



# **NEWS RELEASE**

## **STATE EMERGENCY OPERATIONS CENTER**

**FOR IMMEDIATE RELEASE**  
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## **State Treasury Providing Student Loan Assistance During COVID-19 Pandemic**

### *Collection Activities on Delinquent Loans Halted Until Sept. 30, 2020*

**LANSING, MICH.** The Michigan Department of Treasury today announced Michiganders who have student loans guaranteed by the state will be provided assistance during the COVID-19 pandemic.

Collection activities on delinquent Federal Family Education Loan Program (FFELP) student loans, made by a financial institution and serviced by the Michigan Guaranty Agency, will be halted until Sept. 30, 2020.

“College students should not have to worry about defaulting on their monthly loan payments during the continuing, unprecedented public health crisis,” Gov. Gretchen Whitmer said. “This program will help alleviate a tremendous amount of stress from students with financial hardships as they determine the next steps in completing their education and competing for jobs in the 21<sup>st</sup> century workforce.”

The state Treasury Department has stopped all wage garnishments and offsets to pay outstanding FFELP student loans serviced by the Michigan Guaranty Agency. Borrowers who are currently in repayment agreements will not be penalized if a payment is missed through Sept. 30, 2020.

“The COVID-19 pandemic is both a public health emergency and an economic emergency,” State Treasurer Rachael Eubanks said. “If you are encountering financial hardship and cannot pay your state-backed student loans, please contact us so we can walk through your options for assistance.”

Individuals who have FFELP loans serviced by the Michigan Guaranty Agency and are encountering repayment issues are encouraged to call 1-800-642-5626. Service representatives can discuss payment options with borrowers.

Some FFELP loans were made by private lenders, and guaranty agencies insured these funds. Since 2010, no new FFELP loans have been issued by the federal government.

To learn more about state student finance programs, go to [www.michigan.gov/mistudentaid](http://www.michigan.gov/mistudentaid). More information about the Michigan Guaranty Agency is available at [www.michigan.gov/mgaloan](http://www.michigan.gov/mgaloan).

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MICHIGAN STATE POLICE

Information around this outbreak is changing rapidly. The latest information is available at [Michigan.gov/Coronavirus](https://www.michigan.gov/Coronavirus) and [CDC.gov/Coronavirus](https://www.cdc.gov/Coronavirus).

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