



An independent, nonprofit source of information about new federal student loan payment and forgiveness programs.

Important Info for New Grads with Student Loans

Congratulations on your degree! While you're thinking about life after graduation, you're probably also worrying about how to pay off your federal student loans. Luckily you have a six-month grace period before your first bill arrives, but there's something you should know when that time comes. Two new federal loan programs could drastically reduce your monthly student loan payments, and provide loan forgiveness. If you go to IBRinfo.org, you can get more information about those programs and sign up for email updates. That way when repayment begins, you'll already know your options and won't have to go digging for this article.

One of the new federal programs is **Income-Based Repayment**. It will cap monthly payments at a reasonable percentage of income for borrowers with heavy debt burdens or low incomes, and forgive any remaining debt after 25 years. This means that if you're underpaid, underemployed, or unable to work due to illness, your student loan payments won't break the bank, and could be as low as \$0 a month. The program covers almost all federal loans made to undergraduate and graduate students, whether your lender is a private company like Sallie Mae or Citibank, or the federal government.



Income-Based Repayment can save you thousands of dollars on your student loan.

Find out more and sign up for updates at IBRinfo.org.

The other program is **Public Service Loan Forgiveness**. If you are considering a career in public service, such as working for the government, as a public school teacher, or for a nonprofit organization, you might qualify for this program. It forgives remaining federal student loan debt after 10 years of qualifying payments and employment. This means that you can afford to take a job helping others, even if it doesn't pay well and you have a lot of debt. If you plan to go to graduate school or have debt from graduate school, Public Service Loan Forgiveness could save you thousands of dollars.

More information about both programs, including Frequently Asked Questions and a calculator that estimates your monthly payments, is available at IBRinfo.org. If you sign up now, you can travel, look for a job, or take some time off, while the Project on Student Debt keeps you updated with all the latest news and information about how to make the most of these borrower benefits if and when you need them.

IBRinfo.org is an initiative of the Project on Student Debt