



Education loans

Federal Direct loans

2022–2023 Direct loan interest rates & origination fees

Loan rates will change annually, based on the Treasury rate.

	Interest rate	Origination fee
Direct subsidized & unsubsidized loan		
Undergrad	4.99%	1.057%
Graduate/professional degree students (unsubsidized loan only)	6.54%	4.228%
Direct PLUS loan		
Parents & graduate/professional degree students	7.54%	4.228%

Student loan options

Federal or non-federal	Available from	Loan type	Interest rate 2022–2023	Accept or compare?
Federal	Your college	Direct loans for students	4.99%*	Accept these first.
Non-federal	VSAC	VT Advantage Student —fixed rate	4.99%, 6.60%, 7.40% 4.99%–7.61% APR	Compare these loans.
Non-federal	Nonprofit organizations, banks, credit unions, other private lenders	Alternate loans (often called private loans)	Varies by lender (variable and fixed).	Compare these loans.

** Each year on July 1, the U.S. Department of Education sets a new rate.*

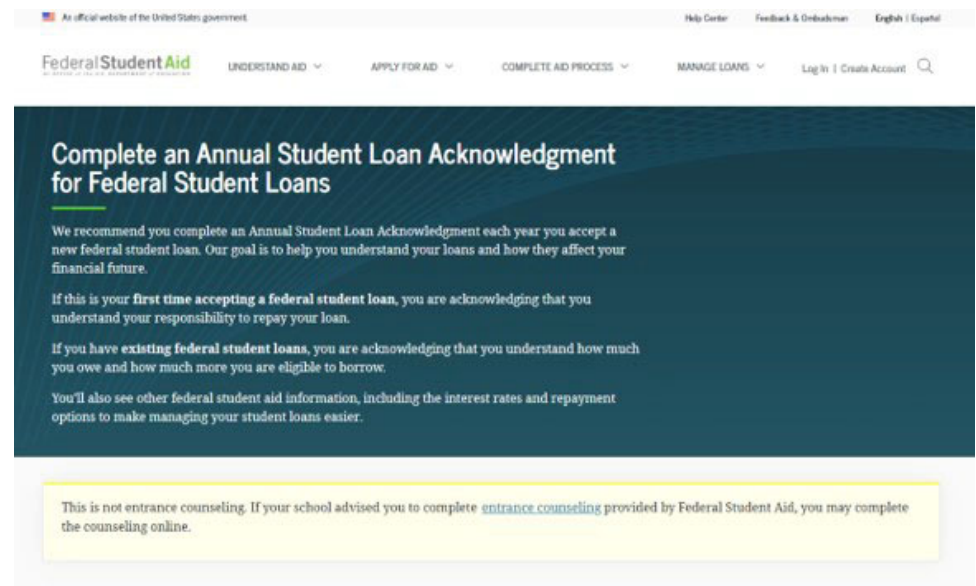
Parent loan options

Federal or non-federal	Available from	Loan type	Interest rate 2022–2023	Accept or compare?
Federal	Your college	PLUS loan for parents	7.54%*	Compare these loans.
Non-federal	VSAC	VT Advantage Parent — fixed rate	4.99%, 7.40% 4.99%–8.03% APR	Compare these loans.
Non-federal	Nonprofit organizations, banks, credit unions, other private lenders	Alternate loans (often called private loans)	Varies by lender (variable and fixed).	Compare these loans.

** Each year on July 1, the U.S. Department of Education sets a new rate.*

Annual student loan acknowledgement

- Student and parent borrower can view/acknowledge current amount owed in Federal student loans.
- Borrower completion of the Annual Student Loan Acknowledgement prior to disbursement **will not** be required for the 2022–23 award year and will only be optional for the future.
- Available at [studentAid.gov](https://studentaid.gov).



Limited Public Service Loan Forgiveness (PSLF) Waiver

- For a limited time, borrowers can receive credit for past periods of repayment to count toward PSLF – even if the past payments would not have previously qualified
- FFEL loans, Perkins loans or other federal loans will need to be consolidated into a Federal Direct loan in order to qualify for PSLF.
- Must work/have worked for a qualifying employer.
- Deadline is October 31, 2022, to apply for this waiver.
- More information at studentaid.gov.



Fresh Start initiative

- Helps eligible borrowers currently in default on federal student loans.
- If found eligible, borrowers can:
 - Temporarily regain several student aid benefits
 - Stop collections
 - Have the ability to rehabilitate loans
 - Long-term can get out of default
- Only certain federal loans are eligible. For eligibility, contact the loan servicer.
- Program continues through 1 year after the COVID-19 Payment Pause ends.
- Fact sheet available on studentaid.gov.

Which loans are eligible?

Eligible	Not eligible
<ul style="list-style-type: none">• Defaulted William D. Ford Federal Direct Loan (Direct Loan) Program loans• Defaulted Federal Family Education Loan (FFEL) Program loans• Defaulted Perkins Loans held by ED	<ul style="list-style-type: none">• Defaulted Perkins Loans held by schools• Defaulted Health Education Assistance Loan Program loans• Student loans remaining with the U.S. Department of Justice for ongoing litigation• Direct Loans that default after the end of the COVID-19 student loan payment pause• FFEL Program loans that default after the end of the COVID-19 student loan payment pause

Student debt relief plan

- One time relief
- Federal loans, including PLUS.
- Loans disbursed on or before June 30, 2022.
- Targeted to low and middle-income borrowers:
 - Less than \$125,000 annual income for single person
 - Less than \$250,000 annual income for couples
- Up to \$10,000 in debt relief, \$20,000 for Pell Grant recipients.
- Announcement/FAQ page on studentaid.gov.

Most federal student loans are eligible

Undergraduate and Graduate Direct Loans

Parent PLUS and Grad PLUS Loans

Consolidation Loans

Underlying loans disbursed on or before June 30, 2022

Federal Family Education Loan (FFEL)
Program Loans held by ED

Perkins Loans held by ED

Defaulted loans

ED-held or commercially serviced Subsidized, Unsubsidized, parent PLUS, grad PLUS; and Perkins held by ED

Student debt relief plan

Application Timeline

- October 2022 — application available on studentaid.gov.

Apply by November 15 to qualify for debt relief in time for end of Student Loan Pause.

- December 31, 2023 — final date to apply for debt relief.



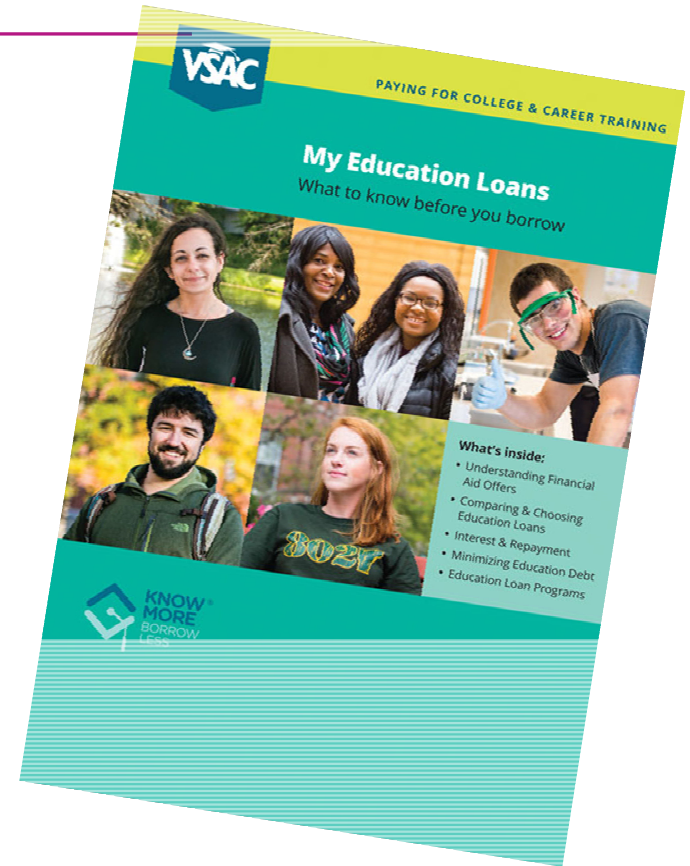
VSAC's student & parent loans

Available for eligible students who need education financing *beyond* what they can borrow in federal Direct student loans.

How to choose a private loan?

Visit www.vsac.org/learn for:

- VSAC's education loan guide
- loan calculators to compare total costs
- Vermont Advantage Student Loan
- Vermont Advantage Parent Loan



Loan resources

mappingyourfuture.org/paying/debtwizard

for student loan debt/salary wizard

studentaid.gov/loan-simulator

to view different federal student loan repayment options

["VSAC Shows You How"](#)

YouTube video about choosing an education loan