5 Facts about REPAYE-the New Student Loan Repayment Plan

1. **Student loan borrowers of all income levels can participate:**
   a. Payments are never greater than 10% of your income based on your family size.
   b. If you have Perkins Loans or Federal Family Education Loans (FFEL), these can be consolidated into Direct Loans and included in this payment plan.

2. **Your eligibility doesn’t depend on the year you borrowed:**
   a. REPAYE removes these obstacles. There is no time requirement to participate and everyone receives the same benefit.

3. **Your loans will be forgiven after 20 years of payments:**
   a. Current IRS rules require you to pay taxes on the forgiven loan amount.

4. **The government will pay more of the interest on your loans:**
   a. For three years, the government will cover unpaid interest that accrues each month plus it will cover half the accruing interest after that on both subsidized and unsubsidized loans.

5. **Sign up on www.studentloans.gov (and remember to renew every year):**
   a. Here is how to sign up:
      i. Log into www.studentloans.gov with your Federal Student Aid ID. (Don’t have one yet? Create an FSA ID at https://fsaid.ed.gov.)
      ii. Click on “Complete Income-Driven Repayment Plan Request.” Look through a preview of the form in advance so you know what documents to have ready.
      iii. Choose “REPAYE” in the “Income-Driven Repayment Plan” column on the form.
      iv. Enter your family size and income information.
      v. Submit the form online.
   b. You must recertify your income every year!
      i. You will fill out the same form on www.studentloans.gov with your updated information, and your payments will be recalculated if your earnings are different.
      ii. Your payment will never be more than 10% of your income.

If you have questions, please contact a student loan default specialist:

Grand Rapids Community College
Financial Aid Office
616-234-3164