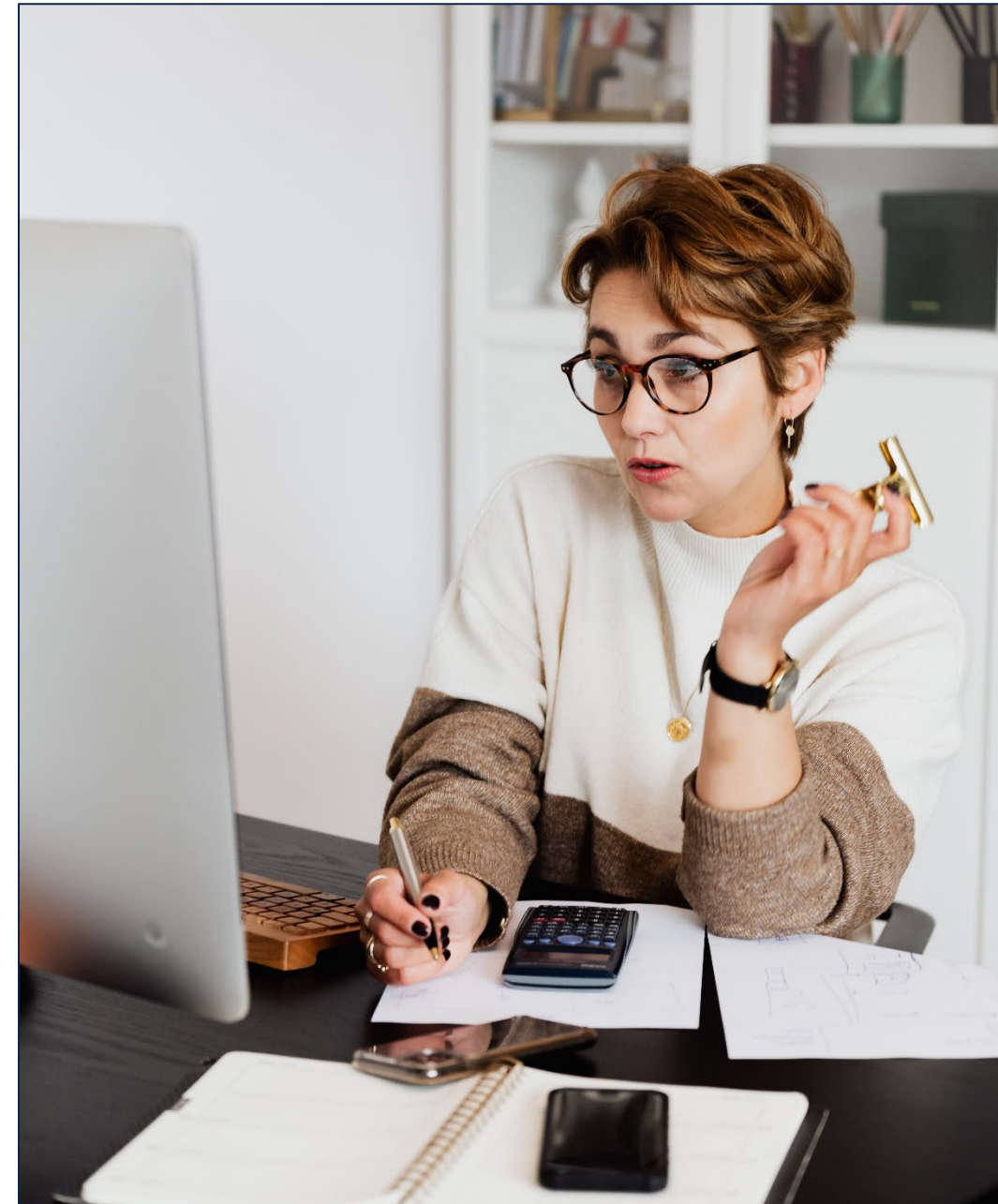




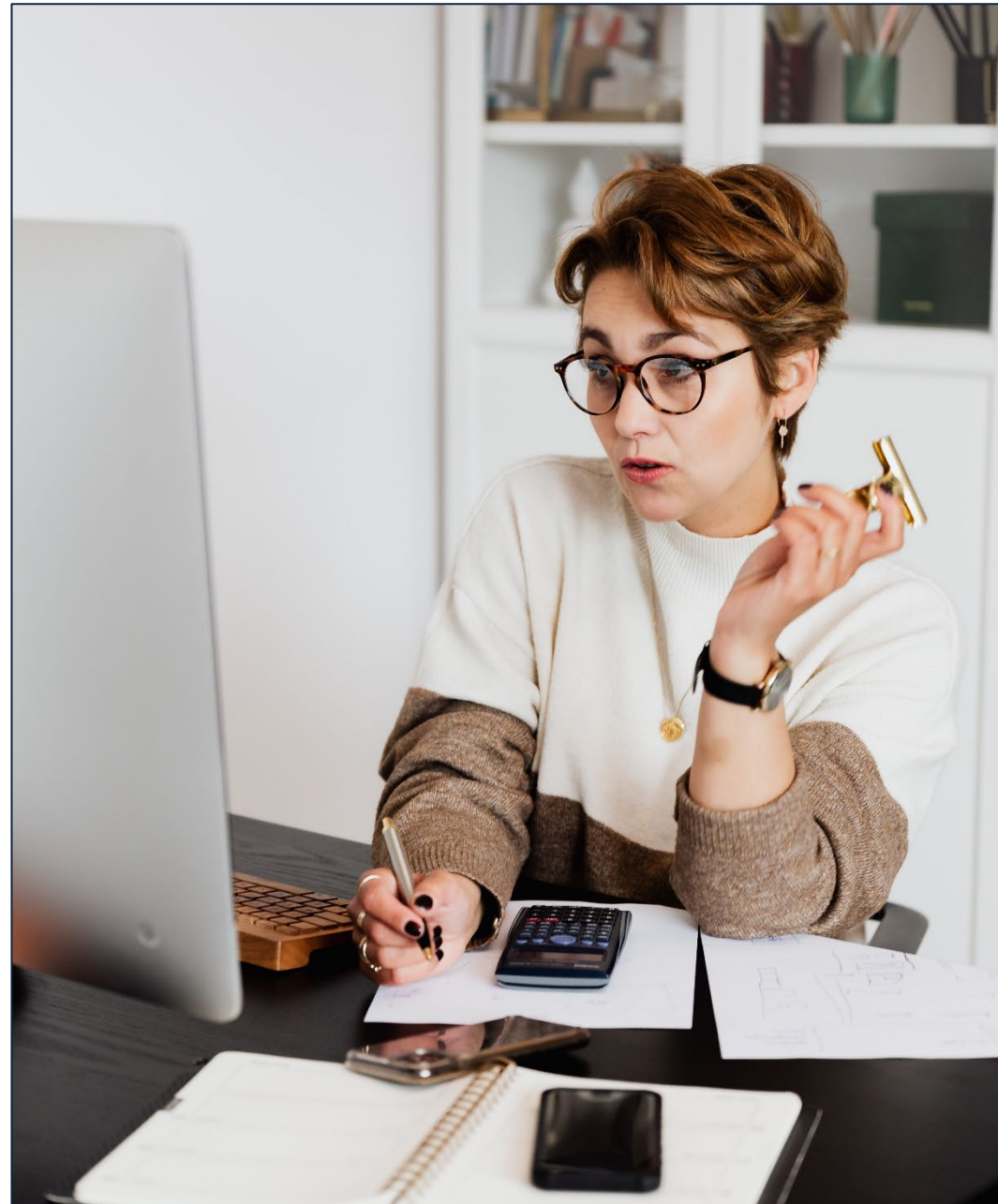
# Choosing a Repayment Plan

## Graduated:

- Payments start lower, then increase over time
- Most loans are paid off within 10 years
- May be a good option if you expect your income to increase steadily and have a goal to pay your loans off within 10 years
- May **not** be a good option if your goal is to pay the least amount overall or are pursuing PSLF



# Choosing a Repayment Plan

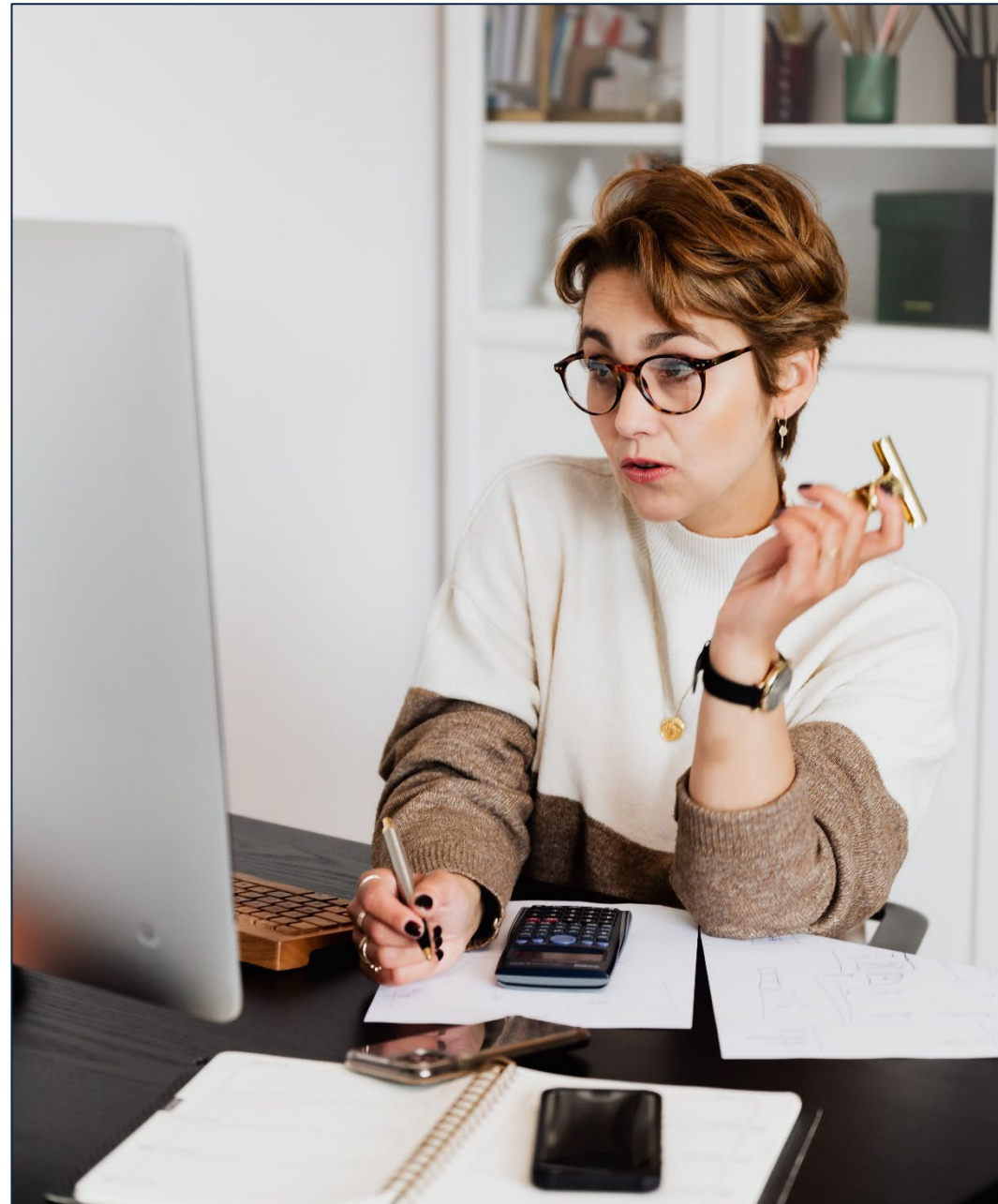


## Extended:

- Direct Loans with more than \$30,000 in outstanding balances may be eligible



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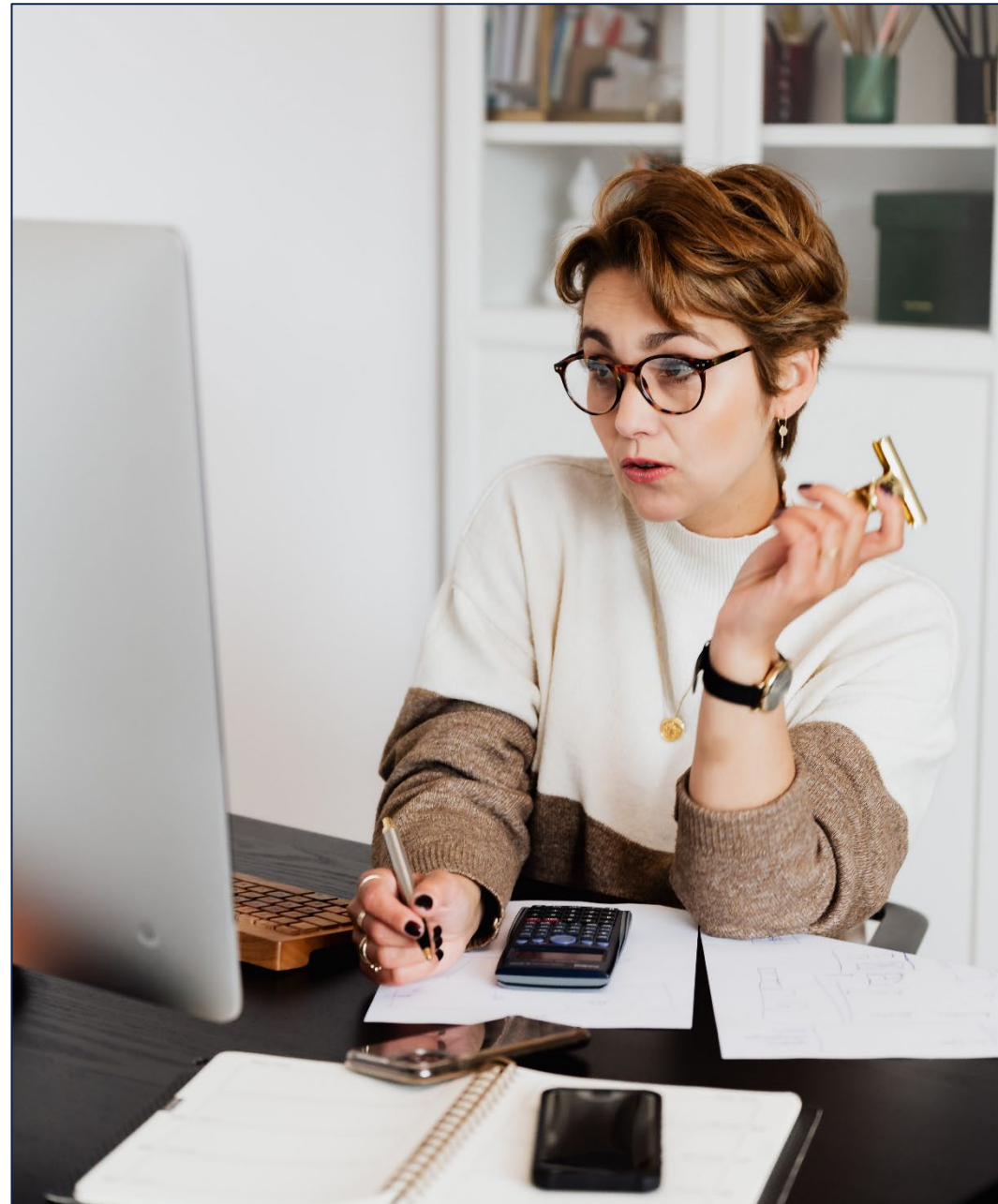


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# Choosing a Repayment Plan



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# Choosing a Repayment Plan



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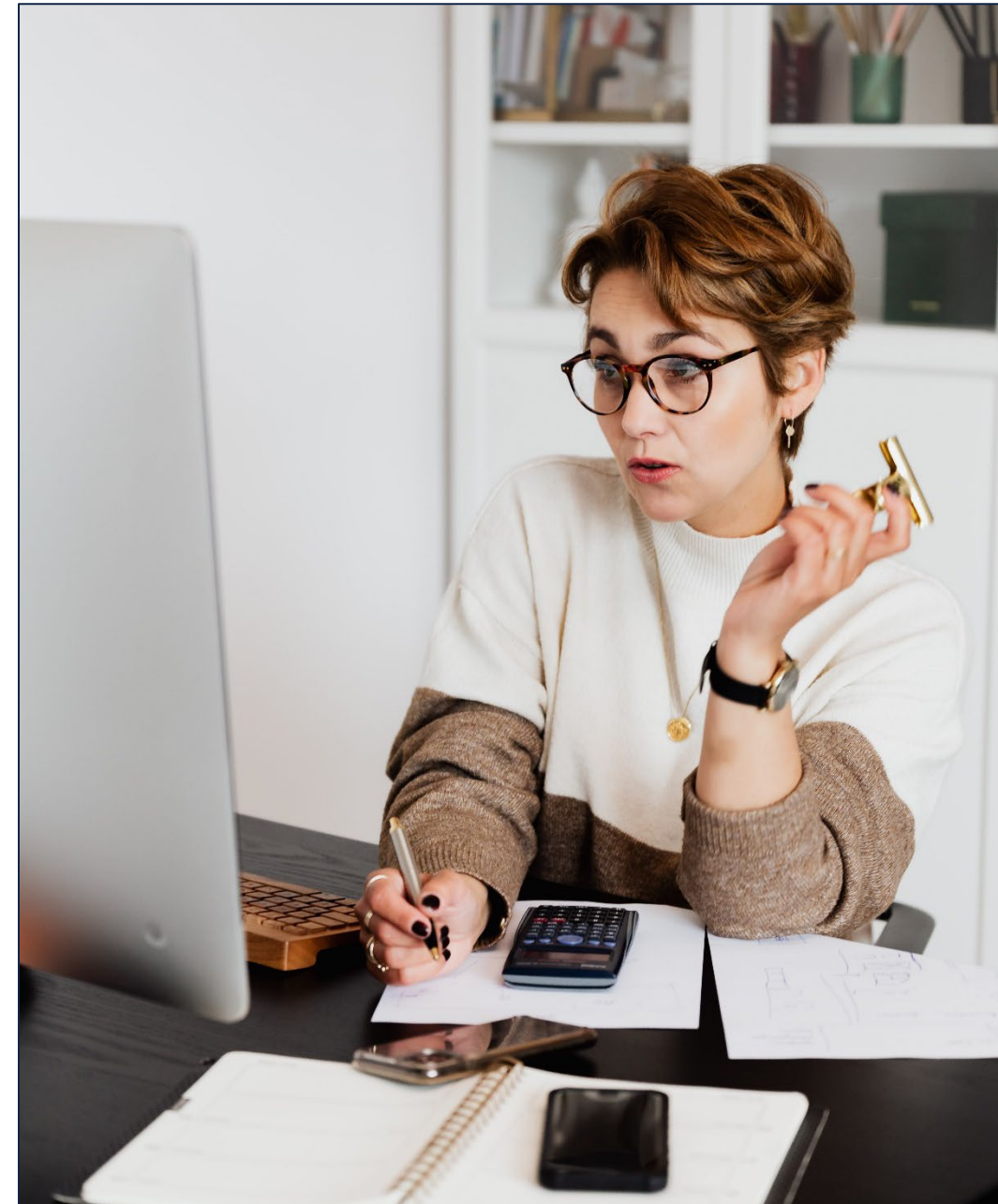
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- May **not** be a good option for those pursuing PSLF



# Choosing a Repayment Plan

## Saving on Valuable Education (SAVE):

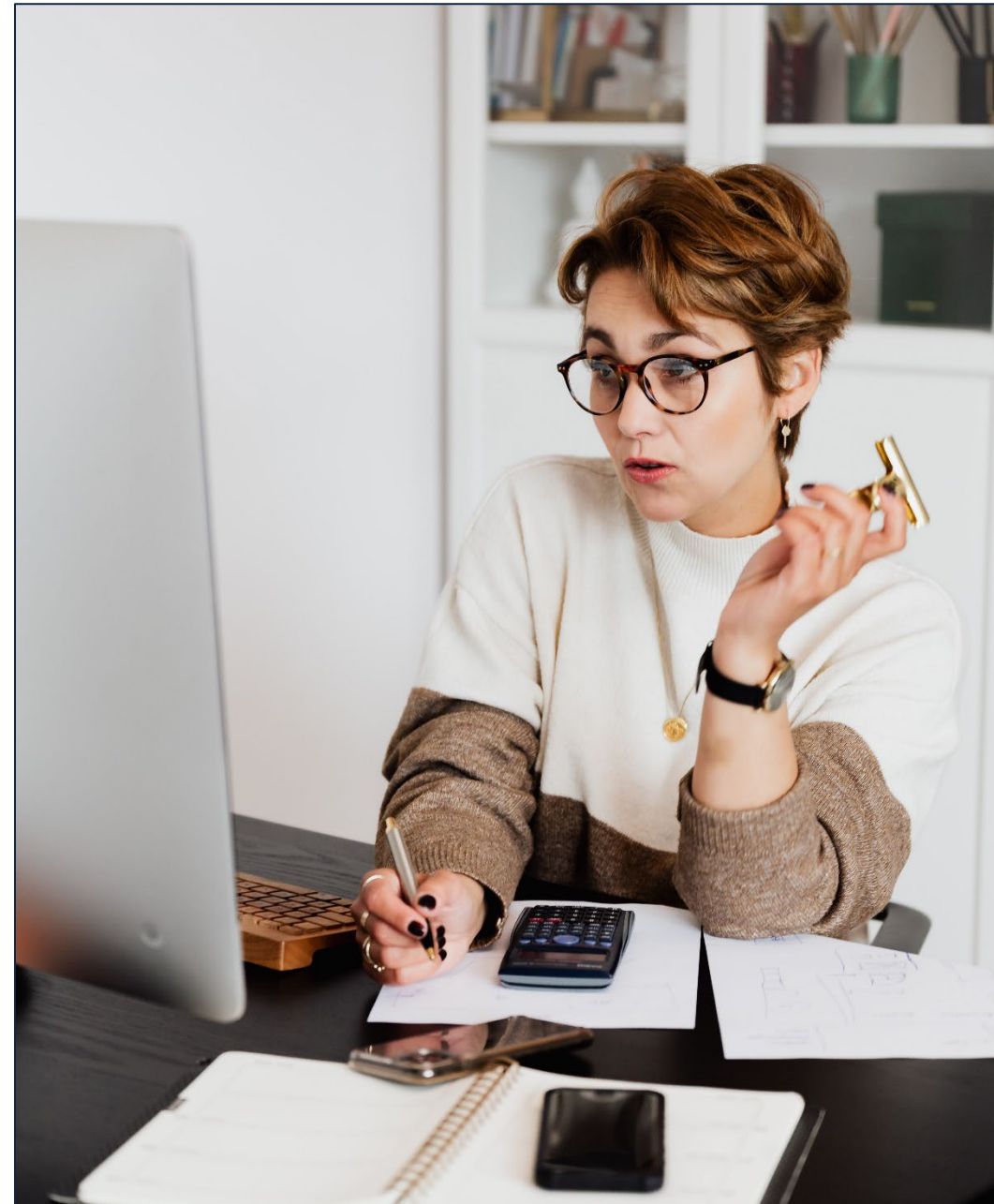
- Direct Loans made to the student – parent loans are not eligible at this time



# Choosing a Repayment Plan

## Saving on Valuable Education (SAVE):

- Direct Loans made to the student – parent loans are not eligible at this time
- Monthly payments will (currently) be 10% of your discretionary income

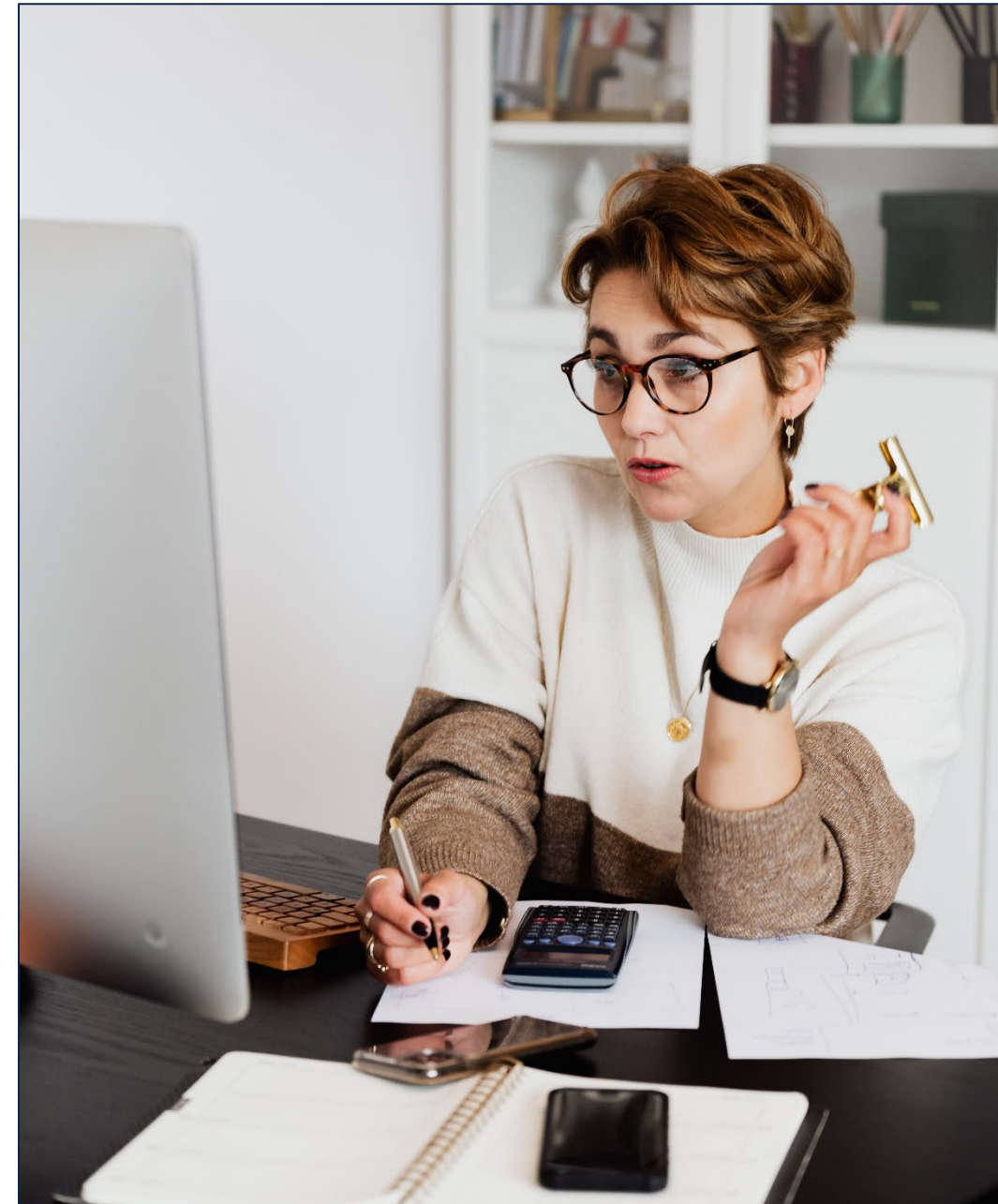




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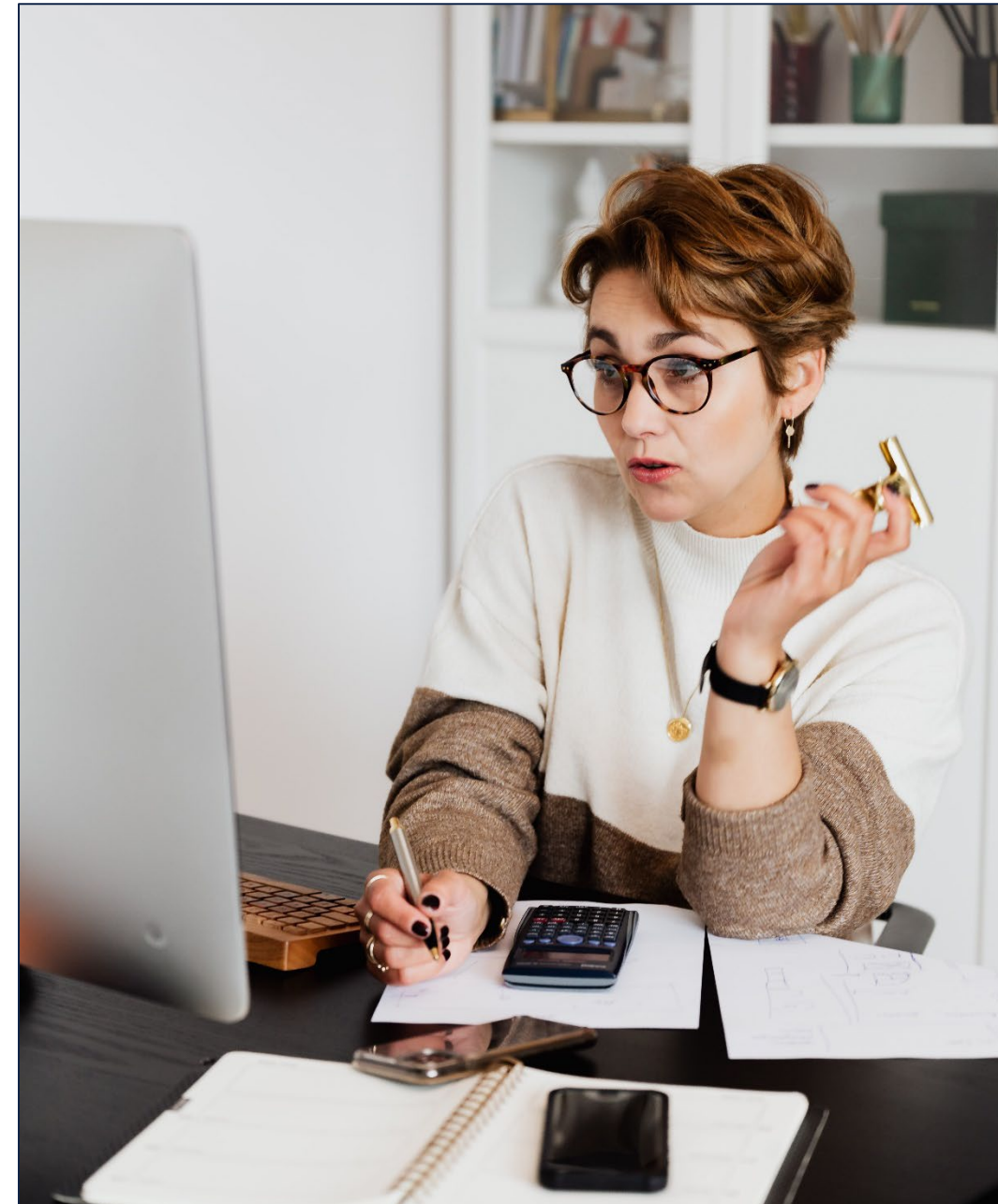
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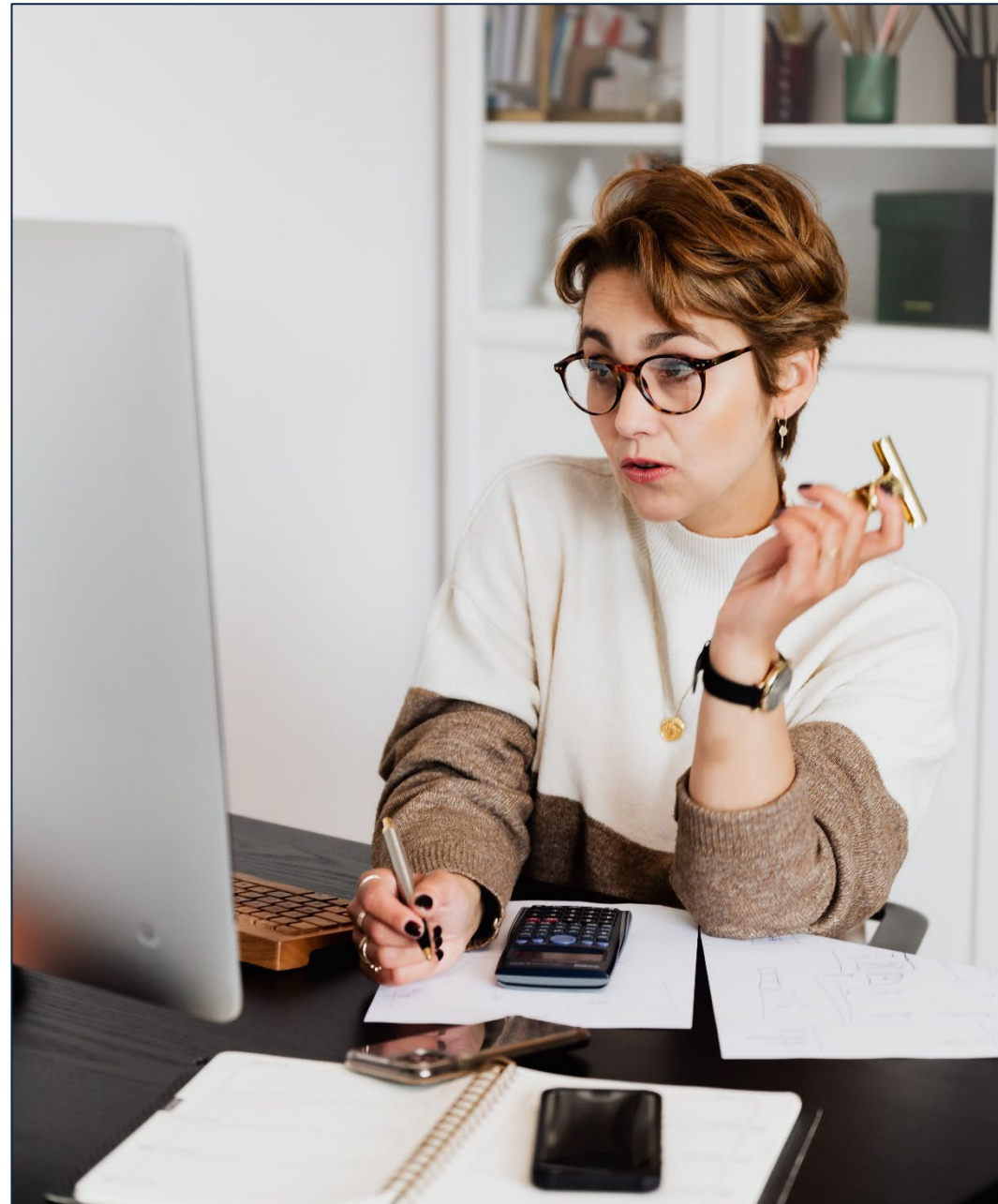
# Choosing a Repayment Plan

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- Remaining balance is forgiven after 20 years of payments (undergrad) or 25 years (if any grad/professional study loans)



# Choosing a Repayment Plan

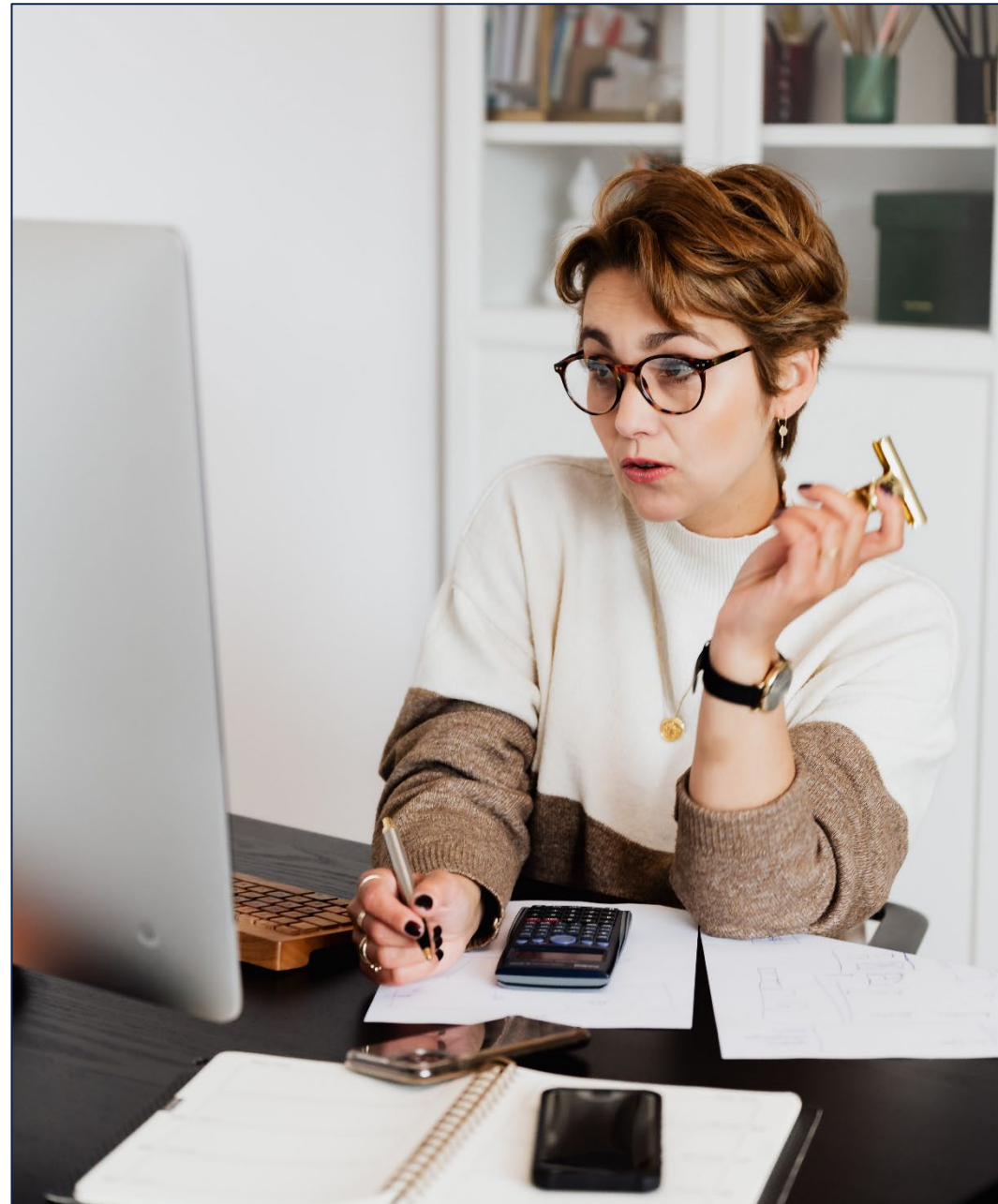


## Pay as You Earn (PAYE):

- Payments are 10% of discretionary income, but never more than what you would have paid under the Standard plan



# Choosing a Repayment Plan



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# Choosing a Repayment Plan



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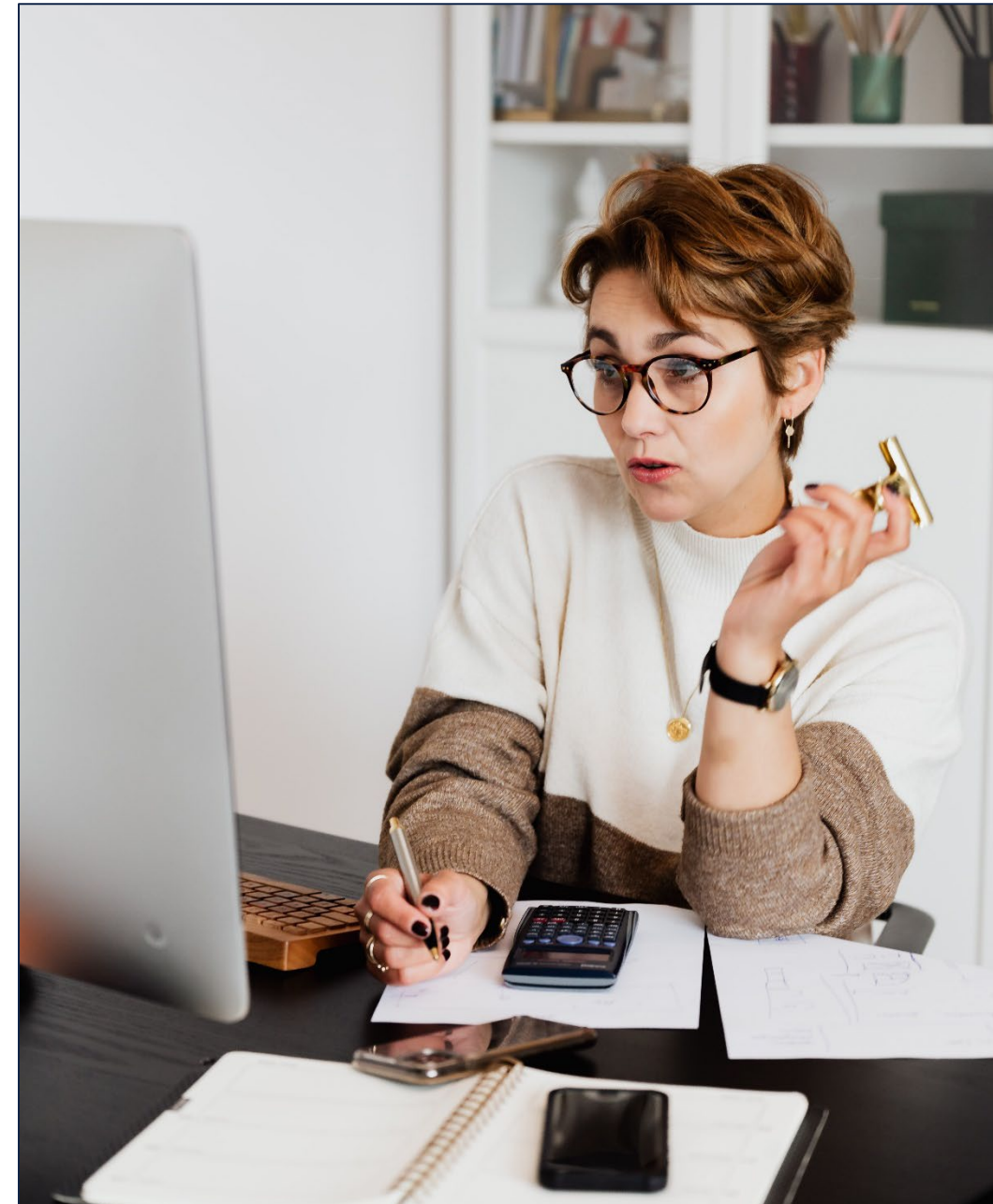
- Payments are 10% of discretionary income, but never more than what you would have paid under the Standard plan
- 20-year repayment period
- May be a good option for those pursuing PSLF and who are looking for a lower monthly payment
- May **not** be a good option for those with low debt compared to income or looking to repay loans quickly and pay the least



# Choosing a Repayment Plan

## Income-Based Repayment (IBR):

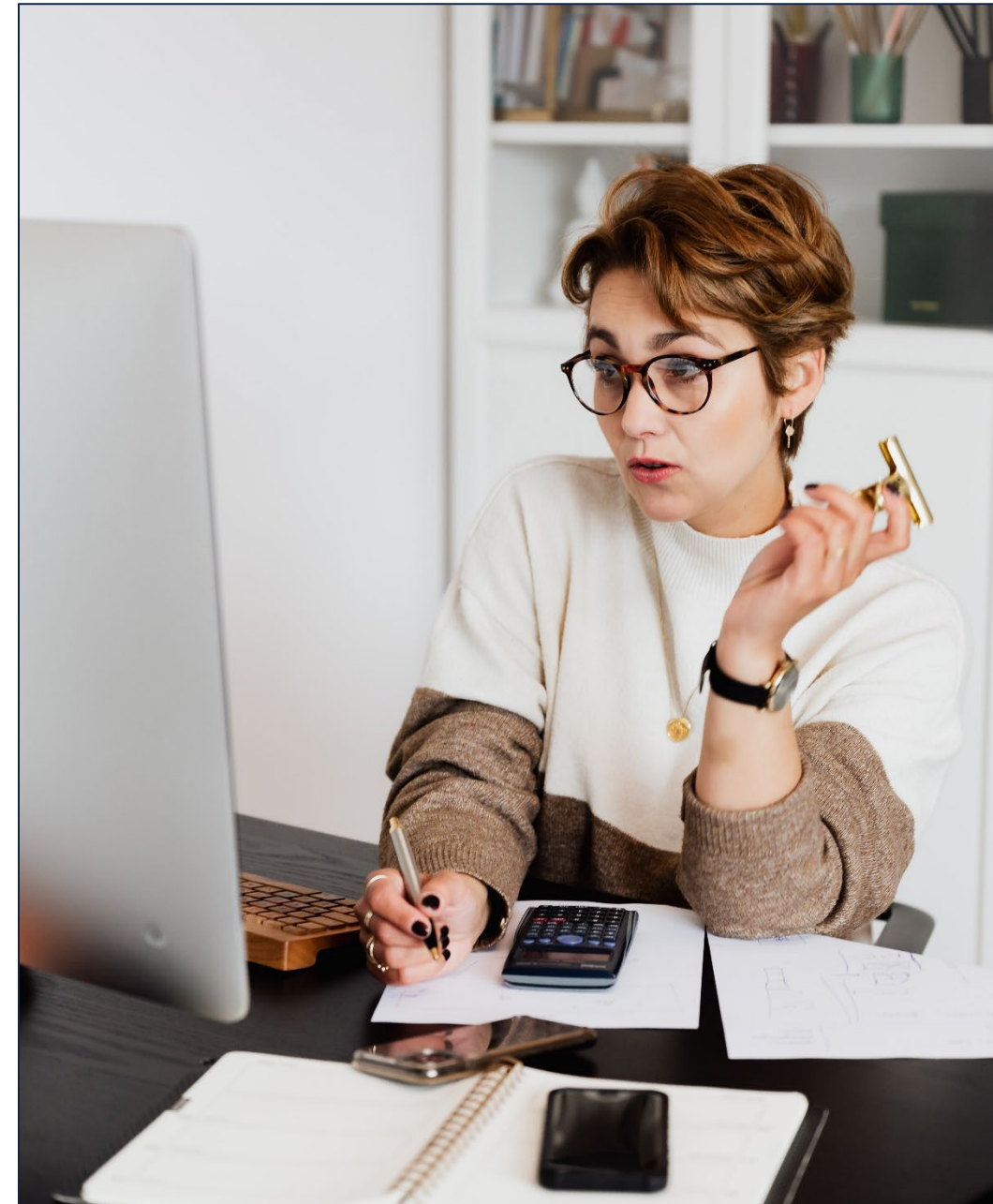
- Payments are 10 or 15% of discretionary income, depending on when you received your loans originally



# Choosing a Repayment Plan

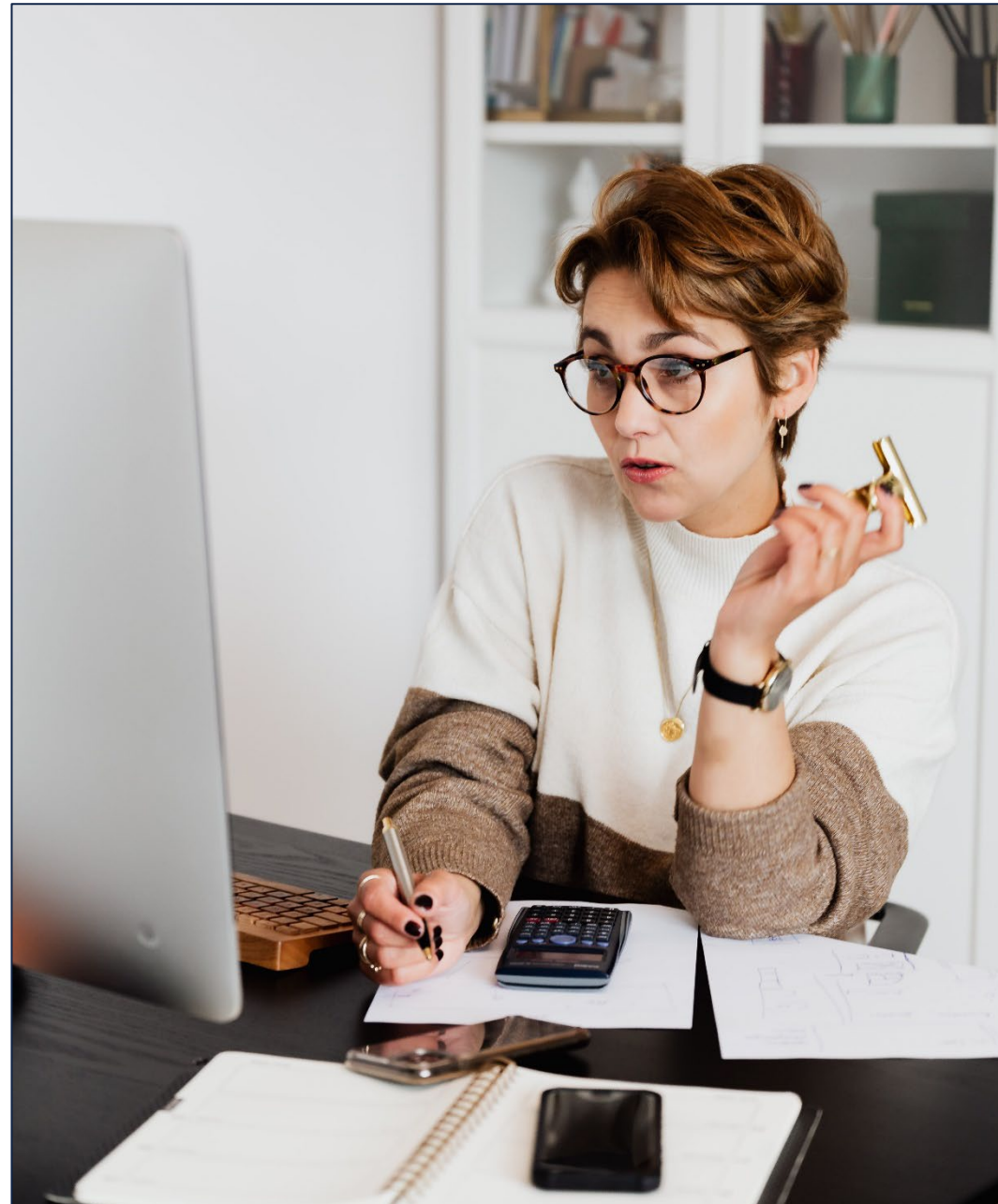
## Income-Based Repayment (IBR):

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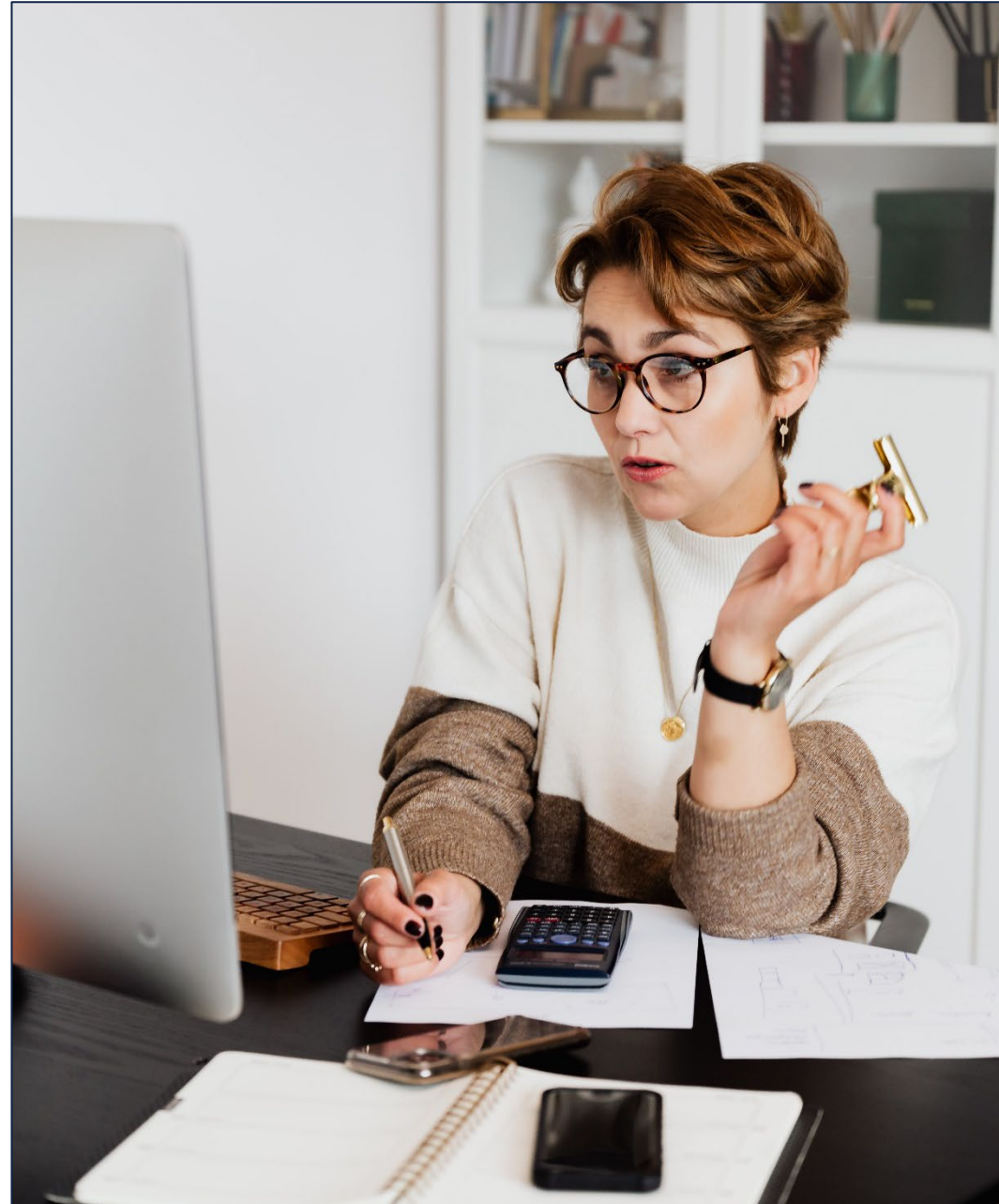


## Income-Contingent Repayment (ICR):

- Payments are 20% of discretionary income or the amount you would pay with a fixed payment over 12 years, adjusted according to income



# Choosing a Repayment Plan

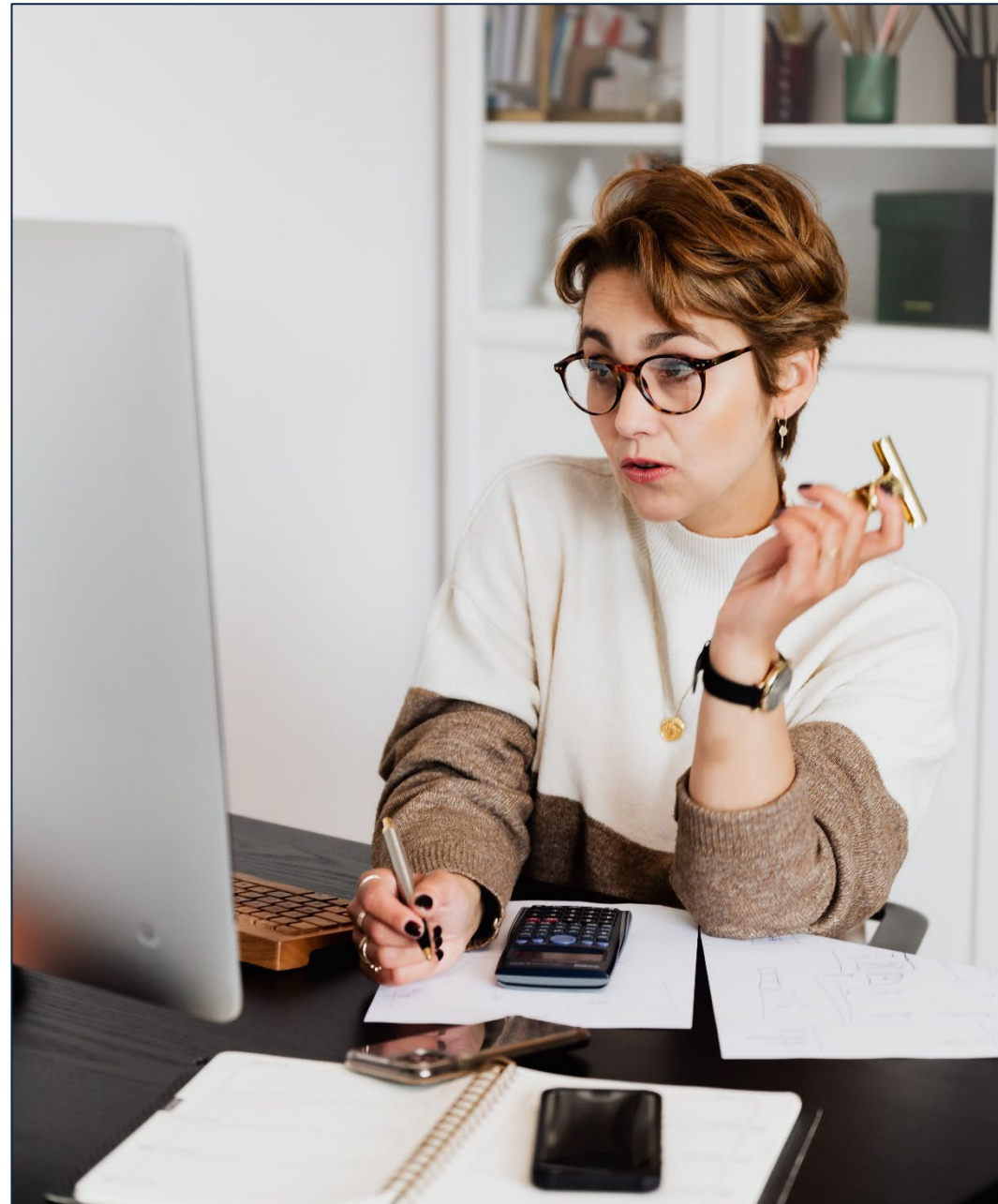


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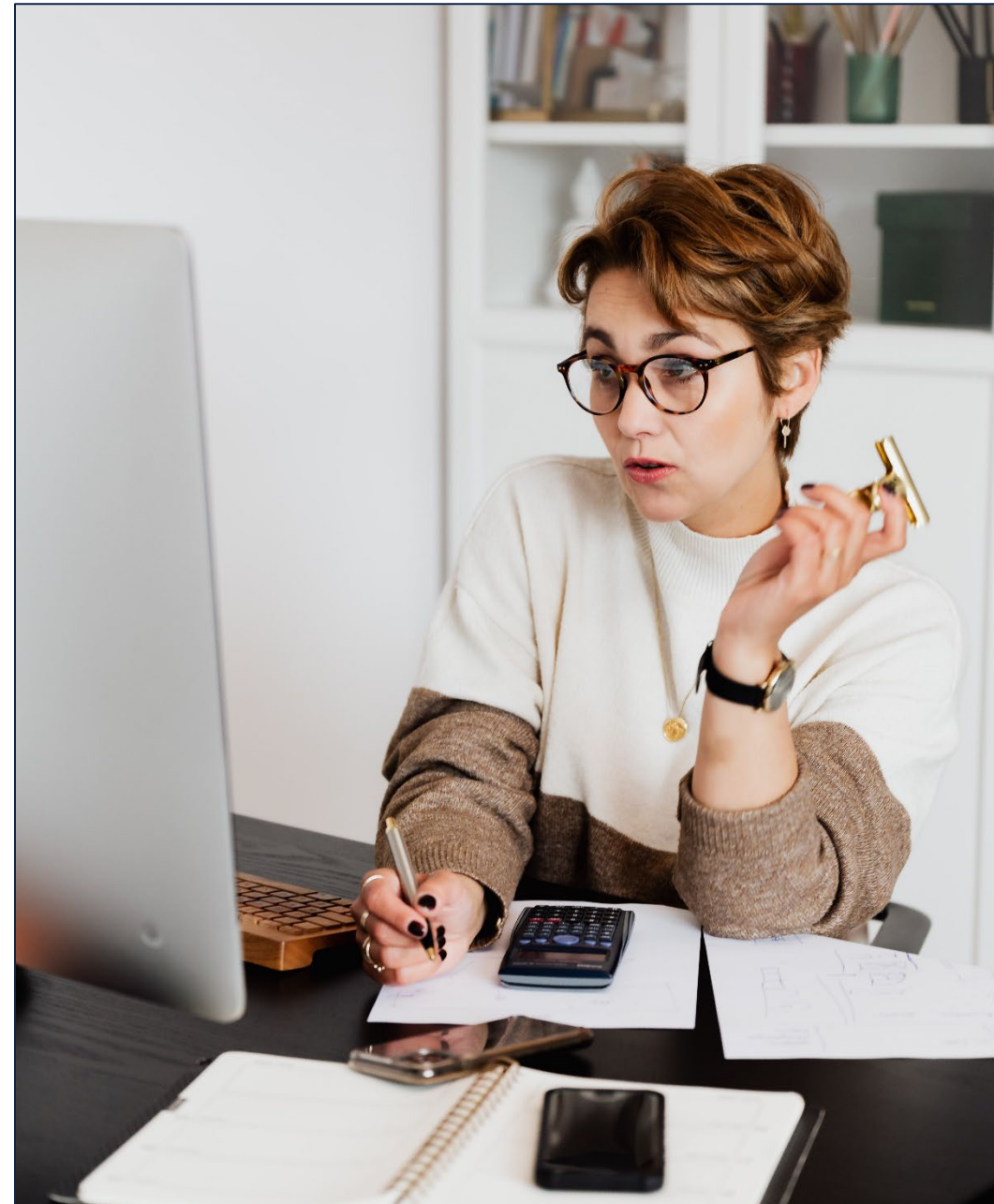
- Payments are 20% of discretionary income or the amount you would pay with a fixed payment over 12 years, adjusted according to income
- 25-year repayment period
- May be a good option if you have parent loans



# Choosing a Repayment Plan

**If you are concerned about your ability to resume payments:**

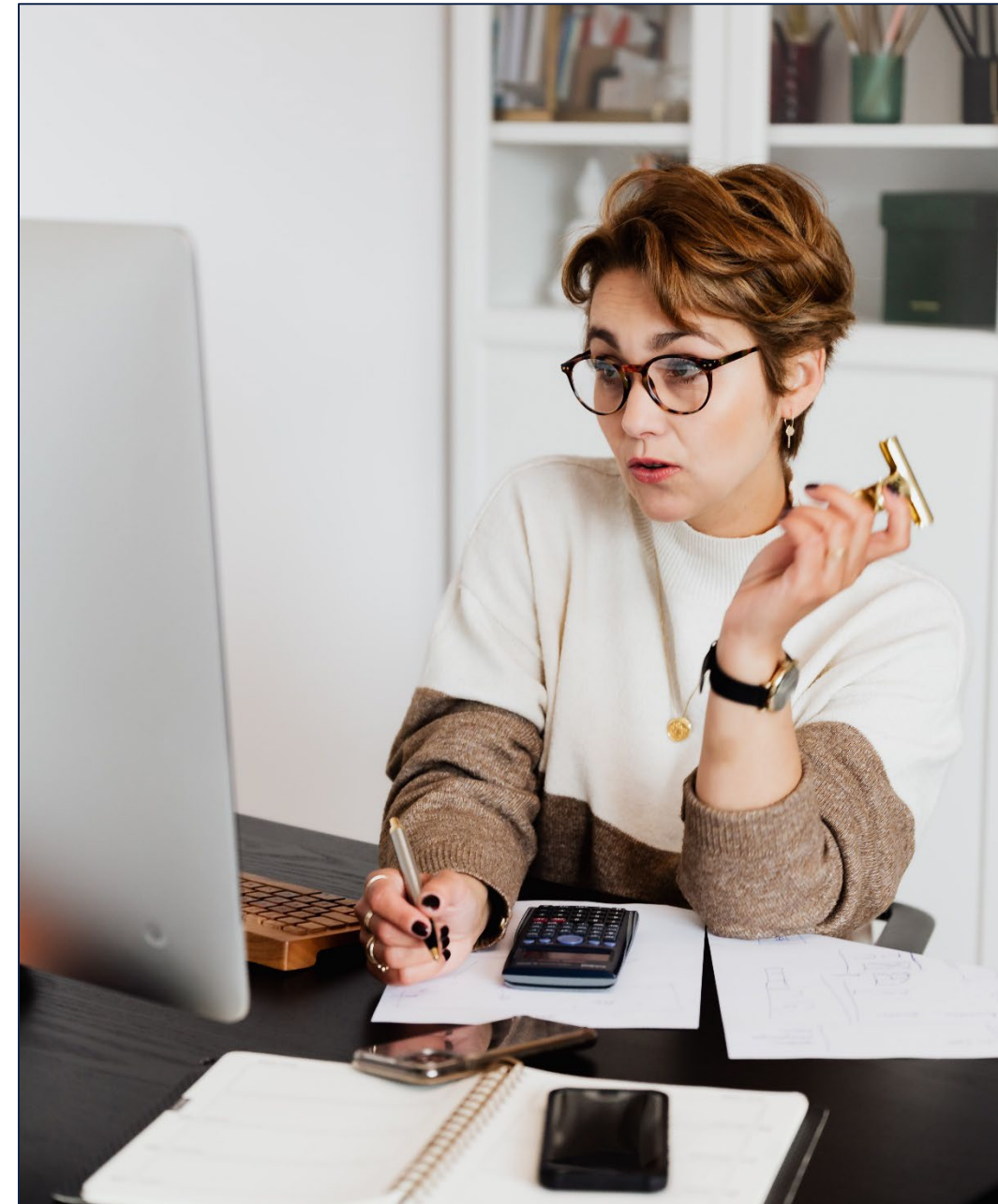
- You have options!



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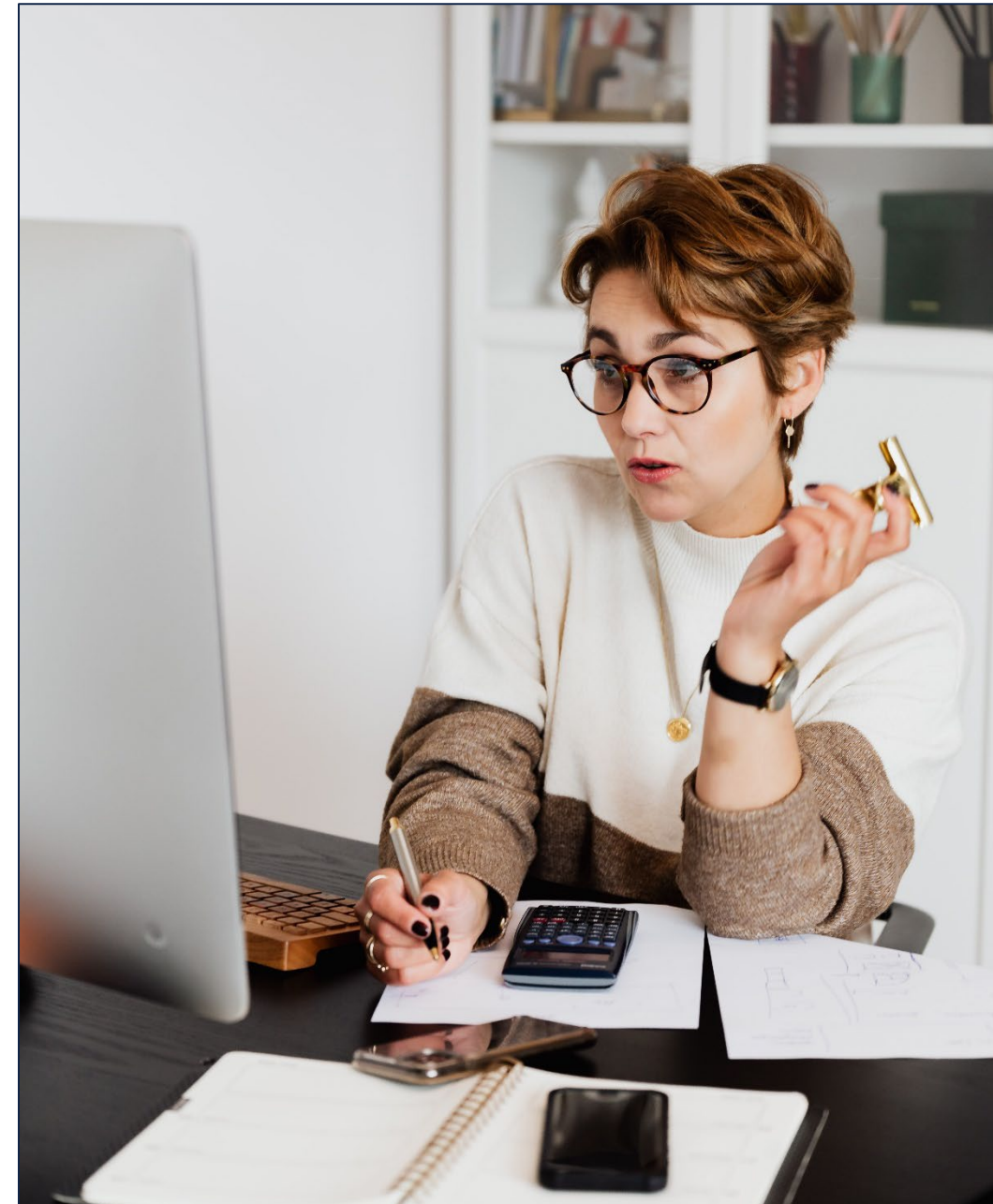
- You have options!
- Communication is imperative – please do not ignore your student loans.



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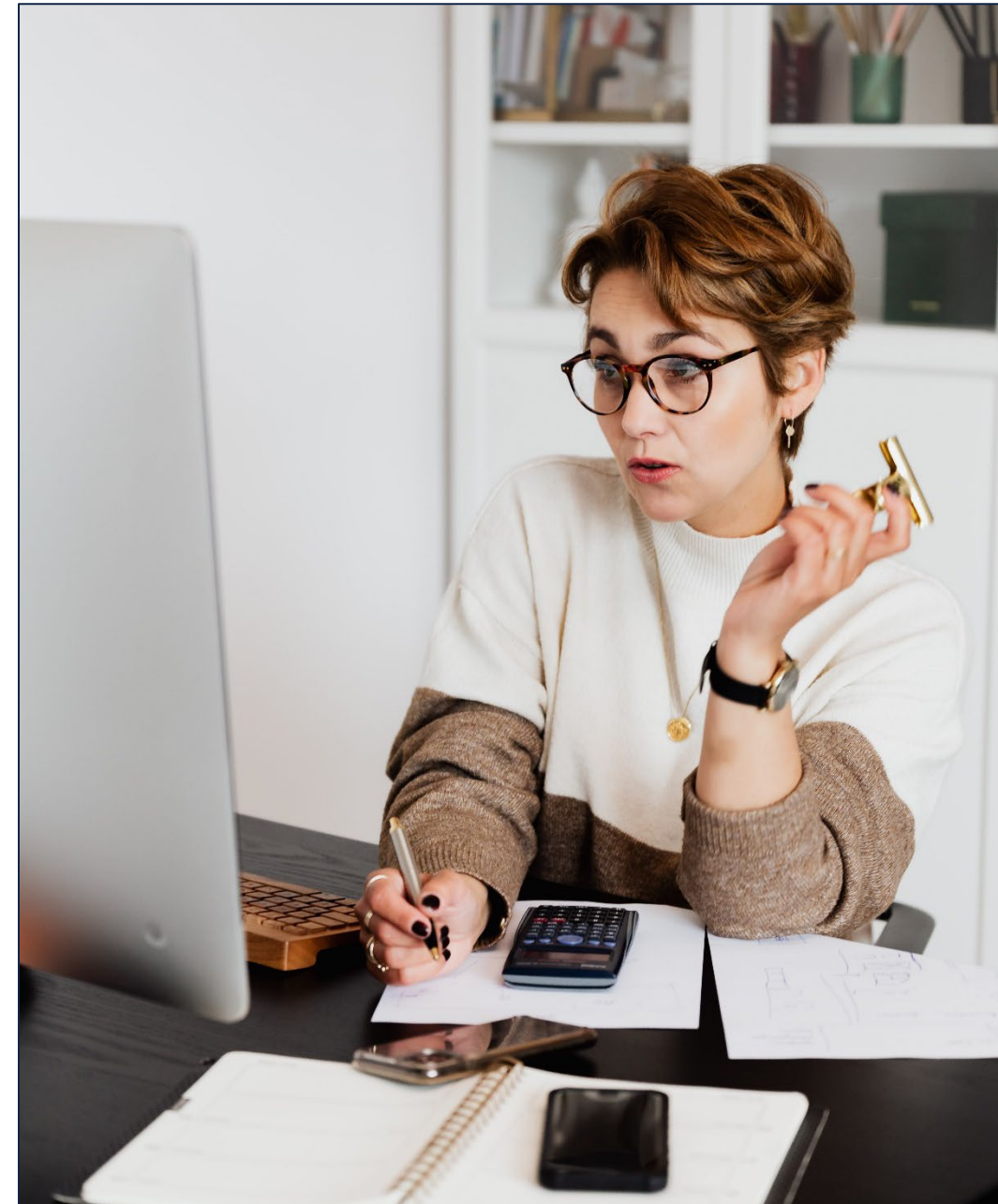
- You have options!
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- Explore repayment plan options – you may be eligible for a \$0 payment!



# Choosing a Repayment Plan

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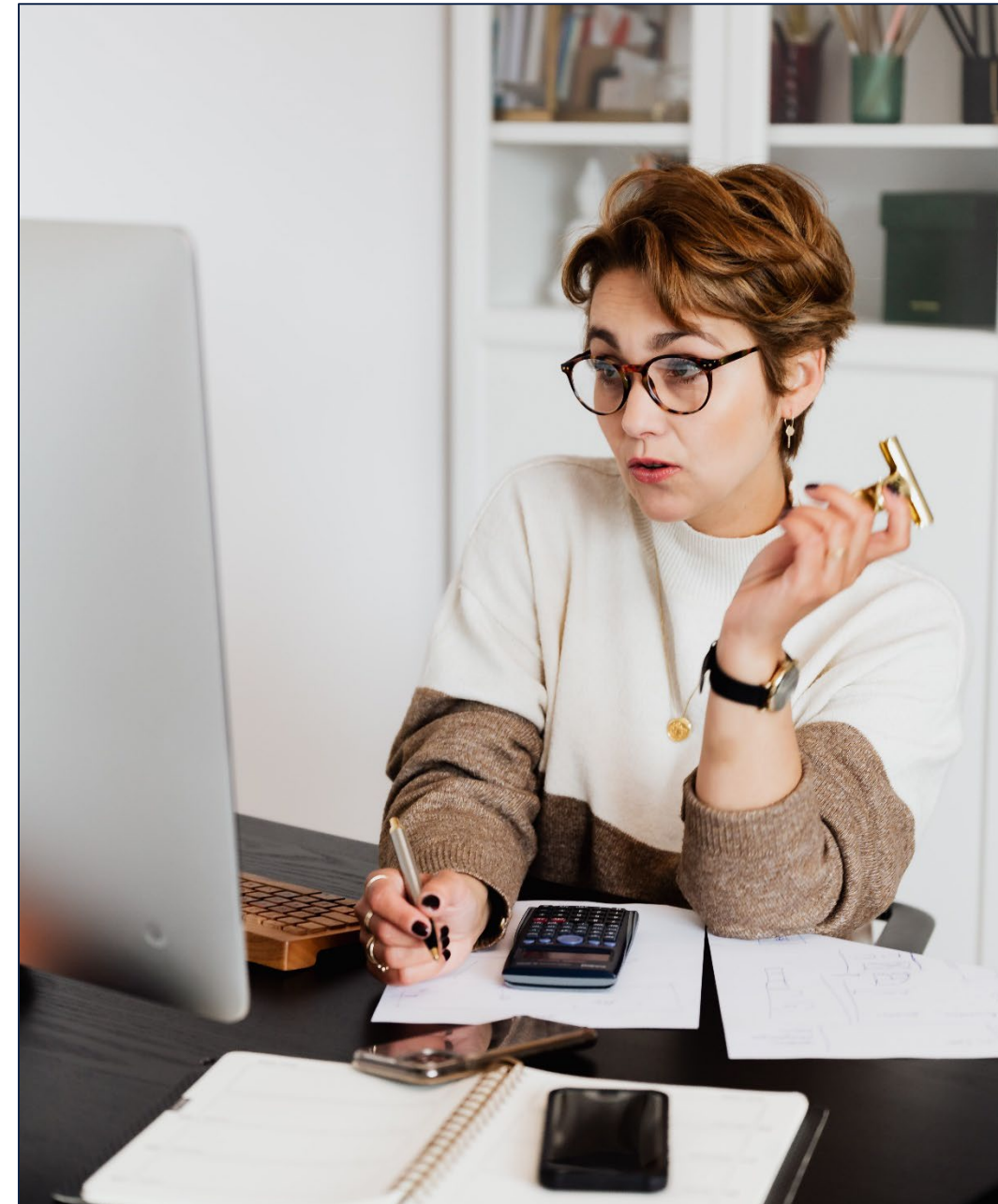
- You have options!
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- Explore repayment plan options – you may be eligible for a \$0 payment!
- Determine if you are eligible for a forbearance or deferment.



# Choosing a Repayment Plan

## If you are concerned about your ability to resume payments:

- You have options!
- Communication is imperative – please do not ignore your student loans.
- Explore repayment plan options – you may be eligible for a \$0 payment!
- Determine if you are eligible for a forbearance or deferment.
- Temporary “on-ramp” period





# Choosing a Repayment Plan



## Consolidation or Refinancing:

- Get trusted guidance to weigh pros and cons



**877-337-3399**



# Steps to Take Now (and Soon)



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## Make sure your servicer can get ahold of you:

- Log into your Federal Student Aid account and determine your current student loan servicers.



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- Confirm your servicer has your most up-to-date contact information



# Steps to Take Now (and Soon)

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- Log into your Federal Student Aid account and determine your current student loan servicers.
- Log into or register for an account on your servicer's website
- Confirm your servicer has your most up-to-date contact information
- Add or update auto-pay information



# Steps to Take Now (and Soon)



## Choose a repayment plan:

- Use the Loan Simulator to compare your options.



# Steps to Take Now (and Soon)



## Choose a repayment plan:

- Use the Loan Simulator to compare your options.
- Apply for the repayment plan you choose





# Steps to Take Now (and Soon)

## If your student loans are in default:

- Contact your loan holder to use the temporary Fresh Start program to get out of default



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- Choose and enroll in a repayment plan



# Steps to Take Now (and Soon)

## If your student loans are in default:

- Contact your loan holder to use the temporary Fresh Start program to get out of default
- Choose and enroll in a repayment plan
- Start making payments, and prioritize remaining current



# Steps to Take Now (and Soon)



## Prepare your budget:

- Does this payment fit into your budget as it currently stands?



# Steps to Take Now (and Soon)



## Prepare your budget:

- Does this payment fit into your budget as it currently stands?
- Plan to transfer this amount to savings in September



# Steps to Take Now (and Soon)



## Prepare your budget:

- Does this payment fit into your budget as it currently stands?
- Plan to transfer this amount to savings in September
- Call GreenPath



# GreenPath Financial Wellness

- **Speak with a Financial Wellness Expert:**  
**877-337-3399**
  - *8am-10pm Eastern Monday - Thursday*
  - *8am-8pm Eastern Friday*
  - *Saturday appointments available—call during the week to schedule!*
- **Learn more at:**  
**[greenpath.com/ussfcu](https://greenpath.com/ussfcu)**

