

HOW TO APPLY FOR THE NEW YORK STATE



GET ON YOUR FEET "GOYF" STUDENT LOAN FORGIVENESS PROGRAM



New York State could pay your federal student loans for up to two years after graduation.

STEP 1. ARE YOU ELIGIBLE TO APPLY?

You must live and work in NYS. You must be a NYS High School graduate and NYS college graduate on or after December 2014 with no higher than a Bachelor's Degree. You must also be enrolled in an Income Driven Repayment Plan (see *Step 2*) and not be in default on your federal student loan payments. Your adjusted gross income must be less \$50,000 per year at time of application (spouse's income is included).

STEP 2. ENROLL IN INCOME DRIVEN REPAYMENT

Once your loans are in repayment, use your FSA ID for an Income Driven Repayment (IDR) Plan at studentaid.gov (under "Manage Loans"). The "REPAYE" and "PAYE" IDR plans both qualify. REPAYE will extend your repayment period to 20 years and cap your monthly loan payments at 10% of your monthly discretionary income (see *example calculation*). The federal government will help pay your loan interest for up to 3 years if your REPAYE monthly payment amount isn't high enough to cover the interest that is accruing on your loans.

Proceed to Step 5 unless your IDR payment is zero.

STEP 3. WHAT IF YOUR IDR PAYMENT IS ZERO?

It is possible that your application to enroll in an IDR Plan application could result in a zero payment (or a very low payment). This is likely to happen if your most recent tax return does not reflect wages from a full year of employment. Don't proceed with GOYF application yet! Wait until your earnings increase and request to have your monthly IDR payment recalculated based on current pay stubs (*Step 4*). Since IDR payments are based on your salary, a higher salary will result in a higher monthly payment (and NYS will pay more toward your loans!)

STEP 4. REQUEST TO HAVE YOUR IDR PAYMENT RECALCULATED

Log back into studentaid.gov and request to have your IDR payment recalculated if you are making more income than what was represented on your tax return. You can apply for GOYF for up to two years after graduation, so you should postpone your application if you think your income will increase in the near future.

STEP 5. COMPLETE THE GOYF APPLICATION

The application is on the www.hesc.ny.gov website. You can also find it by searching: "get on your feet application". You should not apply for GOYF until your IDR application is approved. The GOYF application will require copies of your high school and college transcripts.

STEP 6. PAY EXTRA IF YOU CAN

Once NYS starts making your loan payments, consider paying extra each month to reduce your overall interest charges. Depending on your circumstances, it may be in your best interest to switch back to a standard 10 year repayment plan once the GOYF period ends.

EXAMPLE CALCULATION

- You are single and your family size is one. You live in one of the 48 contiguous states or Washington, DC. Your adjusted gross income (AGI) is \$32,000.
- You have \$45,000 in eligible student loan debt with an average interest rate of 5%. Your monthly payment under the standard 10 year repayment plan would be \$477
- 150 percent of the 2020 Poverty Guideline for a family of one is \$19,140 (150% of \$12,760). The difference between your AGI and 150% of the Poverty Guideline is \$12,860 (\$32,000-\$19,140). This difference is your discretionary income.
- If you're repaying under REPAYE IDR Plan: 10% of your discretionary income is \$1,286; Dividing this amount by 12 results in a monthly payment of \$107*
- If you are approved for GOYF, NYS will pay \$107 to your federal loan servicer every month for up to 2 years
- You must re-certify your IDR each year
- You can pay extra toward your loans each month while enrolled in GOYF

2020 POVERTY GUIDELINES FOR 48 CONTINUOUS STATES AND THE DISTRICT OF COLUMBIA

Family Size	Federal Poverty Guideline	150% of Federal Poverty
1	\$12,760	\$19,140
2	\$17,240	\$25,860
3	\$21,720	\$32,580
4	\$26,200	\$39,300
5	\$30,680	\$46,020
6	\$35,160	\$52,740
7	\$39,640	\$59,460
8	\$44,120	\$66,180

*The amount of interest accruing on this loan would be approximately \$180 each month during the first year of repayment. Once you are enrolled in REPAYE, the government will pay the difference between your monthly payment and the amount of interest that accrues monthly. In this example, the government would pay approximately \$73 in interest each month (\$180-\$107)