

# QUICK REFERENCE GUIDE

“My student loans are holding me back.”



This quick reference guide provides information and resources to guide individuals if they experience the barrier identified in the handout.

There are several steps a person can take to obtain an education that leads to employment. When a person changes college enrollment to part-time status, leaves early or graduates, they are usually expected to begin to repay their student loans within six months.

## **Student Loan as Good Credit:**

A student loan is usually considered good credit in that it pays for college. Extra education beyond high school can increase employment and income opportunities for a person with a disability.

## **Student Loan Consolidation:**

A loan consolidation combines several loans into one: [bit.ly/2fEg0cF](https://bit.ly/2fEg0cF).

## **Income Sensitive Repayment Plan:**

An income sensitive repayment plan can allow a

person to pay a student loan for a period of 10 or 25 years. After that time, the remaining balance is forgiven, based upon the person's continued income eligibility. Since the payments are based upon the person's income, they can be very affordable: [bit.ly/2fEg0cF](https://bit.ly/2fEg0cF).

## **Student Loan Disability Discharge:**

A person who has a significant disability, and qualifies as being permanently and totally disabled for a period of 60 months, can apply to have their student loans discharged. If approved, the loans no longer need to be paid. There is a three-year monitoring period that follows discharge. If a person intends to continue their education in the future, they will need to demonstrate that they can work and earn sufficient income to repay future student loans following a disability discharge. To learn more, go to: [disabilitydischarge.com](https://disabilitydischarge.com).

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### Student Earned Income Exclusion (SEIE) and Plan to Achieve Self Support (PASS):

If a person receives Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI), they may also be eligible for Social Security Administration (SSA) work supports. The work supports, such as SEIE and PASS, can help a person to keep their disability benefits for a period of time while going to school and working. By working, a person has extra money that can be used to pay expenses and reduce the need for student loans. To learn more about SEIE and PASS, go to: <https://www.ssa.gov/redbook/>.

*"I took control of my student loans, completed my education and now I can reach my financial goals."*

### Tools and Resources from Hands on Banking®

- Student aid for graduate students: [handsonbanking.org/articles/student-aid-for-graduate-students/](https://handsonbanking.org/articles/student-aid-for-graduate-students/)
- Pros and cons of loan consolidation: [handsonbanking.org/articles/pros-and-cons-of-loan-consolidation/](https://handsonbanking.org/articles/pros-and-cons-of-loan-consolidation/)
- How to apply for financial aid: [handsonbanking.org/articles/how-to-apply-for-financial-aid/](https://handsonbanking.org/articles/how-to-apply-for-financial-aid/)
- Do you need to borrow?: [handsonbanking.org/youngadults/school-money/money-youll-need-find/do-you-need-to-borrow/](https://handsonbanking.org/youngadults/school-money/money-youll-need-find/do-you-need-to-borrow/)
- Work-study: [handsonbanking.org/youngadults/school-money/money-youll-need-find/work-study/](https://handsonbanking.org/youngadults/school-money/money-youll-need-find/work-study/)

## Resources

- ➔ Americans owe over \$1.4 trillion in student loan debt, spread out among about 44 million borrowers: [bit.ly/2vClfxh](https://bit.ly/2vClfxh).
- ➔ Federal student loan borrowers may be able to make payments on an income-driven repayment plan: [nerd.me/2fFRlip](https://nerd.me/2fFRlip). Percentage of direct loan borrowers on an income-driven plan: 24 percent. This could be you!
- ➔ Consumer Financial Protection Bureau (CFPB) Student Loan Payback Playbook: [bit.ly/2fEg0cF](https://bit.ly/2fEg0cF)
- ➔ Financial Aid for People Who Have a Disability: [bit.ly/2vwBfDM](https://bit.ly/2vwBfDM)
- ➔ Effect of Defaulted Student Loans on Return to Work Efforts: [bit.ly/2vBTy7O](https://bit.ly/2vBTy7O)
- ➔ GEAR UP Education Fund: [bit.ly/2ypf3Nc](https://bit.ly/2ypf3Nc)
- ➔ ABLE Savings Account for College: [bit.ly/2vV6ZCo](https://bit.ly/2vV6ZCo)

Provided to you by National Disability Institute [www.realeconomicimpact.org](http://www.realeconomicimpact.org)  
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Visit the Hands on Banking website: [handsonbanking.org/ndi](https://handsonbanking.org/ndi).