

The U.S. Department of Education (ED) Office of Federal Student Aid is actively monitoring the new coronavirus/COVID-19 outbreak.

U.S. Secretary of Education Betsy DeVos announced on 3/25/20 that, due to the COVID-19 national emergency, the Department will halt collection actions and wage garnishments to provide additional assistance to borrowers. This flexibility will last for a period of at least 60 days from March 13, 2020.

**Effective 4/1/20, the Office of the State Controller will suspend all Federal Student loan**

**garnishments.** Federal Student loan garnishment payments processed on monthly pay date 3/31/20 and biweekly pay date 4/03/20 have been sent to the U.S. Department of Education. The U.S. Department of Education will refund any garnished wages that should have been stopped as a result of the announcement. The U.S. Department of Education is actively monitoring the COVID-19 national emergency and may extend the 60-day period.

Borrowers with defaulted student loans, a current relationship with a private collection agency, and an interest in continuing a prior payment arrangement, consolidating their loans, or beginning a loan rehabilitation arrangement with their private collection agency, should contact the Department's Default Resolution Group at 1-800-621-3115 (TTY for the deaf or hearing-impaired 1-877-825-9923). Private collection agencies are permitted to provide assistance upon the borrower's request.

On March 27, 2020, the president signed the CARES Act into law which, among other things, provides broad relief for federal student loan borrowers. To provide relief to student loan borrowers during the COVID-19 national emergency, federal student loan borrowers are being placed in an administrative forbearance automatically, which allows you to temporarily stop making your monthly loan payment. This suspension of payments will last until Sept. 30, 2020, but you can still make payments if you choose.

**U.S. Department of Education and Federal Student Aid Announcements:**

<https://www.ed.gov/news/press-releases/secretary-devos-directs-fsa-stop-wage-garnishment-collections-actions-student-loan-borrowers-will-refund-more-18-billion-students-families>

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

<https://studentaid.gov/manage-loans/default/collections#contact-collection-agency>