



# Public Service Loan Forgiveness (PSLF) Webinar

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Navigating PSLF and Its Limited Waiver

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# It's so nice to meet you!

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- SMPH Director of Financial Wellness & Financial Aid Advising at UW's School of Medicine & Public Health
  - Split role between SMPH & Office of Student Financial Aid (OSFA)
- Master's degree in Counseling Psychology
- Accredited Financial Counselor
- Certified Financial Planner™ candidate
- Self-described PSLF and student loan nerd 😊

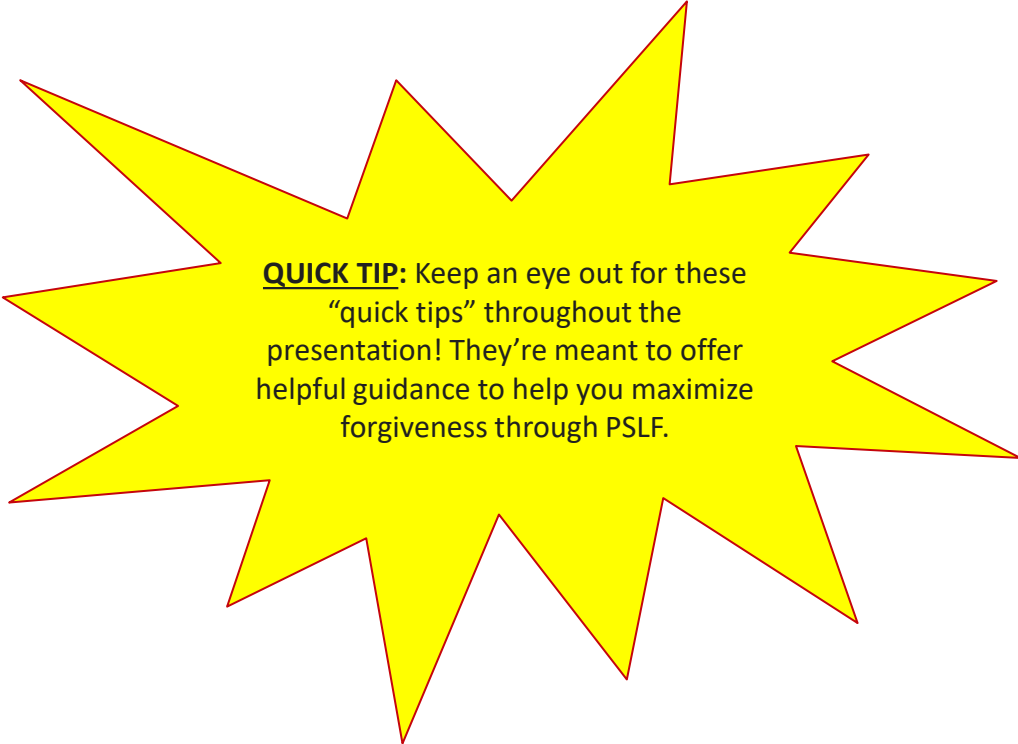




# Agenda

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- Brief overview of PSLF
- Overview of the temporary waiver
- Tangible to-do items for the waiver
- Common FAQs
- LOTS of helpful resources



**QUICK TIP:** Keep an eye out for these “quick tips” throughout the presentation! They’re meant to offer helpful guidance to help you maximize forgiveness through PSLF.



# Disclaimer

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The contents of this webinar are based on what I know to be true today (August 22, 2022). They are for educational purposes only and are not tax, legal, or financial advice.

As we already know, things can and do rapidly change as it relates to federal student loan policy, repayment, and the PSLF program. The linked resources I've included at the end of this presentation may help loan borrowers stay up-to-date on any changes and updates that may occur after this presentation.



# Brief Overview of Public Service Loan Forgiveness (PSLF)

 The different features and requirements



# IMPORTANT!

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- Many of the requirements of PSLF that I'm about to share have been temporarily waived due to the limited PSLF waiver
- The limited PSLF waiver is currently in effect until 10/31/2022
- I will discuss the waiver in greater detail in the second half of this presentation
- For more information on the limited PSLF waiver, please visit [this page](#)



# What is PSLF?

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Public Service Loan Forgiveness (PSLF) forgives the remaining balance tax-free on **Direct Loans** after **120 qualifying monthly payments** have been made under a **qualifying repayment plan** while working **full-time** for a **qualifying employer**.

[This page](#) provides a lot of helpful information about it and expands upon this definition.

It has been in effect since October 2007, and 10/2/2007 is the earliest date a loan borrower could've made their first PSLF-eligible payment.



# Eligible federal student loans

- Any loan received under the William D. Ford Federal Direct Loan program
  - Examples include Direct unsubsidized, subsidized, consolidation, Grad PLUS, and/or Parent PLUS
- Borrowers may consolidate other federal loans (such as Perkins and FFEL) into the Direct loan program to qualify for PSLF

**QUICK TIP:** Review your federal loan types by logging into [studentaid.gov](https://studentaid.gov). Look for “Direct”, “FFEL”, and “Perkins” loans!

**QUICK TIP:** If you have FFEL/FFELP and/or Perkins loans, you need to consolidate them by October 31, 2022!!!!





# Eligible federal student loans

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- Private loans do NOT qualify
- Federal student loans that you have already paid off do NOT qualify
- If you have any outstanding federal FFEL or Perkins loans, you need to consolidate them on [studentaid.gov](https://studentaid.gov) in order to convert them into a **Direct** consolidation loan by 10/31/2022 in order to benefit from the limited waiver



# FAQ: Are Parent PLUS loans eligible for PSLF?

- Technically yes, but they need to be on the income-contingent repayment (ICR) plan
  - Unfortunately, you can only get on the ICR plan after you've consolidated your Parent PLUS loan
- So, if you have a Parent PLUS loan and want to pursue PSLF but haven't yet consolidated, you need to do so ASAP!
- Lots of helpful information on this topic [here](#)



# FAQ: Are joint Spousal Direct Consolidation loans eligible for PSLF?

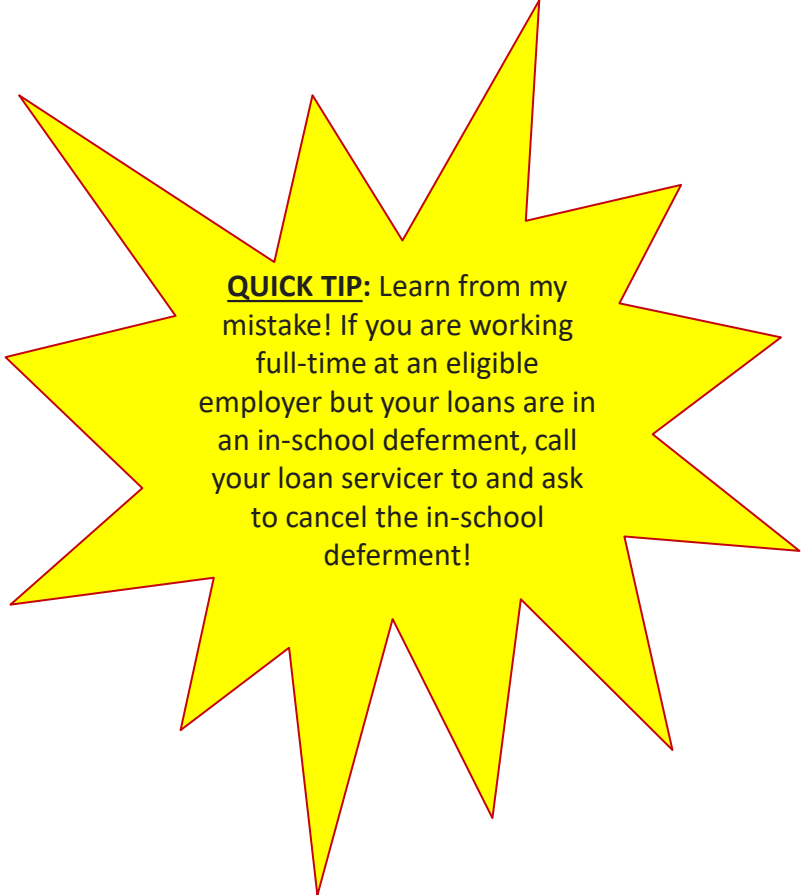
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- Yes, if both spouses were meeting the employment requirement for PSLF at the same time
- If only one spouse was meeting the employment requirement, “...only a portion of the remaining balance attributable to the original loans of that spouse would be forgiven”
- More information [here](#)



# Qualifying payments

- PSLF-qualifying payments are payments that you make:
  - After October 1, 2007
  - Under a qualifying repayment plan
  - For the full amount due as shown on your bill
  - No later than 15 days after your due date
  - While you're employed full-time by a qualifying employer
- You **cannot** make a qualifying monthly payment while your loans are in:
  - An in-school status (which is when you're enrolled at least half-time)
  - The grace period
  - A deferment
  - A forbearance (with the exception of the current COVID forbearance – see the quick tip to the right for more info!)



**QUICK TIP:** Learn from my mistake! If you are working full-time at an eligible employer but your loans are in an in-school deferment, call your loan servicer to and ask to cancel the in-school deferment!



# Which repayment plans qualify?

- The standard 10-year repayment plan
- Any of the income-driven repayment (IDR) plans
  - Pay as you earn (PAYE)
  - Revised pay as you earn (REPAYE)
  - Income-based repayment (IBR)
  - Income-contingent repayment (ICR)

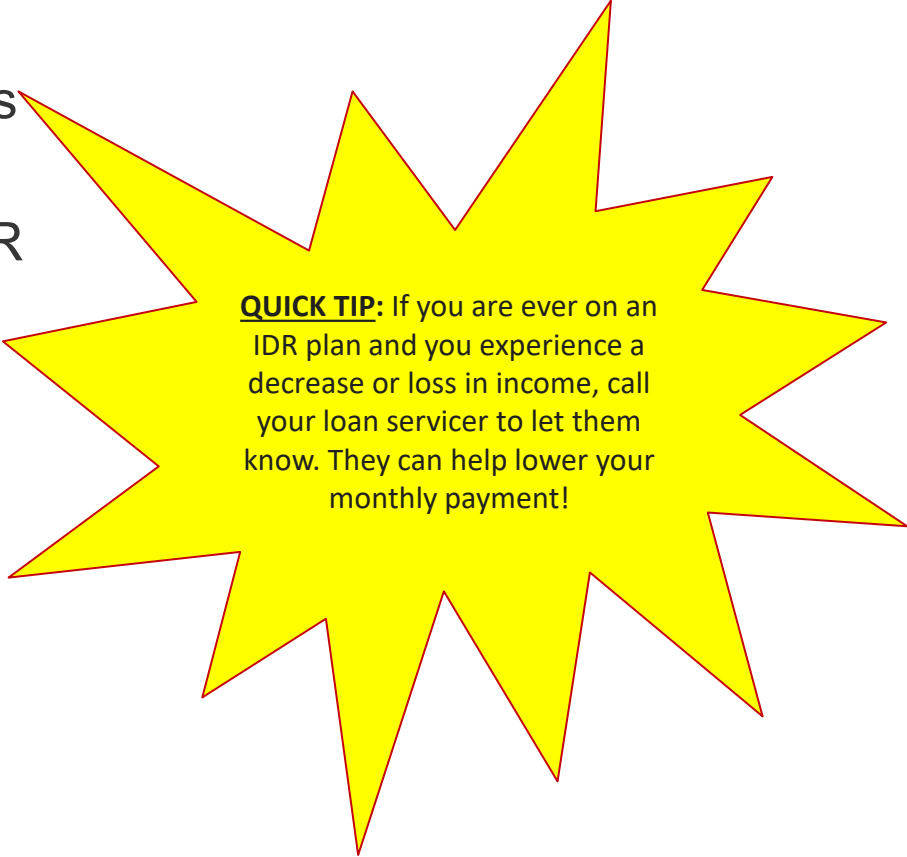
**QUICK TIP:** If you made payments on your loans during the COVID forbearance and are set on pursuing PSLF, I recommend asking your loan servicer for a refund of all payments made after March 13, 2020.

**QUICK TIP:** Time spent in the ongoing COVID forbearance counts towards PSLF (if you are fulfilling the work & loan status requirements) even though many of us haven't paid anything since March 13, 2020!



# A note about IDR plans

- Everyone is eligible for at least one of the income-driven repayment (IDR) plans, regardless of income
- Depending on your income, it's possible for payments to be as low as \$0 while still counting towards PSLF
- In order to maximize PSLF, you should get on the IDR plan that offers the lowest monthly payment
  - This helps maximize forgiveness
- You can use the [loan simulator](#) to see your options based on the income information you provide

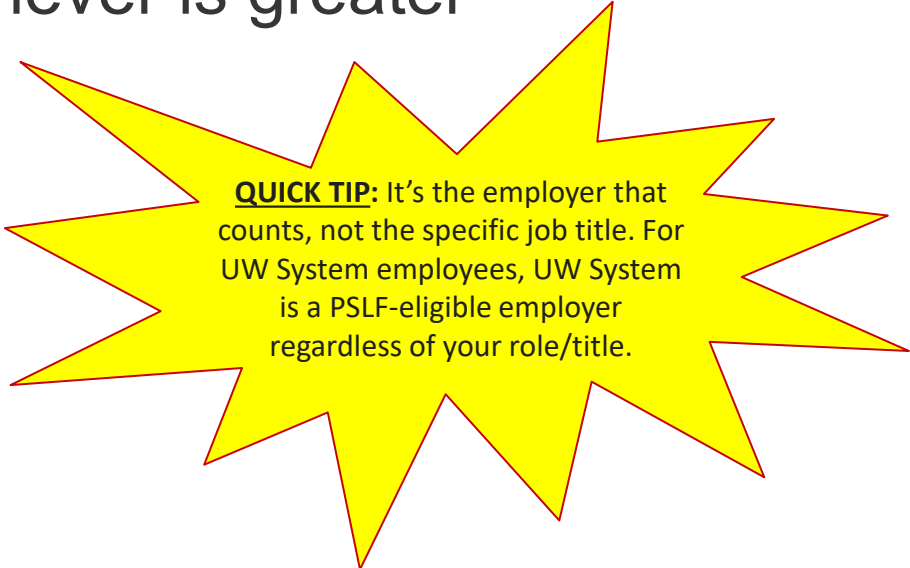


**QUICK TIP:** If you are ever on an IDR plan and you experience a decrease or loss in income, call your loan servicer to let them know. They can help lower your monthly payment!



# Qualifying employment

- You need to be working full-time for a qualifying employer (or part-time at a combination of multiple qualifying employers)
- Full-time definition: “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”



**QUICK TIP:** It’s the employer that counts, not the specific job title. For UW System employees, UW System is a PSLF-eligible employer regardless of your role/title.



# Verifying & tracking employment history

- Use the [PSLF Help Tool](#) to verify your employer's eligibility and/or to document your PSLF-eligible employment history if you haven't already
  - You will need their EIN/Taxpayer ID to look them up
  - You can find this in box b on your W2
- The PSLF Help Tool will help generate [the PSLF form](#) (shown to the right), which will need to be signed by someone who can verify your employment history
- I recommend using this tool at least once per year to help document your PSLF-eligible employment history
- **ALWAYS** keep a copy of the signed form for yourself for record-keeping purposes.

**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.

**SECTION 1: BORROWER INFORMATION**

Please enter or correct the following information.  
☐ Check this box if any of your information has changed.

SSN \_\_\_\_\_  
Date of Birth \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Telephone - Primary \_\_\_\_\_  
Telephone - Alternate \_\_\_\_\_  
Email \_\_\_\_\_

For more information on PSLF, visit [StudentAid.gov/publicservice](#). To apply online, visit [StudentAid.gov/PSLF](#).

**SECTION 2: BORROWER REQUEST, UNDERSTANDINGS, AND CERTIFICATION**

I request (1) that the U.S. Department of Education (the Department) determine whether I qualify for PSLF or TEPSLF, and discharge any qualifying loans that I have, and (2) if none of my loans qualify for PSLF or TEPSLF when I submit this form, determine how many qualifying payments I have made towards PSLF and TEPSLF.

☐ I just want to find out how many qualifying payments I have made or if my employer is a qualified employer.  
☐ I believe I qualify for forgiveness under PSLF or TEPSLF right now.  
☐ If I indicated that I believe I qualify for forgiveness now, I want a forbearance while my application is being processed, but understand that periods of forbearance do not count towards forgiveness.

**I understand that:**

1. To qualify for forgiveness, I must have made 120 qualifying payments on my Direct Loans while employed full-time by a qualifying employer. Neither the 120 qualifying payments nor employment have to be consecutive.
2. To qualify for forgiveness, I must be employed full-time by a qualifying employer when I apply for and get forgiveness.
3. By submitting this form, my student loans held by the Department may be transferred to MOHELA.
4. If the Department determines that I appear to be eligible for forgiveness, the Department may contact my employer before granting forgiveness to ensure that I continue to work for the employer.
5. If I am eligible for forgiveness, the amount forgiven will be the principal and interest that was due on my eligible Direct Loans when I made my final qualifying payment. Any amount that I pay on those loans after I have made my final qualifying payment will be treated as an overpayment. I must continue to make payments on any of my other loans.
6. If I am not eligible for forgiveness, I will be notified of the determination, why it was made, and how many qualifying payments I have made towards PSLF and TEPSLF.

**I certify** that all of the information I have provided on this form and in any accompanying document is true, complete, and correct to the best of my knowledge and belief and that if I cease to be employed by a qualifying employer after I submit this application, but before forgiveness is granted, I will notify the Department (see Section 7) immediately.

☐ Check this box if you cannot obtain certification from your employer because the organization is closed or because the organization has refused to certify your employment. The Department will follow up to assist you in getting documentation of your employment. **Complete Section 3, but do not complete Section 4.**

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_

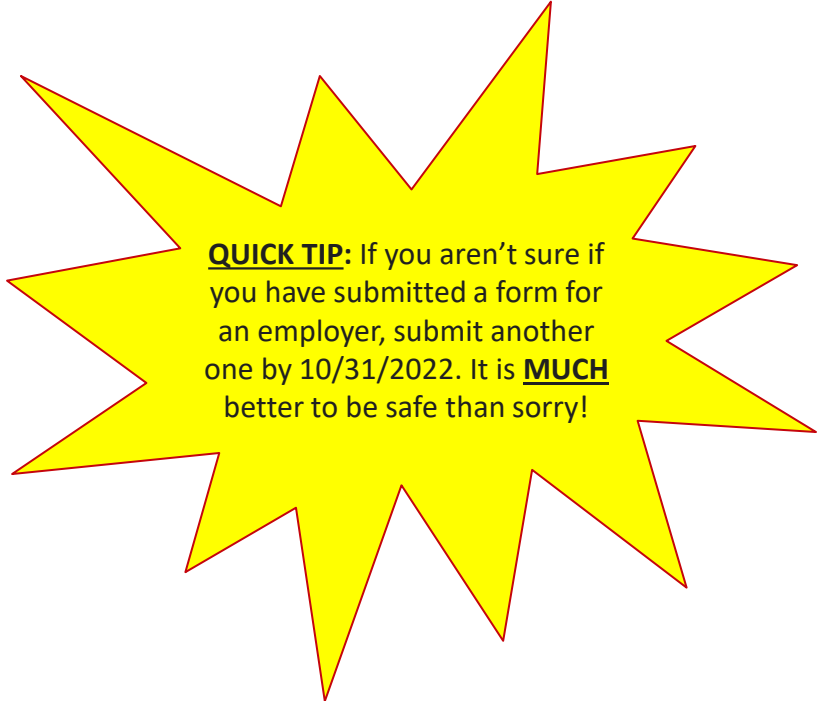
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# A note about tracking employment history

- Many loan borrowers are now pursuing PSLF due to the limited waiver
- You **can** backtrack employment history to get credit for past payments made if you haven't tracked any of it up until this point in time
  - Use [the PSLF Employer Search Tool](#) to verify that it qualifies
  - Use [the PSLF Help Tool](#) to enter your employment information
  - [A PSLF form](#) will be generated for each qualifying employer, which you'll then need to get signed by your employer (usually someone in HR)
    - Then, you should upload or send the form into MOHELA
    - MOHELA will then update your PSLF-eligible payment count based on your employment history



**QUICK TIP:** If you aren't sure if you have submitted a form for an employer, submit another one by 10/31/2022. It is **MUCH** better to be safe than sorry!



# Limited PSLF Waiver

What is it & what do you need to do in order to benefit from it?



# Limited PSLF waiver

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- “The ‘[limited PSLF waiver](#)’ refers to the time-limited changes to PSLF rules that allow borrowers to receive credit for past periods of repayment that would otherwise not qualify for PSLF. **The opportunity ends on October 31, 2022.**”
- Was announced by the Biden Administration in early October 2021 and went into effect October 6, 2021

# Which PSLF Requirements Are Waived

Here's what's changed and what's unchanged as of Oct. 6, 2021.



## Normal PSLF Requirements

- Receive credit only on Direct Loans
- Repay under the 10-year Standard Plan or an income-driven repayment plan
- Make on-time payments
- Work full time for a qualifying employer in order to receive credit
- Must work for a qualifying employer at the time of application and forgiveness
- If you got Teacher Loan Forgiveness, the period of service that led to your eligibility cannot also count toward PSLF

## Changes Until Oct. 31, 2022

- Receive credit for periods of repayment on Direct, FFEL, or Perkins Loans
- Periods of repayment under any plan count
- Periods of repayment on loans before consolidation count, even if on the wrong repayment plan
- Periods of repayment where payments were late or for less than the amount due also count
- Periods of repayment on loans before consolidation count, even if paid late or for less than the amount due
- Can get forgiveness even if not employed or not employed by a qualifying employer at the time of application and forgiveness
- If you got Teacher Loan Forgiveness, the period of service that led to your eligibility can count toward PSLF if you certify PSLF employment for that period



## Unchanged Requirements

- Making 120 qualifying payments or the equivalent
- Being employed by government, 501(c)(3) not-for-profit, or other not-for-profit organization that provides a qualifying service\*
- Working full time (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)
- Having Direct Loans or consolidating into Direct Consolidation Loans
- Certifying qualifying employment for the periods you seek credit toward PSLF

\*Employment at a for-profit organization does not qualify

## Key Points: PSLF Summary of Changes



- For a limited time, you may receive credit for past periods of repayment on loans that would otherwise not qualify for PSLF.
- If you have FFEL Program loans, Federal Perkins Loans, or other federal student loans, you'll need to consolidate your loans into a Direct Consolidation Loan to qualify for PSLF, both in general and under the new time-limited rules described on this page. Before consolidating, make sure to check to see if you work for a [qualifying employer](#). [Learn about consolidation](#) and the pros and cons of consolidating your loans.
- Past periods of repayment will now count whether or not you made a payment, made that payment on time, for the full amount due, or on a qualifying repayment plan.
- Forbearance periods of 12 consecutive months or greater, or 36 cumulative months or greater will count under the waiver. In fall 2022, ED will begin making account adjustments to include these periods. Forbearance periods provided by the COVID-19 emergency relief flexibilities are not included toward these months.
- Months spent in deferment before 2013 will count under the waiver. Additionally, ED will include economic hardship deferment on or after Jan. 1, 2013. ED will apply these periods of deferment to your account in fall 2022.
- Periods of default and in-school deferment still do not qualify.

Note: The qualifying employment requirement has **not** changed. To determine if your employer qualifies for PSLF, use our [employer search tool](#).



# How to benefit from the waiver

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- The action(s) you need to take depend on the type of loan(s) you currently have outstanding.
- [This page](#) lists the different action steps, but I will also break it down over these next few slides. 😊



# Step #1: Review your federal loans

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- Log into studentaid.gov
- Click on 'View Details' within the 'My Aid' box
- Click on 'View Breakdown' next to the number of loans you have
- Click through each outstanding loan and note whether you see 'Direct', 'FFEL/FFELP', and/or 'Perkins' in the loan name





## Step #2 (for FFEL & Perkins loans): Consolidate!

- If you have outstanding Perkins and/or FFEL loans, you need to consolidate them by 10/31/2022 in order to utilize the limited waiver
  - I recommend doing it ASAP!
- Consolidating them by 10/31/2022 accomplishes 2 things:
  - Converts them into a Federal **Direct** Consolidation Loan so that they are now eligible for PSLF, and
  - Helps you get credit for past payments made towards PSLF
- Access the online consolidation application [here](#)
- Access a read-only version of the consolidation application [here](#)
- More information on these action steps can be found [here](#)



# What does it mean to consolidate?

- Consolidating is the act of combining your federal student loans into one new federal **Direct** Consolidation Loan
  - Can take between 30 and 90 days to be processed once the application is submitted
- Because consolidation creates a new loan, it usually restarts the payment clock towards PSLF
  - However, this rule is temporarily waived under the limited PSLF waiver, and any payment made prior to consolidating will now count towards PSLF as long as you fill out and submit PSLF forms for PSLF-eligible employment during that time period (more info on this coming up)
- You get to choose which loans you consolidate – you don't necessarily need to consolidate all outstanding federal loans
- Perkins and/or FFEL loan holders need to consolidate them by 10/31/2022 so that they can be converted into a Direct loan & become eligible for PSLF



## Step #2 (for Direct loans): Consolidate or not...?

- If you have outstanding Direct loans, you do not necessarily need to consolidate them since they are already Direct loans and therefore eligible for PSLF
- However, if you have multiple outstanding Direct loans and you think they may have different counts of PSLF-qualifying payments, you can consolidate them under the limited waiver **so that the new Direct consolidation loan receives the higher PSLF-qualifying payment count of all the loans you decided to consolidate together**

# Consolidating loans with different PSLF-qualifying payment counts



I am already in PSLF, and I have Direct Loans that have different payment counts. Should I consolidate my Direct Loans?



Under the time-limited PSLF rule changes, your consolidation loan will receive credit for time in repayment on your loans with different counts. Your consolidation loan will be credited with at least the largest number of payments on the loans that were consolidated.

- This is a WONDERFUL less-known feature of the limited waiver!
- This applies to both those with outstanding Direct loans only and those with a mix of outstanding loans (FFEL, Perkins, and/or Direct loans)
- You need to consolidate **and** submit a PSLF form for all periods of qualifying employment by 10/31/2022 in order to benefit from this feature!



# Step #3: Verify periods of PSLF-qualifying employment

- After you receive word that the Direct Consolidation loan has been processed, use the [PSLF Help Tool](#) to generate the PSLF form for all periods of PSLF-qualifying employment since October 2007
  - Each employer will have its own PSLF form
  - If you aren't sure if you have already submitted a PSLF form for a period of employment, submit another one just to be safe
- Print out the form(s), **sign with a pen**, then scan and send to your employer so they can **sign off with a pen** & send back to you
- Review the form(s) then send to MOHELA for processing – directions are on the PSLF form itself
- It will take them up to 120 days to process the form
- The form is what allows them to count your PSLF-qualifying payments



# FAQ: Are Parent PLUS loans eligible for the waiver?

- Short answer: It depends
- Long answer:
  - Parent PLUS loans alone are not eligible for the waiver, even if you consolidate them into a new Direct Consolidation loan
  - Parent PLUS loans can become eligible for the limited waiver if they're consolidated with other federal loans that the borrower took out for their own education
- More information on this can be found [here](#)

I am a Parent PLUS borrower thinking about consolidating my Parent PLUS loans with my other federal student loans in order to maximize the benefits of the limited PSLF waiver; what should I think about before I consolidate?



A new consolidation loan can receive credits for payments made to underlying loans that were not Parent PLUS loans. However, the new consolidation loan will still be credited with any payments you made to other non-parent PLUS FFEL, Perkins, or Direct Loans. (Note: no credits are awarded for payments made to defaulted student loans.)

When the new consolidation loan reaches 120 qualifying payments, then the consolidation loan can be forgiven under PSLF even if some of the loans consolidated into the new loan were Parent PLUS loans. However, if you consolidate only Parent PLUS loans, whether they are FFEL and or Direct Parent Plus loans, then the new consolidation loan would not be credited with any payments made to the underlying loans.



# FAQs I have received

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# FAQs I've received

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- **Q1:** Do the 120 payments need to be made consecutively for PSLF?
  - Answer: No, they do not. Folks will sometimes have breaks in the payments if they switched to a non-qualifying employer for an amount of time.
- **Q2:** Can I still benefit from the limited waiver even though I don't think I have made 120 payments?
  - Answer: Absolutely! It doesn't matter how far along you are in the PSLF process. If you want to ensure that past payments now count towards PSLF, I strongly encourage you to consolidate (if you need and/or want to) and submit a PSLF form for all periods of eligible employment.
- **Q3:** Can I get credit for past payments I made under a different servicer?
  - Answer: Yes! Even though FedLoan Servicing was the PSLF loan servicer and now MOHELA is the new PSLF loan servicer, you can still make PSLF-eligible payments while your loans are with a different servicer.





# FAQs I've received

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- **Q4:** I privately refinanced my federal loans back when interest rates were super low. Can I undo this?
  - Answer: Unfortunately, you cannot. ☹️ Once a loan has been privately refinanced, you cannot undo it. There is no way to convert a private student loan to a federal student loan.
- **Q5:** I am a 1099 independent contractor. Does this type of employment count towards PSLF?
  - Answer: Unfortunately, time spent working as a 1099 employee does not count.



# Additional Resources

FAQs, advising, websites, applications,  
forms, apps, tools, and social media  
resources



# FAQ-style resources

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- [The Institute of Student Loan Advisors's waiver](#) summary & faqs
- [PSLF program & requirements](#) faqs
- [PSLF limited waiver](#) faqs
- [Fed Loan Servicing's limited waiver](#) faqs



# Webpage resources

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- Studentaid.gov's [PSLF page](#)
- Studentaid.gov's [Limited PSLF Waiver page](#)
- The White House's [PSLF page](#)
- UW's Office of Student Financial Aid's [PSLF page](#)
- UW System employees: [How to verify your employment through UW Shared Services](#)



# Applications, forms, apps, and tools

- [PSLF Help Tool](#), which will help you:
  - Check employer eligibility
  - Certify your employment
  - Apply for forgiveness once you think you've made at least 120 PSLF-qualifying payments
  - Generate [the PSLF form](#)
- Emma's favorite free student loan repayment [planner & calculator](#)
- Online [consolidation application](#)
- Online [loan simulator](#) to examine different repayment options
- SAVI student loan relief [app](#) (free for WI State employees!)



# Social media resources

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- Reddit's [PSLF subreddit community](#)
- Facebook's [Public Service Loan Forgiveness Program Support \(PSLF\) page](#)
  - This is a private group so you will have to request to join
  - It's a VERY active group with nearly 140,000 members



# Advising resources

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- Free 1-on-1 phone call for Wisconsin borrowers through the WI student loan debt hotline
  - More information [here](#)
  - Toll free 833-589-0750
- Free virtual 1-on-1 financial coaching through AccesLex
  - More information [here](#)
  - Make an appointment [here](#) via Calendly