

# Parent PLUS Borrower Action Checklist & Guide



This guide is for borrowers with Direct Parent PLUS loans. Under the One Big Beautiful Bill Act (OBBBA), borrowers with Direct Parent PLUS loans will lose access to income-driven payment options and loan forgiveness unless they consolidate.

We recommend submitting the consolidation application by April 1, 2026, to avoid processing delays. To preserve access to Income-Driven payments and forgiveness, Direct Parent PLUS loans must be consolidated—and the new consolidation loan must be disbursed—by June 30, 2026.

- Confirm you have Parent PLUS loans by logging into [studentaid.gov](https://studentaid.gov)
- Apply for a Direct Consolidation Loan at [studentaid.gov/consolidation](https://studentaid.gov/consolidation)
- Select a repayment plan during the consolidation application: choose ICR or Standard.
- Make at least one payment under ICR, if selected, to unlock future IBR eligibility.
- Avoid taking out new federal student loans after July 1, 2026.
- Understand that missing the deadline means losing IDR & PSLF access.
- Contact EDCAP for free counseling if you need help (NY residents).

## WHY THIS MATTERS - KEY TAKEAWAYS:

- Parent PLUS borrowers must consolidate to keep access to Income-Driven Repayment (IDR) and forgiveness programs, including PSLF.
- To account for potential processing delays, apply for consolidation by April 1, 2026.
- The consolidation loan must be disbursed by June 30, 2026.
- After July 1, 2026, new and unconsolidated Parent PLUS loans will be restricted to the Standard Repayment Plan only – no IDR/PSLF.

## WHY WHAT TO DO NOW:

### Step 1: Confirm You Have Parent PLUS Loans

- Log in at [studentaid.gov](https://studentaid.gov) and review your loan types.
- Look for Direct Parent PLUS Loans or Parent PLUS Loans.

### Step 2: Apply for a Direct Consolidation Loan

- Go to [studentaid.gov/consolidation](https://studentaid.gov/consolidation).
- View the Consolidation Demo [here](#).
- When asked about your consolidation processing, select “DO NOT delay processing.”
- Complete the online application (20–30 minutes).
- Consolidation takes 4–6 weeks, so submit by April 1, 2026, to avoid delays.
- Use EDCAP’s Step-by-Step Consolidation Video Guide [here](#) for additional help.

### Step 3: Select a Repayment Plan During the Consolidation Application

You must choose a repayment plan as part of the consolidation process. Borrowers trying to meet the deadline can safely choose either:

- Income-Contingent Repayment (ICR)
- Standard Repayment Plan

#### Good to know:

- After consolidation is complete, you can switch plans by submitting a repayment plan request — so choosing fast is better than missing the deadline. And if you are not ready to repay once you get your first bill, you can call your servicer and ask for a short-term forbearance to give you time to establish your payment plan and start making payments.

### Step 4: Make at Least One Payment Under ICR (If You Selected ICR)

- Making one payment under ICR allows you to later switch to the Income-Based Repayment (IBR) plan, which many borrowers prefer.
- Estimate your monthly payments and time to forgiveness under each plan using:
  - [edcapny.org/repayment-plan-calculator](https://edcapny.org/repayment-plan-calculator)
  - [studentaid.gov/loan-simulator](https://studentaid.gov/loan-simulator)

### Step 5: Avoid Actions That Could Cancel Your Eligibility

#### Do NOT:

- Take out any new federal student loan on or after July 1, 2026 — you will permanently lose access to IDR and forgiveness for Parent PLUS loans, even if already consolidated.
- Wait until the final days to consolidate — late consolidations do not count.

### Step 6: Understand What Happens If You Don't Consolidate

If your loans are not consolidated by **June 30, 2026**:

- Only the Standard Repayment Plan will be available.
- You lose all IDR options.
- You lose eligibility for Income Driven Repayment Forgiveness (IDRF) and Public Service Loan Forgiveness (PSLF).
- Monthly payments will likely be higher and forgiveness unavailable.

### Step 7: Get Help If Needed

New York borrowers can receive free unbiased counseling from EDCAP:

- **Phone support:** 888-614-5004
- **Virtual appointments:** [Contact Us](#)

## Q&A:

### 1. Can I consolidate my loans if they are in deferment?

Yes. If your loan status shows “deferment,” you can consolidate. If the status shows “in-school,” you must contact your servicer and ask them to remove the in-school status. You can find your loan status on [studentaid.gov](http://studentaid.gov) or in your servicer account by clicking into each loan.

### 2. What do I need to consolidate my loans online?

#### You will need:

1. FSA ID username and password for your account at [studentaid.gov](http://studentaid.gov).
2. Employer name and address (if applicable).
3. Spousal information (name, date of birth, SSN), if you are married.
  - Note: This does not create any obligation for your spouse to repay your loans.
4. Two references—not character references.
  - They will only be contacted if the Department of Education cannot locate you.
  - They are not responsible for your loans.
  - References must be two adults who do not share an address with you or with each other.
  - You’ll need their name, address, and phone number.

### 3. How do I choose a loan servicer?

You may keep your current servicer or select one of the five Direct Loan servicers: Aidvantage, CRI, Edfinancial, MOHELA, or Nelnet. Note: You do not need your loans at a particular servicer to access any repayment plan or forgiveness program for which you qualify. You do want, however, to have all your loans with the same servicer if you have your own loans in addition to Parent Plus.

### 4. Where can I find copies of the consolidation application I submitted online?

Go to the “My Activities” section of your FSA account. If you submitted an IDR request with your consolidation, you will see two applications filed on the same date:

- A Direct Consolidation Loan application, and
- An IDR application.
- PDFs are available to download or print for your records.

### 5. What should I expect after filing the consolidation application?

Aidvantage processes all consolidation applications. About two weeks after submission, you will receive a letter from Aidvantage listing: Loans included in the consolidation, and any loans excluded (if applicable).

**Important:** Review this letter carefully. You have 10 days to notify Aidvantage of any errors.

### 6. If I apply for ICR during consolidation and the consolidation finishes before July 1, 2026, but the ICR request isn’t processed yet, will I lose access to ICR?

No. The critical requirement is that your new consolidation loan must be disbursed by June 30, 2026. You will have additional time to enroll in ICR and make the required payment.

### 7. What if my Parent PLUS loans are in default?

Contact [EDCAP](http://EDCAP) (888-614-5004) and **request an urgent session.**