What protections are in place for student loan borrowers?

The CARES Act assists student loan borrowers in several ways.

**Student Loan Relief**
The bill defers payments, principal, and interest for all federally-owned student loans through September 30, 2020. Student borrowers will also continue to receive credit toward Public Service Loan Forgiveness, Income-Driven Repayment forgiveness, and loan rehabilitation. Starting in August, student loan borrowers will begin to receive notices to help inform them that their regular loan payments will resume at the end of September. These notices are intended to provide a transition period to help borrowers stay on track as regular loan payments begin again and to enroll in other relief options (such as income-driven repayment) at such time.

Please review [https://studentaid.gov/announcements-events/coronavirus](https://studentaid.gov/announcements-events/coronavirus) for more information.

**Student Loan Debt Collection**
The CARES Act suspends forced collections, which includes garnishment of wages, tax refunds, or other federal benefits, for borrowers that defaulted on their student loans. Negative credit reporting is also prohibited through this time period.

**Federal Work-Study Support**
CARES allows schools to make work-study payments available to students unable to work due to work-place closure.

**Exclusion from Loan Limits**
If a student dropped out as a result of COVID-19, it excludes the term from counting toward lifetime subsidized loan eligibility and lifetime Pell Grant eligibility.

**Employer Educational Assistance**
For this year, only employers can also contribute up to $5,250 towards an employee’s student loan debts tax-free.

What else is Congress doing to help students?

I joined as a co-sponsor of the Coronavirus Emergency Student Loan Refinancing Act, which would allow private and federally-backed loan borrowers to refinance their loans at significantly
lower rates. Reducing borrowers’ monthly payments would allow them to put those savings towards food, health care costs, and other essentials.