

## USM professor, Clintonian addresses questions about student loan forgiveness plan

Special to The Clinton Courier

Mike Morgan, a Clintonian who is a professor of practice in The University of Southern Mississippi (USM) College of Business and Economic Development's School of Finance, recently addressed some of the questions that have been circulating among his students regarding President Joe Biden's recent announcement about the new student loan forgiveness plan.

Morgan said the most pertinent question from his students is "does this cover current college students?" And he says the answer to that is a clear "yes."

"The program covers federal student loans that were on the books as of June 30, 2022," said Morgan. "It does not matter if you are a current student, graduate or former student. If you had a federal student loan on June 30, 2022, it is included."

Other key questions to consider from the proposed loan forgiveness plan include those regarding current college students who don't have loans. Students have been wondering if they should borrow money for the fall semester in hopes of having the loan forgiven.

"The answer to that is 'no.' The loan has to have been in effect on June 30 of this year," added Morgan. "The same rule applies to loans that may have been paid off prior to June 30. If the loan is not outstanding on June 30, 2022, it does not qualify. That's not to say that the



Mike Morgan, USM professor

Special to The Clinton Courier

rules won't change as details emerge."

Morgan explained that the student loan forbearance order has been extended seven times since it was announced in March 2020 due to COVID-19. But, as it stands today, the student loan forgiveness order applies to loans that were outstanding on June 30, 2022.

Part of the president's order includes an extension of student loan payment forbearance program through December 31, 2022.

Another question that borrowers have is how much debt will be forgiven.

"Borrowers who qualify can have up to \$10,000 of federal student debt can-

celled," said Morgan. "If the student received a Pell Grant, the eligible amount rises to \$20,000. High-income borrowers are not eligible for forgiveness. High-income borrowers are defined as those earning \$125,000 in the latest tax year (\$250,000 for married filing jointly status)."

For borrowers who think they qualify, Morgan notes that it is probably a good idea to file a 2021 tax return even if you previously were not required to.

Morgan says those who have eligible loans will need to continue to pay attention to announcements and information regarding the application process.

"At this time, the details are being worked out, but the intent is for an application process to go live before the end of the year," said Morgan. "The Department of Education announced recently that more details about eligibility and details about the application process would be forthcoming."

President Biden's announcement included a long list of other details regarding student loans, including adjustments to how the minimum loan payment is calculated, along with the number of years that payments must be made before other loans can be forgiven (on top of the \$10,000 forgiven this year).

"We need to remember that this is an executive order, and what we got was the framework of the program," added Morgan. "The ability for the president to issue an executive order of this magnitude is not without question, and there very well could be legal challenges to the president's authority to get this over the finish line."

Certainly, says Morgan, there will be more details and clarifications issued before the application process starts at the end of the year.

"In other words, if this affects you, keep your eyes and ears open over the coming weeks and months, because there are plenty of details yet to come," said Morgan. "And, as always, when dealing with student loans, keep good records."

Clinton Arrow Theatre  
presents

**MURDER MOST FOWL**  
BY CRAIG SODARO

**Murder Mystery Dinner Theatre**  
September 20th & 22nd @ 6:00 PM  
Clinton High School Cafeteria

Tickets (\$20) may be purchased at  
<https://arrwthems.booktix.com/>

"Produced by special arrangement with Pioneer Drama Service, Inc., Denver, Colorado"

**TURNAGE**  
FAMILY DENTISTRY

General and Cosmetic Dentistry  
Children and Adults  
Most Insurance Accepted

**601.924.4494**

LIKE US ON  
 facebook

New Patients and Emergencies Welcome

**GENTLE DENTAL CARE FOR THE ENTIRE FAMILY**

[www.turnagefamilydentistry.com](http://www.turnagefamilydentistry.com) • [turnagedental@gmail.com](mailto:turnagedental@gmail.com)  
505-C Springridge Village Shopping Center • Clinton, MS 39056

**CALL FOR AN APPOINTMENT**