

### *New Student Loan Regulations will Allow Borrowers to Pay Back Loans Based on Income*

**WASHINGTON, DC** -U.S. Rep. Michael Arcuri (NY-24) announced that the federal Income Based Repayment (IBR) program began as of yesterday, July 1, 2009 to help borrowers pay back their loans in an affordable and fair way.

"Our regions students should not be over-burdened by loan payments that do not fairly reflect their income," Arcuri said, "The Income Based Repayment Program levels the playing field and allows borrowers to make loan payments that they can afford. I am hopeful that this program will also encourage students who were not considering college because of the high cost of loans to reconsider because of this program."

The IBR program will allow students to cap their federal student loan payments based on their income. Borrowers are required to pay no more than 15% of any income if they earn below 150% of the poverty level.

Under the IBR program, after 25 years of payment by borrowers, any remaining balance will be forgiven. For borrowers who enter the field of public service, for example nursing or public interest law, their debts will be completely forgiven after 10 years of service in their field.

This IBR program, in conjunction with lower interest rates on need-based loans and an increase in Pell Grant scholarships, will help make college more affordable for thousands of students and borrowers across Upstate New York.

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