

NEWS FROM

KHEAA–Alabama

Contact: Tim Ballard
Phone: 502-696-7372
Email: tballard@kheaa.com

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Forbearances may help student loan borrowers

Borrowers having trouble making their student loan payments may be able to take advantage of a loan forbearance program, according to KHEAA–Alabama.

Forbearances allow people to stop making payments or make smaller payments for a period of time. A forbearance can be general or mandatory.

A general forbearance might be granted if a borrower is having financial problems or has to pay high medical bills. A mandatory forbearance would be granted if a borrower who belongs to the National Guard or Reserves is called to active duty.

Borrowers must request a forbearance from their loan servicer. The servicer can decide whether to grant a general forbearance. If a borrower meets the criteria for a mandatory forbearance, the servicer must approve it.

KHEAA is a public, non-profit agency established in 1966 to improve students' access to college. It provides information about financial aid and financial literacy at no cost to students and parents. KHEAA also helps colleges manage their student loan default rates and verify information submitted on the FAFSA. For more information about those services, visit www.kheaa.com.

For more information about financial aid and college planning, visit www.alstudentaid.com.