

# Annual Report 2021



**Issued Jan. 12, 2022**

This annual report fulfills the requirement outlined in Iowa Code 7C.13(2) by highlighting how our operations and activities served students and parents in fiscal year 2021.



Christine L. Hensley  
Board Chair

## Our Nonprofit Purpose

Iowa Student Loan Liquidity Corporation® is a private, nonprofit corporation with a mission to help Iowa students and families obtain the resources necessary to succeed in postsecondary education. Revenue beyond operating expenses and reserves is returned to the community through programs that benefit Iowans.

## 2021 Annual Report

- 2 From the Board Chair
- 4 Helping Students and Families Pay for College
- 7 Helping Students and Families Plan for Success in College
- 10 Reaching Out to Educate Iowa Students and Families
- 12 Assisting Student Loan Borrowers
- 14 Our 2021 Public Policy Priorities
- 14 Continuing to Reinvest in Iowans
- 15 What Iowans Are Saying About Our Programs

## From the Board Chair

Iowa Student Loan Liquidity Corporation® is a nonprofit organization with a mission of helping Iowa students and families obtain the resources necessary to succeed in postsecondary education, from private student loans, offered under the name ISL Education Lending, to scholarships and free college and career planning tools. This report provides a look at how we strive to meet our nonprofit purpose and serve Iowans.

One of the key ways ISL continued to help Iowa students and families throughout fiscal year 2021 is offering competitive rates and transparent terms on our supplemental education loans. We support the Iowa attorney general recommendation that students and families compare loan and rate options if a private loan is necessary.

In addition, we believe in educating families to better understand all college financing options. As part of our mission, we offer scholarship programs as well as provide educational tools designed to help students and families learn the importance of career planning, appropriate borrowing levels and how to achieve educational goals. Since 2012, our scholarship and award programs have provided more than \$950,000 to Iowa students and families and have brought significant numbers of first-time visitors to our free educational tools.

Over the years we have also learned the importance of supporting other organizations focused on helping Iowa students. While COVID-19 changed the format of many of the programs and services we support on an annual basis, I am proud of the efforts staff made to virtually educate and support other community nonprofit organizations.

In summary, we are committed to investing in Iowans. Over the past 10 years, ISL has provided \$43 million to Iowans in the form of interest rate reduction benefits to help reduce student loan repayment levels and we have committed more than \$16 million to education planning tools and resources, scholarships and loan forgiveness programs. In the past year we continued this focus, and I am confident that we will continue to provide the resources Iowa families need to succeed in postsecondary education going forward. On behalf of ISL’s board of directors, management and staff, I am pleased to provide you with our 2021 Annual Report covering our activities during the fiscal year ending June 30, 2021.

Christine L. Hensley, Chair, Iowa Student Loan Board of Directors

} Find current information about topics covered in this report at [www.IowaStudentLoan.org/Programs](http://www.IowaStudentLoan.org/Programs).

## Our Purpose and Activities

Iowa Student Loan Liquidity Corporation, doing business as ISL Education Lending, is Iowa's statutorily designated student loan provider. From its home office in West Des Moines, it makes education loans to students and families needing funds beyond what is available through other financial aid and federal student loan options. These loans are provided with transparent and beneficial terms relative to other private loan options offered by for-profit organizations.

Established in 1979, ISL is self-funded and self-capitalized. It is not a state agency and does not receive any state appropriations. As a nonprofit corporation, it has no shareholders and does not pay dividends.

ISL and its wholly owned subsidiary employ more than 150 associates. In its over 40 years of service, we have worked to support the local economy through growth and maintenance of jobs that provide competitive salaries and benefits, including college financing or college savings benefits.

## Iowa Student Loan Liquidity Corporation Board of Directors

The governor-appointed board of directors is made up of individuals representing the general public, educational institutions and financial institutions. The directors provide extensive levels of oversight and checks and balances to ensure ISL adheres to its mission and meets its obligations.



Christine Hensley (Chair),  
Des Moines — Banking  
Institutions



Tammy Bramley  
(Vice Chair),  
Ute — General Public



Dan Clute,  
Urbandale —  
General Public



Rob Denson,  
Ankeny — Community  
Colleges



Nancy Dunkel,  
Dyersville —  
Regents Institutions



Lorraine Groves,  
Arnolds Park —  
Credit Unions\*



Laurie Hempen, New  
London — General  
Public



Julie Pingel, Fort  
Dodge — Credit  
Unions\*\*



Marcia Rogers, Cedar  
Rapids — General  
Public



Jim Schipper,  
Ankeny — Banking  
Institutions



Scott Schneidermann,  
Rock Rapids —  
Savings and Loan  
Institutions



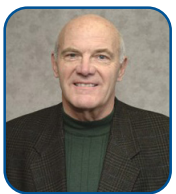
Adam Voigts,  
Indianola — Private  
Colleges and Universities

\* Retired from the board in June 2021

\*\*Joined the board July 2021

## Aspire Resources Inc. Board of Directors

Aspire Resources Inc.®, Iowa Student Loan Liquidity Corporation's wholly owned for-profit subsidiary, was created to perform functions not specifically included in ISL's original tax-exempt designation and to provide loan customer service for borrowers now in repayment. All revenues beyond operating expenses and reserves are used to fulfill ISL's nonprofit mission. The Aspire board is appointed annually by the ISL board.



Dr. John Hartung  
(Chair), Indianola



Dr. Norm Nielsen  
(Vice Chair),  
Cedar Rapids



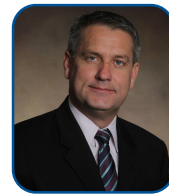
Catherine "Kay" E.  
Beyerink, Sioux City



Juan Garcia, Waukee



John Hintze,  
West Des Moines



Tony Kaska,  
Chariton\*\*\*



Steve Ollenburg,  
Davenport

\*\*\* Retired from the board in June 2021

# Helping Students and Families Pay for College

As the pandemic and related factors have impacted Iowa students and families, ISL has continued to offer competitive rates and transparent terms on our supplemental education loans. Providing these options for Iowans are at the core of our mission and nonprofit purpose.

## Providing Education for Smarter Borrowing

Our mission as a nonprofit is to help Iowa students and families obtain the resources necessary to succeed in postsecondary education. This includes offering private loans and scholarship programs as well as providing educational tools that can help students and families better understand all college financing options and the impact they will have on an individual's financial future.

That education aspect of our mission is very important to us and helps drive how information is presented to students who are likely making the first major financial decisions of their lives. It is also why we believe a study published by the office of the Iowa attorney general is so important for consumers to understand.

The attorney general's report stressed two factors that we strongly believe and support.

- ▶ Students should explore and exhaust all sources of student financial aid before seeking a private loan to reduce the need to borrow.
- ▶ Students and families should compare loan and rate options if a private loan is necessary as shopping around for the best rate can help borrowers pay less in interest over the life of their loans.

The results of the Iowa attorney general's survey were published in its monthly Consumer Focus newsletter in August 2021. It contained information from more than 7,800 fixed interest rate loans provided to students at Iowa universities and colleges during the 2020–2021 academic year from 10 lenders.

| Credit Score*       | Interest Rate Range |                       | Actual Average Interest Rate |                       |
|---------------------|---------------------|-----------------------|------------------------------|-----------------------|
|                     | 10 lenders          | ISL Education Lending | 10 lenders                   | ISL Education Lending |
| Excellent (750–850) | 1.44–13.88%         | <b>4.60–6.91%</b>     | 6.44%                        | <b>6.10%</b>          |
| Good (700–749)      | 3.50–14.24%         | <b>6.20–7.83%</b>     | 8.27%                        | <b>6.61%</b>          |
| Fair (650–699)      | 4.86–13.87%         | <b>6.30–7.83%</b>     | 10.21%                       | <b>6.97%</b>          |
| Poor (550–649)      | 5.83–13.87%         | N/A                   | 12.34%                       | N/A                   |
| Bad (300–549)       | N/A                 | N/A                   | N/A                          | N/A                   |

\*Highest credit score of borrowers and cosigner

Source: [www.iowaattorneygeneral.gov/for-consumers/consumer-focus/consumer-focus/study-private-student-loans-remain-costly-option/study-private-student-loans-remain-costly-option-for-borrowers](http://www.iowaattorneygeneral.gov/for-consumers/consumer-focus/consumer-focus/study-private-student-loans-remain-costly-option/study-private-student-loans-remain-costly-option-for-borrowers); ISL Education Lending data computed from data submitted to the Iowa attorney general for the study.

ISL encourages those who need loans to not be fooled by “teaser” rates that are often quite different from actual rates offered to applicants. According to the Consumer Focus article, “The interest rates received by borrowers did not always fall within the rates advertised by lenders ... Lenders often advertise their lowest rate even though most borrowers won't qualify for that interest rate.”

ISL understands it can be challenging for consumers to know the rate they will receive. That is why we publish all our rates for student and parent loans along with the FICO score required to obtain the specific rate on our website. And we remain committed to helping students and families avoid a personal student loan crisis.

Find current information at  
[www.IowaStudentLoan.org/Loans](http://www.IowaStudentLoan.org/Loans)

## Options for Students and Parents During the College Years

To help students and families pay college expenses, ISL continues to offer our loan products with lower rates and has expanded its options for older students studying full time in Iowa.



Students and families can pay for today's college expenses, beyond the student's financial aid and other sources such as savings, using a number of different loans. Information about these is provided in full detail — from underwriting criteria to examples detailing the annual percentage rate, estimated finance charges and approximate monthly payment amount — on our website. In addition, guidance is provided that encourages students and families to explore and exhaust all sources of financial aid available to the student before applying for these supplemental private loans.

### Loans for Students

#### Partnership Advance Education Loan

The Partnership Advance Education Loan® is our main private loan for student borrowers. Cosigners are often needed for traditional college-age students to meet the credit requirements. It features fixed and variable interest rates and three in-school payment options so that students and their families can determine which works best for them based on their financial situation.

We provide information in advance so families can estimate the rate they will be given without having to go through the entire application process.

#### Partnership No-Cosigner Loan for Graduates

The Partnership No-Cosigner Loan for Graduates is an option that was created for graduate students attending Iowa colleges and universities full time. These students often face the limited prospect of using the federal grad PLUS loan to pay for their advanced studies when cosigners are unable or no longer wish to have more debt added to their name.

Like the Partnership Loan, this graduate loan features three in-school payment options so that students can determine which works best for their financial situation. However, student borrowers need only meet basic underwriting criteria and are not limited by debt-to-income requirements, although loan amounts are realistically limited to help students avoid overborrowing. In addition, we have worked to ensure that the rates offered for our graduate loan are lower than or equal to rates offered through the federal program.

#### Partnership No-Cosigner Loan for Undergrads

In summer 2021, we expanded our no-cosigner loan options to include undergraduates who are at least juniors. For many older undergraduates, covering college costs can be a struggle as younger siblings begin college or parents are no longer viable cosigners due to increased debt-to-income levels from taking out or cosigning other student loans.

The Partnership No-Cosigner Loan for Undergrads was created specifically to help students who may be unable to complete their education because they are unable to obtain a qualified cosigner or who only qualify for loans with double-digit rates. This loan features one rate, an annual percentage rate of 7.73%, and one repayment option.

Like the no-cosigner loan for graduate students, this loan is for students who are studying full time at an Iowa college or university. Students must also meet a minimum grade point average and minimal credit requirements. In addition, they are required to make \$25 monthly payments while in school and must agree to receive a small number of career-related emails each year. These emails were created with experienced career center professionals at Iowa colleges to help students think proactively about what more they can do **today** to be successful in landing a job in their desired field **after** college.



## Loans for Families

The **College Family Loan**<sup>®</sup> is a private loan for parents and family members who wish to borrow on behalf of a student to help with college costs, which can help reduce the amount of money the student will have to repay in loans after college. It's similar to the federal parent PLUS loan in that the student is not responsible for repaying the debt. The

College Family Loan features only fixed interest rates, which are lower than or competitive to the federal PLUS loan, and the same in-school payment options as the Partnership Loan.

Full loan information is provided on our website for the College Family Loan, but interested parents or family members can also complete an easy pre-qualification step that provides the rates for which they qualify and that does not impact their credit score.

## Options for Those Who Already Have Loans at Higher Rates

Many times, we hear from borrowers that they wished they knew about our loans and rates earlier as they have loans with much higher rates from other lenders. To help those borrowers, whether they are students or the parents of college students, we created the **Reset Refinance Loan for In-School Borrowers**. The unique refinancing option allows students and parents to take advantage of lower refinance rates now without the need to make payments right away. With this loan, repayment begins six months after the student graduates, drops below half-time enrollment or leaves college, and the amount of interest that accrues daily during that time is reduced with lower rates.

} Find current information at  
[www.iowaStudentLoan.org/refinance-loan/](http://www.iowaStudentLoan.org/refinance-loan/)

## Options for Refinancing College Debt

We also offer a suite of typical refinance loan options for borrowers with education loans who are seeking different options for repaying that debt. Interested student loan refinance consumers and their potential cosigners can pre-qualify to view the rates and estimated monthly payment amounts they are eligible for before completing an application.

In 2021, to better benefit borrowers, we worked to become better attuned to the refinance market and more flexible with our refinance rates. This means we can make rate adjustments more frequently to ensure we're offering lower rates that fit with the changing market and what borrowers need.

For education loan borrowers across the country trying to manage repayment, the **Reset Refinance Loan**<sup>®</sup> is an option helping many find lower rates or more manageable monthly payments. Borrowers can refinance one or more loans into one new loan with a new interest rate based on the creditworthiness of the borrower and/or cosigners.

We also offer special refinance options for borrowers in medical or dental fields. The **Reset Refinance Loan for Medical Residents** allows doctors and dentists completing required residencies or fellowships the opportunity to refinance their student loans and make smaller set monthly payments during their training, when the income they receive is much less than what they can expect to earn in the future.

At the end of 2020, we launched the **Reset Refinance Loan for Medical and Dental Professionals**. This refinance program was created specifically for practicing physicians, dentists, optometrists and others in the healthcare field. It features lower rates than traditional refinance loan options and, like our medical resident refinance loan, it allows borrowers to refinance a higher dollar amount that they may have acquired while receiving their advanced degrees.



# Helping Students and Families Plan for Success in College

Students and families have come to rely on ISL as a provider of timely information about college planning and financing. Programs providing more than \$950,000 in scholarships and awards have brought significant numbers of first-time visitors to the resources provided online at no charge since 2012, and the value families find brings them back.

## Scholarships for Students

ISL has awarded more than \$450,000 to nearly 300 Iowa high school students since 2012.

### Iowa Financial Know-How Challenge: Senior Scholarship

The Iowa Financial Know-How Challenge: Senior Scholarship awarded another 30 Iowa high school seniors with \$2,000 each for 2021–2022 college expenses. To qualify for consideration, students registered online, then completed Student Loan Game Plan and the Return on College Investment tool and a related assessment. Scholarships were awarded to those who scored highest on the assessment or were chosen through a tie-breaker component. Each recipient’s high school received \$100 for scholarship and financial literacy programs.

Nearly 4,000 students registered for the 2020–2021 Senior Scholarship, representing more than 10% of Iowa’s high school seniors and high schools in all 99 of Iowa’s counties.

“By the way, I really like your website!! I think it’s great that you guys provide this useful information for free to students everywhere. It’s going to be and has already been extremely helpful in my college process.”

— Keagen H., Durant, Iowa

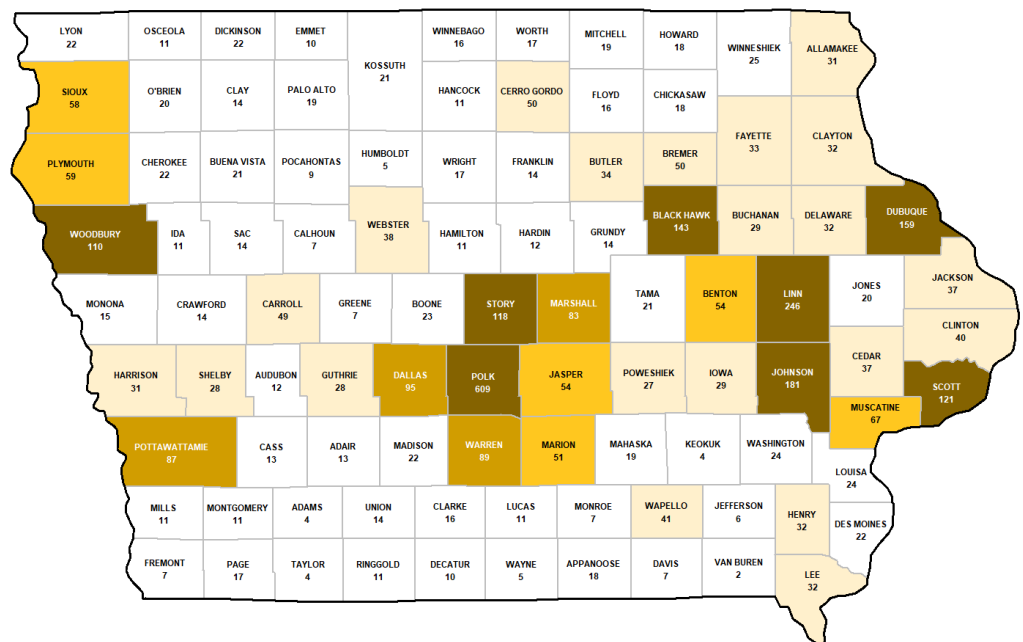
### Program Overview 2014–2021

**29,175**  
students  
registered

**220**  
scholarships  
awarded

**\$420,000**  
in scholarships  
awarded

## 2020-2021 Scholarship Registrants



Registrants  1-25  26-50  51-75  76-100  101 or more

Visit [www.iowaStudentLoan.org/Scholarships](http://www.iowaStudentLoan.org/Scholarships) to learn more about our scholarship and award programs.

Visit [www.IowaStudentLoan.org/SmartBorrowing](http://www.IowaStudentLoan.org/SmartBorrowing) to learn more about our college planning tools.

## Tools and Awards for Parents

Recognizing that college planning and financing is as much an endeavor for parents as it is for students, ISL offers resources and programs specifically for parents and guardians of middle and high school students.



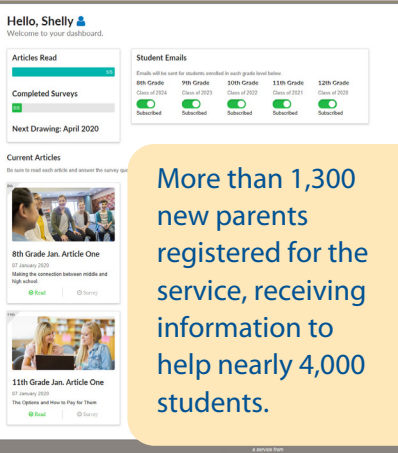
### Student Planning Pointers for Parents

Student Planning Pointers for *Parents*, or SP<sup>3</sup>, is a free service that provides registered parents with expert, grade-level tips and information for students in eighth through 12th grades. Twice each month, parents receive research-based tips via email on helping their students plan for academic success in and beyond high school and prepare for education or training after graduation. Parents can also access each month's articles through a personal dashboard.

Registered parents also have the opportunity to enter quarterly drawings for college savings plan deposits. In fiscal year 2020, \$39,000 deposits were made to winners' 529 accounts.

I find the SP<sup>3</sup> emails full of value. They keep me on track with information. Not only with college planning but valuable lessons to start conversations with my children. The emails come at a perfect time with their age group and with the seasons. Thank you for providing a fabulous service that helps both the children and parents.

— Sara A., Norwalk, IA



More than 1,300 new parents registered for the service, receiving information to help nearly 4,000 students.

No participant has opted out of the service since its launch in January 2020.

### Save Now, Save Later: College Savings Plan Parent Giveaway

Parents and guardians who visited the Parent Handbook online tool between Sept. 8 and Oct. 30, 2020, were able to enter a random drawing for one of 30 \$1,000 college savings plan deposits.

The Parent Handbook tool helps families prepare students for success after high school by providing information on a variety of topics most appropriate for parents of sixth- to 12th-grade students. Parents can also request additional information about the topics most pertinent to their students' current stage to more fully explore options. A video series also highlights pertinent information.

More than 5,900 visits to Parent Handbook in this fiscal year.

#### 2020 Results\* by Student Grade Level

Sixth–Eighth Grades

**1,672**  
registrations  
7 Winners

Ninth–12th Grades

**5,695**  
registrations  
23 Winners

#### 2014–2020 Save Now Save Later Results

Program Winners by Grade Level\*:

Sixth–Eighth: 38  
Ninth–12th: 187

Registrations by Grade Level:  
Sixth–Eighth: 3,003  
Ninth–12th: 12,263

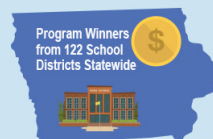
Total Number of Eligible Registrants

**17,585**

Total Number of Program Winners

**260**

Total Amount Awarded Since 2014  
**\$308,000**



\*The student grade levels for some registrations and winners are unknown.



## Tools for Students

### Student Loan Game Plan

Students, private loan applicants and parents have been using Student Loan Game Plan to help guide borrowing decisions since 2010. The tool includes real borrower stories and maximum recommended borrowing levels based on realistic starting salaries for graduates of specific majors. In addition, interactive budgeting features allow users to see how college debt may affect their financial future. The mobile-friendly public version of the tool focuses on how estimated salary and college debt impact the user's expected budget and lifestyle after college.



#### Student Loan Game Plan Impact

Based on Applications in Fiscal Year 2021 (July 1, 2020–June 30, 2021)

**4,374** loan applicants completed the tool

More than 6,100 visits to Game Plan in this fiscal year.



**16.6%**

reduced their requested student loan amount after experiencing the tool.



**\$4,048**

average reduction in requested loan amount.



**91%**

indicated the tool had increased their knowledge of how borrowing would impact their future.

## Return on College Investment

The Return on College Investment tool was redesigned in the fall of 2020 to provide a more mobile- and user-friendly experience to families who want to understand how the decisions they make affect their future ability to repay college debt and be financially successful.

After choosing a degree type and career interest, users see information for related jobs. They can compare starting salaries, future job openings, college costs and return on investment over time for each job result. Recommended related areas of interest help students and families extend their experience to further define potential education paths. Additional tips and information are provided to help students land the job they want after graduation.

More than 3,500 visits to Return on College Investment in this fiscal year.

## College Funding Forecaster

Many families find calculating the total multi-year cost of a college education to be a challenge, overestimating financial aid and underestimating expenses. The College Funding Forecaster tool allows students to input current costs of attendance as well as their own totals for savings, earnings, scholarships and financial aid to see a complete financial plan that takes into account expected cost increases, financial aid changes and personal choices.

## Grad Degree Gauge

The Grad Degree Gauge helps users compare expected earnings for a current degree to those for a desired advanced degree, whether they are planning to continue straight to graduate school after college or re-entering school after time in the workforce. The user can then consider total outstanding college debt in relation to projected future earnings.

More than 2,100 visits to Forecaster in this fiscal year.

# Reaching Out to Educate Iowa Students and Families

Although COVID-19 changed the format of many of the programs and services we partner with on an annual basis, we continued to support students, families and educators throughout the 2020–2021 academic year. This support stems not only from our nonprofit mission but a true desire among staff and administration to provide the resources Iowa families need.

## ICAN Providing College and Career Planning Services

ISL has been a strong supporter of ICAN for many years. Headquartered in Cedar Rapids, ICAN has provided career and college access services to the educational community and students of Iowa since 1998. Now it is a presence in 99% of Iowa's high schools from eight regional offices across the state. College planning and financial presentations help students better prepare for the college process. ICAN's mission is to empower Iowans to achieve lifelong success through education, training and informed decision-making. ISL supports ICAN financially and through other resources.



In-office advising appointments



FAFSA completion



Presentations



Phone calls



Resource and newsletter subscriptions



Website

## By Degrees Foundation Promoting Postsecondary Readiness

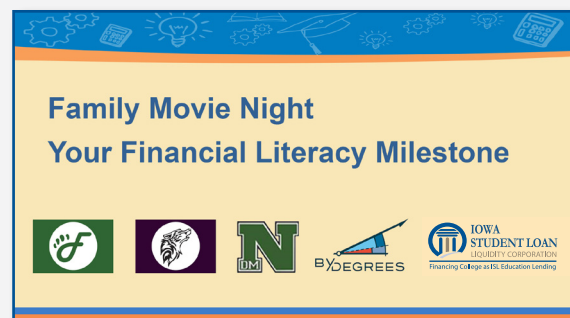
By Degrees Foundation of Des Moines works to promote a culture of postsecondary education and careers throughout the K–12 experience. As part of this initiative, students' families have several opportunities to fulfill Milestone requirements to receive deposits into 529 college savings accounts, contributions that ISL helps fund. Because a large portion of the By Degrees students are low income and would be first-generation college students, ISL collaborates with By Degrees to share early academic and financial planning information with students and families.

Due to restrictions from COVID-19, ISL implemented a video event for families of Findley Elementary, Harding Middle School and North High School students in February and March of 2021. Theater-style treats were provided to encourage families to make a movie night of the experience.

Fifty households and families, representing 84 students from the three schools, logged in to watch a compilation of video segments covering:

- ▶ Making an Academic Plan
- ▶ Dual Enrollment
- ▶ College Entrance Requirements
- ▶ The Free Application for Federal Student Aid

ISL worked with By Degrees Foundation's classroom partners to provide some of the segments and fun and informative "commercial breaks."





## University of Iowa REACH Program Offering Post-High School Options for Students with Disabilities

The University of Iowa Realizing Educational and Career Hopes Program (UI REACH) is a two-year transitional certificate program for students with multiple intellectual, cognitive and learning disabilities. The program aims to provide students with social and life skills, including money management and financial planning, so they can become independent active members of the community.

Our annual \$10,000 scholarship donation to the UI REACH Program helps one or more Iowa students who would otherwise not have the financial resources to attend this program. Recipients of the fiscal year 2021 scholarship are from Council Bluffs and Keokuk.

## Junior Achievement Offering Financial Literacy for K-12 Students

Junior Achievement of Central Iowa hosts JA Finance Park, a financial literacy laboratory to inspire and prepare youth to achieve. It allows middle and high school students to see, touch and live the experience of personal finance by “basically becoming an adult for the day.”

Each year, we support Junior Achievement of Central Iowa with monetary support to assist with expenses associated with the JA Finance Park.

## Additional Resources for Educators and Students

Each year, our staff sponsors, presents at and participates in several conferences and events. During the most recent fiscal year, we shared research and information valuable to school counselors, financial aid officers and students and families during virtual events.

### ▶ **College Fairs**

We provide college-bound students and families with information on upcoming scholarship and award programs, as well as general student loan and college financing information. We hosted virtual booths at the Golden Circle College Fair and at the ICAN Eastern Iowa College and Career Fair.

### ▶ **Iowa School Counselor Association Conference**

At the 2020 virtual conference for Iowa school counselors, we hosted a virtual booth and provided information about our award programs and college planning tools to all attendees. In addition, we provided a video greeting for the general assembly session.

} Visit [www.IowaStudentLoan.org/Community](http://www.IowaStudentLoan.org/Community)  
to learn more about our outreach to Iowans.

# Assisting Student Loan Borrowers

ISL and our servicing staff at Aspire Servicing Center provide the resources, information and assistance our borrowers need to successfully repay their student loans. Borrowers who were unable to make student loan payments due to COVID-19 received assistance upon request. Our staff helps thousands of borrowers throughout the year with professional, friendly service.

Aspire Servicing Center “has always been good to me. ... I know you guys are under a tough assignment to reconcile these loans and you guys do so in a non-threatening way. You have helped me over the years during some really tough times in my life. I didn't see it as a person wanting my money. It was a person trying to help me find a solution.”

— Carolyn (a borrower with private and federal loans serviced by ISL/Aspire Servicing Center since 2001)

## Loan Repayment Customer Service

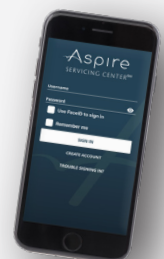
Customer service representatives worked remotely during fiscal year 2021 to provide customer service functions to nearly 100,000 borrowers with private and federal student loans.



## Mobile App Introduced

A mobile app was rolled out during fiscal year 2021 to help borrowers easily make payments and manage accounts from their mobile devices.

Between its launch in late September 2020 and June 30, 2021, the app was used nearly 45,000 times and more than 12,000 payments were made through it.



## Support for Borrowers Affected by COVID-19

Since COVID-19 began affecting borrowers in spring 2020, ISL has been working diligently to find ways to assist them. Assistance was provided upon request to delay payments for borrowers with Federal Family Education Loan Program loans or whose private student loans are owned by ISL through Jan. 31, 2022. Many of the lenders whose private student loans we service also offered similar help. Assistance and outreach for distressed borrowers includes:



- ▶ Suspension of required payments upon borrower request. Borrowers are able to suspend required payments through forbearance by calling, emailing or making an online request. While interest continues to accrue during this assistance period, that interest does not capitalize unless another event occurs that causes interest capitalization.
- ▶ Cessation of new legal action related to defaulted private loans.
- ▶ Contact to borrowers with past-due payments continued to apprise borrowers of their options and encourage them to request assistance that would prevent additional negative credit reporting and ultimately default.
- ▶ Prominent, regularly updated and easily accessed information on our websites regarding other assistance options, such as alternate repayment plans.
- ▶ A Q&A section to address most commonly asked questions about student loan repayment for borrowers affected by COVID-19.



## Military Service Benefits

ISL reduces interest on private student loans to 0.00% for up to 24 months for active-duty service members. This reduction applies to loans serviced by Aspire Servicing Center and owned by ISL and nine other lenders.

Borrowers with federal student loans who perform qualifying military service are also eligible to have their interest rates automatically limited to 6.00% under the Servicemembers Civil Relief Act.

## Supporting Industry Guiding Principles

ISL supports the Education Finance Council's Guiding Principles for Nonprofit, State-Based, and State-Chartered Organizations Who Make Education Loans. See more about how the company holds itself accountable to borrowers and implements the guiding principles in daily practice at [www.iowaStudentLoan.org/What-We-Do](http://www.iowaStudentLoan.org/What-We-Do).

# Our 2021 Public Policy Priorities

We are an information resource for state and federal officials who want to better understand how policy changes they are contemplating might impact, positively or negatively, the thousands of Iowa students and families we assist as they plan for and fund postsecondary education.

Our public policy priorities, at both the state and federal level, often focus on efforts to provide strong financial literacy education, adequate need-based student aid, transparent consumer information for potential education loan borrowers and loan repayment assistance for those with demonstrated need. And 2021 was no different.

During the fiscal year ending June 30, 2021, we were pleased to see some important steps we advocated in favor of be implemented by public officials, including:

- ▶ Completion and publication of a study of actual rates for loans taken by Iowa college students from various private loan providers.
- ▶ Simplification of the FAFSA (Free Application for Federal Student Aid) needed to qualify for student aid from not only the federal government but the state and colleges.
- ▶ Increases in need-based student aid programs.
- ▶ State and federal action to provide personal income tax exemptions on employer-provided student loan repayment benefits.
- ▶ Extension of federal COVID-19 assistance for student loan repayments.

In the coming year, we will continue to advocate for measures to provide greater consumer understanding of college costs and options and assistance to those needing help to pay college expenses as well as those repaying education loans.

## Continuing to Invest in Iowans

Over the past 10 years, ISL has provided Iowans interest rate reduction benefits of **\$43 million** to help reduce student loan repayment levels and provided more than **\$16 million** in educational planning tools and resources, scholarships and loan forgiveness programs.



# What Iowans Are Saying About Our Programs

"Site was informative and it was very easy to sign up. Plan to navigate the site regularly as questions arise and as it gets updated.

— Susan (Save Now Save Later registrant)

"Application process was smooth and straight forward. Rates are fair and competitive. We had made a mistake on securing additional funding for my daughter's first year and so her housing bill was past due. We turned to ISL and had approval in minutes and funding within days to resolve the issue. I would highly recommend."

— Greg (private student loan borrower)

"The Iowa Financial Know-How Challenge taught me about different career paths and how to make the most of a college education. The resources allowed me to create a financial plan for college. They also inspired me to create the goal to come out of college debt-free."

— Alex R., (Senior Scholarship winner)

"I have been reading articles for SP<sup>3</sup> for the past year. The articles are short and informative, giving me great information on how to help my child prepare for the future. I really appreciate them and am thankful for the advice. At the end of each article you can enter to win money towards your child's 529 account. We actually won! It is an amazing gift and we are so thankful for it! I encourage anyone to sign up for this program; it's awesome!"

— Rachel S., (SP<sup>3</sup> registered participant)





IOWA  
STUDENT LOAN  
LIQUIDITY CORPORATION

College Financing under ISL Education Lending

[www.iowaStudentLoan.org](http://www.iowaStudentLoan.org)

©2022 Iowa Student Loan Liquidity Corporation®