

Got Student Loans?

Learn about the Public Service Loan Forgiveness Program



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.

On October 6, 2021, the U.S. Department of Education announced the PSLF waiver. For a limited time, as a city employee, you may receive credit for past periods of federal loan repayment regardless of loan program, repayment plan, or whether payment was in full or on time. Visit [Federal Student Aid to apply for the PSLF waiver](#) before October 31, 2022, and let your colleagues know too!

Additional Student Loan Resources



Important Notice for Employees with Student Loan Debt

Read this [Notice](#) on federal student loan forgiveness and state repayment assistance programs.



Federal Student Aid

Visit studentaid.gov - the official US federal government website - and access the [PSLF help tool](#).



NYC Financial Empowerment Centers

Get FREE one-on-one professional, financial counseling and coaching in person or by phone. Counselors can help with PSLF-related questions and the enrollment process and support you in reaching all your financial goals. Book an appointment today:

- Visit nyc.gov/TalkMoney.
- Call 311 and say "Financial Counseling"



NYC Department of Consumer and Worker Protection (DCWP)

Visit the [Student Loans](#) page to get tips, resources, and research for student loan borrowers.



A City Employee's Guide to Student Loan Forgiveness Webinars

- [Part 1](#) recording
- [Part 2](#) recording
- [FAQs](#)



The Institute of Student Loan Advisors (TISLA)

Visit the [Public Service Loan Forgiveness](#) page for more info about the PSLF program and waiver.



Student Borrower Protection Center (SBPC)

Visit the [PSLF page](#) for more guidance on navigating the program and FAQs.



PSLF.nyc

This [campaign](#) aims to increase access to and awareness of the PSLF waiver.



[NYC.GOV/WORKWELLYNYC](https://nyc.gov/workwellnyc)



Important Notice for Employees with Student Loan Debt

Depending on your current or prospective employer or profession, you may be eligible for federal loan forgiveness programs and state repayment assistance programs. Please review this notice to see if you may be eligible for programs and how to apply.

Federal Student Loan Forgiveness Programs

If you qualify, the federal government may forgive, cancel, or discharge your federal student loan¹, which means you may no longer need to repay it.

Public Service Loan Forgiveness (PSLF) Program

The PSLF Program forgives the remaining balance on your Direct Loan after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full time for a qualifying employer, such as a U.S. federal, state, local, or tribal government or not-for-profit organization. You may be able to consolidate a Federal Family Education Loan (FFEL) and Federal Perkins Loan into a Direct Loan to qualify for PSLF.

- ⇒ Visit studentaid.gov and click MANAGE LOANS > Public Service Loan Forgiveness to learn more about qualifying employers, which jobs qualify for PSLF, which loans are eligible, and how to apply.

Note:

- In response to the pandemic, under temporary rules in effect until October 31, 2022, you may receive credit for payments that previously did not qualify for PSLF. Click *Limited PSLF Waiver Information* under *PSLF Resources* to learn more.
- Use the *PSLF Help Tool* or download and complete the PSLF form.
- Your employer will need to certify your employment in order to qualify for loan forgiveness, which happens after 120 qualifying payments.

Teacher Loan Forgiveness Program

If you teach full time for five complete and consecutive academic years in a low-income school or educational service agency and meet other qualifications, you may be eligible for forgiveness of up to \$17,500 on your Direct Subsidized and Unsubsidized Loans and your Subsidized and Unsubsidized Federal Stafford Loans.

- ⇒ Visit studentaid.gov and click MANAGE LOANS > Teacher Loan Forgiveness to learn if you qualify and how to apply.

¹ The U.S. Department of Education's federal student loan program is the William D. Ford Federal Direct Loan (Direct Loan) Program. There are four types of Direct Loans: Direct Subsidized Loans, Direct Unsubsidized Loans, Direct Plus Loans, and Direct Consolidation Loans. The Federal Family Education Loan (FFEL) or "Stafford Loan" program ended on July 1, 2010. All loans are now made through the Direct Loan Program. For more information about federal student loans, visit studentaid.gov.

Federal Perkins Loan Cancellation and Discharge

You may be eligible for cancellation or discharge if you work as a teacher, firefighter, law enforcement officer, nurse, and more.

⇒ Visit studentaid.gov and click MANAGE LOANS > Perkins Loan Cancellation and Discharge to learn which jobs qualify and how to apply.

New York State Student Loan Repayment Assistance Programs

You must be a New York State resident to qualify to receive payment assistance for eligible student loans.

The state offers loan forgiveness programs if you:

- work as an attorney, social worker, teacher, and more, and also meet other eligibility requirements;
- earned an undergraduate degree from a New York State college or university in December 2014 or after, have an adjusted gross income of less than \$50,000, and meet other eligibility requirements. (Known as the New York State Get on Your Feet Loan Forgiveness Program, this program offers up to 24 months of loan forgiveness.)

⇒ Visit the Higher Education Services Corporation website at hesc.ny.gov and click Repay > Loan Forgiveness, Cancellation & Discharge to learn more about New York State loan forgiveness programs and how to apply.

Quick Links

Federal Student Aid, an Office of the U.S. Department of Education: studentaid.gov

New York State Higher Education Services Corporation: hesc.ny.gov

Complaints

Complaints about a student loan servicer

A loan servicer is a company that handles the billing and other services on your federal student loan. Attempt to resolve your complaint with the company first. You should be able to file a complaint by phone, in writing, and often online.

Complaints about student loan products and servicers in New York State

You can file a secure complaint with the New York State Department of Financial Services online at dfs.ny.gov/complaint.

This publication was updated on July 14, 2022

Please monitor studentaid.gov and nyc.gov/StudentLoans for the latest updates

Frequently Asked Questions (FAQs): Public Service Loan Forgiveness (PSLF)

PSLF Program

Q 1. What are the qualifications for PSLF?

To qualify for [PSLF](#), you must

- be employed by a U.S. federal, state, local, or tribal government or 501(c)3 not-for-profit or certain other not-for-profit organization (federal service includes U.S. military service);
- work full-time for that agency or organization; or are employed in more than one qualifying part-time job at the same time and work at least 30 hours a week with your employers
- have Direct Loans (or consolidate other federal student loans into a Direct Loan);
- repay your loans under an income-driven repayment plan*; and
- make 120 qualifying payments.

*This provision will be waived through October 31, 2022 as part of the [limited PSLF waiver](#).

Q 2. Which periods of payment count towards PSLF under the limited PSLF waiver?

On October 6, 2021, due to the pandemic, the U.S. Department of Education announced [temporary changes to the Public Service Loan Forgiveness \(PSLF\) program](#). These changes are referred to as the [PSLF waiver](#).

Under the waiver, any previous period of repayment since October 1, 2007 will count as a qualifying payment, regardless of loan program, repayment plan, or whether the payment was made in full or on time. You do still need qualifying employment.

This change will apply to student loan borrowers with Direct Loans, those who have already consolidated into the Direct Loan Program, and those who consolidate existing loans into the Direct Loan Program **by October 31, 2022**.

Periods of repayment on parent PLUS loans are not eligible under the PSLF waiver, unless the parent PLUS loan is consolidated with a loan the parent borrower took out for their own education.

Q 3. Do you have to be currently employed or working full-time to receive loan forgiveness?

For [PSLF](#), you're generally considered to work full-time if you meet your employer's definition of full-time or work at least 30 hours per week, whichever is greater.

If you are employed in more than one qualifying part-time job at the same time, you will be considered full-time if you work a combined average of at least 30 hours per week with your employers.

Under the standard program rules, in addition to working full time and in a qualifying job during each of the qualifying 120 payments, you also must be working full time in a qualifying public service job both when you apply for and receive loan forgiveness. However, this latter requirement has been waived through October 2022 so borrowers who no longer work in public service or no longer work full time can now apply to have their loans forgiven under PSLF.

Q 4. How do I figure out if my past or current employer qualifies for PSLF?

If your past employer was a government employer or a 501(c)3 non-profit employer, they qualify for PSLF. If your employer was another type of non-profit organization or if you want to verify your employer's eligibility, the Department of Education maintains a list of qualifying public service employers that you can search. You can access this list by using the [PSLF Help Tool](#), which is available at studentaid.gov. To check your employers' status, you will need their Tax Identification Number (EIN).

Q 5. How do I figure out if my loan qualifies for the PSLF?

Any loan received under the Direct Loan Program qualifies for PSLF. Loans from these federal student loan programs do not qualify for PSLF: the Federal Family Education Loan (FFEL) Program and the Federal Perkins Loan (Perkins Loan) Program. However, they may become eligible if you consolidate them into a Direct Consolidation Loan. Private loans do not qualify for PSLF and cannot be consolidated into a Direct Loan. For more information, visit [Public Service Loan Forgiveness | Federal Student Aid](#).

Q 6. How do I determine which of my student loans to consolidate? How do I consolidate loans?

Only Direct Loans are eligible for PSLF. In order to be eligible for PSLF, any non-Direct loan will have to be converted to a Direct Loan through a process called consolidation. At studentaid.gov, borrowers can log in to their account and download their aid data. Any loans that are not listed as a Direct loan will need to be consolidated into Direct Loans. Borrowers can access the [Direct Consolidation Loan Application](#) through studentaid.gov, which will guide them through the process of selecting and consolidating their loans.

Q 7. What are the common types of student loans?

Direct Loans: The U.S. Department of Education's federal student loan program is the William D. Ford Federal Direct Loan (Direct Loan) Program. Under this program, the U.S. Department of Education is your lender.

Perkins Loans: Loans made through the Federal Perkins Loan Program, often called Perkins Loans, are low-interest federal student loans for undergraduate and graduate students with exceptional financial need. As of 2017, these loans are no longer given.

Federal Family Education Loan Program (FFEL): The Federal Family Education Loan (FFEL) Program was a program that worked with private lenders to provide education loans guaranteed by the federal government. The FFEL Program ended in 2010.

Q 8. How/when do I certify my employment? Can I go back to prior employers to certify?

To help you track your progress toward qualifying for PSLF, it is recommended that you submit the [PSLF Form](#) annually or when you change employers. It will make it much easier to catch any issues that arise over your 10 years of repayment.

Your employment can be certified by an official who has access to your employment or service records and is authorized by your employer to certify your employment or your service as an AmeriCorps or Peace Corps volunteer. Check with your organization to see who is allowed to certify your PSLF form.

If you are a NYC employee, you should check with your Human Capital team on how to get your employment certified. If you have worked for multiple agencies, you must get your employment certified by each agency.

You can fill out the PSLF form in one of two ways:

- You can use the [PSLF Help Tool](#) to assist you in starting the PSLF form. Once you enter your information, you will be able to print the partially completed form for you and your employer to sign.
- Or, you can [download the PSLF form](#) and complete all sections on your own before submitting it.

Q 9. Does experience prior to grad school count towards PSLF?

In general, only periods of employment worked while making qualifying payments on a certain loan will count toward forgiveness of that loan through PSLF. However, borrowers who complete the PSLF waiver before October 31, 2022 will receive credit towards forgiveness for consolidated loans based on the oldest of the underlying loans that were consolidated, as far back as October 2007, when PSLF began.

This means that if undergraduate and graduate school loans were consolidated, credit for work performed while in repayment on the undergraduate loans will count toward forgiveness of the graduate school loans.

During this temporary waiver period, any months worked in qualifying employment during which a borrower was in repayment status and not in default, deferment, or forbearance is eligible for credit toward forgiveness under PSLF.

Q 10. If I don't qualify for the PSLF, what are my options? What resources do I have?

You can use the [PSLF Help Tool](#) to find out your eligibility based on the types of loans you have and your employer. In addition, there are other Federal Student Loan Forgiveness and NYS Student Loan Repayment Assistance Programs. For more information, visit [NYS Higher Education Services Corporation - Loan Forgiveness, Cancellation and Discharge](#).

Q 11. Does the PSLF benefit parents with children with loans, such as for parent PLUS loans? How about spouses who have loans?

[Direct PLUS Loans](#) are made to graduate or professional students and to parents of dependent undergraduate students and both are eligible for PSLF. However, there are additional factors to consider if you're a parent who has taken out a PLUS loan.

First, your PSLF eligibility is based on your qualifying employment, not on the employment of the dependent student for whom you borrowed.

Second, PLUS loans made to parents may not be repaid under any of the income-driven repayment plans—the repayment plans that are best for borrowers seeking PSLF. However, if you consolidate a PLUS loan that you took out on behalf of your child, you may then repay the new Direct Consolidation Loan only under an income-driven repayment plan called the Income-Contingent Repayment Plan (ICR). You cannot repay these consolidated Parent PLUS loans under the Revised Pay As You Earn (REPAYE), Pay As You Earn (PAYE), or Income-Based Repayment (IBR) plans.

Note: PLUS loans made to graduate and professional students (as well as Direct Consolidation Loans that repaid PLUS loans made to graduate and professional students) may be repaid under any of the income-driven repayment plans.

Q 12. How do defaults or periods of non-payment affect my PSLF status?

Generally, PSLF requires actual, on-time, and complete payments in order to receive credit towards loan forgiveness. However, during the limited PSLF waiver, which ends after October 2022, any month where a loan was in an “in repayment” status can receive qualifying payment credit, even if no actual payment was made, which excludes periods of deferment, default, and forbearance. [Periods of default and in-school deferment are not eligible for PSLF, even under the limited PSLF waiver.](#)

If you have loans that were in forbearance during the COVID-19 payment pause from March 2020 through August 2022, or loans that were in specific military-related deferment, you can receive qualifying payment credit (as long as you were employed with a qualifying employer).

Q 13. Does the PSLF have any income requirements?

[There is no income requirement to qualify for PSLF.](#) However, since your required monthly payment amount under most of the qualifying PSLF repayment plans is based on your income, your income level over the course of your public service employment may be a factor in determining whether you have a remaining loan balance to be forgiven after making 120 qualifying payments.

Q 14. Does the PSLF benefit those with private loans?

[No.](#) Private education loans are not eligible for PSLF and cannot be consolidated into a Direct Consolidation Loan.

Student Loan Resources

Q 15. Who can I go to for questions about student's loans?

You may contact the [Federal Student Aid Help Center](#).

Q 16. How and where can I file a student loan complaint?

- You should first attempt to file and resolve a complaint with your student loan servicer (the company that handles the billing and other services on your federal student loan). Typically, you are able to file a complaint by phone, in writing, and online.
- You can file a complaint with the [Ombudsperson for Federal Student Aid](#) with the U.S. Department of Education.
- You can also file a secure complaint online with the [New York State Department of Financial Services](#).

NYC Financial Empowerment Centers

Q 17. What services can I receive from the NYC Financial Empowerment Centers?

The [NYC Financial Empowerment Centers](#) provide FREE one-on-one professional, financial counseling and coaching to support you in reaching your goals.

Q 18. What can I discuss with a NYC Financial Empowerment Center counselor?

The NYC Financial Empowerment Center counselors can work with you to: manage your money and set up a spending plan; contact creditors about existing loans, including student loans; draft letters to creditors to lower payments or temporarily suspend payments due to hardship; develop a strategy to minimize debt; improve your credit; and much more. You can book an appointment at nyc.gov/TalkMoney or by calling 311.



THE PLACE FOR NYC'S
YOUNG PROFESSIONALS

PROJECT
XYZ

WorkWell
NYC
Bill de Blasio, Mayor
Healthy Workforce. Healthy City.

Got Loans? Leverage Your City Employment for Public Service Loan Forgiveness



workwell@olr.nyc.gov | nyc.gov/workwellnyc

The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on a borrower's Direct Loans after they have made 120 qualifying monthly payments (10 years) under a qualifying repayment plan while working full-time for a qualifying employer in a public service job.

Next Steps

Find out who your loan servicer is if you don't already know

- ✓ If you have federal loans, find out who your student loan servicer is by visiting the website *My Federal Student Aid* [here](#).

Enroll in an Income Driven Repayment Plan:

1. If you have the wrong type of loans, consolidate into a Direct Consolidation Loan
2. Enroll in an Income-Driven Repayment (IDR) plan
3. Complete the Employer Certification Form (ECF) – this will trigger a transfer of your loans from your original servicer to FedLoan Servicing

**you can do steps 1 & 2 yourself online at <https://studentaid.ed.gov/log-in>*

Complete your Employer Certification Form

- ✓ Have your agency's HR personnel complete an [Employer Certification Form](#) and then mail it back to FedLoan Servicing (or upload it on their website)
- ✓ Keep a copy for your records
- ✓ Complete this form annually and every time you change jobs

Types of IDR Repayment Plans

Income-Driven Repayment (IDR) Plan Type	Payment Amount	Eligibility Notes
Revised Pay As You Earn REPAYE Plan	10 percent of your discretionary income	<ul style="list-style-type: none"> • Eligible loan
Pay As You Earn PAYE Plan	10 percent of your discretionary income, capped at the 10-year Standard Repayment Plan amount	<ul style="list-style-type: none"> • Eligible loan • Partial financial hardship • Started borrowing recently
Income-Based Repayment IBR Plan	<p>10 percent of your discretionary income if you're a new borrower on or after July 1, 2014, capped at the 10-year Standard Repayment Plan amount</p> <p>15 percent of your discretionary income if you're not a new borrower on or after July 1, 2014, capped at the 10-year Standard Repayment Plan amount</p>	<ul style="list-style-type: none"> • Eligible loan • Partial financial hardship • FFELP borrowers
Income-Contingent Repayment ICR Plan	<p>The lesser of the following:</p> <ul style="list-style-type: none"> • 20 percent of your discretionary income <i>or</i> • What you would pay on a repayment plan with a fixed payment over the course of 12 years, adjusted according to your income 	<ul style="list-style-type: none"> • Eligible loan • Parent plus borrowers (w/ consolidation)

General Resources

Loan Forgiveness, Cancellation and Discharge

<https://www.hesc.ny.gov/repay-your-loans/repayment-options-assistance/loan-forgiveness-cancellation-and-discharge.html>

Guide for Public Service Employees with Student Debt

https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/cfpb_guide-for-public-service-employees-with-student-debt.pdf

Consumer Financial Protection Bureau

<https://www.consumerfinance.gov/consumer-tools/student-loans/>

Public Service Loan Forgiveness Employment Certification Form

<https://studentaid.ed.gov/sa/sites/default/files/public-service-employment-certification-form.pdf>

IDR Calculator

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

Find out who your student loan servicer is and/or enroll in an IDR plan

<https://studentaid.ed.gov/log-in>

Get on Your Feet Program

<https://www.hesc.ny.gov/repay-your-loans/repayment-options-assistance/loan-forgiveness-cancellation-and-discharge/nys-get-on-your-feet-loan-forgiveness-program.html>

DC 37

<http://www.dc37.net/studentdebt>



Additional Resources for Teachers

UFT (Teachers' Union)

<http://www.uft.org/our-benefits/student-debt-relief-program>

NY State Teacher Loan Forgiveness Program

<https://www.hesc.ny.gov/repay-your-loans/repayment-options-assistance/loan-forgiveness-cancellation-and-discharge/nys-teacher-loan-forgiveness-program.html>

Teacher Loan Forgiveness Program

studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/teacher

**The same period of teaching cannot count for both the Teacher Loan Forgiveness Program and PSLF.*

Perkins Loan Cancellation Program

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

In-Person Help

Financial Empowerment Centers throughout the five boroughs provide free, confidential financial counseling to all New Yorkers. Book an appointment by calling 311 or online at <https://www1.nyc.gov/site/dca/consumers/get-free-financial-counseling.page>

Filing Complaints

Complaints can be filed with **both** your servicer and the government.

Servicer- Each student loan servicer has a different process for complaints. The servicer's website should be consulted to determine where to submit a complaint.

Federal Government- Consumer Financial Protection Bureau:

<https://www.consumerfinance.gov/complaint/>

State Government- New York State Department of Financial Services:

<https://www.dfs.ny.gov/complaint>



Frequently Asked Questions

TIMING

How do I start pursuing PSLF?

It should be noted that there is no affirmative enrollment process for PSLF. The application for the forgiveness of your remaining balance through PSLF is processed after the 120 payments are made. To check your status and ensure you are on track, it is best practice to submit the Employer Certification Form each year and every time you change jobs. After you have submitted an approved Employer Certification Form, FedLoan Servicing will send you a notice indicating how many qualifying payments you have made.

Regularly submitting an Employer Certification Form is optional but recommended. It is not mandatory for maintaining your eligibility for PSLF.

When should I start pursuing PSLF?

If you have not taken the steps to get on track for PSLF, the best time to start is now. Ensure that you meet all the qualifying factors listed in the presentation (qualifying loan, qualifying repayment plan, qualifying employment, qualifying payments). Periods of missed payments, delinquency, or default in the past do not disqualify you from getting on track now.

Does the timing of my 120 qualifying payments matter? Do my payments need to be consecutive?

Qualifying payments for the purposes of PSLF do not need to be consecutive. This means that missed payments or late payments will not disqualify you. However, missed or late payments will not count toward PSLF. In order for a payment to qualify, it must be:

- On-time (the payment must be made within 15 days of the due date)
- In full (the payment must be for the full amount owed under the qualifying repayment plan)
- Made while working in qualified employment

The first payment made while meeting all requirements (qualified loan, qualified employment, and qualified repayment plan) begins the “clock” for PSLF. In other words, this first payment made while meeting these criteria will be the first of 120 required payments to earn loan forgiveness.

Is there a way to get PSLF in less than 10 years?

You cannot earn PSLF in less than 120 months. Additionally, you cannot make qualifying payments in months in which no payment is due (such as in-school deferment or grace periods after leaving school). Qualifying payments can only be made during months in which you have a payment due on your loan.

If I decide PSLF is no longer the best option for me, what should I do?

If you are on track for PSLF but decide you no longer want to pursue PSLF, you have several options. You can continue repaying your loans under an IDR plan and earn loan forgiveness after 20-25 years of payments. Alternatively, you can repay your loans in full under a number of other repayment plans, including standard, extended, or graduated repayment.

How can I check how many qualifying payments my loan servicer has on record?

The number of qualifying payments you have made will be updated whenever you submit another Employment Certification Form that documents a new period of qualifying employment.

You can find out how many qualifying payments you've made by logging in to your account at FedLoan Servicing and viewing your loan details or by looking on your most recent billing statement.ⁱ

If you are having difficulty obtaining qualifying payment records from your loan servicer or you believe an error has been made, for example qualifying payments made under another servicer are not captured, file a complaint. If you have any problems getting an accurate count of your qualifying payments, you can submit a complaint with the CFPB by visiting this link:

<https://www.consumerfinance.gov/complaint/>. See slide 30 on [this document](#) for more information on filing complaints.

A note about leaving IDR plans and interest capitalization -

In some cases when you leave an IDR plan or fail to recertify your income, the interest on your loan will be capitalized (added to your loan principal balance). To learn more about the interest capitalization stipulations of each IDR plan, visit this link: <https://studentaid.ed.gov/sa/repay-loans/understand/plans/income-driven/questions>.

Retroactively pursuing PSLF -

Because PSLF does not require affirmative enrollment, you may have been making progress towards the 120 payments before learning about the program. For this to be the case, you would have to meet all the factors outlined on slide 4 of [this document](#) at the time of each qualifying payment.

Employer Certification Form submittal is optional but recommended. If you have not submitted an Employer Certification Form, but have made qualifying payments, these payments should still count. If you think you have made 120 qualifying payments, you can submit your application for loan forgiveness to FedLoan Servicing at any time. The application can be found here:

<https://studentaid.ed.gov/sa/sites/default/files/public-service-application-for-forgiveness.pdf>.

QUALIFYING FACTORS

What are the qualifying factors for PSLF?

There are four qualifying factors for PSLF:

1. Qualifying Loan
2. Qualifying repayment plan
3. Qualifying employment status
4. Qualifying payments

Slides 14-21 on [this document](#) cover these factors in depth.

How do I know if my employment qualifies for PSLF?

Qualifying employment for the PSLF Program is not about the specific job that you do for your employer. Rather, it is about who your employer is. Employment with the following types of organizations qualifies for PSLF:

- Government organizations at any level (federal, state, local, or tribal)
- Not-for-profit organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code
- Other types of not-for-profit organizations that are not tax-exempt under Section 501(c)(3) of the Internal Revenue Code, if their primary purpose is to provide certain types of qualifying public services

Serving as a full-time AmeriCorps or Peace Corps volunteer also counts as qualifying employment for the PSLF Program.

The following types of employers do not qualify for PSLF:

- Labor unions
- Partisan political organizations
- For-profit organizations (this includes for-profit government contractors)
- Not-for-profit organizations that are not tax-exempt under Section 501(c)(3) of the Internal Revenue Code and that do not provide a qualifying public service as their primary function

Government contractors: For-profit government contractors are not qualifying employers. You must be directly employed by a qualifying employer for your employment to count toward PSLF. If you are employed by an organization that is doing work under a contract with a government agency or other organization, then it is your employer's status, not the status of the organization that your employer has a contract with that determines whether your employment qualifies for PSLF.ⁱⁱ

Are there special options available if I participated in a federal program like AmeriCorps or PeaceCorps?

More information on combining AmeriCorps and PSLF benefits can be found here:

https://www.nationalservice.gov/pdf/08_1210_ccraa_faqs.pdf

More information about PSLF for PeaceCorps volunteers can be found here:

<https://studentaid.ed.gov/sa/sites/default/files/peace-corps-and-loan-repayment.pdf>

As a teacher do I have more forgiveness options than PSLF?

Some teachers are eligible for additional student loan forgiveness programs such as the federal Teacher Loan Forgiveness Program. To learn more about this program visit:

<https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/teacher#eligibility>.

New York State also offers a program called the NYS Teacher Loan Forgiveness Program. To learn more visit: <https://www.hesc.ny.gov/repay-your-loans/repayment-options-assistance/loan-forgiveness-cancellation-and-discharge.html>.



What is considered full-time employment?

For PSLF, you are generally considered to work full-time if you meet your employer's definition of full-time or work at least 30 hours per week, whichever is greater.

If you are employed in more than one qualifying part-time job at the same time, you may meet the full-time employment requirement if you work a combined average of at least 30 hours per week with your employers.

If you are employed by a not-for-profit organization, time spent on religious instruction, worship services, or any form of proselytizing may not be counted toward meeting the full-time employment requirement.ⁱⁱⁱ

A note for retirees –

You must be actively working for a qualifying employer to be eligible for PSLF.

A note for those who reside outside of NYC -

PSLF is a federal program. Where you live or where you lived when you took out federal direct loans does not impact your eligibility for PSLF.

INCOME AND FINANCIAL HARDSHIP

What is discretionary income?

Discretionary income is your adjusted gross income minus the poverty guidelines for your family size. More information on how this is defined for each IDR plan can be found here: <https://studentloans.gov/myDirectLoan/glossary.action>

How is discretionary income used to calculate IDR payments?

IDR payments are calculated based on a percentage of your “discretionary income”. Discretionary income is determined based on your adjusted gross income and family size. This payment amount does not take into consideration other debts and expenses you may owe. In some cases, extended repayment plans may provide a lower monthly payment than IDR, but keep in mind that payments made under extended repayment plans do not count towards PSLF.

If you think your IDR payment was incorrectly calculated, you can always apply to have your IDR payment recalculated. More information on this process can be found at: <https://studentaid.ed.gov/sa/repay-loans/understand/plans/income-driven>.

Additionally, if your tax return from the previous year does not accurately reflect your income, you can submit alternative documentation of income such as a pay stub or letter from your employer.

What is Partial Financial Hardship?

A “partial financial hardship” is an eligibility requirement for the PAYE and IBR plans. You have a partial financial hardship when the standard payment due on all of your eligible loans (and, if you are required to provide documentation of your spouse's income, the annual amount due on your spouse's eligible loans) exceeds what you would pay under PAYE or IBR. In other words, you need to have a low income relative to the amount of student loan debt you owe. If you do not have a partial financial hardship, you are only eligible for Revised Pay As You Earn (REPAYE) and your monthly payments will be greater than what you would pay under a standard repayment plan.

If my income significantly increases will my application for forgiveness be rejected?

No. If you enroll in IDR while you have a partial financial hardship, you can stay enrolled in IDR regardless of increases in your income. Current income is *not* a factor in loan forgiveness under the PSLF program.

My monthly IDR required payment is too high for my budget. Do I have any options?

If your monthly payment is more than you can pay while meeting other expenses, you should first ensure that your income has been calculated correctly. See the above section on *how discretionary income is used to calculate IDR payments*. Second, you should ensure that you are in the IDR plan that best meets your financial needs. For more information on the different IDR plans visit:

<https://studentaid.ed.gov/sa/repay-loans/understand/plans/income-driven>.

If the required payment is still difficult for you to manage, you can meet with a financial counselor at one of NYC's Financial Empowerment Centers for free, professional guidance. For more information see slide 32 on [this document](#) or visit: <https://www1.nyc.gov/site/dca/consumers/get-free-financial-counseling.page>.

TAX QUESTIONS

Are loan amounts forgiven under PSLF considered taxable by the IRS?

No. According to the Internal Revenue Service (IRS), student loan amounts forgiven under PSLF are not considered income for tax purposes.^{iv}

DEFAULTED LOANS

What happens if I have defaulted on my loans?

Loans that are in default are not currently eligible for PSLF because these loans, by nature are not being paid in full so the payments, if any, would not meet the qualifying payment factors (outlined on slide 21 of [this document](#)).

However, if a borrower completes the rehabilitation or consolidation process their loan can become eligible for PSLF (if all other qualifying factors are met). More information on rehabilitation and consolidation can be found here: <https://studentaid.ed.gov/sa/repay-loans/default/get-out>.

If I have experienced tax offsets and/or wage garnishments am I still eligible for PSLF?

If a portion of your wages or tax return is seized for payment towards your federal student loan, it is likely that you have defaulted on your loan. The point when a loan is considered to be in default varies depending on the type of the loan you received. While the funds seized via offsets and garnishments are applied to your loan balance, they *do not* count as qualifying payments for PSLF. For more information on student loan default visit this link: <https://studentaid.ed.gov/sa/repay-loans/default>.

How does interest work with PSLF?

Interest will continue to accrue on a loan until the total loan balance is paid off. However, under the PSLF program, any principal balance or accrued interest not paid through the 120 qualifying payments will ultimately be forgiven.

CONSOLIDATION AND TRANSFER

How does loan consolidation impact PSLF?

If you have non-eligible loans, you will need to consolidate those loans into a Direct Consolidation Loan. This process can be completed online at www.studentloans.gov.

If you have already made qualifying payments on a loan, you cannot carry over any credit towards PSLF after consolidating. You will need to start over and make 120 qualifying payments. Keep in mind that if you have a mix of eligible and non-eligible loans and have already made qualifying payments on the eligible loans, you have the option of only consolidating the non-eligible loans. This will allow you to preserve the progress you have made toward PSLF on your eligible loans.

Will my loans be transferred to a new loan servicer if I start pursuing PSLF?

After submitting your Employer Certification Form, if you have eligible loans and employment, your loans will be transferred to FedLoan Servicing (if they aren't already held there). If you are consolidating your loans in order to become eligible for PSLF, you can select FedLoan Servicing as your servicer during the application process.

PARENT BORROWERS

Are Parent Plus Loans eligible for PSLF?

Parent Plus Loans are eligible for PSLF only if they are consolidated into a Direct Consolidation Loan. However, there are additional factors to consider if you are a parent who has taken out a PLUS loan.

First, your PSLF eligibility is based on your qualifying employment, not on the employment of the dependent student on whose behalf you borrowed. Even if you took out Parent PLUS loans, your eligibility for PSLF is based on *your* employment and *your* repayment plan.

Second, PLUS loans made to parents may not be repaid under any of the income-driven repayment plans, the repayment plans that are best for borrowers seeking PSLF. However, if you consolidate a PLUS loan that you took out on behalf of your child, you may then repay the new Direct Consolidation Loan under an income-driven repayment plan called the Income-Contingent Repayment Plan. You cannot repay a consolidated Parent PLUS loan under the Revised Pay As You Earn, Pay As You Earn, or Income-Based Repayment plans.^v

It is important to note that the person under whose name the Parent PLUS loan was originated must have qualifying employment, not the student on behalf of whom a Parent PLUS loan was initiated. For example, if a parent works for the City government, his or her employment would be eligible for PSLF. The employment status of the student for whom the loans were initiated is not taken into consideration.

For more information on PSLF and Parent Plus Loans visit: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/questions>.

A note on co-signing and payment assistance -

Federal student loans rarely require co-signers. This is much more typical with private student loans. Private student loans do not qualify for PSLF. The employment status of a co-signer does not impact eligibility for PSLF.

Generally, if the co-signer wishes to be released from their status as co-signer, only the student borrower on a co-signed student loan may request co-signer release. A borrower is usually eligible for co-signer release after making a series of on-time payments and meeting certain other criteria (including income and credit requirements) set by the lender. If you are having trouble getting co-signer release, you may file a complaint. Complaints can be made to the Consumer Financial Protection Bureau at the following link: <https://www.consumerfinance.gov/complaint/>.

MATERNITY LEAVE, CURRENT STUDENT & OTHER REASONS FOR DEFERMENT AND FORBEARANCE

What should I know about my eligibility for PSLF before borrowing for a graduate degree?

If you are currently repaying loans for undergraduate education with the goal of earning PSLF, and are also now considering taking out loans for graduate school, here are a few things to keep in mind:

- **Your graduate loans may also be eligible for PSLF.**
 - You can earn PSLF for any Direct Loans (subsidized or unsubsidized loans) you took out for graduate school, provided that you meet the other requirements (eligible employment, number of payments, etc.).
 - Direct PLUS loans (subsidized loans) made to graduate and professional students (as well as Direct Consolidation Loans that repaid PLUS loans made to graduate and professional students) are also eligible and may be repaid under any of the income-driven plans.^{vi}
- **You can preserve any progress made towards PSLF on your existing loans.**
 - As long as you do not consolidate your existing loans with your new loans, you will maintain any qualifying payments you have already made.
- **You can keep making qualifying payments while in graduate school.**
 - If you are enrolled at least half-time in graduate school, your existing undergraduate loans will automatically enter “in school deferment.”

However, if you are also working full-time in qualified employment, you can ask your servicer to remove the deferment so that you may continue making qualified payments while you’re in school.

- **Under Income-Driven Repayment, more loans will not impact your monthly payment amount.**
 - Because IDR payments are determined based on income, not loan balance, your monthly payment will be the same regardless of whether you have graduate school loans.
 - However, because they are new loans, you will still have to make 10 years (120 months) of qualifying payments to have these loans forgiven.

Your undergraduate and graduate loans will simply be on different “clocks”. For example, if you made 4 years (48 months) of qualifying payments on your undergraduate loans, and then you took out graduate loans, you would need to make 6 more years (72 months) of qualifying payments on your undergraduate loans, and 10 years (120 months) of qualifying payments on your graduate loans.

What happens to your eligibility for PSLF if you take maternity or paternity leave?

If your employer still considers you a full-time employee, taking maternity or paternity leave will not impact your eligibility for PSLF. This includes any leave taken under the Family and Medical Leave Act (FMLA). However, you must continue to meet all the other qualifying factors (*i.e.*, continue making on-time payments under a qualifying repayment plan). For example, if you are on unpaid leave and apply for a deferment, those months will not count towards PSLF because you are not making payments. If your income does change because of unpaid leave, you can apply to have your monthly payment amount under an IDR plan recalculated.

PSLF REJECTIONS & TEPSLF

Why have so many PSLF applications been denied?

The most common reasons for denial of PSLF application is not having enough qualifying payments, applications having missing information, or borrowers having ineligible loans. You can make sure you avoid these obstacles by submitting an Employer Certification Form to ensure you are on track to earn PSLF.^{vii}

How many people have qualified for PSLF?

As of March 2019, more than 500 borrowers have had their loans forgiven through PSLF. There are currently more than 10,000 applications for PSLF pending with the Department of Education.^{viii}

My application was rejected. Can I reapply?

You may reapply for PSLF, but make sure to correct whatever the reason was for the rejection. For example, if your application was denied due to missing information, be sure to include that information the next time you apply. If your PSLF application was denied because of an incorrect number of payments, you should explore whether you may be eligible for TEPSLF.

I have been making payments through a non-qualifying repayment plan (i.e. extended repayment plan), but I meet all the other qualifying factors for PSLF. Do I have any options?

In order to become eligible for PSLF, you can enroll in IDR. After making 12 payments under an IDR plan, you may be eligible for TEPSLF. You can learn more about applying for TEPSLF here: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/temporary-expanded-public-service-loan-forgiveness#how-request>.

What is TEPSLF? How much loan forgiveness is available through it?

TEPSLF allows borrowers to get credit for payments made under a non-qualifying repayment plan, provided that all of the other requirements for PSLF were met. This means that the borrower must have made on-time payments, in full, while working in qualifying employment. Additionally, the borrower must have made the 12 most recent payments under a qualifying repayment plan (IDR or Standard repayment). If you meet all of these requirements, then the remaining balance of your loan is forgiven.

There is no cap on how much an individual borrower can have forgiven. More information about TEPSLF is available here: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/temporary-expanded-public-service-loan-forgiveness>.

Can I submit an application for TEPSFL if I am not sure I have made 120 qualifying payments?

You can request to be considered under TEPSFL by doing the following:

- Prepare an email to FedLoan Servicing requesting that the U.S. Department of Education reconsider your eligibility for PSLF.
- Include the same name under which you submitted your PSLF application and your date of birth in the email.
- Send the email to TEPSLF@myfedloan.org.

Here's a template you can follow:

To: TEPSLF@myfedloan.org

Subject: TEPSLF request

I request that ED reconsider my eligibility for public service loan forgiveness.

- *Name: [Enter the same name under which you submitted your PSLF application]*
- *Date of Birth: [Enter your date of birth in MM/DD/YYYY format]^{jx}*

SCAMS & FILING COMPLAINTS

I believe I have been scammed. Now what?

If you have shared your information with a sham student loan debt relief company, you need to complete the following tasks:

- Log in and change your FSA ID. Do NOT share your new FSA ID password with anyone!
- Contact your federal loan servicer to revoke any power of attorney or third-party authorization agreement that your servicer has on file. You should also make sure no unwanted actions were taken on your loans.
- Contact your bank or credit card company, and request that payments to the company be stopped.^x
- File a complaint. Complaints can be filed at various levels. See below and slide 30 on [this document](#) for more information.
 - Consumer Financial Protection Bureau: <https://www.consumerfinance.gov/complaint/>
 - New York State Department of Financial Services: <https://www.dfs.ny.gov/complaint>
 - New York City Department of Consumer and Worker Protection: <https://www1.nyc.gov/site/dca/consumers/file-complaint.page>

ADDITIONAL HELP

I would like to speak to a professional about my eligibility for PSLF and receive counseling on my next steps. Who can help me?

Free, confidential financial counseling is available at NYC Financial Empowerment Centers in all five boroughs. Professional financial counselors at these centers can help you with PSLF or any other personal financial concerns. For more information, see slide 32 on [this document](#) or visit: <https://www1.nyc.gov/site/dca/consumers/get-free-financial-counseling.page>



Contact WorkWell NYC

For more information on WorkWell NYC, visit nyc.gov/workwellnyc or email workwell@olr.nyc.gov.

ⁱ <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service#see-payments-made>

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

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

^{iv} <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/questions>

^v <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/questions#eligible-loans>

^{vi} <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/questions#eligible-loans>

^{vii} <https://studentaid.ed.gov/sa/about/data-center/student/loan-forgiveness/pslf-data>

^{viii} <https://studentaid.ed.gov/sa/about/data-center/student/loan-forgiveness/pslf-data>

^{ix} <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service/temporary-expanded-public-service-loan-forgiveness#how-request>

^x <https://studentaid.ed.gov/sa/repay-loans/avoiding-loan-scams>