

PUBLIC SERVICE LOAN FORGIVENESS PROGRAM: HERE'S WHAT'S CHANGED

On October 6, 2021, the U.S. Department of Education announced major changes to the Public Service Loan Forgiveness (PSLF) program.

The new changes might help you if:

- You have federal student loans **AND** you work full-time for a school district, or institution of higher education
AND
- You have Direct Loans **OR** You consolidate into the Direct Loan Program by **Oct. 31, 2022**

Previous Rules		Temporary Changes
Borrowers who have Federal Family Education Loans (FFEL) or Perkins loans were ineligible for forgiveness	➔	FFEL and Perkins loans payments are now eligible and count towards the required 120 payments
Payments in non-income driven repayment plans did not count towards the required 120 payments	➔	Previous payments outside of income-driven repayment now count towards the required 120 payments
Previous late payments were not credited toward the required 120 payments	➔	Previous late payments and partial payments now count towards the required 120 payments
Borrowers who consolidated their federal student loans to qualify for PSLF would lose all previous payment credits toward the 120 qualifying payments	➔	Payments made prior to consolidation will now be eligible towards the required 120 payments

What public service workers need to do before October 31, 2022:

1. Go to studentaid.gov/pslf, login with your Federal Student Aid ID (or create one if you do not have one) and make sure your contact information is up to date so the U.S. Department of Education can communicate directly with you.
2. If you have a **Direct Loan, have made 120 payments, and have applied for PSLF**, you should receive automatic forgiveness soon.
3. If you have a **Direct Loan, have made 120 payments, and have NOT applied for PSLF**, you need to apply for PSLF right away.
4. If you have a **FFEL or Perkins loan**, you need to **consolidate into a Direct Loan, then apply for PSLF**.

Why did the PSLF program change?

PSLF was created in 2007 to forgive the federal student debt of public employees, including teachers, faculty, and education support professionals, who provide 10 years of service and make 120 monthly payments on their student loans.

However, when the first borrowers became eligible for forgiveness, the Trump Administration prioritized profits for big banks over keeping the promise of PSLF. **They denied over 90 percent of applications and kept public service workers paying interest on debts that should have been canceled.**

Loan forgiveness was denied because the program had too many technicalities and many loan servicers misled borrowers about the rules. The Biden Administration's overhaul fixes some of the technicalities and will mean **debt forgiveness right away for tens of thousands of public service workers** and eventual forgiveness for many more. Eventually, hundreds of thousands of educators could become eligible for loan forgiveness over the next year.

10 years of public service equals no student debt. That is the promise. **And we will not stop until that promise is kept to everyone.**

The changes to PSLF will exist only until October 31, 2022.

For more information, go to studentaid.gov/announcements-events/pslf-limited-waiver.

Need Help?

You can apply for PSLF forgiveness at studentaid.gov/pslf.

And every NEA member can get free help applying for PSLF (and with any questions about student debt) by going to neamb.com/Savi.

If you are not a member of NEA, you can join by going to nea.org/join.

We will speak louder than those who seek to profit from the student loans of educators. And we will continue to advocate until all students have a chance to learn and grow without limits.