

# Avoiding Student Debt Relief Scams



**You do not need to pay someone to obtain student loan relief.** If you are having trouble paying your student loan, talk to your student loan servicer. There are a number of options available for borrowers. For federal loans, borrowers can consolidate their loans and/or enroll in an income based repayment plan at no cost through the US Department of Education. For more information visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov). or by calling 1-800 - 557-7392.

**Avoid companies that require payment before services are rendered.** It can be a sign of a scam if the debt relief company requires high upfront fees or recurring monthly fees after services are performed.



**Be wary of “special deals” or promises of “loan cancellation.”** Debt relief companies do not have the ability to negotiate or obtain a better deal for consumers under federal student loan programs. Repayment levels and forgiveness programs are set by federal law and are not subject to negotiation.

**False government affiliation.** Avoid companies that try to appear sanctioned by or affiliated with the government.



**Avoid signing a power of attorney or a third party authorization.** These agreements allow them make decisions on your behalf that may be made without your knowledge and not to your benefit.



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