# Student loan options (2026)

Student loans changed a lot in 2025 and 2026. Here's the lay of the land, in plain words. Rules shift, so always check studentaid.gov before you decide.

## First, the big caution

This is a general starting point, not advice for your exact loans. Federal rules were rewritten by a 2025 law, with most changes starting **July 1, 2026**, and details are still being rolled out. Log in at **studentaid.gov** to see your loans, your servicer and the official Loan Simulator / repayment calculator.

## Federal repayment plans, as of late 2026

- **Standard**: fixed payments, usually over 10 years. For loans made on or after July 1, 2026 there's a new **Tiered Standard** plan with a longer term depending on how much you owe.
- **RAP (Repayment Assistance Plan)**: the new income-driven plan that started July 1, 2026. Payments are based on income (with a reduction for dependents and a small minimum payment, reported as $10), and any balance left is forgiven after up to 30 years. It counts toward PSLF.
- **SAVE has ended.** If you were in SAVE, your servicer should contact you to pick a new plan; if you don't, you may be placed in a standard-type plan automatically.
- **IBR, PAYE and ICR**: if you only have loans from before July 1, 2026, these generally stay available for now, with PAYE and ICR reported to end around July 2028. Taking out a *new* loan after July 1, 2026 can limit you to RAP or Tiered Standard for all your loans, so check before borrowing or consolidating.

## Public Service Loan Forgiveness (PSLF)

Work full-time for a qualifying employer (government or many nonprofits), make 120 qualifying monthly payments on an income-driven or standard plan, and the rest of your federal Direct Loans can be forgiven, generally tax-free. Use the PSLF Help Tool on studentaid.gov to certify employment, ideally once a year. New rules effective July 2026 changed how some employers qualify, so confirm your employer's status there.

## Refinancing: pros and cons

Refinancing means a private lender pays off your loans and gives you a new one.

- **Pros:** a lower rate if your credit and income are strong; one simple payment.
- **Cons:** refinancing federal loans makes them private *for good*. You lose income-driven plans, PSLF, federal forgiveness, and deferment or forbearance options. Hard to undo.
- Refinancing *private* loans to a lower rate is usually lower risk. Compare offers and watch for fees.

## What to do this week

1. Log in at studentaid.gov and write down each loan, balance, rate and servicer.
2. Run the official repayment calculator with your real income.
3. If you work in public service, check PSLF eligibility.
4. Then pick a plan and set up autopay (servicers have offered a rate discount for it).

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**Not financial advice.** These calculators are educational estimates with no guarantees. Taxes and interest are simplified; check big decisions with a qualified professional.

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