



MEDIA ALERT  
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## **Help for College Graduates Struggling to Pay Back Student Loans**

### ***IBRinfo.org Helps Consumers Understand and Use Federal Program to Keep Student Loan Payments Affordable***

News reports are sounding alarms about rising student loan debt, and a recent study by the Institute for Higher Education Policy found that nearly two thirds of student borrowers have trouble making their monthly loan payments: they default, become delinquent, or have to postpone payments within five years of leaving school. Meanwhile, two thirds of graduating college seniors have loans, and their average debt is \$24,000. These are daunting numbers, but there may be help for many people facing monthly student loan bills they can't afford.

Millions of borrowers with federal student loans may be eligible for a relatively new and little-known repayment plan that can reduce those monthly payments and make them more manageable. It's called Income-Based Repayment or IBR. First instituted in 2009, IBR caps monthly loan payments based on a borrower's income and family size. The program covers almost all federal loans made to undergraduate and graduate students: Stafford, Grad PLUS, and Consolidation loans made through both the federal Direct and FFELP loan programs.

IBR is designed to help borrowers with high debt burdens: those who owe more than they earn in a year will likely qualify. For most eligible borrowers, IBR payments will be capped at less than ten percent of income. For borrowers with very low earnings, monthly IBR payments can be as low as \$0. After 25 years of payments, any remaining debt will be forgiven – or as soon as 10 years for those in public sector or nonprofit jobs.

More information about IBR is available at [www.IBRinfo.org](http://www.IBRinfo.org), including an easy online calculator that helps borrowers estimate their eligibility and monthly payments, and quick links to the application process. The site, created by the nonprofit [Project on Student Debt](#) (an initiative of [the Institute for College Access & Success](#)) also includes answers to frequently asked questions about IBR and a related public service loan forgiveness program.

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*The Project on Student Debt is an initiative of the Institute for College Access & Success, a nonprofit, nonpartisan organization working to make higher education more available and affordable for people of all backgrounds. For more information see [www.projectonstudentdebt.org](http://www.projectonstudentdebt.org) and [www.ticas.org](http://www.ticas.org).*