



Student Debt Relief Update

How to repay your loans and earn forgiveness for public service



/ Public Service Loan Forgiveness

Public Service Loan Forgiveness

- **You:** Make 120 qualifying loan payments while working full time in a qualifying public service position after October 1, 2007
- **The Federal Government:** Forgives tax free the balance (principal and any accrued interest) remaining on your eligible Federal Direct Loans

Requirements for Forgiveness



PSLF: Which Loans Are Eligible?

Federal Direct Loans Eligible ONLY

Private Loans are NOT Eligible

State Loans are NOT Eligible

FFEL Loans are NOT Eligible

Ensure Your Ability to Earn PSLF

- Know what loans you have
- Consolidate or reconsolidate any FFEL loans into eligible Federal Direct Loans
- Enroll for an eligible loan repayment plan

PSLF: Qualifying Payments

- Must make 120 on-time payments in a QUALIFYING PAYMENT PLAN:
 - 10-Year “Standard” Repayment Plan
 - Plan under which your payments are at least as much as they’d be under 10-Year Repayment
 - Income-Contingent Repayment
 - Income-Based Repayment
 - Pay As You Earn
 - REPAYE


Payments do not need to be consecutive

PSLF: Qualifying Employment



PSLF: Full-time Employment

- Working in what your employers consider full-time employment
- Working a minimum of 30 hours per week
- Can combine two part-time jobs
- Can change positions
- Must be paid for the work performed
- Must be paid by the qualifying employer



/ PSLF: How do I apply? How do I track progress?

PSLF: How Do I Apply?

- Only after making 120 qualifying payments on eligible loans while working full time in qualifying employment
- Submit PSLF Application with proof of employment
- You must be in qualifying employment at the time of forgiveness
- Application available now

PSLF: How do I track my progress?

- Send in an employment certification form whenever you start a new public service job and once a year when you're in an existing job.
- Make sure the Department of Education's record of qualifying payments matches your record.

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StudentAid.ed.gov

The screenshot shows the Federal Student Aid website. At the top, the logo reads "Federal Student Aid" with the tagline "An OFFICE of the U.S. DEPARTMENT of EDUCATION" and "PROUD SPONSOR of the AMERICAN MIND™". A search bar is on the right. A navigation menu includes "Prepare for College", "Types of Aid", "Who Gets Aid", "FAFSA: Apply for Aid", and "Repay Your Loans". The breadcrumb trail is "Home » Repay Your Loans » Forgiveness, Cancellation, and Discharge » Forgiveness, Cancellation, and Discharge Charts » Public Service Loan Forgiveness".

A featured banner includes a photo of a woman and the text: "If you work full-time in a public service job, you may qualify for Public Service Loan Forgiveness. Learn more and see if you qualify."

The main content area describes the Public Service Loan Forgiveness Program (PSLF) and lists several frequently asked questions:

- What is the Public Service Loan Forgiveness Program?
- What must I do to have any remaining balances on my Direct Loans forgiven under the PSLF Program?
- What loans are eligible for forgiveness?
- What are on-time, full, scheduled, monthly payments?
- What is a qualifying repayment plan?
- What kinds of employment qualify?
- What is full-time employment?
- What does it mean that my 120 Direct Loan payments must be made while I am working full-time at certain public service organizations?
- How can I keep track of my eligibility?
- What should I do after I become eligible for PSLF?

A "NEW" notice states that on January 31, 2012, the U.S. Department of Education released an Employment Certification Package to help borrowers track their progress toward qualifying for PSLF. The package includes:

- [Dear Borrower Letter](#)
- [Instructions for Completing Employment Certification for Public Service Loan Forgiveness](#)

On the right side, there are sections for "Resources" with links to "Loan Forgiveness for Public Service Employees" and "Loan Forgiveness for Public Service Employees Common Questions", both with "VIEW FILE" buttons. Below that is a link to "Download Adobe Reader". A "Glossary" section includes a link for "Loan Forgiveness" and a brief definition: "The cancellation of all or some portion of your remaining federal student loan balance. If your loan is forgiven, you are no longer responsible for repaying that remaining portion of the loan. ..."



**PUBLIC SERVICE LOAN FORGIVENESS (PSLF):
APPLICATION FOR FORGIVENESS**

William D. Ford Federal Direct Loan (Direct Loan) Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

OMB No. 1845-0110
Form Approved
Exp. Date 5/31/2020
PSFAP - XBCR

SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN _____
Date of Birth _____
Name _____
Address _____
City _____ State _____ Zip Code _____
Telephone - Primary _____
Telephone - Alternate _____
Email (Optional) _____

Before signing, carefully read the entire form. For more information on PSLF, visit StudentAid.gov/publicservice. Use this form only if you (1) have Direct Loans, (2) made 120 qualifying payments on the Direct Loans for which you are seeking forgiveness, and (3) worked, and continue to work, full-time at a qualifying employer when you made the qualifying payments. If the employment certified in Sections 3 and 4 of this application does not cover all 120 qualifying payments, you must submit a copy of Section 3 and 4 (page 2) for each qualifying employer that covers the rest of your qualifying payments.

SECTION 2: BORROWER REQUEST, UNDERSTANDINGS, CERTIFICATION, AND AUTHORIZATION

I request (1) that the U.S. Department of Education (the Department) forgive the remaining balance of my Direct Loans and (2) if I submit employment certification covering 10 years of qualifying employment after October 1, 2007, a forbearance on my Direct Loans while the Department determines my eligibility for forgiveness, unless I indicate otherwise below.

By checking this box, I am indicating that I **do not want a forbearance** while my application is being processed.

I understand that:

- 1. To qualify for PSLF, I must have made 120 qualifying payments on my Direct Loans while employed full-time by a qualifying employer or employers. Neither the 120 qualifying payments nor employment have to be consecutive.
- 2. To qualify for PSLF, I must be employed full-time by a qualifying employer when I apply for and receive PSLF.
- 3. By submitting this form, my student loans held by the Department will be transferred to FedLoan Servicing.
- 4. If the Department determines that I appear to be eligible for forgiveness, the Department may contact my employer before granting forgiveness to ensure that I continue to work for the employer.
- 5. If I am eligible for forgiveness, the amount forgiven will be the principal and interest that was due on my eligible Direct Loans when I made my final qualifying payment. Any amount that I pay on those loans after I have made my final qualifying payment will be treated as an overpayment. I must continue to make payments on any of my other loans.
- 6. If I am not eligible for forgiveness, I will be notified of the determination and why it was made, my forbearance will end, and unpaid interest may be capitalized (added to my loan's principal balance).

I certify that all of the information I have provided on this form and in any accompanying document is true, complete, and correct to the best of my knowledge and belief and that if I cease to be employed by a qualifying employer after I submit this application, but before forgiveness is granted, I will notify the Department (see Section 7) immediately.

I authorize my employer or other entity having records about the employment that is the basis of my request to make information from those records available to the U. S. Department of Education (the Department) or its agents or contractors.

Check this box if you cannot obtain certification from your employer because the organization is closed or because the organization has refused to certify your employment. The Department will follow up to assist you in getting documentation of your employment. **Complete Section 3, but do not complete Section 4.**

Borrower's Signature _____ Date _____

Borrower Name _____ Borrower SSN _____

SECTION 3: EMPLOYER INFORMATION (TO BE COMPLETED BY THE BORROWER OR EMPLOYER)

- 1. Employer Name: _____
- 2. Federal Employer Identification Number (FEIN) _____
Your employer's Federal EIN may be found on your Wage and Tax Statement (W-2).
- 3. Employer Address: _____
- 4. Employer Website (if any): _____
- 5. Employment Begin Date: _____
- 6. Employment End Date: _____ OR Still Employed
- 7. Employment Status: Full-Time Part-Time
- 8. Hours Per Week (Average) _____
Include vacation, leave time, or any leave taken under the Family Medical Leave Act of 1993. If your employer is a 501(c)(3) or a not-for-profit organization, do not include any hours you spent on **religious instruction, worship services, or proselytizing.**
- 9. Is your employer a **governmental** organization?
A governmental organization is a Federal, State, local, or Tribal government organization, agency, or entity, a public child or family service agency, a Tribal college or university, or the Peace Corps or AmeriCorps.
 Yes - Skip to Section 4.
 No - Continue to Item 10.
- 10. Is your employer tax-exempt under Section 501(c)(3) of the Internal Revenue Code (IRC)?
If your employer is tax-exempt under another subsection of 501(c) of the IRC, such as 501(c)(4) or 501(c)(6), check "No" to this question.
 Yes - Skip to Section 4.
 No - Continue to Item 11.
- 11. Is your employer a **not-for-profit** organization that is **not** tax-exempt under Section 501(c)(3) of the Internal Revenue Code?
 Yes - Continue to Item 12.
 No - Your employer does not qualify.
- 12. Is your employer a partisan political organization or a labor union?
 Yes - Your employer does not qualify.
 No - Continue to Item 13.
- 13. Which of the following services does your employer provide as its primary purpose? Check all that apply and then continue to Section 4. If you check "None of the above", do not submit this form.
 Emergency management
 Military service (See Section 6)
 Public safety
 Law enforcement
 Public interest legal services (See Section 6)
 Early childhood education (See Section 6)
 Public service for individuals with disabilities
 Public service for the elderly
 Public health (See Section 6)
 Public education (See Section 6)
 Public library services
 School library services
 Other school-based services
 None of the above - the employer does not qualify.

SECTION 4: EMPLOYER CERTIFICATION (TO BE COMPLETED BY THE EMPLOYER)

By signing, I certify (1) that the information in Section 3 is true, complete, and correct to the best of my knowledge and belief, (2) that I am an authorized official (see Section 6) of the organization named in Section 3, and (3) that the borrower named in Section 1 is or was an employee of the organization named in Section 3.

Note: If any of the information is crossed out or altered in Section 3, you must initial those changes.

Official's Name _____ Official's Phone _____

Official's Title _____ Official's Email _____

Authorized Official's Signature _____ Date _____



/ PSLF Denials and Legislative Update

99%

of people who have submitted applications for PSLF were denied forgiveness by the Department of Education.

Preserving Public Service Loan Forgiveness

- Currently PSLF is uncapped
- Proposal to cap the program at \$57,500 in the Obama administration
- Past Republican budgets have assumed eliminating the program
- PROSPER Act
- Aim Higher Act

**Help Us Preserve Public Service
Loan Forgiveness!**

Text PSLF to 40649



/ Loan Repayment Assistance Programs

Loan Repayment Assistance Programs

Employer LRAPs

Ask your employer!

School LRAPs

Ask your school!

State-Based LRAPs

Visit EqualJusticeWorks.org for more information

Federal LRAPs

Federal programs based on profession