



## Federal Stimulus Packages to Address COVID-19

(as of March 31, 2020)

### Students Loan Relief

Persons who have borrowed money from the federal government for student loans — a so-called direct loan — in the past 10 years, under the CARES Act are eligible for a temporary suspension of payments.

The CARES Act:

- Requires the Secretary of Education to suspend all student loan payments due under the Federal Family Education Loan Program or the William D. Ford Federal Direct Loan Program so that student loan payments can be deferred until Sept. 30, 2020.
  - Requires that interest “shall **not** accrue” on the loan during the suspension period.
  - Older Federal Family Educational Loans (F.F.E.L.) that the U.S. Department of Education does not own are **not eligible**, nor are Perkins loans, loans from state agencies, or loans from private lenders like Discover, Sallie Mae and Wells Fargo. The holders of all those kinds of loans may be offering their own assistance programs.
- Authorizes eligibility for institutions of higher education to make payments to affected work-study students for the period of time (not to exceed one academic year) they were unable to fill work-study obligations due to a qualifying emergency, such as COVID-19.

For more information, visit the [U.S. Department of Education’s website](#) on student loan assistance.

[Click here to read ASLA’s full report on federal stimulus legislation](#)