PROTECT BORROWERS

MEMORANDUM

September 21, 2026

TO: Interested Parties
FROM: Protect Borrowers

RE: Borrower Voices on Skyrocketing Payments and Servicing Issues After the Implementation of the "One Big Beautiful Bill Act"

Overview

In July, the One Big Bill campaign started collecting stories from borrowers whose payments have increased over the past several months due to the implementation of the "One Big Beautiful Bill" Act (OBBBA) and other changes enacted by the Trump Administration. This campaign includes: Protect Borrowers, Young Invincibles, AFT, National Association of Social Workers, NAACP, EdTrust, Council on Social Work Education, American Association of University Women, Consumer Federation of America, United States Student Association, Student Debt Crisis Center, University of California Student Association, NextGen Policy, Michigan FIRE Action, and the California Low Income Consumer Coalition. These stories highlight a broad array of servicing issues—from incorrect bills issued by servicers to having credits toward the Public Service Loan Forgiveness (PSLF) Program revoked or recalculated. This memo includes some representative stories of borrowers' dire financial circumstances and the challenges they face trying to get help from their student loan servicers.

Borrower Stories

The One Big Bill campaign has collected borrower stories across 39 states. A majority of these borrowers reported that their student loan bills have doubled, and some have tripled, quadrupled, or more—like one borrower from California who saw their student loan bill increase from $400 a month to $2000. Borrowers reported using all sorts of tactics to pay on their student loans, including taking on more credit card debt, cutting back on groceries, forgoing medical care, taking on second and third jobs, and reducing or stopping saving for retirement. Some borrowers reported that they have delayed starting a family or retiring because of having to make astronomical payments on their student loans and feel that the future is uncertain. As the broader affordability crisis worsens, student loan borrowers will be forced to make difficult decisions.

Borrowers Highlight Ongoing Financial Strain and Distress

1. “This is a massive bill, not a "cut back on coffee" kind of money but I will have to get a second job to pay it. It's $760 a month. I don't know what I can do as I work a fulltime job and can't cut into my career. I'm in my 40s. My health isn't great. I don't know how my body is going to handle more hours doing I don't know what. I don't have a job I can take overtime on, so I have to find something to do evenings and weekends. We got all this education so we could be secure in our jobs. We work in public service to help our community, and we expected our student loan payments to be affordable. We thought we were doing everything right, but now it doesn't matter. We are already drowning in debt, bad car loans from the 2022 used car crisis, and house repairs that need to be made. We were broke but ok. We already cut back on everything we can, no travel, no dining out or ordering, no extra purchases. We're frugal people and we were doing ok. We were paying extra on our debt and had a 3 year plan to eliminate it. Each new wave of inflation feels like a new financial battle. Every time we could squeeze a little more out of the budget. But this is too much money. I don't know how we're going to survive this. We might have to file bankruptcy because of this, and even that won't stop the payments, just upend everything else. The "income driven repayment plan" is only $100 less than standard payments, so "just go on a payment plan" isn't going to fix anything. This IS the "affordable option". This isn't fair.” -Elizabeth, New York

2. “It means I have less money to provide my daughter with extra supports for her new diagnosis. I can’t afford to provide her with extras, such as the bowling league I have enrolled her in and the costs associated with a ball and shoes. I have to put my dental appointments off in order to ensure that hers are done. I haven’t visited a podiatrist for the cracked and bleeding callus on my foot because I can’t afford the out of pocket specialist visit costs. My husband has no 401k, no retirement, and no PTO or benefits as a self employed person so I cover that and now, I’m covering well over the $50 estimated payments I was told that I’d have to pay upon graduating with my masters degree for the student loans I took out. That has nearly tripled to $145 a month, of which I’ve already had to pay one payment late.” -Haley, Michigan

3. “As a assault and abuse survivor, I've been carrying on many burdens including monthly legal fees, mortgages, and providing for my 2 year old daughter. As an immigrant, I was full of hopes and dreams. I have a master's degree and and a stable job. But as a single mom who's been fighting for freedom form my abuser, I've been paying tens of thousands of dollars of legal fees. My financial hardship doesn't qualify for temporary reduction on my new monthly amount. The estimator on the federal student loan website showed my

new monthly payment as $700 versus the $150 previously, that would mean I'll have to not eat or foreclose on my house. As I'm rebuilding a future for my daughter and myself, I am greatly distressed, disappointed and saddened by the increase in monthly payment. The servicer warned me they would put me on the highest monthly payment if i don't sign up for the income driven plan, and they would go after my salary if I don't pay the designated monthly amount. I really hope the decision makers will do something about this, there are millions of people who are already struggling with the rise on cost of living, we simply cannot afford the new amount." -Shirley, Minnesota

4. "Having to find a way to cut an additional 400 dollars a month in my budget. Student loan payment is higher than my auto loan and 100 less than my mortgage." -Borrower in Michigan

5. "We already live paycheck to paycheck and have personal debt as a result of hard times. I'm not sure what else we will cut to accommodate for this additional expense" -Sara, Minnesota

6. "I am a first-generation college student who earned a doctoral degree because I believed education was the pathway to opportunity, financial stability, and public service. Like many first-generation students, I navigated higher education, financial aid, and student loan borrowing largely on my own. I did not have family members who could guide me through the complexities of student loans or help me understand the long-term financial implications. I made the best decisions I could with the information available, trusting that my education would create opportunities that justified the investment. My goal after graduation was to pursue a career in government and public service. However, when I graduated in August 2023, I entered a job market that was increasingly difficult to break into due to hiring freezes, delayed recruitment processes, and workforce reductions. The career opportunities I spent years preparing for became harder to access through no fault of my own. Despite these challenges, I have remained committed to serving communities through my work in public health and nutrition education. I have done everything that was expected of me: worked hard, earned an advanced degree, maintained employment, and continued contributing to my community. I never expected to become wealthy, but I did expect that education and hard work would provide a path to financial stability. Instead, I am facing a dramatic increase in my student loan payment at a time when the cost of nearly everything continues to rise. Housing, groceries, insurance, utilities, and healthcare all consume a larger portion of my income than they did when I borrowed these loans. My monthly student loan payment increased from approximately $58 to approximately $226, nearly a 300% increase. That additional cost may seem manageable on paper, but it has real consequences for my budget and my future. Earlier this year, I was involved in a car accident that was not my fault. My vehicle was totaled, and the insurance payout was insufficient to replace it, leaving me with an unexpected car payment. Like many Americans, I am already managing rising costs and unforeseen

financial setbacks. There is simply no room in my budget for a student loan payment increase of this magnitude. As a result, I will have to reduce retirement and emergency savings, delay major life goals such as homeownership, consider taking on additional work, and make difficult choices about other essential expenses. These are not luxuries. They are the building blocks of financial security. I am not asking to avoid repaying my student loans. I fully intend to honor that obligation. I am asking for a repayment system that recognizes the economic realities facing borrowers today. As a first-generation college student, I took on debt believing education would create opportunities for a better future. Instead, I am confronting a nearly 300% increase in my student loan payment while navigating a difficult job market, rising living costs, and unexpected financial challenges. Borrowers like me need affordable repayment options that allow us to remain financially stable while fulfilling our repayment responsibilities. I did everything I was told to do: earn an education, work hard, and contribute to my community. A 300% increase in my student loan payment makes it harder to do all three." -Borrower in Florida

7. "AG Bailey's lawsuit and ED's settlement agreement to kill the SAVE plan is a complete betrayal. Like many pursuing PSLF, I was on the REPAYE plan and forced onto SAVE by the Biden administration ED. Yet while SAVE was ill-conceived and entirely inadequate to the task, the Republican's RAP is worse in every respect. To put the cost of the new plan into context: As a disabled person, I require a set of hearing aids. My aids are starting to malfunction and are out of warranty. Replacing them will cost approximately $5,600—just over the yearly cost of payments under RAP. As a result, I will not even be able to put new hearing aids on a 12-month payment plan because that money is now going to be servicing a loan that, come 2030, will have to be forgiven regardless! Another way of thinking about it is this: the standard pay across the United States for teaching in college as an adjunct is just $4,000—around 35% less than the cost of the RAP payments. An adjunct will need to pick up an additional 4 teaching credits (that is, teach more than one additional course per year) to break even. For adjuncts subject to union contracts and course load limits, this usually means affiliation with more than one school so that they never get any service credit or increased benefits (as would be the case at a single college) for having to work more than full time…" -Timothy, Maine

8. "I put my loans in deferment due to the amount I need to pay. I had a lot of medical expenses and home repairs that could not be postponed. If I want my payment to count towards PSLF I will need to pay between 700 −800 a month. If I need a lower payment it will be about $525 a month but will not count towards PSLF. I am 61 years old and feel like now I will never be able to retire. This is not right" -Borrower in New Mexico

9. "I have been living paycheck to paycheck for several years now. Starting in 2020, getting worse by 2024, and now in 2026 it feels impossible. I have to use credit cards to make

sure at the end of the month we can eat. The increase in my payment for my student loans is going to be devastating. Also- I was only a few payments away from being able to apply for PSLF forgiveness. I would be done in November had all these things not happened, but now, I can try for [PSLF] buy back, but the understanding is that some people are waiting for buyback approval for years. If I had to pay at this higher rate for 2 years my family could be absolutely financially decimated. I am in a panic, the fear of the future is totally encompassing." -Student Debt Crisis Center Borrower in Arizona

Borrowers Forgo Necessary Healthcare in Order to Make Ends Meet

1. "This increase creates a domino effect for my fragile financial situation. I have type 1 diabetes which (even with insurance) I pay about $1000/ month for supplies and insulin. This gets put on my credit card and I pay off what I can each pay check. The extra I have to pay for this lunacy will come off what I can pay on my food because that will have to go to my credit cards to keep them from maxing out and making my diabetes care non existent. I have no savings. I have no retirement. I have no shot at ever having either at this rate." -Amanda, South Dakota

2. "I am no longer able to afford some of the mental health treatment I had been receiving due to the increase in monthly payments. I have had to cut this out to put this money towards my student loan payment." -Borrower in Massachusetts

3. "In addition to my medical condition and bills. The payback amount for my loan has continued to fluctuate from more than $1000 a month, to $728 per month. I was surprised to see it was $528 which changed after my 2nd year forbearance request. I'm a senior citizen and under a lot of pressure with cost to survive with cost of medical care, medicine, gas, food, self and home care. Before I applied for a forbearance this time. I tried to get payment lowered and paid what I could $400. My loan was reported delinquent for not paying over $728 at that time. The monthly payment keeps changing. I appreciate you all fighting for our right to survive and maintain basic needs Kind thanks!" -Borrower in Wisconsin

4. "My husband is permanently disabled, he has dialysis treatments at home 4 days a week, his specialists have reduced his "well visits" and increased all of the costs not covered by Medicare and my employer insurance plan through BCN. We do not eat out, take vacations, own new cars, or buy luxury clothing. Right now any protein that is not compromised of chicken or beans is a luxury. Cereal and milk has been the family dinner on several occasions." -Borrower in Michigan

5. "This upcoming year I will have to go without healthcare and health insurance as will my husband and children due to student loan balances suddenly increasing and subsidies expiring." -Student Debt Crisis Center Borrower in Colorado

Borrowers Delay Having Families and Worry Significantly About Their Families' Future

1. "I'm in the sandwich generation, and a newlywed. I did everything I was "supposed" to: I stayed out of trouble, went to school, worked throughout college and law school, got "the job", am taking care of my aging mother, and am living "below my means". My husband and I were hoping to start trying to have children this year. Now because of this almost $1k payment every month, we can't start saving for a baby. I want to be SUPER CLEAR: me and my classmates in similar situations WANT to pay our student loans back. But the scale of the payment and the way the interest system is set up makes it IMPOSSIBLE for us to do that. It feels hopeless, I'm crying at random times during the day because I want to be a mom, I want to keep being a good daughter, but I just don't know how we're going to get out from under this crushing debt and a system that seems to WANT to punish us for wanting an education." -Gidget, Maryland

2. "In May of 2026, after over five years of having my student loans in "limbo" following COVID-19 forbearance and an application to the SAVE program, I saw a billing statement on my student loans with very little warning. As a household, we have tried hard to live within in our means, but adding my $630 bill to a mortgage, childcare payment, and a rising cost of groceries and gas destabilized us significantly. The added expense has essentially made our decision final to not have a second child, and I have had to completely stop saving for retirement, my daughter's education, or anything other than a small emergency fund." -Borrower in Pennsylvania

3. "I will not be able to save for my child's education which will create college debt for her which will keep the cycle of generational debt going. I do t have words to describe the hardship that this will incur to my family. I am already looking for work but that has been challenging and requires retooling of skills. My husband works three jobs to keep us a float. We already go without so much not to mention the unavailability of such luxuries as a vacation. How can the administration just raising a payment $600.00 a month. So much of my loan is due to interest. I was so diligent and kept in contact with financial aid offices during my school years. I had a plan for paying off my loan-the Repaye plan and I was repaying it on time. Being switch to the SAVE plan was not my idea, I was told by the government that it was in my best interest. I and others like me should not be punished because politicians are playing politics. Real people with real lives are being greatly impacted. I have grown weary and quite frankly angry by some of the rhetoric circulating that demonizes borrows and seeks for them to be punished. I wonder how many of those individuals would like it if all of a sudden their mortgage payments or other payments doubled or tripled in the whine of a institution. Wound they be able to afford the payment." -Borrower in Michigan

4. "I'm part of the public loan forgiveness program and my only options to stay on this program was almost $1000 a month. We're sending our oldest to college this fall and now

paying a loan for her. We have two more kids to put through college after her. This makes college seem unattainable and that we are risking the financial stability of our family for education. What a horrible choice to have to make." -Keely, Washington

5. "I am currently 7 months pregnant with my second baby. My husband does not work. I am the sole provider in my household and will need to go on maternity leave soon. I had to move to have space for our new addition which also means that my rent went up. The One Big Bill is asking me to pay almost double what I was paying before. I am barely able to make ends meet with the new student loan bill. I have rent, car insurance, credit card bet, and other bills to pay. I don't know what I am going to do when I go on maternity leave because I will not be able to get extra income that I would during a regular school year." -Borrower in New York

6. "I would like to have children but a doubling of my monthly student loan payment is causing immense stress for my husband and I. We have delayed plans for starting our family and are still anxiously awaiting what happens with these changes. It may be unaffordable for us." -Bridget, Ohio

7. "I went to UCLA Law believing that if I chose public service, programs like PSLF would make that path sustainable. I have kept that promise, working for California state agencies while also caring for two disabled parents and a disabled sibling. I should be 8 years into a 10-year forgiveness program, but due to the SAVE forbearance and uncertainty around buyback eligibility, it is unclear how much of that time will count… The system itself has been unstable. Debt is bought and sold, repayment terms change, and borrowers are placed into forbearance without warning. During the SAVE forbearance, I was not able to make payments even when I tried. I spent more than 2 hours on hold at a time and could not reach anyone for help…Now borrowers are told we may be able to "buy back" that time, but there is no clear timeline and no transparency on cost, and it would require paying large lump sums on a public service salary. After nearly a decade in this system, there is no way to plan for what that would actually require. The impact is direct. My fiancé is a farmer and volunteer fire chief in a community with no other paid firefighters who spends every day producing food, milk, and responding to emergencies. We have always wanted a family, but we cannot afford pregnancy or childcare under these loan payments. Once SAVE ends and payments increase by more than 566%, that cost directly competes with housing, food, healthcare, and basic stability. We cannot afford medical costs related to pregnancy. We cannot buy a home, build savings, grow our farm, or move forward with the lives we imagined…This is not about whether borrowers should repay what they owe. It is about a system where the rules change midstream, where progress can be paused or erased without warning, and where borrowers like me carry all of the risk while still being expected to build a life under those conditions." -Student Debt Crisis Center Borrower in California

Nearly Half of These Borrowers Report Servicing Errors

Borrowers report obscenely long call times, dropped calls, billing errors, incorrect payment counts for income-driven repayment plans and PSLF. Servicers simply cannot meet the needs of borrowers trying to pay on their student loans.

1. "I was lucky enough to be grandfathered into an IBR plan, so my payments didn't increase as much as most. My current headache is that I've been paying my loans religiously since 2003. I'm coming due for my 25 year forgiveness and NO ONE, not my my service provider or the education department can tell me how many payments I've made over the course of my repayment, or even what year I should expect forgiveness. How is it possible that an entity can collect payments in good faith from people for that long and NOT HAVE ACCESS TO BASIC INFORMATION!!!!???? This has to be illegal! They seem to be able to keep track of the $200,000 in accrued interest over the life of the loan, but the actual number of payments that have been made is to hard to keep track of?" -Borrower in North Carolina

2. "I am due PSLF loan forgiveness as I began repayment in 2015 and had successfully made 120 payments. Mysteriously this spring 2026, my totals count was recalculated and an entire year (12 payments) disappeared from my total counts. I have filed complaints with FSA and have yet to hear anything. I will not pay the exorbitant amounts without just and fair application of the rules of the agreement that I signed with PSLF." -Erin Moira, Michigan

3. "I have been eligible for forgiveness under the PSLF program for over 3 years now. However, because the Dept. of Ed. incorrectly calculated 29 months of eligible payments, they are still saying I have 15 payments to reach my 120. I have been trying to get this fixed for over 3 years now with no end in sight. I have submitted multiple requests to the DoE, the Ombudsman, and have made more phone calls and sent more emails than I can count. Now I am going to be forced from the SAVE program into a much higher payment, when I would not have any payment if the DoE would just review my file, as I have requested, and update my payment count correctly. I have even provided proof of the payments being made during those 29 months and still have received zero communication from the DoE regarding this issue." -Borrower in Texas

4. "Payment amounts have been all over the place and autopayments kept getting denied. Customer service was no help and kept referring to the website." -Jonathan, New York

5. "Call times to speak to a human at your loan servicer are hours long wait times, and half the time they have incorrect information because things are changing daily. My PSLF payments took months of phone calls and waiting to update correctly." -Borrower in Massachusetts

6. “I couldn’t find out which repayment plan I was approved for until a week before my bill came due. And my qualifying payment tally still isn’t available to know whether I will ever be able to utilize student loan public forgiveness.” -Kendra, Oregon

7. “I can't get through the phone line to talk to anyone. I sit on hold for HOURS trying to get through and then have to hang up because I have other things to do, so I try again the next day. When I have gotten through, they can't answer my questions and nobody seems to know who can so they just tell me to call FSA. I have also gotten conflicting information from different people that work for Mohela, been given wrong information, and told they will research and call me back, but they NEVER call back. One time my call was dropped when I was put on hold, so when I got through again, I asked if I could give them my phone number to call me back just in case the call dropped and they said "we don't have the ability to call anybody back, so if it drops you will just have to call back". And guess what? As soon as that agent put me on hold, the call dropped, or did they just hang up on me? Either way, this is unacceptable.” -Borrower in Utah

8. “Had no payment due then got an email saying I was overdue! Suddenly I had a late payment AND another payment due.” -Stephanie, Oregon

9. “They are charging me monthly payments when my monthly payment should be $0 due to my household size and income. They have no records of the attempts I have tried to make to rectify the situation. Even when calling the phone number provided, I had to call multiple times in one day and was told they were unavailable and had to wait until they could call me back. I did get a call back eventually and learned some of the issues that I've explained now.” -Borrower in Minnesota

10. “I can't get information about these plans, and the information I have received has been contradictory. Also, the student loans website has removed from visibility the tracker for how many months of payment have been made towards forgiveness. In the source of the website data though, you can find that still present, so this has been intentional.” -Borrower in Michigan

11. “Was placed into forbearance with out any communication, thus delaying certification of employment to qualify for PSLF. Delays in processing my employment verification though upload off documents. Delays in hearing back from inquires and being told it can take up to 2 years for any buyback relief.” -Jill, New York

12. “I set up automatic payments, then mohela didn't process the automatic payment in time so my payment was marked late. Now late payments won't count for PSLF. Mohela said the delay was on their end but would not reverse the late indication for my payment to count towards PSLF.” -Borrower in California

13. “I have requested an updated payment count from loan servicer and dept of ed... 2 years ago. Still nothing” -Borrower in Texas

14. “Each time I call I get different information and it takes hours (4.5 hours) and then they disconnect the line (accidentally?) and you have to start over.” -Borrower in New Mexico