

“What tools are available to help manage student loan debt?”

Karima Williams, Director of Financial Aid, School of Social Policy & Practice

“If you’re worried about paying off your student loans, you should seek help by talking to your financial aid office and loan servicer. There are a lot of tools available to help you manage your federal student loan payments.”

“I’ve stressed how important it is to finance the entirety of your education using just the federal loan programs. The reason being because federal loans are eligible for flexible repayment options such as Income-Based Repayment and the Pay-As-You-Earn program. Under these programs, you pay back the loans based on what your income is, and not the amount of debt accrued. Someone making about \$40,000 wouldn’t be paying more than \$300 a month, and that’d be true if they had loans totaling \$60,000 or \$260,000. For students who have low incomes, it’s actually possible that they can have a required payment as low as zero dollars until they’re in a better financial position.

“Another aspect of federal financial aid program that’s very important for our students, is the Public Service Loan Forgiveness. Students who make on-time payments on their federal student loans under Income Based Repayment or Pay-As-You-Earn repayment programs, and work full time in a qualifying public service job for 10 years, can qualify to have any remaining loan debt forgiven after making 120 payments.

“There are a multitude of tools that can be used, to make sure that you are able to maintain a good quality of living, while also servicing your federal student loan debt. The Department of Education has put together a very informative website with good information on the various available programs. I encourage you to visit the website and learn more.”