Federal Direct Loan Programs

Category: Financial Aid | - Federal Loans

Location

Website

https://www.hesc.ny.gov/pay-for-college/financial-aid/types-of-financial-aid/student-loans/about-federal-direct-loans.html

Description

The Federal Direct Loan Programs help both undergraduate and graduate students cover the cost of education with loans borrowed directly from the U.S. Department of Education (ED). A subsidized loan is awarded on the basis of financial need. Borrowers wonâ€™t be charged any interest before beginning repayment or during authorized periods of deferment because the federal government â€œsubsidizesâ€ the interest during these periods. Unlike a subsidized loan, an unsubsidized loan is not based on financial need. Borrowers will be charged interest from the time the loan is disbursed until it is paid in full as determined by the borrower's Free Application for Federal Student Aid (FAFSA). For more information on FAFSA, please visit here. For more information on Federal Direct Loan Program, please visit here https://studentaid.gov/understand-aid/types/loans.

WHO DOES THIS PROGRAM AIM TO SERVE? Students enrolled in an eligible program at least half time may receive a Federal Direct Loan. Students must meet other general eligibility requirements as well.

HAS THIS PROGRAM BEEN SUSPENDED DUE TO COVID-19? No. Students concerned about their studies or loan repayment can visit "Coronavirus and Forebearance Info for Students, Borrowers and Parents."

ABOUT FEDERAL STUDENT AID: Federal Student Aid, a part of the U.S. Department of Education, is the largest provider of student financial aid in the nation. At the office of Federal Student Aid, 1,200 employees help make college education possible for every dedicated mind by providing more than $120 billion in federal grants, loans, and work-study funds each year to more than 13 million students paying for college or career school.

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