



FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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Money Tip for Students, June 2019

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 the Kentucky Higher Education Assistance Authority (KHEAA).

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 the state agency that administers Kentucky's grant and scholarship programs, including the Kentucky Educational Excellence Scholarship (KEES). The agency also provides financial literacy videos at <http://itsmoney.kheaa.com> and free copies of "It's Money, Baby," a guide to financial literacy, to Kentucky schools and residents upon request at publications@kheaa.com.

KHEAA's sister agency, the Kentucky Higher Education Student Loan Corporation (KHESLC), offers low-cost Advantage Loans to help students and parents pay for college or to refinance student loans. For more information about Advantage Loans, visit www.advantageeducationloan.com.

For more information about Kentucky scholarships and grants, visit www.kheaa.com; write KHEAA, P.O. Box 798, Frankfort, KY 40602; or call 800-928-8926, ext. 6-7214.

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