

Massachusetts to provide relief to student loan borrowers

The Massachusetts Division of Banks (DOB) has joined a multi-state initiative to secure payment relief options for Massachusetts student loan borrowers and issued a Consumer Advisory with important information and resources for private student loan borrowers.

Through this initiative, DOB has secured relief options with 15 private student loan servicers to expand on the protections the federal government granted to federal student loan borrowers. These new options stand to benefit over 182,000 Massachusetts borrowers with privately held student loans.

This response builds on the federal CARES Act, which provided much needed relief for students with federal loans, including the suspension of monthly payments, interest and involuntary collection activity until September 30, 2020, as well as the **recently announced** Massachusetts Department of Higher Education's deferment of payments in its No-Interest Loan Program until August 1, 2020.

Under this initiative, borrowers with commercially-owned Federal Family Education Program Loans or privately held student loans who are struggling to make their payments due to the COVID-19 pandemic will be eligible for expanded relief. Borrowers in need of assistance must immediately contact their student loan servicer to identify the options that are appropriate to their circumstances. Relief options include:

- Providing a minimum of 90 days of forbearance
- Waiving late payment fees
- Ensuring that no borrower is subject to negative credit reporting

- Ceasing debt collection lawsuits for 90 days

Working with borrowers to enroll them in other borrower assistance programs, such as income based repayment.

Additional information and resources, including a full list of participating private student loan servicers, are included in the **Division's Consumer Advisory**.