

What will student loan payments look like after SAVE?

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Executive summary

With the end of the SAVE repayment program, approximately 7 million student loan borrowers will need to transition to a new repayment plan and resume making payments for the first time since July 2024. In this report, we use administrative banking and credit bureau data for 740,000 households to provide a unique view of which borrowers will continue to benefit from other IDR programs and how burdensome payments will be for these borrowers going forward.

The financial effects of the SAVE transition depend on whether borrowers who would benefit from another IDR plan successfully re-enroll. We estimate that 37 percent of SAVE enrollees will be eligible (i.e., could lower their monthly payments) to enroll in another IDR plan. With full re-enrollment of eligible borrowers, IDR participation and payment burdens would be similar to those before the pandemic: borrowers who remain eligible and re-enroll would typically have a payment burden of about 3 percent of take-home income for their student loan payments. If these borrowers instead do not re-enroll and must make standard payments, their payment burdens will be much higher, roughly 12 percent of take-home income.

The slow re-engagement of borrowers at the end of the pandemic-era pause in student debt payments suggests that similar dynamics may play out with the end of SAVE: bureaucratic or information frictions may keep many eligible borrowers from re-enrolling. This report gives some benchmarks for what "full" re-enrollment in IDR would look like, which can help decisionmakers calibrate their response to actual re-enrollment behavior.

Key findings

- 01 Most low-income SAVE enrollees will remain eligible for other IDR programs, while higher-income borrowers would make up the majority of those losing eligibility.
- 02 If all SAVE households who are eligible for another IDR plan re-enroll, total IDR enrollment is projected to return to pre-pandemic rates.
- 03 The typical monthly payment for all SAVE borrowers will be about 3 percent of take-home income, assuming all IDR-eligible borrowers enroll in a new IDR plan. This is comparable to payments made by IDR enrollees before the pandemic.
- 04 If SAVE enrollees who are eligible do not enroll in another IDR program, their payment burdens will increase significantly: the typical IDR-eligible SAVE borrower would need at least 12 percent of their take-home income for student loan payments.

Introduction

Income-driven repayment (IDR) plans allow federal student loan borrowers to lower their monthly payments in proportion to their income.¹ Introduced in 2023 as a new IDR plan, Saving on a Valuable Education (SAVE) lowered monthly payments for many borrowers and expanded the number of borrowers for whom an IDR plan would reduce payments relative to a standard plan. Since SAVE expanded eligibility,² enrollment in IDR rose sharply.

But SAVE was short lived. Borrowers only made payments under SAVE for 10 months before a federal court stopped its implementation in July 2024. This put all SAVE enrollees in administrative forbearance, pausing payments, interest charges, and additional enrollment. A final court order ended SAVE for good in early 2026, and the 7 million borrowers still enrolled in SAVE will have 90 days to find a new repayment plan, after which monthly payments will resume as normal. This 90-day period starts after the borrower receives official notice of the end of SAVE. Notifications started rolling out July 1, 2026, and will likely continue through the end of the year.³

Are SAVE borrowers financially ready to restart their loan payments? Many of these borrowers have not made any payments since before the pandemic, and their financial situations may have changed since then. Long periods of non-payment could create repayment risk: research has found that borrowers frequently fail to re-engage with their loans when the time comes.⁴ At the same time, many borrowers who enrolled in SAVE because of its expanded generosity will not be eligible for the remaining IDR programs. Without current data on borrowers' incomes, it's impossible to know whether re-enrollment in IDR has been unusually low and whether additional outreach is needed.

¹ Income-driven repayment (IDR) plans let federal student loan borrowers lower monthly payments in proportion to income, instead of following the standard 10-year amortization schedule. For more details of the two current IDR plans (RAP and IBR), see Wheat, Sullivan, and Nathe (2025)

² All borrowers may enroll in an IDR plan. In this report we use “eligibility” to mean that a borrower has a low enough income such that IDR would lower their monthly payment. SAVE's more generous formula made many higher-income borrowers gain eligibility. See Finding 1 for a fuller discussion.

³ Nelnet, a major student loan servicer, describes the process and timeline here. There has been recent reporting that some borrowers' deadlines are being pushed beyond 90 days (Minsky 2026).

⁴ Monarrez and Turner (2024)

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This report answers these questions by using de-identified banking and credit bureau data on 740,000 households, which allows us to compare borrowers' student loan obligations with their current incomes and spending.⁵ Specifically, we predict which SAVE borrowers could lower their payments under the remaining IDR plans and how large those payments could be relative to their current incomes. We find that:

1. Most low-income SAVE enrollees will remain eligible for other IDR programs, while higher-income borrowers would make up the majority of those losing eligibility.
2. If all SAVE households who are eligible for another IDR plan re-enroll, total IDR enrollment is projected to return to pre-pandemic rates.
3. The typical monthly payment for all SAVE borrowers will be about 3 percent of take-home income, assuming all IDR-eligible borrowers enroll in a new IDR plan. This is comparable to payments made by IDR enrollees before the pandemic.
4. If SAVE enrollees who are eligible do not enroll in another IDR program, their payment burdens will increase significantly: the typical IDR-eligible SAVE borrower would need at least 12 percent of their take-home income for student loan payments.

These findings suggest that if all IDR-eligible borrowers successfully re-enroll in IDR, total enrollment rates and payment burdens will largely resemble their pre-pandemic levels. But recent history suggests that making this happen will require significant effort. After the end of the pandemic-era payment pause, which stopped monthly payments for nearly all student borrowers for over three years, borrowers were very slow to re-engage with their loans, with only 60 percent making a payment in the first month.⁶ If borrowers are similarly slow to re-engage after the end of SAVE, it could have significant effects on their ability to meet their financial obligations and have effects on the wider financial system.

This study provides a benchmark for “full” re-enrollment in IDR that can serve as a leading indicator of this population’s re-engagement with their loans. If engagement is low, financial actors invested in the success of student borrowers have the opportunity to help previous SAVE borrowers and help them take advantage of available government resources.

⁵ We observe households between January 2022 and March 2026, allowing us to observe household income and spending alongside student loan balances, status, and payments. Unless otherwise noted, statistics are evaluated as of December 2025. The main limitations of this study are that we observe deposits rather than tax-reported AGI and infer plan enrollment and eligibility from account patterns. We give full details on data sources, sample construction, and how income and eligibility are measured in the Appendix.

⁶ Kvaal (2023)

Finding 1: Most low-income SAVE enrollees will remain eligible for other IDR programs, while higher-income borrowers would make up the majority of those losing eligibility.

We first investigate how many SAVE-enrolled borrower households will be eligible for another IDR program, differentiating by household income and age.⁷⁸ Strictly speaking, all borrowers are eligible to enroll in IDR plans, but whether a borrower would actually benefit from doing so depends on the borrower's income and their standard, non-IDR monthly debt payment. If a borrower's income is small relative to their standard monthly payment, enrolling in IDR will give them a lower monthly payment, which we call being "eligible" for the IDR plan.⁹ For any given income, monthly payments under SAVE were significantly lower than prior IDR plans. This meant that borrowers which previously had too much income to benefit from an IDR plan could now enroll in SAVE and get lower monthly payments. This led to a dramatic increase in IDR enrollment.

Figure 1 breaks borrowers into income categories and shows what share of each category was enrolled in SAVE and how many SAVE-enrolled households will be eligible for another IDR program. Below \$40,000 annual take-home income, almost all SAVE-enrolled borrowers will still be eligible for IDR. The share that remains eligible quickly falls as income increases.¹⁰ However, borrowers are not equally distributed across these income bins. Figure 2 shows the overall income distributions borrowers who will and will not remain eligible for IDR. These distributions have very little overlap. Among borrowers staying eligible, 75 percent have a take-home income of \$56,000 or below, while among borrowers losing eligibility, 75 percent have take-home income of at least \$65,000.

⁷ Because credit bureau records do not have information on IDR plan enrollment, we identify SAVE-enrolled borrowers from two administrative changes specific to the plan: the interest-free forbearance that began in summer 2024, and the resumption of interest accrual in August 2025. See Appendix for full details.

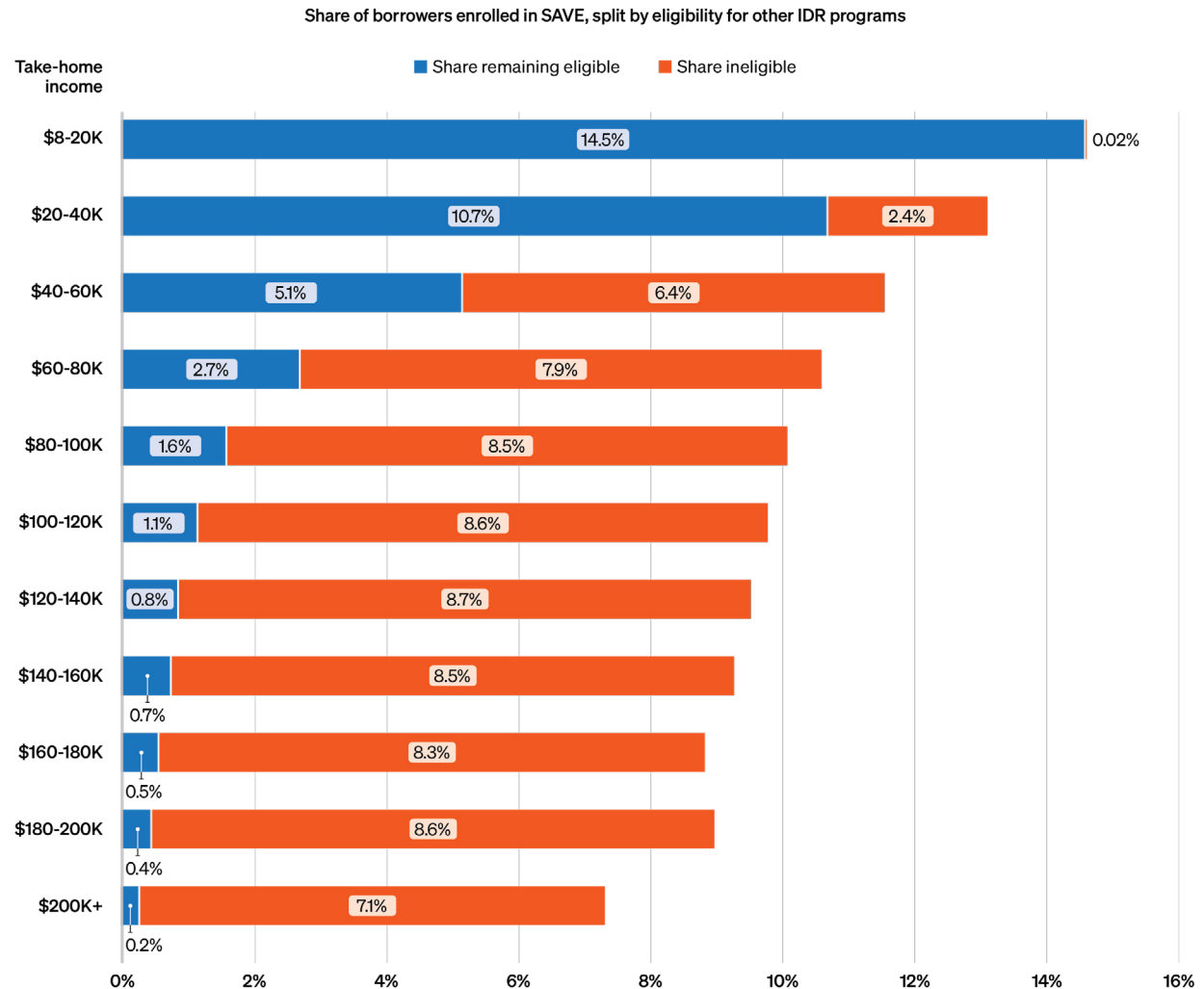
⁸ Note that because we cannot assign income streams to individual members of a household (i.e., which paycheck belongs to which person), we assume that households act as single units with pooled income and debts. We define households by joint account ownership. If two people share an account, we treat them as one household, and all activity in accounts associated with these individuals is pooled together. Specifically, student loans, income, and spending are summed across all accounts within a household, and if any member of a household has student loans, the whole household is a "borrower" household.

⁹ Each IDR plan takes a borrower's income and calculates a corresponding IDR monthly payment. Each IDR plan has a slightly different formula to calculate the IDR payment from income. All borrowers with the same income and household size have the same IDR monthly payment regardless of how much student debt they have. For a given income, payments are adjusted for household size: with households with more dependents have smaller monthly IDR payments. See Wheat, Sullivan, and Nathe (2025) for a full explanation.

¹⁰ This drop off in eligibility is due to the structure of IDR plans: monthly IDR payments are determined only by income: under SAVE any borrower with income below 225 percent of the federal poverty limit was given a \$0 monthly payment regardless of how much debt they had. For borrowers with incomes above this limit, total annual payments are set equal to 5 percent of gross income minus 225 percent of the poverty limit. In contrast, IBR (the one pre-OBBA IDR plan that will remain available), gave \$0 payments to borrowers below 150 percent of the federal poverty limit. See Wheat, Sullivan, and Nathe (2025) for full details of how different IDR plans calculate monthly payments.

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Figure 1: Most SAVE-enrolled households with annual take-home incomes less than \$40,000 will be eligible for another IDR plan.



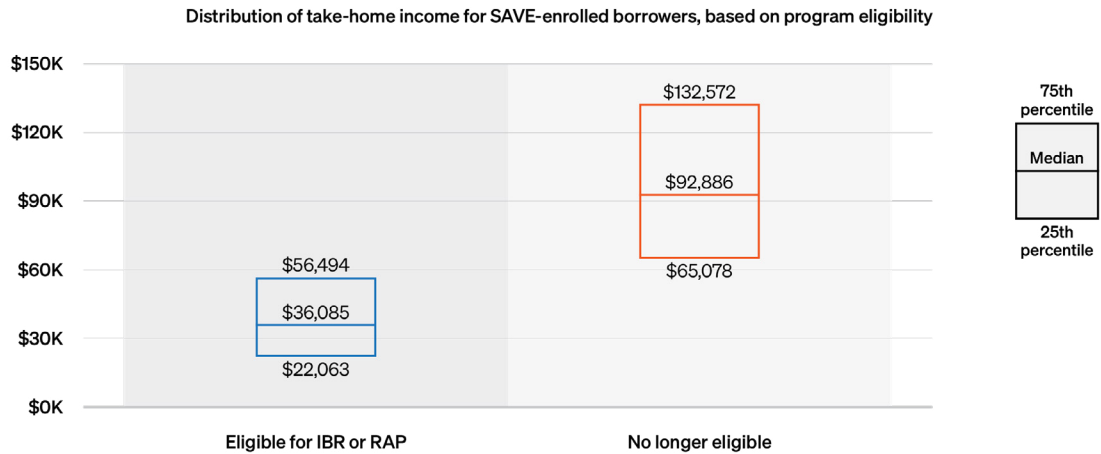
Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. Income is annual take-home income. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

[Access text version](#)

What will student loan payments look like after SAVE?

Figure 2: SAVE-enrolled households retaining eligibility for an IDR program tend to have lower incomes.



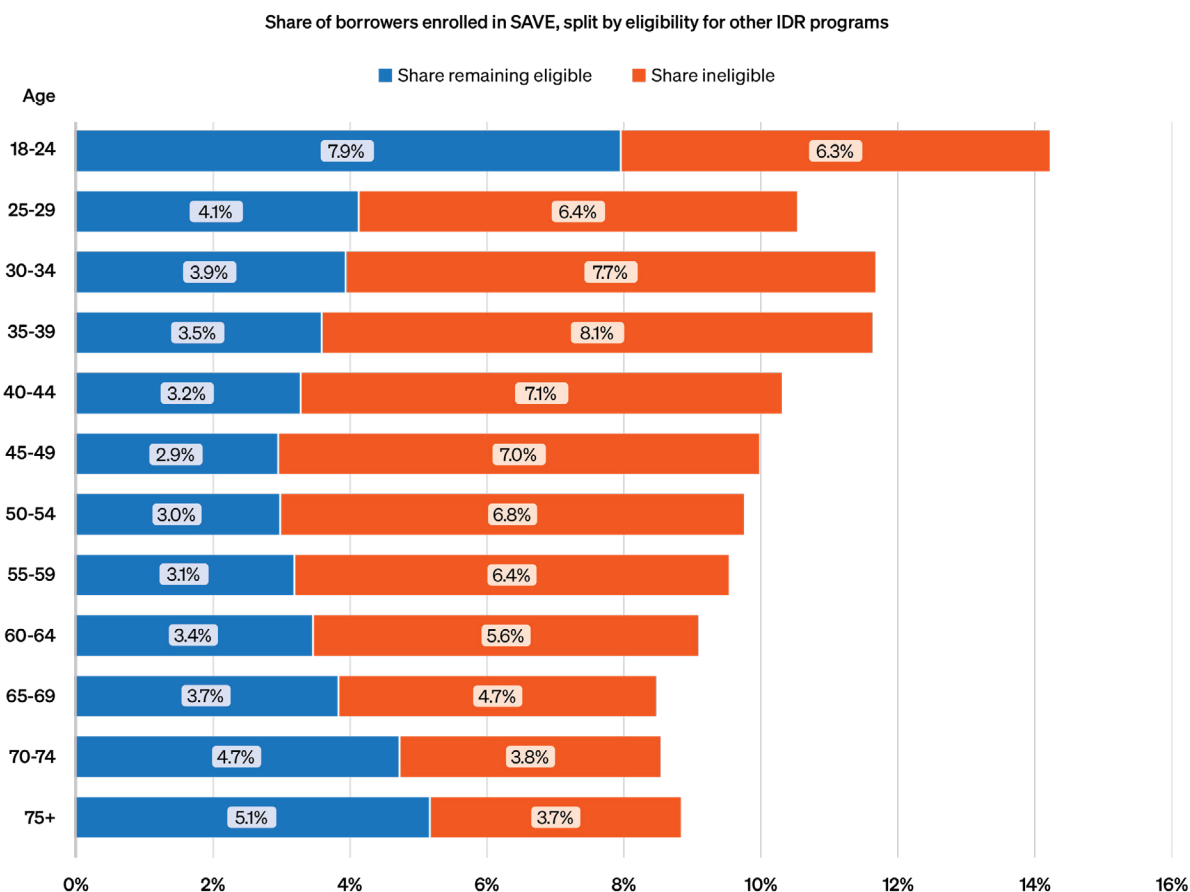
Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. Income is annual take-home income. SAVE-enrolled households are identified from patterns in loan forbearance and interest accrual; see Appendix for details.

Source: JPMorganChase Institute

Figure 3 shows SAVE enrollment and future IDR eligibility by age. Patterns in future eligibility are less dramatic across age than across income. Middle-aged borrowers are the least likely to remain eligible, with very young and very old borrowers relatively more likely to remain eligible. This is in-line with previous studies finding IDR enrollment is highest for millennials (CRL 2024). This pattern is consistent with life-cycle income growth and selection among older borrowers who still hold student debt. Workers' incomes generally increase as they age and as they get more education, which itself is facilitated by student loans. Thus, young borrowers with large loans are more likely to experience strong income growth after they enter the labor market, so middle-aged borrowers who still have debt are less likely to have low incomes but may have started with high balances due to professional training like law school or medical school. If an older person holds student debt, they either had unusually slow income growth during their prime earning years or they borrowed on behalf of their children and so their wages did not get a direct increase from the education funded by the student debt. However, we observe households at a single point in time. We cannot distinguish differences driven by age itself, the era in which households borrowed, or the fact that households who pay off their loans drop out of the data.

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Figure 3: SAVE-enrolled households losing eligibility tend to be middle-aged households, with older households with highest eligibility retention rates.



Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. Age is the average age across household members. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

[Access text version](#)

The end of SAVE will tend to withdraw income-driven relief primarily from borrowers with the greatest capacity to repay, which lower-income borrowers would largely retain an income driven option. This suggests that the transition may affect lower and higher-income borrowers differently; Finding 3 further examines those differences by comparing projected payments with household income.

Finding 2: If all SAVE households who are eligible for another IDR plan re-enroll, total IDR enrollment is projected to return to pre-pandemic rates.

Taking all borrowers together, how many SAVE-enrollees should we expect to re-enroll in other IDR programs? When non-SAVE borrowers exited the pandemic payment pause, many borrowers never resumed payment. Popular press and some research suggested that many borrowers were not aware that payments had been restarted.¹¹ That experience highlights the possibility that SAVE borrowers may transition unevenly. For SAVE borrowers, the key question is how many would still benefit from another IDR plan and what overall IDR participation would look like if all those borrowers re-enroll. Without data on borrowers' current incomes, it's impossible to know whether IDR re-enrollment has been low. We answer this question by projecting how many SAVE enrollees will remain eligible for other IDR programs and what overall IDR enrollment will be with full re-enrollment.

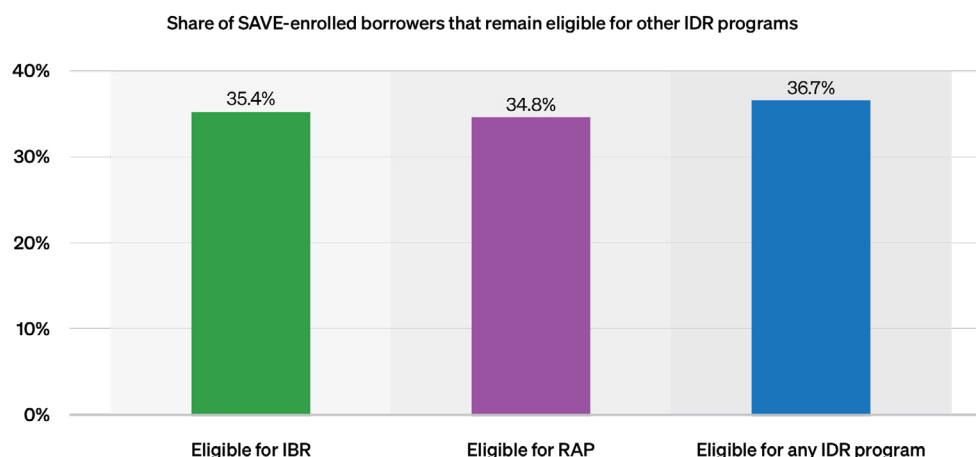
We find that 37 percent of SAVE-enrolled borrowers will remain eligible for another IDR plan, shown in Figure 4. We also find no significant difference in eligibility between the two remaining IDR plans, Income-Based Repayment (IBR) and Repayment Assistance Plan (RAP). For the most part, if a borrower is eligible for one IDR plan, they are also eligible for the other. While the two plans use different formulas to calculate monthly loan payments from a borrower's income, the resulting payments—and thus eligibility—are very similar.¹²

¹¹ Cohn (2026), Monarrez (2024), Kvaal (2023). Also see example press coverage in [The Washington Post \(2025\)](#).

¹² Certain loans, such as FFEL loans, are not eligible for RAP, but they are eligible for IBR. While our credit data provides some circumstantial info such as the loan origination date, it does have enough information to definitively determine whether a loan was a direct loan, a Parent Plus loan, an FFEL loan, etc. As such, we do not distinguish between loan types in our analysis. Given how similar the income-eligibility criteria are across IBR and RAP, this is unlikely to materially affect our estimates.

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Figure 4: More than a third of SAVE-enrolled households remain eligible for another IDR program.



Note: IDR eligibility is predicted by comparing borrowers' monthly payment under a given IDR program with their required payment under a standard amortization schedule. Monthly payments under IDR programs are based on borrower income. Federal Poverty Level is set using a household size of one. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

Beyond eligibility and monthly payment amount, there are important differences between the two plans that affect borrower experience. For example, RAP does not have a \$0 payment available for those below 150 percent of the federal poverty limit, which IBR does, and RAP extends the forgiveness horizon to 30 years. On the other hand, IBR does not have the generous monthly interest and principal subsidies that RAP does. (Wheat, Sullivan, and Nathe (2025) give a full description of how borrowers may experience RAP and IBR differently.)

For the remaining majority of SAVE enrollees who will not be eligible for IBR or RAP, the end of SAVE effectively moves them out of IDR and onto a standard repayment plan that follows a 10-year amortization schedule.

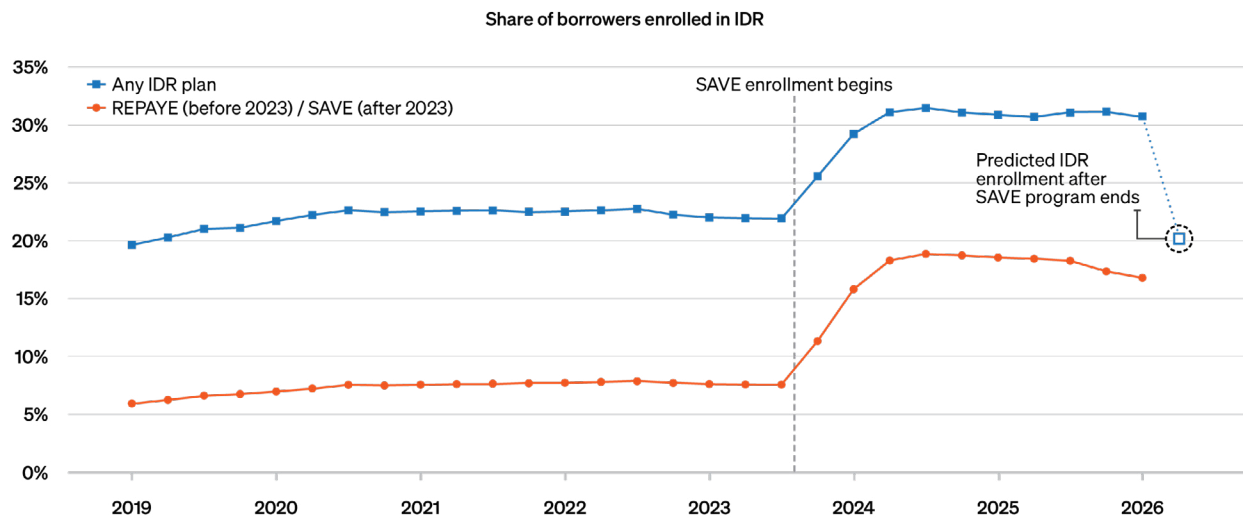
Because SAVE substantially expanded the number of borrowers in IDR, its removal suggests there will be a broad decline in IDR participation—how big will that decline be? Figure 5 shows publicly reported IDR and SAVE enrollment rates through early 2026.¹³ Using our estimate from Figure 4 on how many SAVE enrollees will remain eligible and scaling down early-2026 SAVE enrollment, we estimate that the share of borrowers in an income-driven plan would fall back towards its pre-pandemic level of 20 percent, reversing most if not all of the expansion driven by SAVE.

¹³ IDR enrollment data come from the Federal Student Aid Data Center's [reports on the federal student loan portfolio](#), specifically the Direct Loan Portfolio by Repayment Plan data asset.

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This contraction follows from SAVE's relative generosity. SAVE exempted more income from the payment calculation and applied a lower payment rate than either successor, effectively raising the income ceiling for IDR eligibility for a given loan amount. This is reflected in Finding 1 above, which shows that borrowers who would no longer receive lower payments under IDR tend to have higher incomes than those who remain eligible. This implies that the transition may not induce significant financial hardship, and we specifically estimate potential financial hardship in the next section by looking at how projected student loan payments compare with borrowers' take-home income.

Figure 5: IDR enrollment spiked with the introduction of SAVE, but is estimated to return to pre-pandemic levels.



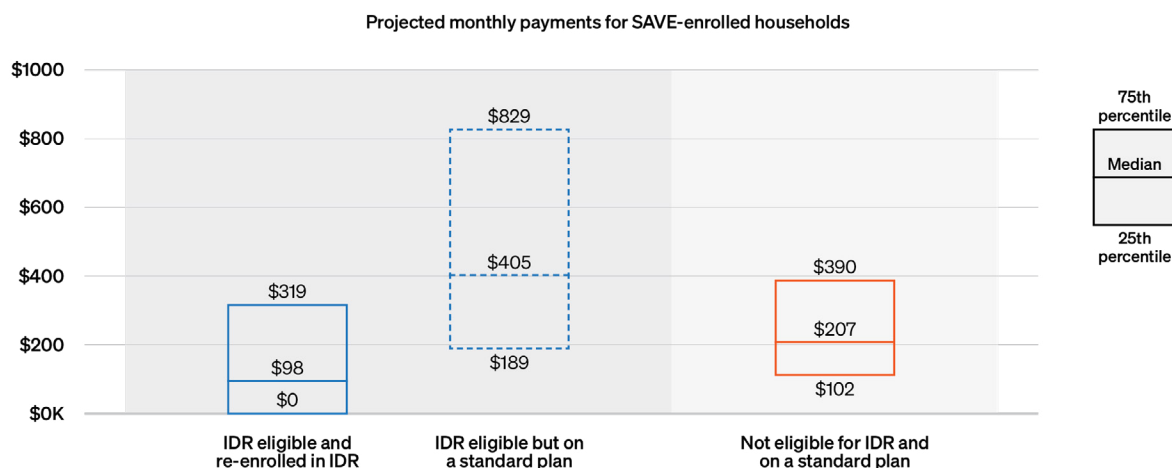
Note: Solid lines are actual enrollment shares based on data from the Federal Student Aid Data Center. Hollow marker (□) is the predicted value for total IDR enrollment based on Chase customer data.

Finding 3: The typical monthly payment for all SAVE borrowers will be about 3 percent of take-home income, assuming all IDR-eligible borrowers enroll in a new IDR plan. This is comparable to payments made by IDR enrollees before the pandemic.

To estimate payment affordability, we predict the monthly payments for each borrower will face after SAVE and compare them to the borrower's overall take-home income and discretionary spending. First, we predict each borrower's monthly payments under available IDR programs (IBR and RAP) using our measure of household income from account deposits. To simplify the discussion of future IDR burdens, we do not discuss IBR and RAP separately and assume that borrowers who are eligible for both plans choose the plan that gives them the lowest monthly payment.¹⁴ We also calculate what borrowers' monthly payment would be under a standard 10-year repayment plan based on their student loan balances and interest rates.

Figure 6 shows the distribution of monthly payments by future IDR eligibility. We estimate that the median SAVE-enrolled household that enrolls in a new IDR plan will pay \$100 per month, and 75 percent of these borrowers will have monthly payments of \$319 or less. However, if all IDR-eligible households move to a standard repayment plan rather than enroll for a new IDR plan, the median payment is \$405 (dashed lines). Among SAVE-enrolled borrowers who will no longer be eligible for an IDR program, the median monthly payment is \$207.

Figure 6: IDR-eligible SAVE-enrolled households face lower payments on an IDR plan.



Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. IDR payments are calculated using borrower's observed household income in bank account data. Standard plan payments are from a 10-year amortization schedule using current loan balance. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

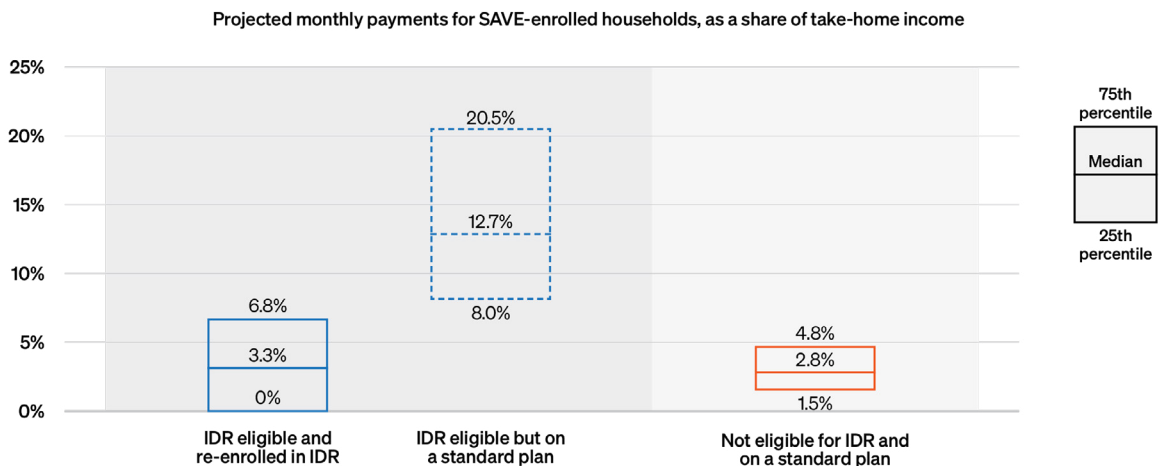
¹⁴ Wheat, Sullivan, and Nathe (2025) provides a full comparison of RAP and non-RAP IDR plans.

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To put these monthly payment amounts in context, we compare them to borrowers' household take-home income in Figure 7. While non-eligible households had higher payments than eligible ones, the same is not true of payment burden. Because households that lose eligibility are higher earners (Finding 1), their larger dollar payment is a smaller share of income. IDR-eligible households will have a median payment burden of roughly 3 percent of take-home income, while ineligible households will need slightly less, 2.7 percent of take-home income. However, without an IDR plan, IDR-eligible households will need to use a substantial portion of their income for loan payments: the median household will need to put 12.7 percent of their take-home income toward student loan payments to stay current on their loans, and a quarter of households will need over 20 percent.

If all IDR-eligible households re-enroll, these burdens are modest against the pre-pandemic benchmark. In 2016, borrowers on IDR paid a median of 2.7 percent of take-home income towards student debt, and borrowers ineligible for IDR paid 3.1 percent (Greig, Sullivan, and Ho 2022). However, pre-pandemic borrowers who were eligible for IDR but not enrolled paid 10.2 percent of their income. This comparison highlights the importance of enrollment status for payment burden, as SAVE borrowers who remain eligible for IBR or RAP but instead stay on a standard plan could face substantially higher payments relative to income.

Figure 7: Payment burdens are comparable across all SAVE-enrolled households, assuming IDR-eligible households enroll in an IDR program. Without an IDR plan, eligible households face higher payment burden.



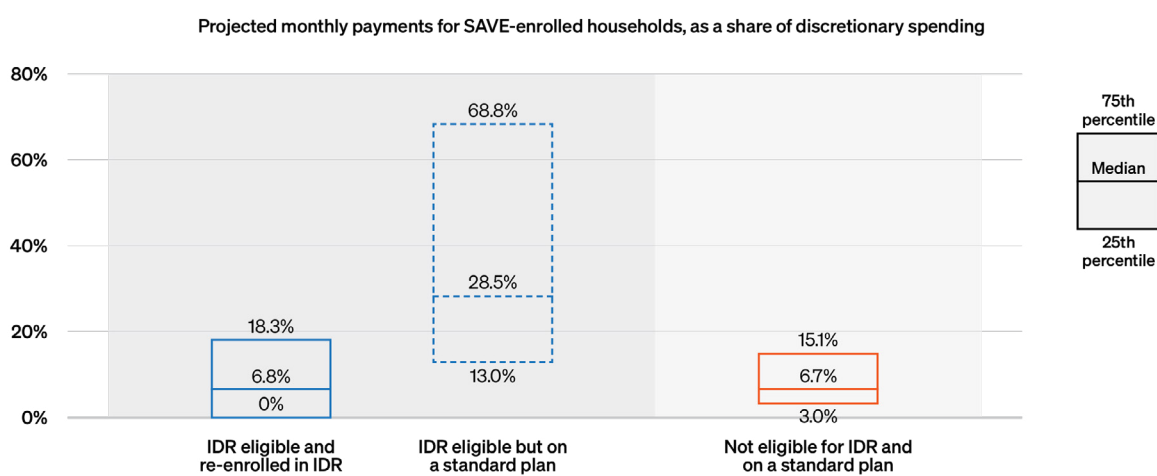
Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. IDR payments are calculated using borrower's observed household income in bank account data. Standard plan payments are from a 10-year amortization schedule using current loan balance. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

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To further explore affordability, we also compare monthly payments to borrowers' discretionary spending.¹⁵ Because lower-income households use a larger share of their incomes for non-discretionary spending like housing, groceries, and transportation, they have less discretionary spending to draw on to cover the payment change. Figure 8 shows that if IDR-eligible borrowers remain in IDR, monthly payments remain a relatively small part of their discretionary spending, with a median of 7 percent and a 75th percentile of 18 percent. These are non-trivial parts of a household's budget, and some may need to significantly adjust their discretionary spending. However, households who are IDR-eligible but don't re-enroll will face dramatically higher payment burdens, with the typical household needing to redirect 29 percent of discretionary spending to make student loan payments and a quarter of households needing over 65 percent. Payments are again relatively more manageable for borrowers who will no longer be eligible for IDR: they have a median of 7 percent of discretionary spending and a 75th percentile of 15 percent.

Figure 8: Monthly payments as a share of discretionary spending are also comparable across all SAVE-enrolled households assuming IDR-eligible households re-enroll in IDR.



Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. IDR payments are calculated using borrower's observed household income in bank account data. Standard plan payments are from a 10-year amortization schedule using current loan balance. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details.

Source: JPMorganChase Institute

¹⁵ Discretionary spending covers categories such as travel, restaurants, miscellaneous retail, and entertainment, and excludes non-discretionary categories like groceries, housing, health care, transportation, and auto repair.

Finding 4: If SAVE enrollees who are eligible do not enroll in another IDR program, their payment burdens will increase significantly: the typical IDR-eligible SAVE borrower would need at least 12 percent of their take-home income for student loan payments.

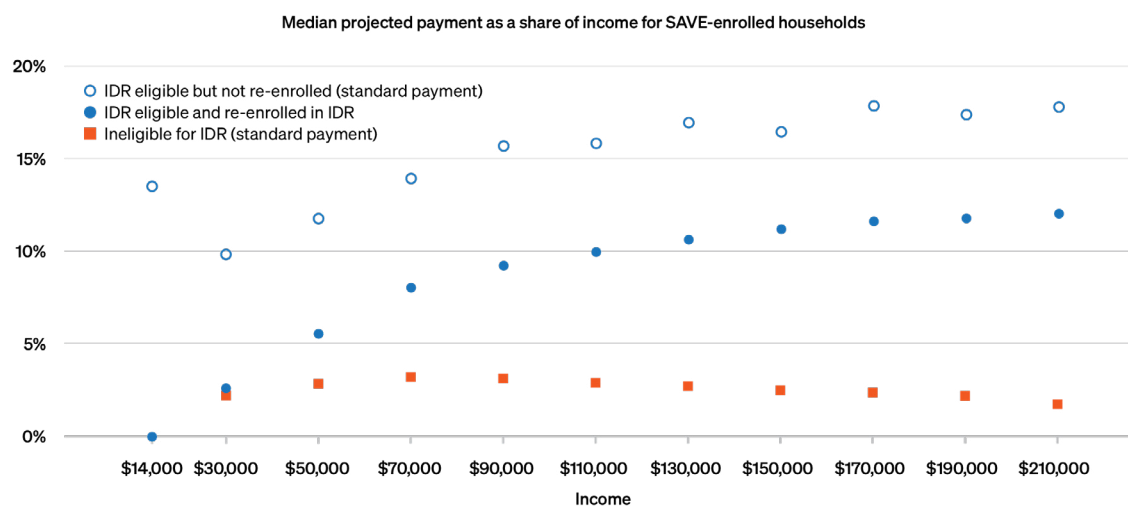
How do payment burdens vary by income? Figure 9 shows that payment burden as a share of income rises with income among SAVE-enrolled households that remain eligible. For those that re-enroll in IDR, burden climbs steadily from near 0 percent among the lowest-income households to roughly 5.5 percent around \$40,000, then to about 10 percent near \$100,000 and slowly increases as income increases. If they do not re-enroll, those same eligible households would instead face a much higher burden, hovering between 10 and 13 percent below \$60,000 and 15 to 18 percent for higher incomes. Borrowers that lose eligibility will have payments that are typically less than 3 percent, with the largest burden born by households with around \$60,000 in take-home income and smaller burdens for those with lower or higher incomes. This pattern reflects the structure of IDR eligibility. At lower income levels, eligibility is largely determined by whether income falls below the relevant federal poverty threshold. At higher income levels, eligibility depends on both income and loan balance because a borrower qualifies only when the IDR payment is lower than the standard payment amount. This effectively limits how large payment burdens can be among borrowers who are no longer eligible: if their standard payments were sufficiently high relative to income, they would instead qualify for IDR.

By age (Figure 10), payment burden among eligible households on the program rises from about 1 percent for the youngest borrowers to a plateau near 4 percent spanning roughly age 27 through 57, before declining to about 3 percent by age 70–80. With a standard payment, those same eligible households face a higher burden, ranging from about 9 percent at age 21 to roughly 14 percent by age 80. Households that lose eligibility, by contrast, sit near 2–3 percent at every age, drifting slightly higher with age. The mid-career plateau may reflect balances that stay large relative to income into a borrower's late thirties and forties, because paydown and rising income lower the ratio thereafter.

Together the two cuts show that SAVE households eligible for income-driven programs see their burden move most. Lower-income SAVE households eligible for IDR would see the most substantial reductions in their monthly payment compared to a standard repayment plan (from greater than 12 percent to less than 2 percent). This gap between standard and program payment burden is largest for older borrowers, where the standard payment climbs toward 14 percent by age 80 while the program payment falls to roughly 1.5 percent, a difference of about 12.5 percentage points.

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Figure 9: Lower-income SAVE-enrolled households face a 13 percent payment burden relative to income if they fail to enroll in a new IDR program.

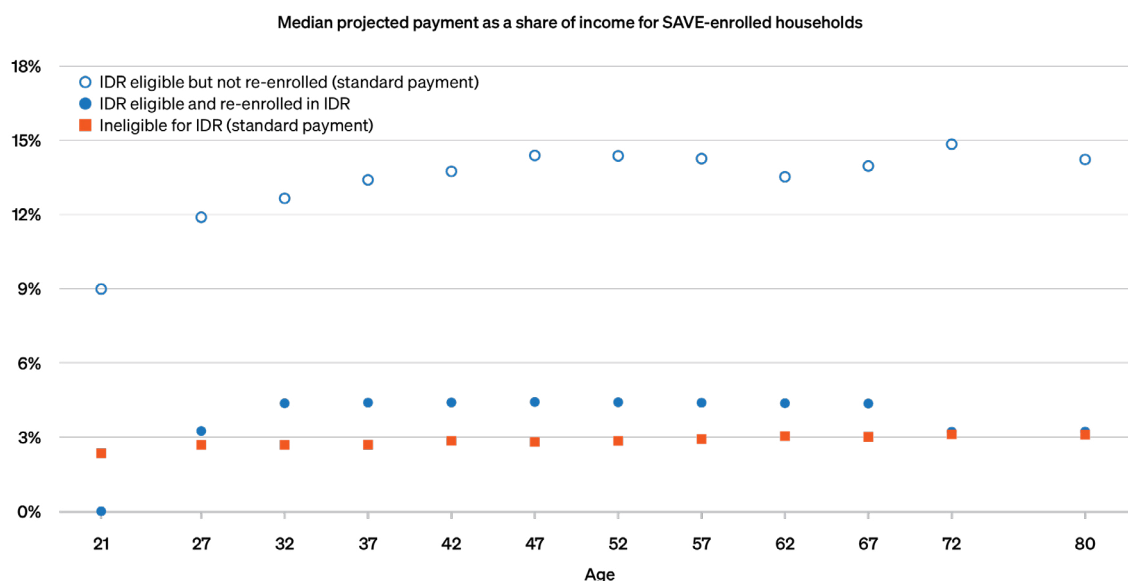


Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. IDR payments are calculated using borrower's observed household income in bank account data. Standard plan payments are from a 10-year amortization schedule using current loan balance. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details. Plotted income value is the midpoint of the given income range.

Source: JPMorganChase Institute

[Access text version](#)

Figure 10: Older SAVE-enrolled households who remain IDR eligible get larger payment reductions if they enroll in an IDR program



Note: A household is eligible if enrolling in IBR or RAP would lower its monthly payment relative to a 10-year standard amortized payment. IDR payments are calculated using borrower's observed household income in bank account data. Standard plan payments are from a 10-year amortization schedule using current loan balance. SAVE enrollment is inferred from loan forbearance and interest accrual patterns; see Appendix for details. Plotted age value is the midpoint of the given age range.

Source: JPMorganChase Institute

[Access text version](#)

Implications

With the end of SAVE, 7 million borrowers need to transition to a new payment plan and resume making payments for the first time since July 2024. Our data suggest that if all borrowers who are eligible for IDR remain in IDR, overall enrollment rates and payment burdens will be very similar to 2019 levels. Pre-pandemic outcomes should be a reasonable guide to where the system is headed. But a return to normalcy will not come easily.

Monitoring whether SAVE borrowers successfully transition into new repayment plans will be important as payments resume. Repayment resumed unevenly after the COVID payment pause, even with a one-year grace period. In the first month, only 60 percent of borrowers resumed making payments.¹⁶ Millions of borrowers only discovered they should have been making payments when their loans were declared delinquent and it affected their credit report.¹⁷ If SAVE borrowers are similarly slow to transition, some may not re-enroll in IDR even when doing so would lower their monthly payments, potentially increasing their payment burdens.

Enrollment in the remaining IDR plans is an early indicator of how successfully SAVE borrowers are managing the transition. This study provides a benchmark for “full” re-enrollment in IDR. We estimate that 37 percent of SAVE enrollees are eligible for re-enrollment in IDR. Actual enrollment below that benchmark would indicate that some eligible borrowers are not re-enrolling and could potentially help identify areas for further outreach. Numerous entities have an interest in the success of student loan borrowers: the Department of Education, student loan servicers, non-profits like credit counseling agencies, and financial institutions of all kinds. These entities can all play a role in directing student borrowers to the already available resources they need.

The post-SAVE transition could also create renewed delinquency risk. Approximately 7 million SAVE borrowers will be resuming payments after SAVE, creating some parallels with end of the pandemic-era payment pause that was followed by an increase in student loan delinquencies. The systems that support student borrowers have not changed significantly since the end of the pandemic payment pause in 2023 and the spike in borrower delinquencies in 2025, suggesting that some of the implementation challenges¹⁸ present during the earlier repayment restart may remain relevant as SAVE borrowers transition to new plans. Closely tracking repayment and enrollment trends will therefore be critical for financial decision-makers as the transition unfolds.

¹⁶ Kvaal (2023)

¹⁷ Bhattarai (2025)

¹⁸ See, e.g., Consumer Financial Protection Bureau (2024).

Appendix

Data asset and sample construction

We use de-identified administrative data on approximately 740,000 households observed between January 2022 and March 2026. The data asset has two main sources. The first is account and transaction-level banking data, from which we construct measures of household income and spending. The second is credit bureau data on individual tradelines, matched at the individual level to the banking data, from which we observe information on a household's student loans, including loan balances, scheduled monthly payments, loan terms, and forbearance status. We draw on the full observation window to construct our measures. Unless otherwise noted, all statistics reported in this paper are evaluated on a single cross section of households as of December 2025.

We apply activity screens to ensure that we observe the majority of a household's financial activity. We require that a household holds an active checking account in every month of the sample period, conduct at least five transactions in every month, and receive at least \$8,000 in non-transfer deposits per year. Households failing these screens are more likely to hold a primary account elsewhere, in which case observed deposits would understate income. To ensure our sample more accurately reflects the wider American population, we reweight our sample to the joint distribution of income and age in the 2024 American Community Survey (ACS) Public Use Microdata Sample (PUMS) 5-year sample.

We further restrict the sample to households holding at least one active student loan tradeline throughout the sample period. We exclude tradelines flagged as private education loans, and loans whose original term is less than 10 years.¹⁹

From combining both banking and credit bureau data, we observe loan balances, scheduled payments, and account status on the loan side, and deposits on the banking side. Three measures central to the analysis are absent from both sources. First is income as the repayment formulas define it: eligibility and payments are based on adjusted gross income (AGI), while we observe deposits net of taxes and withholding. The second is plan enrollment, which servicers do not report and must therefore be recovered from the status and balance patterns observed in the credit bureau data. The third is program eligibility, which depends on household size and income. Each must be constructed from observable fields, and we treat the resulting income estimates and enrollment and eligibility flags as defensible approximations rather than exact classifications.

Measuring income

We measure annual take-home income as the sum of all non-transfer deposits into a household's accounts each calendar year. This is a measure of income net of taxes and other withholdings. The IDR payment formulas, by contrast, operate on AGI.

¹⁹ While there is no direct flag in our credit bureau data for private loans, private loan status can be inferred from joint responsibility codes and the fact that public loans never have joint responsibility (i.e., no co-signer) while most private loans do have a co-signer.

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To move from the measure of income we observe to the measure income the formulas require, we invert Congressional Budget Office estimates (CBO 2026) of take-home income as a share of gross income by income quintile. These shares form a step function across quintiles, so the mapping from net to gross income is not continuously invertible: we resolve this by linearly interpolating the take-home share between quintile midpoints and inverting the resulting continuous function. Because we use this mapping only to generate point estimates of gross income rather than construct a full distribution, linear interpolation is sufficient.

This measure might understate the number of households eligible for successor plans. For one, we observe income at the household level, pooling deposits across all account holders. IDR payments are calculated on the borrower's AGI, which for a married borrower filing separately may be considerably lower than household income. Second, our income measure captures only deposits into observed accounts. Households with material cash income or accounts at other institutions will have their income understated, notwithstanding the activity screens described above.

Identifying SAVE enrollment

We infer SAVE enrollment from the administrative footprint of two policy changes. In summer 2024, following the injunction against the plan, borrowers enrolled in SAVE were placed in administrative forbearance under which no payments were due and interest was set to zero. In summer 2025, the Department of Education directed servicers to resume charging interest on the loans in that forbearance as of August 1. Both actions affected the SAVE portfolio alone. Neither element identifies SAVE enrollment on its own, but together these criteria are specific to SAVE.

We tag a loan as SAVE-enrolled if it was in forbearance in the summer of 2024 or entered the sample already in forbearance, remained in forbearance at the end of 2025, and recovered a balance increase in August or September 2025, the two-month window accommodating variation in the timing with which servicers report. Flags are constructed at the loan level and aggregated to the household level, where a household is tagged as SAVE-enrolled if any of its loans satisfies these SAVE enrollment conditions. Two narrower definitions serve as robustness checks. The first replaces the end-of-2025 forbearance requirement with a condition that uses continued forbearance through the end of 2025, retaining the 2024 entry condition and the summer 2025 balance increase. The second drops the 2024 entry condition altogether and rests on the resumption of interest alone, requiring only that a loan remain in forbearance at the end of 2025 and that its balance is non-decreasing and then increases at some point August – December 2025. The reason for this variation in definition is to account for noise and frictions in loan reporting.

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Identifying successor plan eligibility

The eligibility test described here requires a counterfactual amortizing payment, i.e. the monthly payment that would fully retire a household's balance over a fixed term at its estimated interest rate. We set that term at ten years, corresponding to the standard repayment plan, rather than taking the term reported in the credit bureau data. Against this amortized payment benchmark we test each household's position under the two plans that remain available for the borrowers in our sample: RAP and IBR. For RAP, apply the applicable band rate to the household's full estimated AGI, with no deduction for a share of the federal poverty level, and impose the \$10 monthly minimum. For IBR, we apply the 10 percent rate to discretionary income, defined as AGI less 150 percent of the federal poverty level,²⁰ and require having a payment that's at least 10 percent lower than the monthly payment. Following the convention adopted in Wheat, Sullivan, and Nathe (2025), we describe a household as "eligible" for a plan where enrollment would lower its monthly payment relative to a 10-year standard amortizing payment. A 1-person household is assumed for these calculations.

²⁰ IBR exists in two versions distinguished by when a borrower first borrowed: those with an outstanding balance as of July 1, 2014 pay 15 percent of discretionary income with forgiveness at 25 years, while those who first borrowed on or after that date pay 10% with forgiveness at 20 years. Both versions define discretionary income as AGI less 150 percent of the federal poverty level and cap the monthly payment at the 10-year amortizing payment.

Data explanation

Figure 1: Most SAVE-enrolled households with annual take-home incomes less than \$40,000 will be eligible for another IDR plan.

Take-home income	Share remaining eligible	Share ineligible
0	14.6%	0.02%
20000	10.7%	2.4%
40000	5.1%	6.4%
60000	2.7%	7.9%
80000	1.6%	8.5%
100000	1.1%	8.6%
120000	0.8%	8.7%
140000	0.7%	8.5%
160000	0.5%	8.3%
180000	0.4%	8.6%
200000	0.2%	7.1%

[Access chart version](#)

Figure 3: SAVE-enrolled households losing eligibility tend to be middle-aged households, with older households with highest eligibility retention rates.

Age	Share remaining eligible	Share ineligible
18-24	7.9%	6.3%
25-29	4.1%	6.4%
30-34	3.9%	7.7%
35-39	3.5%	8.1%
40-44	3.2%	7.1%
45-49	2.9%	7.0%
50-54	3.0%	6.8%
55-59	3.2%	6.4%
60-64	3.4%	5.6%
65-69	3.8%	4.7%
70-74	4.7%	3.8%
75+	5.1%	3.7%

[Access chart version](#)

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Figure 9: Lower-income SAVE-enrolled households face a 13 percent payment burden relative to income if they fail to enroll in a new IDR program.

Income	IDR eligible but not re-enrolled (standard payment)	IDR eligible and re-enrolled in IDR	Ineligible for IDR (standard payment)
0	13.5%	0.0%	-
20000	9.8%	2.6%	2.2%
40000	11.7%	5.5%	2.8%
60000	13.9%	8.0%	3.2%
80000	15.6%	9.2%	3.1%
100000	15.8%	9.9%	2.9%
120000	16.9%	10.6%	2.7%
140000	16.4%	11.2%	2.5%
160000	17.8%	11.6%	2.4%
180000	17.3%	11.7%	2.2%
200000	17.7%	12.0%	1.8%

[Access chart version](#)

Figure 10: Older SAVE-enrolled households who remain IDR eligible get larger payment reductions if they enroll in an IDR program.

Age	IDR eligible but not re-enrolled (standard payment)	IDR eligible and re-enrolled in IDR	Ineligible for IDR (standard payment)
21	9.0%	0.0%	2.3%
27	11.9%	3.2%	2.7%
32	12.6%	4.4%	2.7%
37	13.4%	4.4%	2.7%
42	13.7%	4.4%	2.8%
47	14.4%	4.4%	2.8%
52	14.3%	4.4%	2.8%
57	14.2%	4.4%	2.9%
62	13.5%	4.4%	3.0%
67	13.9%	4.3%	3.0%
72	14.8%	3.2%	3.1%
80	14.2%	3.2%	3.1%

[Access chart version](#)

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