

FEDERAL UPDATE

COVID-19 Guidance

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Timeframe for Applicability for Institutional Waivers

- ▶ The Department of Ed has extended the deadline for all flexibilities related to the COVID-19 emergency through the end of the payment period that includes December 31, 2020 or the end of the payment period that includes the end date for the Federally-declared emergency related to COVID-19, whichever occurs later.

COVID-19 Guidance

Satisfactory Academic Progress provisions

- ▶ Institutions may exclude credits attempted, but not completed as a result of COVID-19 from the quantitative component of satisfactory academic progress calculations
- ▶ If an institution temporarily ceases operations during a period of enrollment, attempted credits for ALL affected students (specific to that enrollment period) may be excluded.

COVID-19 Guidance

Service Obligations for Teachers

- ▶ For TEACH Grant purposes, if previously qualifying teaching service becomes part-time or is temporarily interrupted as a result of a qualifying emergency, that teaching service is considered full-time and fulfills the service obligation requirement.
- ▶ For purposes of teacher loan forgiveness, waives requirement that years of teaching service be “consecutive” due to interruption related to the COVID-19 emergency

COVID-19 Guidance

Professional Judgment

- ▶ The Department encourages institutions to use professional judgment to reflect more accurately the financial need of students and families affected by the COVID-19 pandemic

COVID-19 Guidance

Temporary Relief for Federal Student Loan Borrowers

- ▶ Through December 31, 2020 the following are suspended on Department-held loans:
 - ▶ Loan payments
 - ▶ Interest accrual
 - ▶ Involuntary collection, including wage garnishment and treasury offset
- ▶ Payments that would have occurred during suspension will count toward loan forgiveness and loan rehabilitation



2020-21 Award Year

Federal Pell Grant

Maximum Scheduled Award: \$6,345

- ▶ \$150 increase for 2020-21
- ▶ Able to receive up to 150% of scheduled Pell award
- ▶ Minimum Award - \$639
- ▶ Maximum eligible EFC - 5711

Federal Direct Loan Interest Rates

Federal Direct Loans Disbursed July 1, 2020 thru June 30, 2021

Direct Subsidized Loans and Direct Unsubsidized Loans for Undergraduate students

2.75%

Direct Unsubsidized Loans for Graduate and Professional students

4.30%

Direct PLUS Loans for Parents of Dependent Undergraduate students and Graduate or Professional students

5.30%



2021-22 Award Year

2021-2022 FAFSA

Available October 1, 2020

- ▶ 2021-22 FAFSA

- ▶ Fall 2021, Spring 2022, Summer 2022

- ▶ Provide 2019 tax information

- ▶ Priority Funding Deadlines

- ▶ 2021-22 Pell Charts

Annual Student Loan Acknowledgement

Beginning with Direct Loans associated with the 2021-22 Award Year:

- ▶ Require student and parent borrower to view acknowledge current amount owed in Federal student loans
- ▶ Must be completed prior to school making first disbursement of the first Direct loan that a student or parent borrower received for each new award year
- ▶ Available at [StudentAid.gov](https://studentaid.gov)

Annual Student Loan Acknowledgement

- ▶ Borrowers will see a user-friendly interface to view cumulative loan balance and repayment obligation
 - ▶ Different views for first-time borrowers vs. returning federal loan borrowers
- ▶ Annual Student Loan Acknowledgement is **in addition to** Master Promissory Note (MPN) and loan counseling processes

Annual Student Loan Acknowledgment

Review the borrowing information and tips that follow and submit your acknowledgment at the bottom of this page.

Note: This is your loan information only; if you are a parent, your child has their own version of this page displaying their loans.

My Loans

Total Outstanding Federal Loans



• \$2,579
Principal ⓘ

• \$10
Interest ⓘ

Information is cumulative as of 11/05/2020 and doesn't include future disbursements. This may not account for payments made to your loan servicer.

[View loan details](#)



We are unable to display your estimated monthly payment amount because none of your loans are federally serviced. Please contact your servicer, or go to [Aid Summary](#) for additional details on your loans.

WHY THIS MATTERS

As a rule of thumb, your total student debt should not exceed your first year's salary after college. Learn about more affordable [repayment plans](#) or contact your financial aid office about options.

Your Loan Servicer(s) ⓘ

Your loan(s) serviced by the following student loan servicer. Servicers manage your payments and can answer questions related to your loan(s).

Higher Education Servicing Corp

 [HIGHER EDUCATION SERVICING CORP](#)

Complete Your 2020-2021 Acknowledgment

☐ I understand the amount of aid I have received.

SUBMIT

FAFSA Simplification – FUTURE Act

- ▶ In December 2019, Congress passed and President Trump signed into law the FUTURE Act
- ▶ The bill allows for direct cross-agency data sharing between IRS and Dept of Ed and will:
 - ▶ Transfer all items currently brought over from the DRT and applicants' filing status
 - ▶ Eliminate up to 22 questions from the FAFSA
 - ▶ Allow students currently unable to use the DRT, including both non-tax filers and tax filers of all filing statuses, to experience a simpler FAFSA process
 - ▶ Address verification burden
 - ▶ Permit sharing of taxpayer information between Dept of ED and IRS for the purpose of determining eligibility for income-driven repayment plans

Federal Loan Servicers

- ▶ Late October 2020, Department of Ed announced the transition to two loan servicers to replace the nine loan servicers currently managing the Federal Student Loan portfolio
- ▶ No timeline has been established

RESOURCES

- ▶ **COVID-19 FAQs**

- ▶ <https://studentaid.gov/announcements-events/coronavirus>

- ▶ **StudentAid.gov**

- ▶ **Financial Aid Toolkit**

- ▶ <https://financialaidtoolkit.ed.gov>

Questions

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