

***Presented by:***

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Office Webinar  
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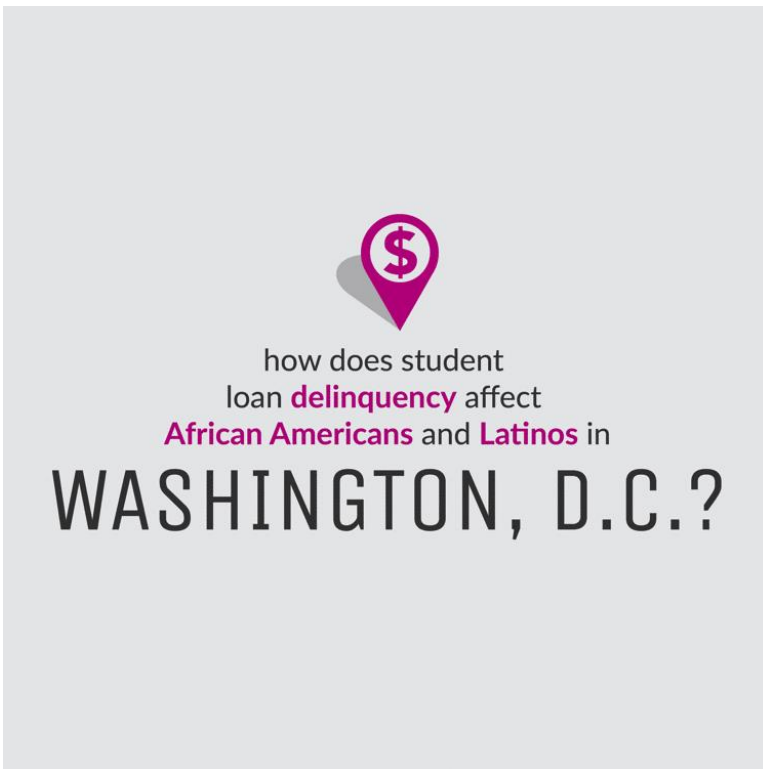
***Public Service  
Loan Forgiveness:***  
Making the Program  
Work for You  
&  
Your Employer

# Learning Outcomes

- Learn about the impact of student loan borrowing and debt
- Learn about Public Service Loan Forgiveness, a program offered by the U.S. Department of Education to aid in forgiving portions of loan debt
  - Program requirements
  - How to successfully enroll
- Become familiar with a few government department websites
  - Federal Student Aid
  - Consumer Finance Protection Bureau
  - Internal Revenue Service

# Student Loan Debt

## Impacts of Borrowing



Map/GIF Credit: MappingStudentDebt.org

- National student loan debt
  - \$1.5 Trillion and counting
- State levels
  - The Institute for College Access and Success – Project on Student Loan Debt
    - <http://ticas.org/posd/map-state-data#>
    - 2016 graduate debt loads range from \$19,000-36,000
- Local levels
  - Interactive mapping combines 2013 American Community Survey Census data with 2015 Experian credit data
    - <http://mappingstudentdebt.org/#/map-1-an-introduction>

# Current Pitfalls of Student Loans

- Student loans are exempt from bankruptcy protections
- No statute of limitations on collection of educational debt
- Default
  - *Loss of Social Security* benefits
  - *Loss of tax refunds*
  - Negative credit reporting
  - Multi-generational impact on families



Photo Credit: Occupy Wall Street

# Basics of Public Service Loan Forgiveness

Created in 2007 with passage of the *College Cost Reduction and Access Act*

## --*Purpose of policy:*

----Encourage work in public service

----Redirect subsidies away from student loan companies and increase grant aid for borrowers



- Do you work full-time (30+ hours per week) in a qualifying public service organization?
  - Do you work *multiple part-time jobs* for qualifying employers, averaging 30+ hours per week?
  - Are you a parent working in public service and repaying on PLUS loans?
- Are you willing to get onto an income-based repayment plan that qualifies for PSLF?
- Are you willing to submit annual forms for income + employment certifications?
- Payments made between October 2007 – Present may qualify toward forgiveness of student loan balances!

# Which public service organizations are qualified employers?



## ***501-C3 Non-Profit + Private Public Service Organizations***

Includes private public service organizations including:

Military, public safety/law enforcement, emergency management, public libraries, public education, school libraries, public service for disability and elderly, public health. For a comprehensive list please see:

<http://www.equaljusticeworks.org/ed-debt/employers/public-service-loan-forgiveness/qualifying-employment>



## ***Government***

Includes employees for ***all*** local, state, federal, tribal agencies.

Congressmembers are not eligible to participate in the Public Service Loan Forgiveness program.



## ***AmeriCorps or Peace Corp Service***

# Income Driven Repayment Plans



## Summary of Income-Driven Repayment Plans

Repayment Plan	Available?	Eligibility	Monthly Payment	Discharge After
Revised Pay As You Earn (REPAYE)	Now (since Dec. 17, 2015)	All Direct student loan borrowers. <sup>a</sup> No partial financial hardship (PFH) requirement <sup>b</sup>	10% of discretionary income <sup>c</sup>	20 years if repaying only undergraduate debt; 25 years if repaying any graduate debt
Income-Based Repayment (2014 IBR)	Now (since July 1, 2014)	Borrowers who take out their first federal student loan on or after July 1, 2014, and have a PFH	10% of discretionary income, up to the fixed 10-year payment amount	20 years
Pay As You Earn (PAYE)	Now (since 2012)	Direct student loan borrowers <sup>a</sup> who took out their first loan after September 30, 2007 and at least one loan after September 30, 2011, and have a PFH	10% of discretionary income, up to the fixed 10-year payment amount	20 years
Income-Based Repayment (Original IBR)	Now (since 2009)	All federal student loan borrowers (Direct or FFEL) with a PFH	15% of discretionary income, up to the fixed 10-year payment amount	25 years
Income-Contingent Repayment (ICR)	Now (since 1994)	All Direct Loan borrowers. <sup>d</sup> No PFH requirement	The lesser of: 20% of discretionary income and 12-yr repayment amount x income percentage factor	25 years

Chart credit: [www.ibrinfo.org](http://www.ibrinfo.org)



# Repayment Estimators

Repayment Plan	First Monthly Payment	Last Monthly Payment	Total Amount Paid	Public Service Loan Forgiveness	Repayment Period
Standard	\$509	\$509	\$61,033	\$0	120 months
Graduated	\$285	\$855	\$63,782	\$0	120 months
Extended Fixed	\$267	\$267	\$80,006	\$0	300 months
Extended Graduated	\$171	\$472	\$87,496	\$0	300 months
Revised Pay As You Earn (REPAYE)	\$183	\$331	\$30,168	\$38,890	120 months
Pay As You Earn (PAYE)	\$183	\$331	\$30,168	\$38,890	120 months
Income-Based Repayment (IBR)	\$274	\$496	\$45,252	\$20,691	120 months
IBR for New Borrowers	\$183	\$331	\$30,168	\$38,890	120 months
Income-Contingent Repayment (ICR)	\$364	\$419	\$47,008	\$17,601	120 months

- Compare results from Federal Student Aid's website with your loan servicer's website
- If numbers differ, ask the loan servicer to honor FSA's calculations

Example based on \$50,000 loan balance using Federal Student Aid's estimator

<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>



# Federal Student Aid

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Types of Aid

Who Gets Aid

FAFSA® Process: Applying for Aid

How to Repay Your Loans

Home » [How to Repay Your Loans](#) » [Forgiveness, Cancellation, and Discharge](#) » Public Service Loan Forgiveness



If you are employed by a government or not-for-profit organization, you may be able to receive loan forgiveness under the Public Service Loan Forgiveness Program.

*Learn more to see whether you might qualify.*

**Alert!** The *Consolidated Appropriations Act, 2018* provided limited, additional conditions under which a borrower may become eligible for loan forgiveness if some or all of the payments made by the borrower do not qualify under current requirements for Public Service Loan Forgiveness (PSLF). The U.S. Department of Education is assessing the newly enacted law and will explain the new forgiveness conditions to customers on this page as soon as more details are available. We encourage you to check back periodically.

The Public Service Loan Forgiveness (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.

If you want to qualify for Public Service Loan Forgiveness now or in the future, [complete and submit the Employment Certification form as soon as possible](#). Too many borrowers wait to submit this important form until they have been in repayment for several years, at which point they learn that they have not been making qualifying payments. In order to ensure you're on track to receive forgiveness, you should continue to submit this form both annually and every time you switch employers.

## Quick Links

- > [Public Service Loan Forgiveness Questions and Answers](#)
- > [Repayment Plans](#)
- > [Income-Driven Plans](#)
- > [Loan Consolidation](#)

## Glossary

[Qualifying Public Services](#)

For the purposes of the Public Service Loan Forgiveness Program, not-for-profit organizations that are not tax-exempt under Section 501(c)(3) of the Internal Revenue Code are considered qualifying ...

<https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service>

# Figuring Out Your Loan Situation

**Federal Student Aid** | PROUD SPONSOR of the AMERICAN MIND® | Financial Partners  
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Home Contact Resources Customer Service Survey Site Map

**Search**  
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**Systems**

- Financial Management Systems
- Financial Partners Data Mart
- NSLDS**
- FSA Links
- Other FSA Sites
- Programmatic Links
- Supportive Links
- Publications
- Interest Rates

### National Student Loan Data System (NSLDS) Quick Access

**What is NSLDS?** [▲ TOP](#)

The National Student Loan Data System (NSLDS) is the U.S. Department of Education's central database for student aid. It receives data from schools, agencies that guaranty loans, the Direct Loan program, the Pell Grant program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and Pell grants that are tracked through their entire cycle; from aid approval through closure.

 If you don't have the Adobe Reader, download it here, by clicking on the logo.

**NSLDS Access** [▲ TOP](#)

This section provides Guaranty Agencies, Lender/Lender Servicers, and State Grant Agencies with the requirements, acceptable uses, and restrictions for National Student Loan Data System (NSLDS) online access. Included in this section are the instructions and the associated documents that must be submitted in order for an organization to be evaluated for approval to gain NSLDS online access.


[NSLDS Organization Access Process](#)

[NSLDS Established Relationship Definitions and Access Certification for Guaranty Agencies](#)


[NSLDS Established Relationship Definitions and Access Certification for Lenders and Lender Servicers](#)

[NSLDS Established Relationship Definitions and Access Certification for State Grant Agencies](#)

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<https://fp.ed.gov/nslds.htm>

# Employment Certification

- The only way to track how many payments count toward 10 year/120 payment requirement
- Your HR Department must sign off on this form
- Annual form submission strongly encouraged



# PSLF Initial Enrollment



- ***Do paper applications!***
- Mail all forms together the first time to loan servicer!
  - Income-Driven Repayment Plan Request
    - Supplemental income information
      - Tax Return
      - Paystubs
  - PSLF Employment Certification
    - Signed by Human Resources
  - Cover Letter

# Tools for Handling Disputes

- Federal Student Aid
- My favorite
- Work with your Loan Servicer directly
- Consumer Finance Protection Bureau



Consumer Financial  
Protection Bureau

# Consumer Finance Protection Bureau Employer Pledge



Consumer Financial  
Protection Bureau

- Government agency created in 2010 with passage of the Frank-Dodd Act
- Aim is to raise awareness of the Public Service Loan Forgiveness program to help borrowers stay on track for loan forgiveness
- Simple, step-by-step guide to help start the conversation with your Human Resources Department

# Human Resources as Ally



Fast way to share information with staff

Needed to sign PSLF forms and provide past income data

Potential staff recruitment/retention tool

# Human Resources Partnering Success



READ ALL ABOUT IT  
**NEWS FOR STAFF**

**Do you have Federal Direct student  
debt? You may qualify for Public  
Service Loan Forgiveness (PSLF)!**

Visit [consumerfinance.gov/pledge](http://consumerfinance.gov/pledge) to learn more.

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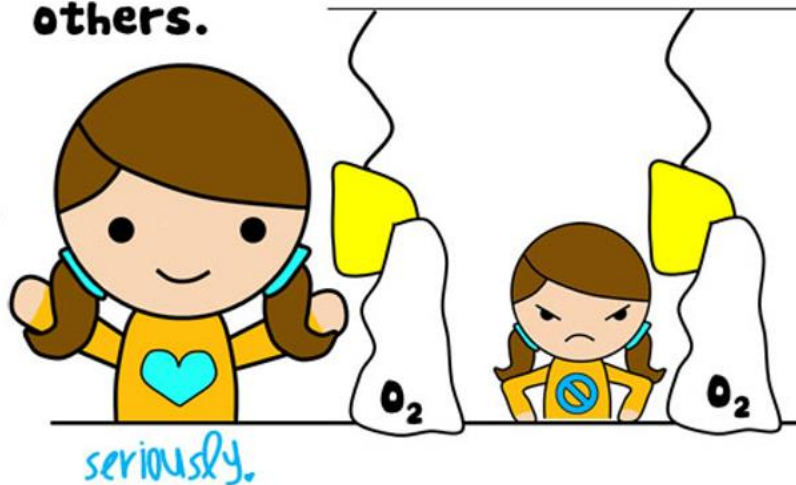




# Advocacy

## Helping Yourself...

**Life Lesson: Put on your own oxygen mask before assisting others.**



## Help Others



# Consolidated Appropriations Act of 2018

- Passed government spending bill (HR 1625) for fiscal year 2018.
- Includes a *one-time* \$350 million fund for increasing accessibility Temporary Expanded Public Service Loan Forgiveness (TEPSLF).
  - First come, first serve basis until funds run out.
  - Partially acknowledges the problem of borrowers on non-qualifying loan repayment plans.
- *More advocacy work necessary* to keep Public Service Loan Forgiveness around!

# Temporary Expanded PSLF

## -- Initial Steps

- Send email request to FedLoans to ask for PSLF reconsideration
  - [TEPSLF@myfedloan.org](mailto:TEPSLF@myfedloan.org)
- Submit PSLF Application for Forgiveness form
  - Be prepared to provide additional paperwork
    - Provide proof of 10+ years full-time employment for qualifying employer
    - Made 120+ payments on a Direct Loan
    - Provide proof of past rejection/non-qualification
  - Transcripts available at IRS.gov
    - <https://www.irs.gov/individuals/get-transcript>

# Questions?



- Contact Information

- Kyra Hahn
- Douglas County Libraries
  - [www.dcl.org](http://www.dcl.org)
- Email
  - [PubSvcLibrarian4PSLF@gmail.com](mailto:PubSvcLibrarian4PSLF@gmail.com)
  - [khahn@dclibraries.org](mailto:khahn@dclibraries.org)
- Facebook Group
  - Librarian 4 PSLF
    - Join for updates on PSLF policy changes
    - Share your success story with me!