

WHAT TO KNOW ABOUT PUBLIC SERVICE LOAN FORGIVENESS

Representative Danny K. Davis (IL-07)

Customer Outreach Group

May 26, 2022

AGENDA

- 01 FSA ID
- 02 Covid-19 Flexibilities
- 03 Limited PSLF Waiver
- 04 PSLF Basics
- 05 PSLF Help Tool
- 06 PSLF Resources

FSA ID ACCOUNT SIGN UP

You Are America's Smartest Investment

The U.S. Department of Education's office of Federal Student Aid provides approximately \$112 billion in financial aid to help pay for college or career school each year.

Log In

Create Account

Resource: [STUDENTAID.GOV](https://studentaid.gov)

FSA ID

HOW TO CREATE



Visit [FSAID.ED.GOV](https://fsaid.ed.gov)



May enter your email address



Create a username



Create a password



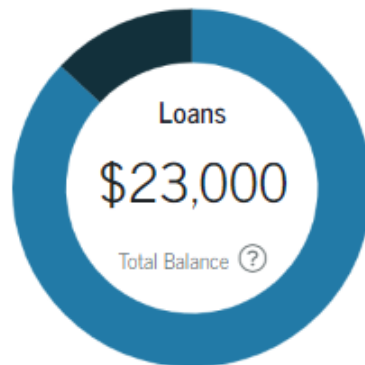
Enter your name, date of birth,
and Social Security number

PAYMENT COUNTS ON STUDENTAID.GOV

LOAN TYPE

Direct Graduate PLUS

ALABAMA AGRICULTURAL & MECHANICAL UNIVERSITY OPE ID 00100200



Loan Information as of 05/03/2019

- \$20,000
Principal ?
- \$3,000
Interest ?

LOAN PERIOD ?

06/01/2014 - 06/01/2015

LOAN STATUS ?

- In Repayment

[View loan status history](#)

INTEREST RATE ?

5.00% (fixed)

REAFFIRMATION DATE ?

N/A

PSLF CUMULATIVE MATCH MONTHS ?

60 months

[Learn more about loan forgiveness](#)



TARGETED STUDENT LOAN RELIEF

THE DEPARTMENT HAS APPROVED MORE THAN \$18.5 BILLION IN DEBT CANCELLATION FOR 760,000 BORROWERS

- \$7.3 billion for more than 127,150 public servants through improvements to PSLF;
- Over \$8.5 billion for more than 400,000 borrowers who have a total and permanent disability;
- \$1.2 billion for borrowers who attended ITT Technical Institutes before it closed; and
- \$2.1 billion for 132,000 borrowers who were defrauded by their school.

WHAT IS PSLF?

The PSLF Program forgives the remaining balance on your Direct Loans* after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full-time for a qualifying employer.

The PSLF servicer (currently PHEAA/FedLoan Servicing) administers PSLF for all Direct Loan* borrowers.

As a result, if you submit a PSLF form and the PSLF servicer determines that your employment qualifies, all of your Direct Loans* as well as any of your FFEL Program loans that are held by the U.S. Department of Education will be transferred to the PSLF servicer.

**On Oct. 6, 2021, the U.S. Department of Education announced a temporary period during which borrowers may receive credit for payments that previously did not qualify for PSLF or TEPSLF.*

LIMITED PSLF WAIVER



NEW UPDATES to Public Service Loan Forgiveness

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION



LIMITED PSLF WAIVER: THROUGH 10/31/22



Payments made prior to consolidation are now eligible

- No matter the loan program (DL, FFEL, Perkins)
- No matter the repayment plan
- No matter the loan type (with the exception of Parent PLUS)



Employment requirements still apply

Must have been employed

- full-time and
 - for a qualifying employer
- when prior payments were made



Borrowers must act now

Borrowers who still have FFEL and Perkins Loans can only get credit for past payments if they consolidate into DL and file PSLF Forms for prior employment before Oct. 31, 2022. After Oct. 31, 2022, normal PSLF/TEPSLF requirements will apply.

PSLF VS. LIMITED PSLF WAIVER

Normal PSLF Requirements	Included in Limited PSLF Waiver Until Oct. 31, 2022
Direct Loan payments only	Payments on Direct, Perkins, or FFEL Loans
Payments through Standard or income-driven repayment plans only	Payments through any repayment plan (including Graduated, Extended, and others)
Full, on-time payments only	Late or partial payments
Must be employed full-time by a qualified employer at the time of applying for forgiveness	Can get forgiveness if not employed by a qualifying employer at the time of applying for forgiveness

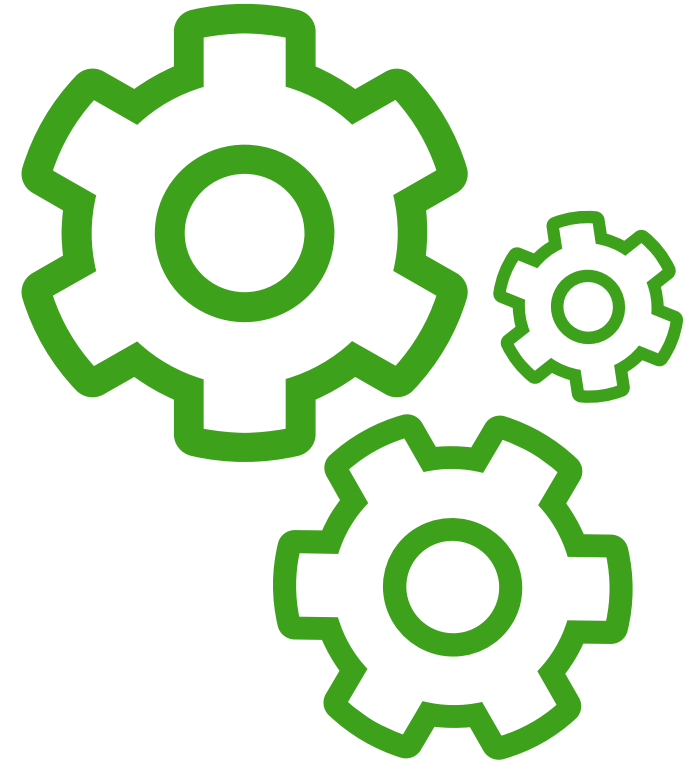
LIMITED PSLF WAIVER

THE LIMITED PSLF WAIVER HAS IMPACTED HUNDREDS OF THOUSANDS OF BORROWERS

- To date, the Department has approved **\$7.3 billion** in forgiveness for **127,150** borrowers through the Limited PSLF Waiver.
- The waiver has brought another 1.1 million borrowers closer to forgiveness, with the average borrower picking up a year's worth of credit.
- More than a quarter of a million borrowers got 2 years or more of additional credit toward forgiveness.
- These numbers will all continue to grow as the Department continues to process paperwork and review files.

TO TAKE ADVANTAGE OF THE WAIVER

- Confirm your employer is qualified
- Consolidate your loans if you need to
- Submit your PSLF form(s)
- By Oct. 31, 2022



PSLF LIMITED WAIVER: BORROWER GROUPS

StudentAid.gov/PSLFWaiver



IF YOU ONLY BORROWED DIRECT LOANS...

File a PSLF Form for each eligible employer you had since you borrowed the loan (or since Oct. 1, 2007, whichever is later)



IF YOU PREVIOUSLY CONSOLIDATED INTO DIRECT LOAN(S)

File a PSLF Form for each eligible employer you had since you borrowed any loans underlying the Direct Consolidation Loan (or since Oct. 1, 2007, whichever is later)



IF YOU STILL HAVE FFEL OR PERKINS LOANS...

Consolidate your loans into the Direct Loan Program and file a PSLF Form for each eligible employer since you borrowed the loans you are consolidating (or since Oct. 1, 2007, whichever is later)

FOUR THINGS TO KNOW ABOUT CONSOLIDATION

1. Your monthly payment may go down, but you may have to pay longer.
2. If you have unpaid interest, your principal balance will go up.
3. Your new consolidation loan will generally have a new interest rate.
4. You don't have to consolidate all your federal student loans.

Keep in mind that once your loans are combined into a [Direct Consolidation Loan](#), you can't undo it.

WHAT TO EXPECT WHILE YOU'RE WAITING

(a servicing transfer or loan forgiveness)

FEDLOAN SERVICING TRANSITION

- As of May 1, no new borrowers will be transferred to FedLoan servicing and borrowers who consolidate for PSLF will be directed to choose MOHELA as their loan servicer.
- FedLoan will continue to process PSLF forms and identify borrowers for transfer to MOHELA.
- FedLoan is expected to transfer all borrower accounts to MOHELA by September 2022.

PSLF EMPLOYMENT CERTIFICATION AND FORGIVENESS

- We strongly encourage borrowers to complete a PSLF Form using the PSLF Help Tool.
- If a borrower manually enters an employer using the PSLF Help Tool they will experience delays in receiving their form.
- Borrowers will continue to receive targeted emails about the PSLF Limited Waiver.
- Forgiveness will be automatically processed when possible.

NEW UPDATES

- On April 19, 2022, the Department announced it will conduct a one-time account adjustment that will count [forbearances](#) of more than 12 consecutive months and more than 36 cumulative months toward PSLF forgiveness.
- Additionally, the Department will count months spent in deferment toward both IDR forgiveness and PSLF (except for in-school deferment) for borrowers who had periods of deferment prior to Jan. 1, 2013. (This addresses concerns about the Department's data which does not distinguish IDR-eligible deferments from other deferments prior to January 1, 2013.)
- Borrowers are not required to take any action to have this adjustment applied to their accounts. The Department will work with the PSLF servicer to make adjustments to borrowers' accounts in late fall 2022.

Announcement - <https://studentaid.gov/announcements-events/idr-account-adjustment>.

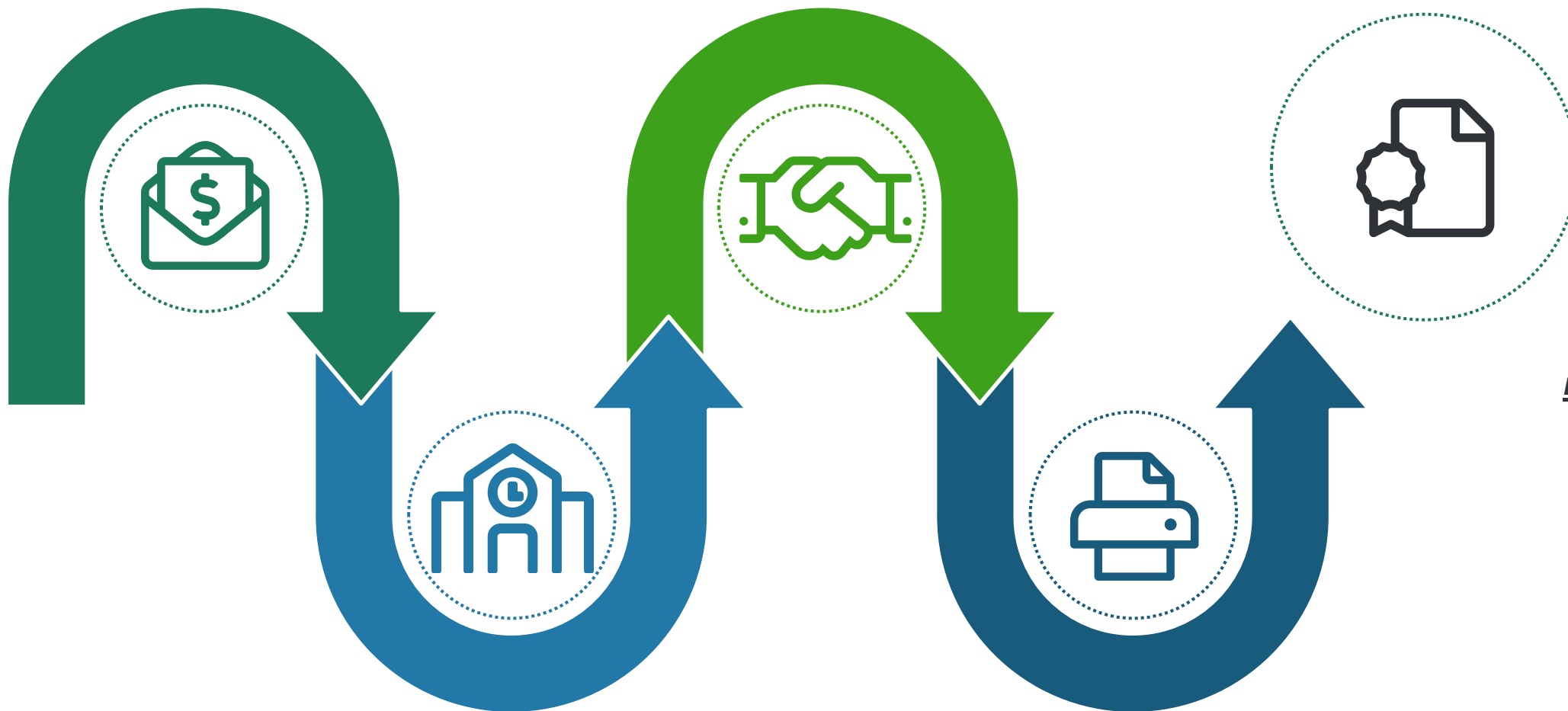
PSLF BASICS



PSLF BASICS

120 qualifying payments...

While working for a qualifying employer



*Forgiven
amount is
not taxable
income*

...on Direct Loans...

...when applying for and receiving PSLF

PSLF BASICS: ELIGIBLE EMPLOYMENT

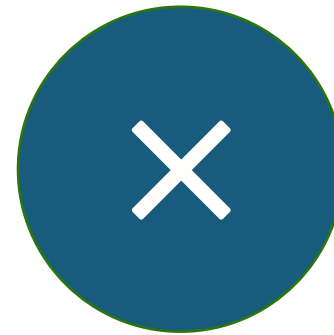
- It's all about the employer...
 - All federal, state, and local governments, including public schools and military branches
 - All 501(c)3 non-profit organizations
 - Other non-profit organizations that provide a qualifying service (e.g. public safety)
- Multiple part-time jobs can add up to full-time employment
- 2020 regulatory change means time spent on religious activities (e.g. proselytizing) now count toward the full-time allocation
- Must be employed at an eligible employer when forgiveness is granted

TEMPORARY EXPANDED PSLF

Provides loan forgiveness to those who do not qualify for PSLF only because some or all their qualifying payments were made on non-qualifying plans



- Extended and Graduated, if:
 - In the 12 months before applying for TEPLSF, the borrower paid at least the amount they would have paid under an IDR plan



- Alternative

CHANGES TO PAYMENT COUNTS

- Multiple payments in less than the amount due may be counted *only if all smaller payments:*
 - Add up to the amount due and
 - Are paid within 15 days of the due date
- Lump sum payments will be counted as eligible
 - Limited to 12 months or payments or until IDR plan recertification date, whichever comes first
 - Exceptions for Americorps, Peace Corps, and DoD still apply



PSLF BASICS: ELIGIBLE EMPLOYMENT



- Full-time (30 hours/week) or equivalent
- Government (including military)
- All 501(c)3 non-profits
- Some limited exceptions



- Part-time work that does not add up to full-time
- Volunteer work
- For-profit entities
 - Including those that employ essential workers
- Labor unions


NOTE ON PARENT PLUS LOANS

- Parent PLUS Loans are not excluded from PSLF, but they are not eligible for all income-driven repayment plans
- Parent PLUS borrowers can consolidate their debt to access IDR plans and thus, PSLF



COUNTING QUALIFYING PAYMENTS

Eligible payments become qualifying payments when a borrower submits a PSLF Form



PUBLIC SERVICE LOAN FORGIVENESS (PSLF) & TEMPORARY EXPANDED PSLF (TEPSLF) CERTIFICATION & APPLICATION
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 08/31/2023
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

For more information on PSLF, visit [StudentAid.gov/publicservice](https://studentaid.gov/publicservice). To apply online, visit [StudentAid.gov/PSLF](https://studentaid.gov/PSLF).

SECTION 2: BORROWER REQUEST, UNDERSTANDINGS, AND CERTIFICATION

In November 2020, FSA launched a single form for PSLF, TEPSLF, and employment certification

PAYMENT COUNTS ON MYFEDLOAN.ORG

Public Service Loan Forgiveness (PSLF)

Track your loan forgiveness progress

Find out if your payments qualify for PSLF and the Temporary Expanded Public Service Loan Forgiveness (TEPSLF) opportunity.

CHECK MY PROGRESS



Public Service Loan Forgiveness (PSLF) Payment Tracking



Payment assessment in progress

Your payment counts may update when the following assessments have been completed:

- You have at least one pre-paid payment period that will not be assessed until the payment period has passed and the next bill is generated.

Please continue to make on-time monthly payments. We'll notify you when we have completed our assessment.



Payment Counts

Eligible Payments

Ineligible Payments

PAYMENT COUNTS ON MYFEDLOAN.ORG



Loan	Period	Amount Due	Program	Status	Action
2 DIRECT SUB STAFFORD LOAN	10/2021	--	PSLF, TEPSLF	Employment Not Certified	Hide Details ^
This payment period is eligible but requires approved employment in order to qualify.					
2 DIRECT SUB STAFFORD LOAN	09/2021	--	PSLF, TEPSLF	Employment Not Certified	View Details v

PSLF HELP TOOL OVERVIEW



PSLF HELP TOOL

PSLF HELP TOOL SITE

studentaid.gov/pslf

WHAT YOU NEED

- 1 Your FSA ID to Log-In
- 2 Employer Identification Number (EIN)
Or recent Employer W-2

SECTIONS OF THE HELP TOOL

- 1 Employment History
- 2 Loan Tips
- 3 Application Details
- 4 Personal Information
- 5 Review & Save

SECTION 1: EMPLOYMENT HISTORY

Using the Employer Search Feature

Public Service Loan Forgiveness (PSLF) Help Tool

1

2

3

4

5

Employment History
Loan Tips
Application Details
Personal Information
Review & Save

Search for Employer ?

Employer Identification Number (EIN)

How do I find my EIN?

☐ This is my current employer

Employment Start Date
To
Employment End Date

Filter By Keyword

SORT BY

95-5322222
☐
Employment Department 1
100 Main St. Washington, DC 54234 US

95-5322222
☐
Employment Department 10
109 Main St. Washington, DC 54243 US

95-5322222
☐
Employment Department 11
110 Main St. Washington, DC 54244 US

95-5322222
☐
Employment Department 2
101 Main St. Washington, DC 54235 US

95-5322222
☐
Employment Department 3
102 Main St. Washington, DC 54236 US

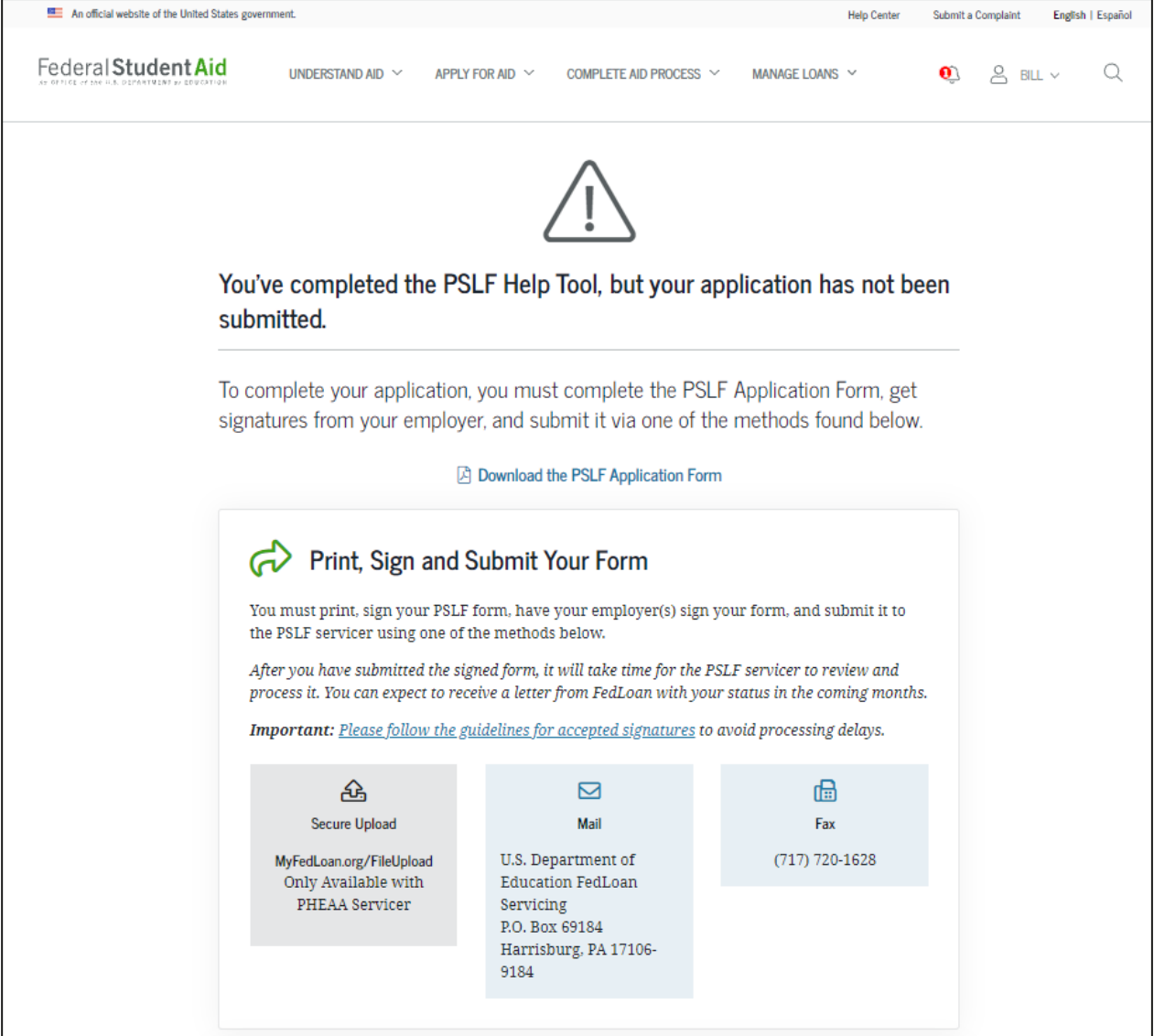
You may also download and complete the [PSLF PDF form](#)

CONFIRMATION

After selecting Save, the borrower will be taken to a Confirmation page with a warning banner that states “You’ve completed the PSLF Help Tool, but your application has not been submitted.”

For the application to be complete, the borrower must complete the application form and submit it using one of the methods provided:


- Secure upload to MyFedLoan.org
- By Postal Mail
- Or by Fax



The screenshot shows the Federal Student Aid website with a warning banner. The banner states: "You've completed the PSLF Help Tool, but your application has not been submitted." Below the banner, it says: "To complete your application, you must complete the PSLF Application Form, get signatures from your employer, and submit it via one of the methods found below." There is a link to "Download the PSLF Application Form". Below this is a section titled "Print, Sign and Submit Your Form" with instructions: "You must print, sign your PSLF form, have your employer(s) sign your form, and submit it to the PSLF servicer using one of the methods below." It also includes a note: "After you have submitted the signed form, it will take time for the PSLF servicer to review and process it. You can expect to receive a letter from FedLoan with your status in the coming months." and an important note: "Important: Please follow the guidelines for accepted signatures to avoid processing delays." Below the text are three submission methods: Secure Upload (MyFedLoan.org/FileUpload, Only Available with PHEAA Servicer), Mail (U.S. Department of Education FedLoan Servicing, P.O. Box 69184, Harrisburg, PA 17106-9184), and Fax ((717) 720-1628).

An official website of the United States government. Help Center Submit a Complaint English | Español


FederalStudentAid UNDERSTAND AID APPLY FOR AID COMPLETE AID PROCESS MANAGE LOANS



You've completed the PSLF Help Tool, but your application has not been submitted.

To complete your application, you must complete the PSLF Application Form, get signatures from your employer, and submit it via one of the methods found below.




[Download the PSLF Application Form](#)

 **Print, Sign and Submit Your Form**

You must print, sign your PSLF form, have your employer(s) sign your form, and submit it to the PSLF servicer using one of the methods below.

After you have submitted the signed form, it will take time for the PSLF servicer to review and process it. You can expect to receive a letter from FedLoan with your status in the coming months.

Important: [Please follow the guidelines for accepted signatures](#) to avoid processing delays.

 Secure Upload MyFedLoan.org/FileUpload Only Available with PHEAA Servicer	 Mail U.S. Department of Education FedLoan Servicing P.O. Box 69184 Harrisburg, PA 17106- 9184	 Fax (717) 720-1628
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SIGNATURE CONFIRMATION

Signature Examples

Signature Type	Yes/No
Hand drawn from signature pad, mouse, or finger	✓
Typed using a cursive font or any other font	x
A scanned photo of a signature that was hand-drawn on paper	✓
Digital certificate-based signature	x
A wet signature that was drawn in ink and sent to us in its original format	✓

A reminder about digital signatures: Digital signatures from you or your employer must be hand drawn (from a signature pad, mouse, finger, or by taking a picture of a signature drawn on a piece of paper that you then scan and embed on the signature line of the PSLF form) to be accepted. Typed signatures, even if made to mimic a hand-drawn signature, or security certificate-based signatures are not accepted.

Send the completed form, with your employer's certification, to FedLoan Servicing, the U.S. Department of Education's federal loan servicer for the PSLF Program. You may mail the form to this address:

U.S. Department of Education
FedLoan Servicing
P.O. Box 69184
Harrisburg, PA 17106-9184

You may also fax your PSLF form to 717-720-1628. If FedLoan Servicing is already your servicer, [you may upload your PSLF form on their website](#).

SCENARIOS



SCENARIOS

Carmen has been employed with a non-profit center for 10 years. However, she was in default a few times due to personal circumstances and was only able to make partial payments. She believes she is close to 120, but worried that she isn't eligible. Any recommendations?

Jermaine has been in the medical field for over 25 years working at the Mt. High Hospital, a non-profit entity. He started paying loans back in 2004. He is sure he made over 120 payments by now. Do all his payments count?

Alexis started working with two part-time positions. One 15 hours as a government contractor and the other 15 hours with a private for-profit company. She then began working full-time for a school for 2 years and now is full-time with local non-profit for the last 3 years. She knows she still has payments to go, but should she still complete the PSLF Form and how many payments would count?

PSLF INFORMATION AND RESOURCES



PSLF INFORMATION AND RESOURCES



LIMITED PSLF WAIVER

[StudentAid.gov/pslfwaiver](https://studentaid.gov/pslfwaiver)



PSLF HELP TOOL

[StudentAid.gov/pslf](https://studentaid.gov/pslf)



GENERAL PSLF INFORMATION

[StudentAid.gov/publicservice](https://studentaid.gov/publicservice)

- Make sure to review the FAQs!
- The PSLF Servicer is currently **FedLoan Servicing**, who is still managing the program. Later this year, PSLF will transition to MOHELA. More information to come!



FEDLOAN SERVICING CONTACT INFORMATION

(855) 265-4038 (Call)

(717) 720-1628 (Fax)

U.S. Postal Address:

P.O Box 69184

Harrisburg, PA 17106

FEDERAL STUDENT AID **TOOLS AND RESOURCES**

SOCIAL MEDIA



@FederalStudentAid



@FAFSA



@FederalStudentAid



Youtube.com/FederalStudentAid

[STUDENTAID.GOV](https://studentaid.gov)

[STUDENTAID.GOV/CORONAVIRUS](https://studentaid.gov/coronavirus)

EMAIL ANYTIME

CHAT WITH A LIVE AGENT

CALL US **1-800-4FED-AID**
1-800-433-3243

Hours of Operation

Monday–Friday
8 a.m.–11 p.m. Eastern time (ET)

Saturday–Sunday
11 a.m.–5 p.m. Eastern time (ET)

We are closed on federal holidays,
the day after Thanksgiving and on
December 24th.

We are open on New Year's Day,
Martin Luther King Jr.'s Birthday,
and Washington's Birthday from 11
a.m.–5 p.m. ET.

Hearing Impaired?
TTY calls only.
1-800-730-8913

Thank you for attending this Federal Student Aid (FSA) presentation.
Please take our survey so that we can receive feedback on how FSA can better serve you!

www.surveymonkey.com/r/SCCSDAFSA



QUESTIONS

