PROTECT BORROWERS

WHAT CURRENT BORROWERS NEED TO KNOW AHEAD OF JULY 1, 2026

Are you a current borrower enrolled in the Saving on a Valuable Education (SAVE) Plan?

On March 27, 2026 the U.S. Department of Education (ED) announced that it is forcing borrowers in the SAVE plan forbearance to transition to a new plan.

- Beginning on July 1, student loan servicers will begin sending notices to SAVE borrowers notifying them that they have **90 days to enroll in a new plan**.
- SAVE borrowers (who do not plan to take on any additional student loans after July 1) have the option to enroll in the current legacy Income-Driven Repayment (IDR) plans, Pay As You Earn (PAYE) and Income Contingent Repayment (ICR) until they sunset in July 2028, or Income-Based Repayment (IBR) or the new Repayment Assistance Plan (RAP). ***Note****: borrowers who take out new loans or consolidate existing loans after July 1 will lose access to all these legacy IDR plans.*
- If a borrower does not take action within 90 days of receiving a notice from their servicer, **they will be placed into the Standard or new Tiered Standard Plan** (these plans are NOT based on a borrower's income and will be significantly higher than what borrowers may have been required to pay under SAVE).

To learn more about the end of the SAVE plan and the options current SAVE borrowers have, click here.

Are you a current borrower enrolled in an IDR plan or looking to enroll/switch into a new plan?

Current borrowers (who do not take on additional student loans after July 1) will continue to have access to legacy IDR plans such as **PAYE and ICR** plans (until they sunset in 2028) or **IBR**. They will also have access to RAP.

Note: borrowers who take out new loans or consolidate existing loans after July 1 will lose access to all legacy IDR plans.

- Borrowers currently enrolled in the Standard, Graduated, or Extended Repayment Plans, as well as IBR, **do not have to take any action on July 1.**
- Borrowers currently enrolled in PAYE or ICR should note that they can remain on their plans for now, **but will need to switch into either IBR or RAP before July 1, 2028.** Borrowers will receive notices before this occurs.
- Borrowers who do not take action before July 1, 2028 **will be automatically enrolled in RAP or if they're ineligible for it, IBR.**

Borrowers can compare repayment plans and their monthly payments here. To learn more about repayment options, click here. To learn more about consolidation, click here. Defaulted borrowers can learn about their options here.

Last Updated on June 25, 2026