

# One-Time Federal Student Loan Debt Relief Plan FAQs

## What is the one-time federal student loan debt relief plan?

On August 24<sup>th</sup>, 2022, the Department of Education announced a student loan debt relief plan that will provide one-time federal student loan cancellation to low- and middle-income families.

## Who is eligible for loan debt relief?

Federal loan borrowers are eligible for loan cancellation if their individual adjusted gross income is less than \$125,000, or a \$250,000 adjusted gross income for a married household.

## How much loan debt will be cancelled?

- Up to \$20,000 of federal student loan debt will be cancelled for borrowers who received the Pell Grant.
- Up to \$10,000 of federal student loan debt will be cancelled for borrowers who did not receive the Pell Grant.

## How do I know if I received a Pell Grant?

Borrowers can log in to [StudentAid.gov](https://studentaid.gov) to see if they received a Pell Grant. Pell Grants amounts, if any, are displayed on the account dashboard and on the “My Aid” pages.

## What loans are eligible for relief?

The following types of federal student loans with an outstanding balance as of June 30, 2022, are eligible for relief:

Federal Direct Loan Program loans including:

- Subsidized loans
- Unsubsidized loans
- Parent PLUS loans
- Graduate PLUS loans
- Direct Loan Consolidation loans for privately held federal loans, as long as all of the underlying loans that were consolidated were first disbursed on or before June 30, 2022, and the borrower applied for consolidation before September 9, 2022

Additionally, the following loan types that are serviced by the Department of Education are also included in the plan:

- Federal Family Education Loan (FFEL) Program loans held by the Department of Education
- Federal Perkins Loan Program loans held by the Department of Education

## **How can I tell what kinds of loans I have?**

You can identify your loan types by:

1. Logging on to [StudentAid.gov](https://studentaid.gov)
2. Selecting “My Aid” in the dropdown menu under your name.
3. In the “Loan Breakdown” section, you'll see a list of each loan you received. You'll also see loans you paid off or consolidated into a new loan. If you expand “View Loans” and select the “View Loan Details” arrow next to a loan, you'll see the more detailed name for that loan.
  - a. Direct Loans begin with the word “Direct.” Federal Family Education Loan Program loans begin with “FFEL.” Perkins Loans include the word “Perkins” in the name. If the name of your servicer starts with “Dept. of Ed” or “Default Management Collection System,” your FFEL or Perkins loan is federally managed (i.e., held by the Department of Education). The “My Aid” section will also show you the servicer(s) for your loans.

## **Are Caltech Loans eligible for relief under this plan?**

No. This loan relief program applies only to certain federal loans.

## **Do I need to apply for loan relief?**

Most borrowers will have to apply for relief, but the Department of Education will automatically cancel some loans.

Borrowers who qualify for automatic loan cancellation will be notified via email. You can also sign up for notification via text at [StudentAid.gov](https://studentaid.gov). Borrowers who receive automatic loan cancellation will not have to take any action.

All other borrowers will need to apply in order to be considered for loan cancellation.

## **Can I opt out of automatic student debt cancellation?**

Yes. If you qualify for automatic student debt cancellation but wish to opt out of receiving that debt relief, you can contact your loan servicer by phone or email and tell them you do not wish to receive federal student loan relief.

You can determine who your student-loan servicer is by:

1. Logging into [studentaid.gov](https://studentaid.gov) and selecting “My Aid,”
2. Selecting “View loan servicer details.”

There you will find the contact information for your servicer. If you have multiple servicers, you will need to contact each one of them to opt out.

You have until November 14, 2022, to opt out of the relief program.

**How do I apply for loan relief?**

The application for Federal Student Loan Debt Relief can be found here:

<https://studentaid.gov/debt-relief/application>

**What is the deadline to apply for the debt relief program?**

You will have until Dec. 31, 2023, to submit your loan relief application.

However, borrowers should submit their applications by November 15, 2022, in order to receive cancellation before federal student loan repayments begin again on January 1, 2023.

**Where can I find more information about the debt relief program?**

Detailed information about the program can be found at <https://studentaid.gov/debt-relief-announcement/one-time-cancellation>