

Student loan collection is back. Are you ready?

After a 5-year pause, collections on defaulted federal student loans resume May 5, 2025. If you're feeling nervous, you're not alone—support is available.

Who is impacted?

If you've missed payments on your federal student loans, even before the pandemic pause, you could be in default. Over 5 million Americans are in this boat.

What's going to happen?

Default collections are restarting. That means if your loans are 270+ days overdue, the government may garnish wages or withhold tax refunds. Your credit score could also begin to drop.

What can you do right now?

1. Update your contact info in your loan servicer's portal.
2. Watch for emails from the Department of Education.
3. Explore repayment plans that adjust based on your income
4. Keep records of everything: emails, statements, receipts, etc.
5. Talk through your other options with a student loan pro.

Schedule a FREE student loan coaching call:

You have access to certified Financial Guides as part of your employee benefits. Schedule a free session with a friendly student loans expert who can walk through your options and help you make a plan. To book, scan the QR or visit:

yourmoneyline.com/schedule

