

Date: August 25, 2022

To: Converse Students and Alumni

From: Dr. James W. Kellam  
Associate Vice President for Student Financial Services

Re: Student Loan Pause and Targeted Student Loan Debt Cancellation

### **Student Loan Pause**

On August 24, 2022, President Biden and the U.S. Department of Education (ED) announced a final extension on the pause on student loan repayment, interest, and collections through December 31, 2022. Student loan borrowers should plan to resume federal student loan repayment in January 2023.

As repayment approaches, you may receive communications from Inceptia®. Converse has partnered with Inceptia to provide proactive outreach and counseling to assist students with resuming payments and determining if there are any additional challenges to fulfilling repayment requirements.

### **Targeted Student Loan Debt Cancellation**

These are facts about the targeted student loan debt cancellation as we currently understand it:

- The cap for single borrowers making less than \$125,000 or households making less than \$250,000 is \$10,000 per borrower. For students who received federal Pell Grants, the loan cancellation **could be** as much as \$20,000 per borrower.
- The student loan debt relief plan is a **one-time, pandemic-related loan cancellation**.
- Loans **disbursed** on or before June 30, 2022 are eligible for the forgiveness program. Loans disbursed after June 30, 2022 **are not eligible** for forgiveness.
- ED will have income data for any borrowers who completed a FAFSA in 2021-22 and if the borrower was a dependent in 2021-22, ED will be using **parental income** information to calculate loan cancellation eligibility.
- For those borrowers for whom ED doesn't already have existing income data, an application will be available in September. ED said it will be announcing further details on how borrowers can claim this relief in the weeks ahead.
- Borrowers who want to be notified when the application is open should sign up for notifications at the [ED Subscription Page](#).
- Federal Direct Parent PLUS loans held by ED will be included in the forgiveness plan.
- The forgiveness would not be federally taxable.
- Students may check their student aid history, including loan balances and Pell Grant recipient status by logging into [studentaid.gov](https://studentaid.gov). Please be patient as high volumes of visitors to this website has caused limited access to the website.

Student Financial Services will continue to monitor developments concerning these issues and release updates as necessary. Please contact any of our Student Financial Services Staff with questions.

Student Financial Services is located on the lower level of Carnegie Hall and is open Monday – Thursday 8:00 a.m. – 5:00 p.m. and Friday 8:00 a.m. – 1:00 pm.

You may find additional information at the following websites:

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

[White House Fact Sheet](#)