

PUBLIC SERVICE LOAN FORGIVENESS REFORMS & TEMPORARY WAIVER

The Biden Administration's overhaul temporarily fixes some of the technicalities around Public Service Loan Forgiveness. These changes will mean imminent debt forgiveness for tens of thousands of public service workers and eventual forgiveness for many more.

The changes to PSLF will exist only until October 31, 2022. Make sure you are getting the student debt relief you deserve. Find the answers to frequently asked questions about PSLF and the temporary waiver below.

EMPLOYMENT QUALIFICATIONS

Who can qualify for Public Service Loan Forgiveness?

To qualify for PSLF, you must be employed full-time (30 hours or more per week) by a public service employer, which includes all public school districts and higher education institutions.

Public service workers include:

- Teachers
- Education Support Professionals
- Specialized Instructional Support Personnel
- Higher Education Faculty, Including Adjunct/Contingent

Private, for-profit employers do not qualify for PSLF

What is an Employment Certification Form (ECF)?

To apply for PSLF, the U.S. Department of Education requires public service workers to file an [Employment Certification Form \(ECF\)](#) to show they work for a qualified employer. You can use the Department's [PSLF Help Tool](#) to fill out your annual ECFs or seek assistance from NEA Member Benefits through our Student Debt Navigator - neamb.com/Savi.

Note that Section 4 of the Employment Certification Form must be filled out by an official who can access your employment/service records--usually someone in your human resources department. Some school districts even have an HR person designated to handle ECFs.

The U.S. Department of Education said they will conduct data matches between federal agencies to verify employment and automate payment credit during the temporary PSLF waiver. Who does that apply to and does it include DoDEA educators?

DoDEA educators, as federal employees, are included in the data match and will receive automatic payment credit through the PSLF waiver. However, DoDEA educators who have FFEL or Perkins loans and less than 10 years of service will still need to consolidate their loans to maintain their eligibility and continue to be on track to get PSLF. The data matching through this temporary waiver only provides retroactive credit to previous payments, not future payments moving forward.

All other educators seeking PSLF will need to file an Employment Certification Form (ECF) to verify employment, if they have not already done so.

STUDENT LOAN QUALIFICATIONS

I have student loans from a private bank, do they qualify for Public Service Loan Forgiveness?

No, Public Service Loan Forgiveness only provides forgiveness for federal student loans under the Federal Direct Loan program.

Do Plus Loans qualify for forgiveness under Public Service Loan Forgiveness?

Yes, like other Federal Direct Loans, Direct Plus Loans are eligible for forgiveness under Public Service Loan Forgiveness. There are two types of Plus Loans:

1. Those made directly to graduate or professional students, and;
2. Those made to parents of dependent undergraduate students.

If you took out a **Parent** Plus Loan on behalf of a dependent student, those loans cannot be repaid under an income-driven plan and must be consolidated for payments to count towards the 120 for Public Service Loan Forgiveness. These Plus Loans should be consolidated when you apply for the temporary waiver. Note that previous periods of repayment on parent PLUS loans are not eligible under the limited PSLF waiver.

How can I find out what type of student loan I have, and whether or not I need to consolidate?

With your FSA ID, you can log in to studentaid.gov/aid-summary/ to find out what type of federal student loans you have.

Step 1: After logging in, scroll down to the “Loan Breakdown” section

Step 2: In the Loan Breakdown section, there will be a list of each student loan you have taken out.

Step 3: Expand “View Loans,” then click the “View Loan Details” arrow next to a loan. This will provide you the specific loan type.

Decoding your loan type:

- Direct Loans begin with the word “Direct”
- Federal Family Education Loans are indicated by “FFEL”
- Perkins Loans include the word “Perkins” in the name

I heard that FedLoan / PHEAA, who services Public Service Loan Forgiveness, has announced it will end its contract with the federal government; how will this affect the temporary waiver?

FedLoan’s contract termination did not include a transfer agreement with another student loan servicing company. The U.S. Department of Education is currently working on bridge contracts for the future servicing of the program, but there is no timetable for when that will occur. For now, FedLoan remains the sole servicer for Public Service Loan Forgiveness, including implementing the temporary waiver.

UTILIZING THE PSLF TEMPORARY WAIVER

What is the PSLF waiver and will it affect me?

Until October 31, 2022, the U.S. Department of Education is allowing borrowers to receive credit toward loan forgiveness for any month's payments made since October 1, 2007, as long as borrowers made those payments while:

- Working full-time for a qualifying public service employer, AND
- Being in repayment on any type of federal student loan.

You do not have to be currently employed or working full-time to receive loan forgiveness. If you have accrued 120 months of public service employment while your loans were in repayment since October 1, 2007, you can qualify to have your debt cancelled, regardless of which repayment plan you were in, and regardless of whether you actually made a payment for a given month, **as long as your loan was not in a deferment, forbearance, or default**. Each month of the COVID-19 payment suspension **DOES** count toward PSLF.

How long is the temporary waiver effective?

This new policy is in effect through **October 31, 2022**.

After this date, borrowers will receive credit toward debt cancellation under PSLF if they meet the traditional eligibility requirements: on-time payments based on an income-driven repayment plan, made on a Federal Direct Loan only, and while working for a qualifying public service employer. However, any credit borrowers received as a result of the waiver will remain on their account.

For example: If a borrower had 30 credits before the waiver and receives 80 additional credits through the waiver this brings their total to 110 credits. They will need 10 more credits to meet the 120 payments required for forgiveness. After October 31, 2022, they will have to accrue those future credits under the regular PSLF program requirements.

What happens if the waiver pushes my payment count above the 120 payment requirement?

If the temporary waiver puts your payment count over 120, ***your loans will be forgiven, and you will be credited back for any monthly payments you made above the 120 that are required.*** The actual forgiveness may take weeks or months.

I believe I now have 120 qualifying payments. Will my loans be forgiven before the pause on repayment ends on January 31, 2022? How soon will I receive forgiveness?

The Department of Education has indicated it will take time for forgiveness and PSLF payment credits to be reflected on borrowers' accounts. As long as you apply before October 31, 2022, you will receive credit through the waiver.

Some borrowers' loans will be forgiven before repayment begins, but not all will be processed before the payment pause ends. If you reach 120 payments under the Limited PSLF Waiver, but continue to make payments after the pause ends, they will be refunded.

PSLF AND OTHER RELIEF PROGRAMS

I have not made student loan payments during the CARES Act payment pause. How does that affect my PSLF payment count?

As part of the CARES Act, the federal government has paused payments for most federal student loan borrowers since March 2020. These months will count toward PSLF forgiveness for Federal Direct Loans. For other loans, pursuant to the waiver, those months will count if the loans were in a repayment status, not deferment, forbearance, or default.



What is Teacher Loan Forgiveness? Is it the same as Public Service Loan Forgiveness?

Teacher Loan Forgiveness is a separate federal program from PSLF. If you teach full-time for five complete and consecutive academic years at a low-income school or high-needs subject area, the program provides forgiveness up to \$17,500 for Federal Direct Loans.

However, your five years of employment under Teacher Loan Forgiveness will not be credited to PSLF, as you cannot simultaneously qualify for the program. The temporary waiver does not change this rule. For example: If you have taught 12 years in public schools and received Teacher Loan Forgiveness after your first 5 years of employment, you will only have 7 years of payment credit towards PSLF.

Teachers should seek help by going to neamb.com/Savi to determine which forgiveness program is right for them.

Teacher Loan Forgiveness does not apply to education support professionals, specialized instructional support personnel, or higher education faculty.