My school closed. What happens now?

I don’t plan on transferring credits

- **FEDERAL STUDENT LOANS**: If you or your parent has federal student loans, you are eligible for a cancellation of your loans IF:
  - You were still enrolled or on an approved leave of absence when the school closed OR
  - You withdrew within 120 days of the school’s closure.

You can find an application at [https://studentaid.ed.gov/sa/about/announcements/itt](https://studentaid.ed.gov/sa/about/announcements/itt). Submit your completed application to your federal student loan servicer.

- **PRIVATE STUDENT LOANS, CASH, PEEL GRANTS, G.I. BILL FUNDS**: IF
  - You were still enrolled or on an approved leave of absence when the school closed OR you withdrew within 120 days of the school’s closure AND
  - Your school was approved by the Bureau for Private Postsecondary Education (BPPE),

You may also be eligible for the following from California’s Student Tuition Recovery Fund:
  - Pay-off or cancellation of private student loans;
  - Reimbursement of amounts you paid on your private loans and cash you paid to your school; and
  - Future educational funding equal to the amount of the grants or other funds paid on your behalf to the closed school.

You can find an application and directions about where to send it at: [http://www.bppe.ca.gov/students/strf.shtml](http://www.bppe.ca.gov/students/strf.shtml).

I plan on transferring credits

- **FEDERAL STUDENT LOANS**: If you transfer one or more credits you’ve earned at your school to the same or comparable program at another school and you complete or are in the process of completing that program, you will **not** be eligible to receive a closed school loan discharge of your federal loans.
  - **BUT**, if you transfer credits to a different type of program you are still eligible for a cancellation of your federal loans.

- **PARTIAL CREDIT TRANSFERS**: If you do not transfer all the credits you earned, you may be eligible for the following from the Student Tuition Recovery Fund if your school was approved by BPPE:
  - Partial pay-off or cancellation of private student loans;
  - Partial reimbursement of amounts you paid on your private loans and cash you paid to your school; and
  - Partial future educational funding equal to the amount of the grants or other funds paid on your behalf to the closed school.

*Beware of student debt relief companies!*

Remember, these federal loan discharge options, as well as other programs to assist borrowers struggling to repay their loans, are available free of charge. You don’t have to pay someone to help you manage your student loans.