DCLS

Division of

Consolidated Laboratory Services

DGS

DEPARTMENT OF GENERAL SERVICES

Public Service Loan Forgiveness

Marilyn Bibbs Freeman, Ph.D., M(ASCP)

Deputy Director


DCLS

Division of Consolidated Laboratory Services

DISCLAIMER

The information contained in this presentation is intended to be informational. The decision to enroll or not enroll in the Public Service Loan Forgiveness program should not be based solely on the content of information shown here.

DGS DEPARTMENT OF GENERAL SERVICES

Division of
Consolidated
Laboratory
Services

DGS
DEPARTMENT OF
GENERAL SERVICES

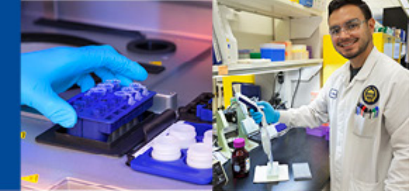
DISCUSSION TOPICS

- **Program defined**
- **Eligibility requirements**
- **Enrollment forms**
- **Human resources**
- **Common pitfalls**

PUBLIC SERVICE LOAN FORGIVENESS (PSLF)

- **Implemented in 2007**

- **A program that forgives the remaining balance on a *<u>direct loan</u>* after 120 *<u>qualifying payments</u>*, under a *<u>qualified repayment plan</u>* while working for a *<u>qualified employer</u>***



ELIGIBILITY

- **Direct loan**
- **Qualified repayment plan**
- **Qualified employer**
- **Qualifying payments**

DIRECT LOAN

- **Loans made directly from the US Department of Education**
  - **Direct subsidized loan**
  - **Direct unsubsidized loan**
  - **Direct PLUS loan (parents, graduate/professional students)**
  - **Direct consolidated loan**
- **National Student Loan Data System (NSLDS) maintains information related to loan type**

QUALIFIED REPAYMENT PLAN

- Income-driven plans – based on monthly income
  - Pay as You Earn (PAYE)
  - Revised Pay as You Earn (REPAYE)
  - Income-based Repayment Plan (IBR)
  - Income-contingent Repayment Plan (ICR)
  - 10 Year Standard Repayment Plan vs Standard Repayment Plan
- Federal Student Aid Office
  - Apply online, by phone, or mail
  - Answer questions
  - Help you determine the best plan for you
  - Online process takes about 10 minutes

QUALIFIED EMPLOYER

- **Government organizations at any level**
  - **Federal, state, local, tribal**
- **Non-profit organizations with 501(c)(3) status IF they provide qualifying public services**
  - **Education, emergency management, military, public health, public interest, library**

QUALIFIED EMPLOYER

- **Hours of work**
  - **Employer's definition of full-time or**
  - **At least 30 hours at one employer or**
  - **At least 30 hours at multiple, qualified employers**
- **Government contractors**
  - **Do not qualify UNLESS the contractor meets the criteria for a qualified employer**

FULL TIME
OR
PART TIME

QUALIFIED PAYMENTS

- **After 2007**
- **120 *on-time* payments under a qualified plan**
  - **Within 15 days of due date**
- **Full amount shown on the bill**
- **While employed with a qualifying employer**
- **Sign up for automatic withdrawals**

QUALIFIED PAYMENTS

- **Qualified payments will not be credited if:**
  - **In school**
  - **Grace period**
  - **Forbearance**
  - **Deferment**
- **Special circumstances**
  - **AmeriCorps or Peace Corps**
  - **Contact your servicer**

FORMS

- Employment Certification Form
  - OMB No. 1845-0110
  - Exp. Date 5/31/2020
  - PSECF - XBCR
- Application for Forgiveness
  - OMB No. 1845-0110
  - Exp. Date 5/31/2020
  - SFAP - XBCR

EMPLOYMENT CERTIFICATION FORM and FORGIVENESS FORM

- **Section 1 – Borrower information**
- **Section 2 – Borrower authorization, understanding, certification**
- **Section 3 – Employer information**
- **Section 4 – Employer certification**
- **Section 5 – Instructions for completing form**
- **Section 6 – Definitions**
- **Section 7 – Where to send**
- **Section 8 – Information about PSLF**
- **Section 9 – Important notices**

ROLE OF HUMAN RESOURCES

- **Section 3**
- **Section 4**
- **Timeframe**
- **Submission instructions**

COMMON MISTAKES

- **Incorrect loan type**
- **Incorrect repayment plan**
- **Failure to renew payment plan yearly**
- **Failure to submit employer certification form yearly**
- **Making payments during an unqualified period**

COMMON MISTAKES

- **Failure to submit a new employer certification form for a new employer**
- **Incomplete or incorrect paperwork**
- **Failure to submit loan forgiveness application at the end of 120 payments**
- **Unnecessary loan consolidation**

Resources

- **Federal Student Aid. 2019. Income Driven Repayment Plan Request. Retrieved on 10/18/19 from https://studentloans.gov/myDirectLoan/ibrInstructions.action?source=15SPRRPMT**
- **Federal Student Aid. 2019. Public Service Loan Forgiveness Help Tool. Retrieved on 10/18/19 from https://studentloans.gov/myDirectLoan/pslfFlow.action?&_ga=2.247886535.177216348.1571419900-1414076975.1571319771#!/pslf/launch**
- **Federal Student Aid Information Center – 1-800-433-3243**
- **National Student Loan Data System. 2019. NSDS Student Access National Student Loan Data System. Retrieved on 10/18/19 from https://nslds.ed.gov/nslds/nslds_SA/**