



MARYLAND COMMISSIONER OF
FINANCIAL REGULATION
CONSUMER ADVISORY



November 21, 2023

Student Loan Forgiveness Scams

Federal student loans have started to accrue interest again, and payments became due in October. If you're concerned about repaying your loans, offers to "help" may be tempting. Scammers often use robocalls and texts about "helping" you with your loans. Before you act, know how to spot the scams.

Here are some first steps:

- Find out who your loan servicer is. The servicer is listed on your Federal Student Aid (FSA) account dashboard at studentaid.gov.
- Update your contact information with FSA and your loan servicers in order to receive timely updates about your loan and repayment plans.
- Enroll in a repayment plan. Use FSA's Loan Simulator to estimate your monthly payments and compare your repayment options. Consider an income-driven repayment (IDR) plan. Your servicer can help you sign up for an IDR plan. These plans set your student loan payment as a portion of your disposable income. Depending on your income, your payment could be as low as \$0 per month.
- If you have Federal Family Education Loans (FFEL), FSA recommends you consider consolidating to Direct Loans to qualify for some repayment and forgiveness options.

How to Avoid Student Loan Forgiveness Scams

- Work with your loan servicer to explore what options are right for you, free of charge. Fraudulent companies will try to take advantage of borrowers by guaranteeing immediate results or requesting money up front for services they can't provide.
- Don't give away your FSA ID login information. **Anyone who says they need it to help you is a scammer.** If you share it, the scammer can cut off contact between you and your servicer — and even steal your identity.
- Don't trust anyone who contacts you promising debt relief or loan forgiveness, even if they say they're affiliated with the Department of Education. Scammers try to look real, with official-looking names, seals, and logos. They promise special access to repayment plans or

forgiveness options — which don't exist. If you're tempted, slow down, hang up, and log into your student loan account to review your options.

- There are legitimate programs and resources available if you need help with your federal student loans. They include:
 - [Federal Direct Consolidation Loan Program](#)
 - [Public Service Loan Forgiveness](#)
 - [Teacher Loan Forgiveness](#)
- Always remember that you will never need to pay for help with your student loans. Get help at www.StudentAid.gov/repay. If you have private student loans, contact your loan servicer directly.

What if I'm having problems with my servicer or I believe I am dealing with a scam?

You may file a complaint against the student loan servicer or potential scam with OFR using www.labor.maryland.gov/finance/consumers/frslcomplaints.shtml.

If you have any questions, please contact the Student Loan Ombudsman at studentloan.ombudsman@maryland.gov or over the phone at 410-230-6077.

The Office of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at www.labor.maryland.gov/finance.



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