



# Public Service Loan Forgiveness

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Washington Student Achievement Council  
9/9/22

# STUDENT DEBT IN WASHINGTON

**780,000+**  
student loan borrowers

**\$28.2 billion**  
outstanding student debt

**\$35,740**  
average student debt

**98,214 borrowers**  
in delinquency

**\$2.4 billion**  
in delinquency

**36% increase**  
in senior citizens w/debt

# WASHINGTON STUDENT LOAN BILL OF RIGHTS

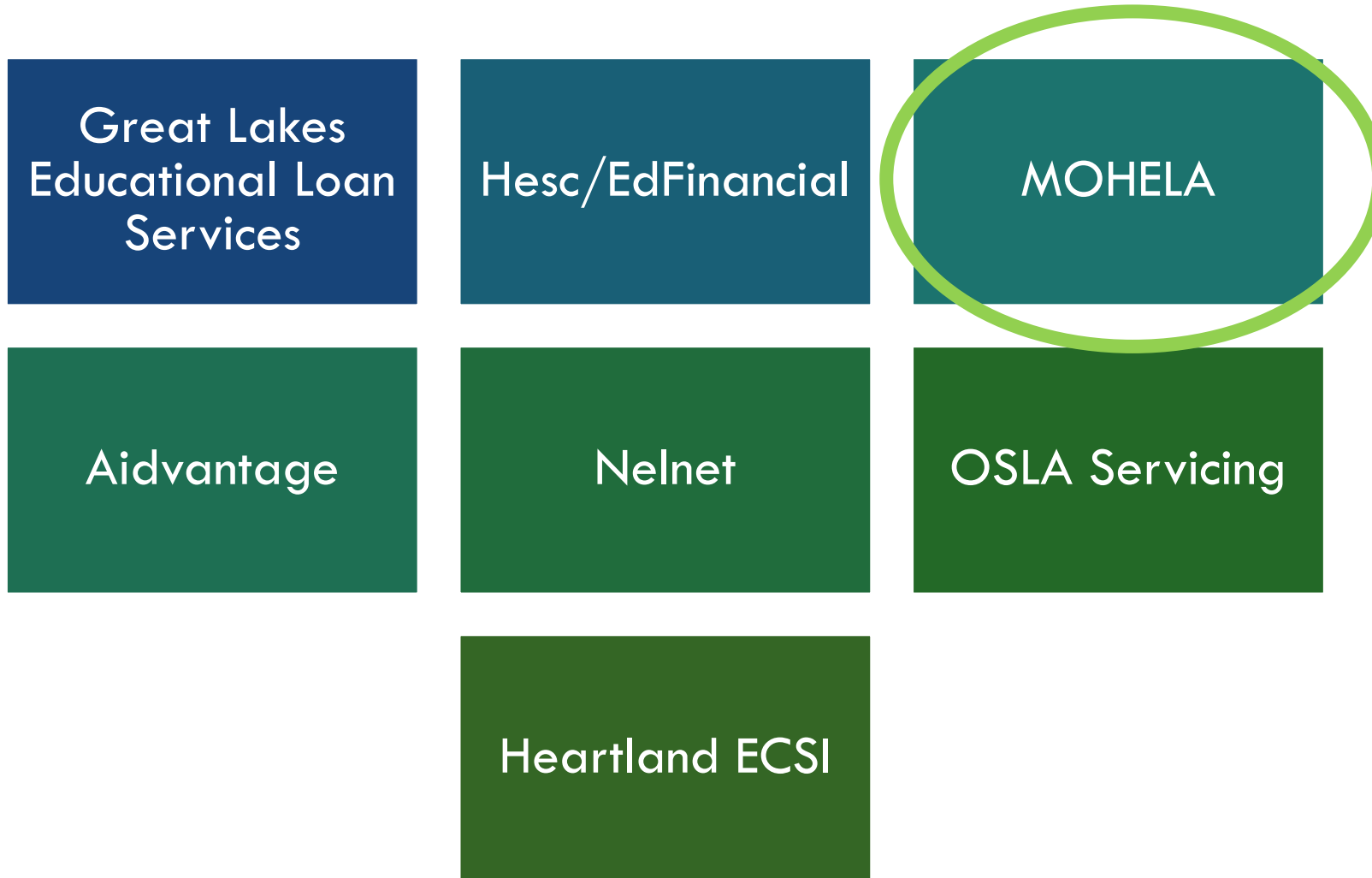
- Student loan servicers must be licensed with DFI
- Schools must notify student borrowers about Student Loan Advocate
- Develop student borrower education course
- Borrowers may request information or resources or make a complaint to Advocate
- Advocate makes recommendations to legislature regarding student debt in Washington

**PUBLIC SERVICE LOAN FORGIVENESS (PSLF)  
ELIGIBILITY**

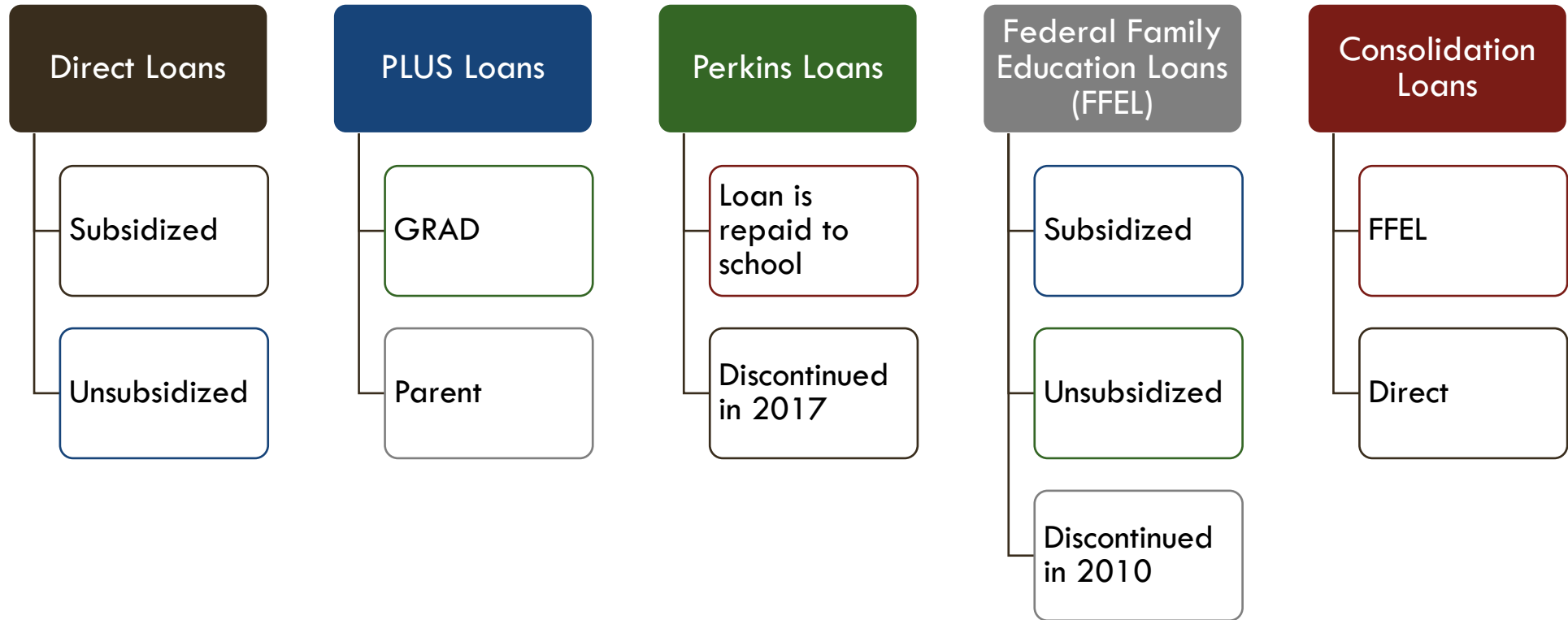
# FEDERAL LOAN SERVICERS



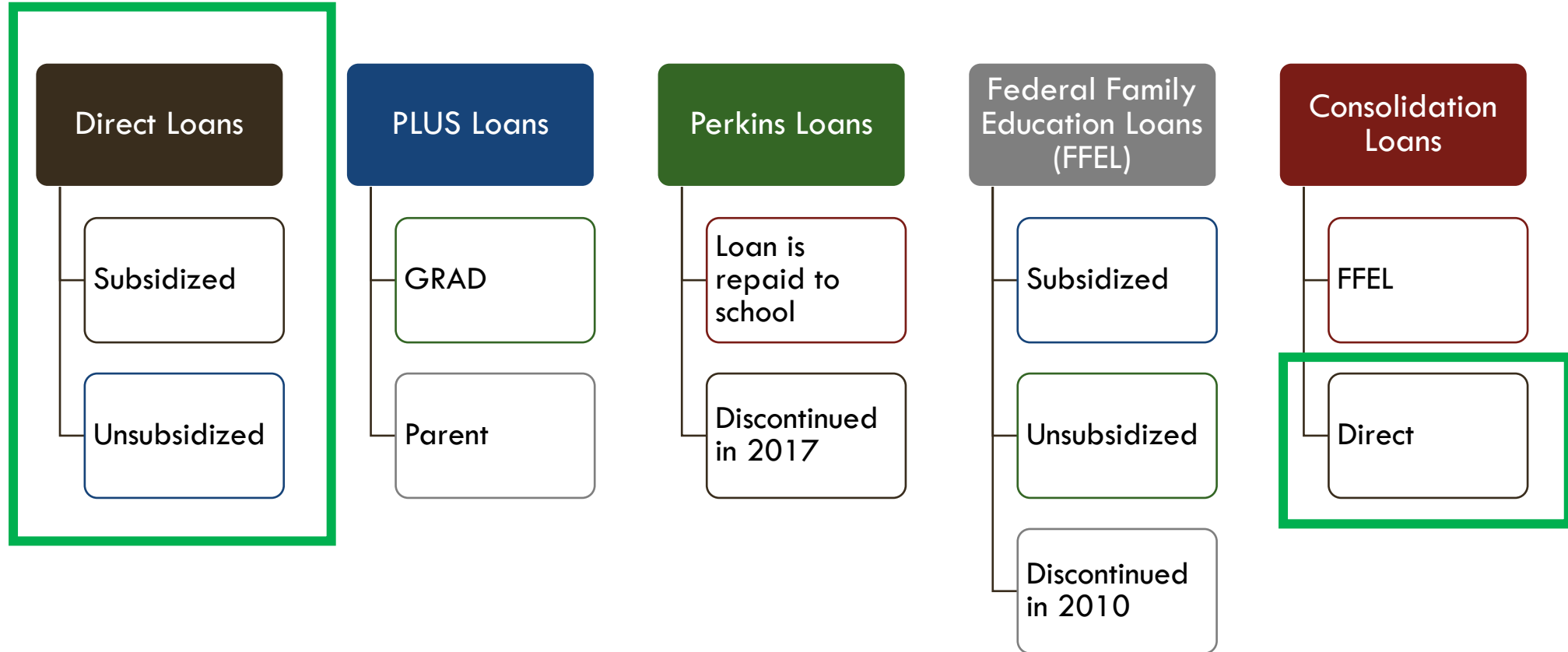
# FEDERAL LOAN SERVICERS



# #1 TYPES OF FEDERAL STUDENT LOANS










# ELIGIBLE FEDERAL STUDENT LOANS





# #2 CHOOSE A REPAYMENT PLAN

Repayment Plan	Repayment Period	Monthly Payment Initial to Final Amounts	Projected Loan Forgiveness ⓘ	Total Interest Paid ⓘ	Total Amount Paid
Standard+ ⓘ	120 months	\$2,220 to \$2,220 	\$0	\$66,449	\$266,449
Graduated+ ⓘ	120 months	\$1,270 to \$3,809 	\$0	\$84,240	\$284,240
Extended Fixed ⓘ	300 months	\$1,289 to \$1,289 	\$0	\$186,581	\$386,581
Extended Graduated ⓘ	300 months	\$1,000 to \$1,940 	\$0	\$220,577	\$420,577
Pay As You Earn+ ⓘ	240 months	\$470 to \$1,320 	\$240,844	\$199,156	\$199,156
Income-Based Repayment (IBR)+ ⓘ	300 months	\$705 to \$2,220 	\$21,221	\$251,387	\$430,167
Income-Contingent Repayment (ICR)+ ⓘ	205 months	\$1,071 to \$2,470 	\$0	\$144,769	\$344,769

# REPAYMENT PLANS

Plan	Terms	Repayment Period	Forgiveness?
Standard	60-120 equal payments	Up to 10 years	None
Graduated	Payment grows every 2 years	Up to 10 years	None
Extended Fixed	300 equal payments	Up to 25 years	None
Extended Graduated	Payment grows every 2 years	Up to 25 years	None

# INCOME-DRIVEN REPAYMENT PLANS

Plan	Payment no more than...	Forgiveness after...
Income Based Repayment (IBR)	15% of discretionary income	About 25 years
IBR for New Borrowers	10% of discretionary income	About 20 years
Pay As You Earn (PAYE)	10% of discretionary income	About 20 years
Revised Pay As You Earn (REPAYE)	10% of discretionary income	20-25 years
Income Contingent Repayment (ICR)	20% of discretionary income	25 years

HH of 1 in WA = \$20,385 (2022)

\*\*HH of 1 in WA = \$30,578 (2022)

# #3 EMPLOYMENT

## Full time

30 hours/week

or "FT" by employer definition

part-time public service jobs = 30 hours+

## Public employer(s)

Any level of government

501c3 organization

Employer more important than role

Must be employed when apply & forgiveness granted

## \*Org with another tax status (501c4)

Military service

Public health services

Public education

Public library services

Early childhood ed.

Public interest law

Disability services

*No labor unions or partisan political orgs*

# #4 120 QUALIFYING PAYMENTS

- All 120 payments **must** be:
  - On-time
  - Full
  - Scheduled
  - Made after October 1, 2007
  - Made via a qualifying repayment plan
- All payments **are not** required to be:
  - Made consecutively
  - Made with one student loan servicer

# EMPLOYER CERTIFICATION & QUALIFYING PAYMENTS



**PUBLIC SERVICE LOAN FORGIVENESS (PSLF) & TEMPORARY  
EXPANDED PSLF (TEPSLF) CERTIFICATION & APPLICATION**  
**William D. Ford Federal Direct Loan (Direct Loan) Program**

OMB No. 1845-0110  
Form Approved  
Exp. Date 08/31/2023  
PSFAP - XBCR

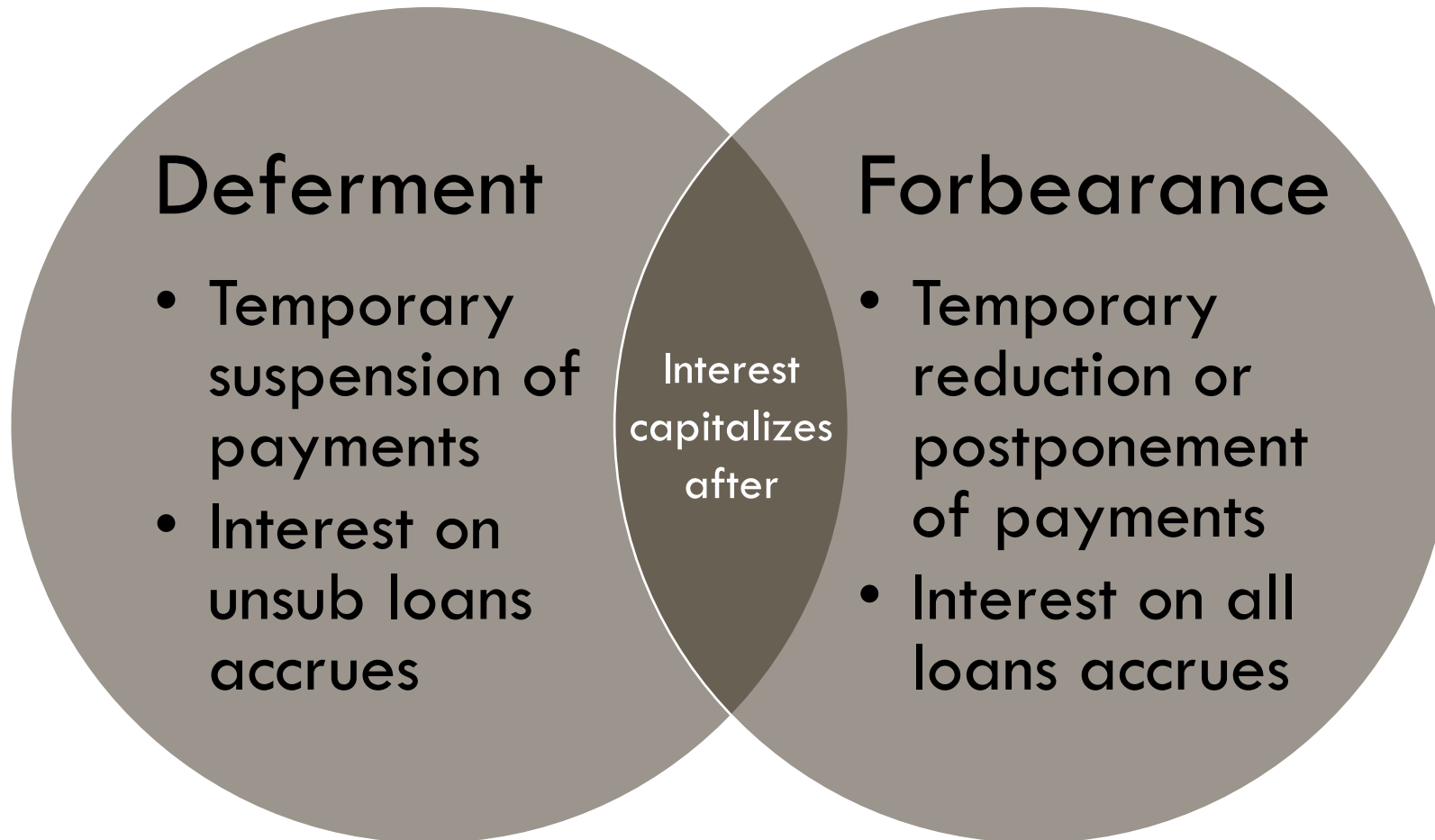
**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

- New form created in 2020 combines:
  - Employment certification for PSLF, TEPSLF and application for forgiveness for both programs
- One form for all processes eliminates confusion
- Recommended to submit every year to certify employment
  - Can be done via the Help Tool, faxing above form, mailing above form or uploading form to FedLoan's site (if you are already serviced by them)
  - Assesses eligibility and number of qualifying payments
  - Submit to FedLoan Servicing (PHEAA)
- Once form submitted and eligibility determined, loans transferred to FedLoan Servicing

# FREQUENT ISSUES

- **Eligibility**
  - Borrowers have unqualifying type of loan but think they qualify
  - Made payments on non-IDR plans
  - Received misleading or incorrect information from a servicer
  - Payment information incomplete from previous servicers
- **Forms**
  - May require a “wet ink” signature
  - Incomplete forms or errors with dates on form
  - Additional information requested
  - Forms lost or misplaced
- **Employment**
  - Inconsistent approval of employment
  - Not employed by public entity at time of application/forgiveness

# DEFERMENT VS. FORBEARANCE





# PSLF TEMPORARY WAIVER PERIOD

**ENDS OCTOBER 31, 2022**

# WHAT NEW ITEMS COUNT?

Repayment on all loan types

Period of repayment under any plan

Repayment on loans before consolidation, no matter the repay. plan

Payments that were late or for less than the amount due

Can get forgiveness even if not employed

Can get forgiveness if not currently employed by a public employer

Any TLF period of service

# HOW DO I QUALIFY FOR THE WAIVER?

Have at least one  
FFEL/Perkins loan



- Verify employer eligibility
- Consolidate loans
- Loans will be transferred to FedLoan Servicing
- Use PSLF Help Tool to fill out PSLF form

Have Direct loans but have  
not submitted ECF



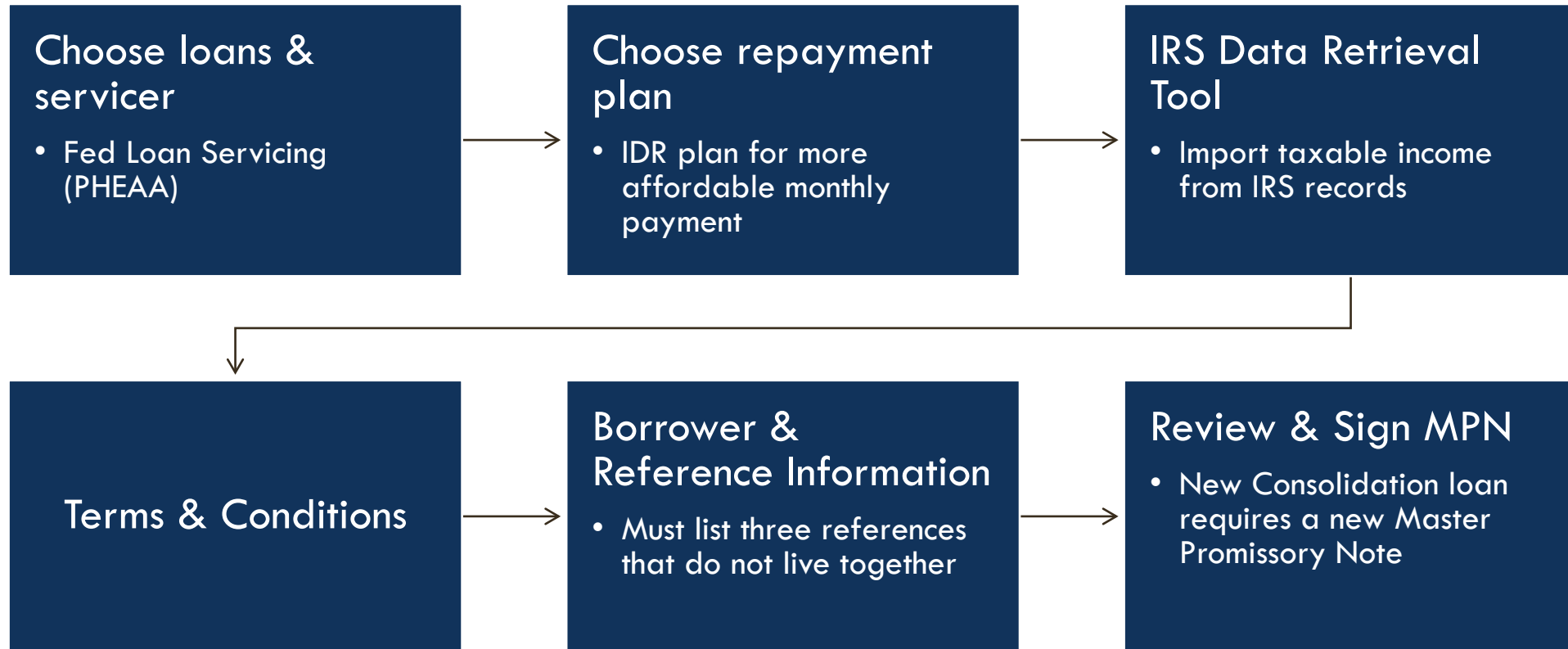
- Verify eligible employment with PSLF Help Tool
- Loans will be transferred to FedLoan & evaluated

Have Direct Loan & have  
submitted ECF form(s)

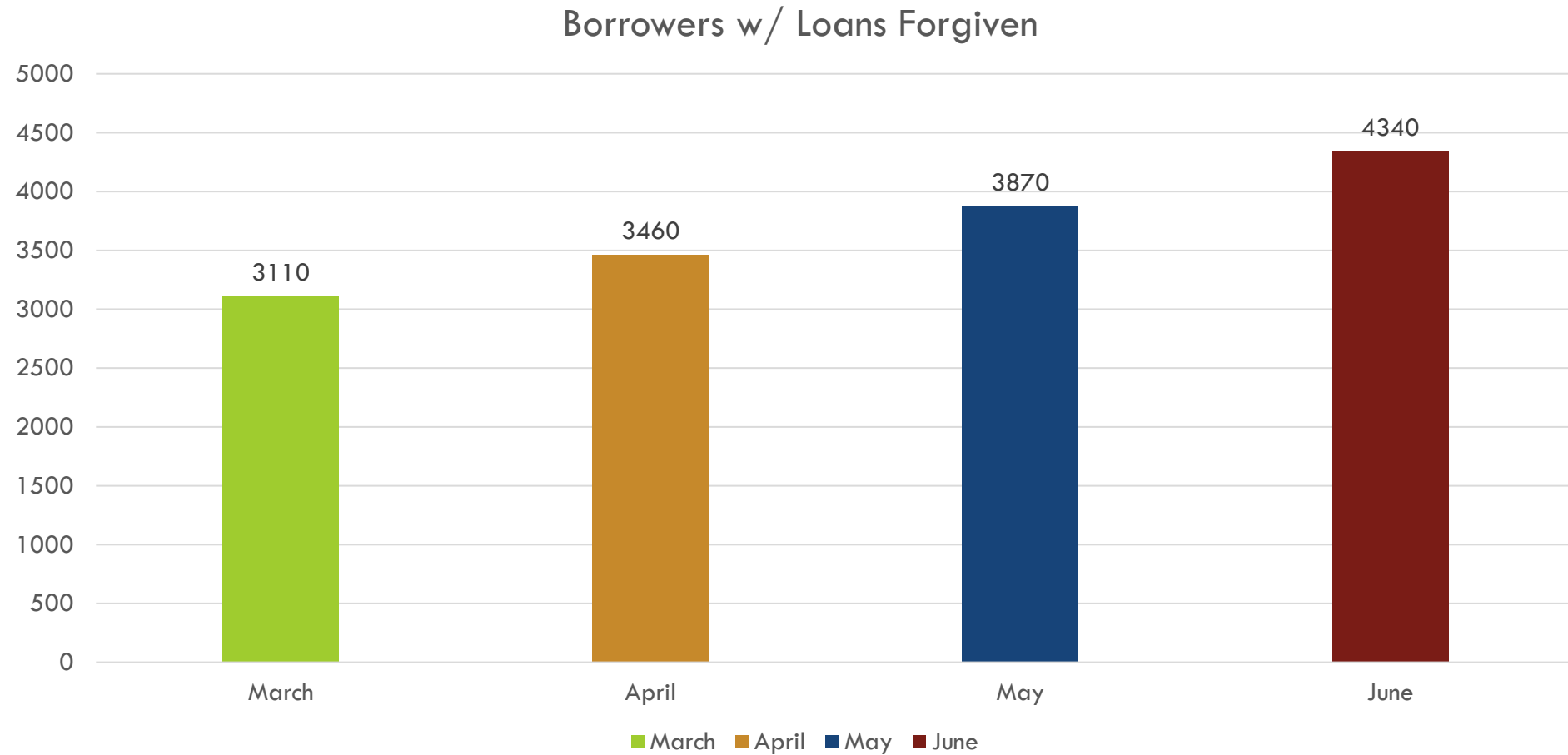


- No steps needed! Your loans will automatically be evaluated.

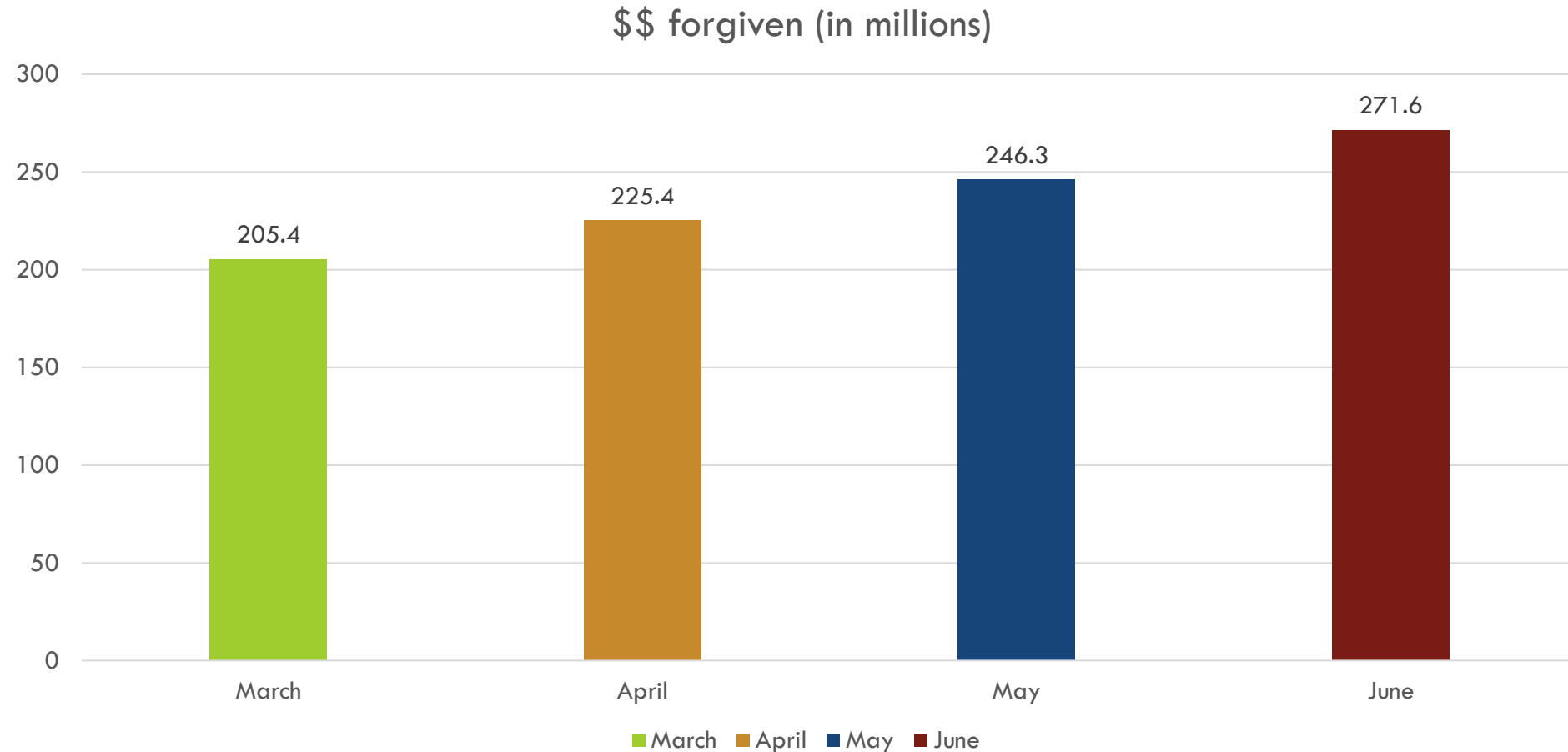
# DIRECT CONSOLIDATION IN 6 STEPS



# PSLF WAIVER OUTCOMES IN WA (2022)




# PSLF WAIVER OUTCOMES IN WA (2022)



<https://studentaid.gov/data-center/student/loan-forgiveness/pslf-data>

# COMPLAINT PORTAL



## Welcome to the Washington State Student Complaint Portal

Sign in

Before you submit a complaint through the Washington State Student Complaint Portal, please consider the following:

- Have you exhausted your school's complaint/appeals process?
- Is your complaint regarding a FERPA violation?
- Is your complaint regarding funds administered by the U.S. Department of Veterans Affairs?

Didn't find your answer?

**SUBMIT A COMPLAINT**

Be advised that copies of complaints will be made available to the school involved and may be made available to other federal, state, or private agencies, and—upon request—to members of the public.

[www.studentcomplaints.wa.gov](http://www.studentcomplaints.wa.gov)

# NEW STATE LEGISLATION

- SB 5847 requires:
  - The SLA to create materials to increase awareness of the PSLF program
    - A standardized letter for public employees
    - A detailed fact sheet
    - An FAQ sheet
  - The development of a program for state agencies to certify employment for PSLF
  - Develop statewide initiative to improve access and remove barriers to PSLF
  - Calculation for part-time academic staff:
    - For each hour of in-class teaching, multiply by 3.35 hours
    - May be applied retroactively
- This information will be provided:
  - All employees annually
  - Newly hired employees within 30 days of starting
  - When employee leave their jobs



# RESOURCES

- PSLF Help Tool: <https://studentaid.gov/pslf/>
  - Will need
    - your employer's tax employer ID number
    - Dates of employment at your employer(s)
  - Does not yet allow you nor your employer to sign the form electronically
- PSLF FAQs: <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service/questions>

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