

Public Service Loan Forgiveness

Limited Waiver

Erin Ellis (she/her)



Disclaimer

The information provided in this session does not, and is not intended to, constitute financial advice; instead, all information, content, and materials presented are for general informational and educational purposes only.

Public Service Loan Forgiveness (PSLF)

The PSLF Program **FORGIVES** the remaining balance on your Direct Loans when you:

- Work Full Time in Public Service and
- Make **120** monthly qualifying payments

<https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>

Power of the Waiver

The limited-time PSLF waiver program expands the definition of “qualifying payments,” allowing borrowers to get credit for past payments even if they were denied because:

- They didn’t make payments on time.
- They didn’t pay the full amount due.
- They weren’t in the right repayment plan, including certain months spent in forbearance and deferment!

The highest number of payment “credits” will apply to all of your loans after consolidation!

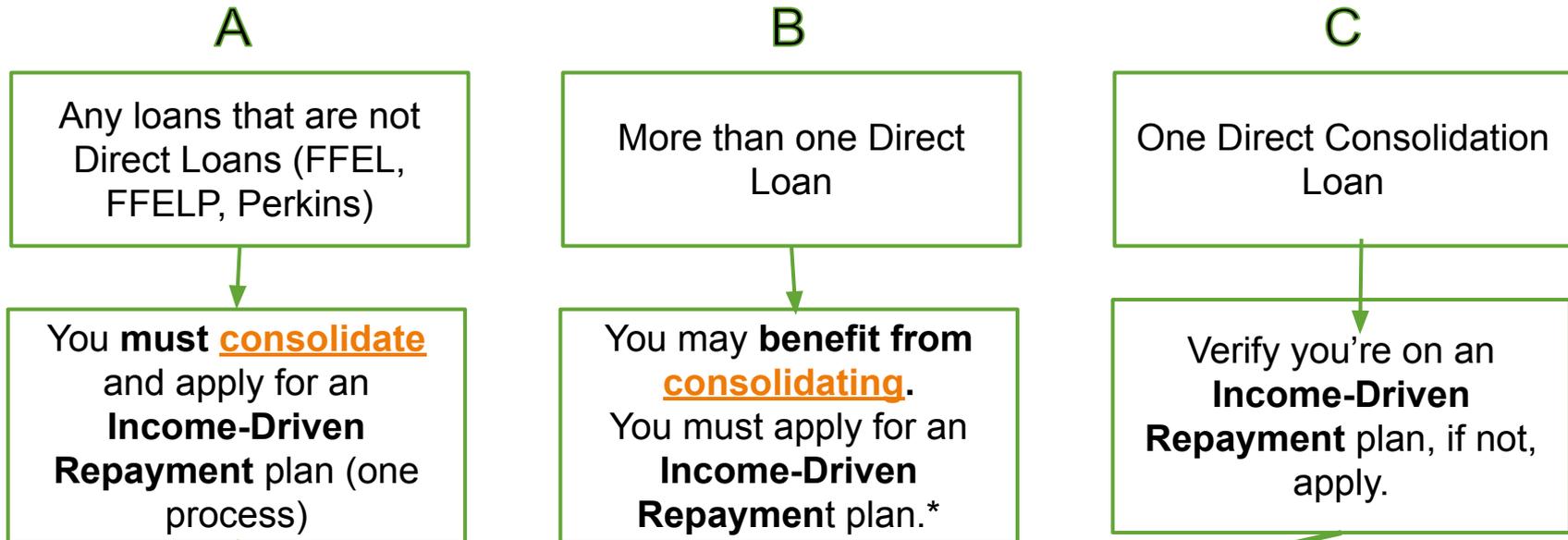
You will not lose “credit” if you need to consolidate again to take advantage of this

COVID-19 forbearance time counts toward your “credits” (if you’ve continued making payments ask for a refund before consolidation!)

[PSLF Waiver Offers Way to Get Closer to Loan Forgiveness](#)

PSLF Limited Waiver Flow

1. Verify your employment qualifies at studentaid.gov
2. Find out what type of loans you have by logging in to studentaid.gov



Complete and submit the [PSLF & TEPSLF Certification & Application \(PSLF Form\)](#)

- **Certify your employment:** your employer must sign and you must submit this paperwork by fax or mail to MOHELA.

Rules for Qualifying Employment

- Who you work for:
 - **Government:** Federal, State, Tribal, County, or Municipal
 - examples: public school, the City of Philadelphia, Commonwealth of PA, Free Library of Philadelphia, SEPTA
 - **Nonprofits** with 501(c)(3)s
 - examples: social service agencies, community organizations, hospitals, private and charter schools, colleges
 - And a small number of nonprofits that are not 501(c)(3)s
- Full time employment
 - Job considers you full time and you work 30+ hours per week
 - More than one qualifying employer adding up to 30+ hours per week

Verify employer eligibility at studentaid.gov using the EIN found on your W-2

Importance of Certifying Employment

If you do not certify your employment, the Department of Education will not know you work in public service and you will not benefit from PSLF.

Employment certification means:

1. Generate a PSLF Form online at studentaid.gov/pslf
2. Print the completed form
3. Have your employer sign it—in wet ink!
4. Submit it to MOHELA (fax *and* mail)
 - a. If MOHELA is already your servicer, you can upload

Find what type of loans you have:

[Log In | Federal Student Aid](#)

Check your account “dashboard” at studentaid.gov

- **Direct Loans** include the word **DIRECT** in their title
- **FFEL Loans** include the word **FFEL** in their title
- **Perkins Loans** include the word **Perkins** in their title

You need to know your loan types to know what to do next!

[I need help accessing my account username or password \(FSA ID\) | Federal Student Aid](#)

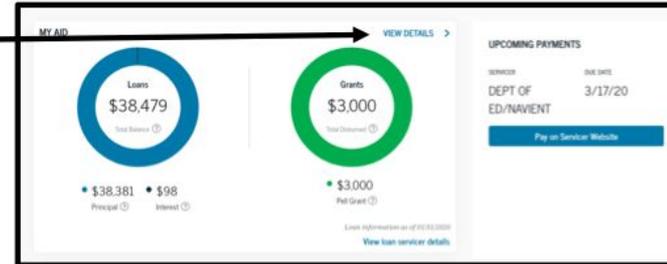
[Create Account | Federal Student Aid](#)

Your loan details

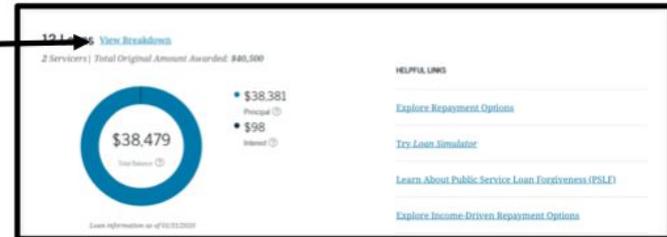
1. Go to studentaid.gov
2. Log-in to your FSA dashboard using your FSA ID (username and password)



3. Click on "View Details"



4. Click on "View Breakdown"



5. Click on "View Loan Details"



<https://law.vanderbilt.edu/prospective-students/admitted-students/welcome-entering-ids/orientation/LoanSummaryInstructionsStudentAid.pdf>

Find your path

A. If you have FFEL, FFELP or Perkins loans

- ✓ You must **consolidate** loans and enroll in an **Income-Driven Repayment (IDR)** plan (one process)*
- ✓ You must complete the PSLF Form and submit **employment certification** paperwork

B. If you have multiple Direct Loans

- ✓ You must complete the PSLF Form and submit **employment certification** paperwork.
- ✓ You may benefit from **consolidating** loans and enrolling in an **Income-Driven Repayment** plan (one process)*

C. If you have one Direct Consolidation Loan

- ✓ Verify you are on an **Income-Driven Repayment** plan
- ✓ Recertify your income and family size every year to maintain **IDR** plan
- ✓ Submit **employment certification** paperwork every year for **PSLF**

*If you cannot choose an IDR when you consolidate, wait until the consolidation goes through, then apply for an IDR.

Here for yours.

Consolidation Benefits Under the PSLF Limited Waiver

Before October 31, 2022

Consolidate ALL loans: FFEL, Perkins and Direct Loans together

- ★ ALL payments prior to consolidation will qualify
- ★ If you have multiple Direct Loans, you do not *need* to consolidate. However, consolidating under the limited waiver, may allow you to get additional “credit” for past payments.
- ★ Consolidating loans will create a new Direct Consolidation Loan (DCL) with the **HIGHEST** number of payments of **ANY** of your loans!
- ★ This means that it’s possible to reach PSLF sooner on some loans!

Quick Links

[Loan Simulator](#)

[Loan Consolidation](#)

[PSLF Help Tool](#)

[Lower My Payments](#)

[Loan Repayments Restart After Dec. 31, 2022](#)

[PSLF Limited Waiver Opportunity](#)

PSLF Waiver: Consolidation Scenarios

Loans You've Consolidated	New DCL will have:
FFEL loan with 150 payments	150 payments
Direct Loan with 30 payments + Direct Loan with 130 payments	130 payments
FFEL loan with 30 payments + FFEL loan with 130 payments	130 payments
Direct loan with 20 payments + FFEL loan with 100 payments with overlap	100 payments
Direct with 20 payments + FFEL loan with 100 payment without overlap	120 payments
Direct Loan with 120 payments + Direct Loan with 150 payments	Don't consolidate

All scenarios assume payments began after Oct 2007 and are made while employed at a qualifying employer

https://files.consumerfinance.gov/f/documents/cfpb_benefit-from-pslf-lwo_webinar-presentation_2022-08.pdf

Not here for our profit. Here for yours.

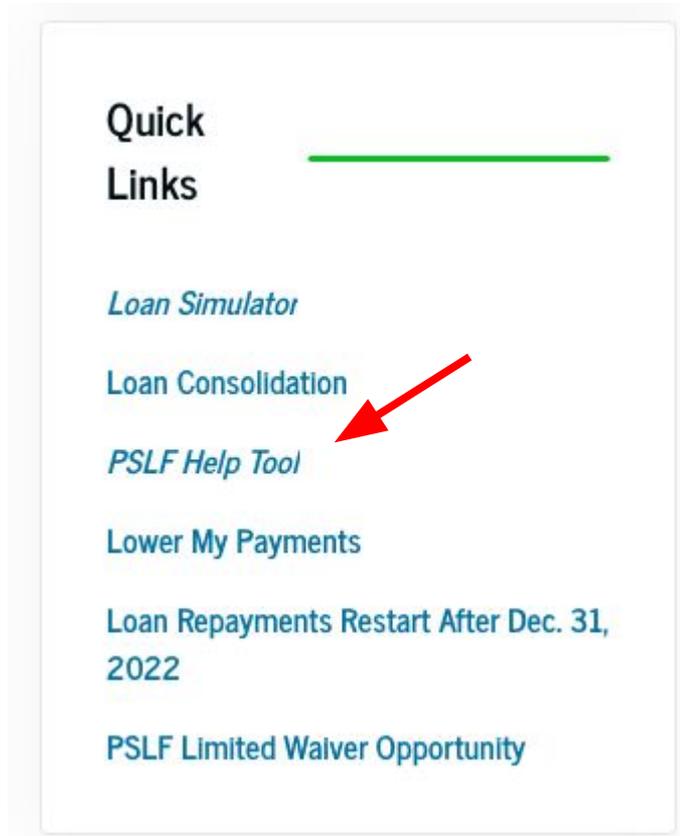
Consolidation steps

1. Consolidate **ALL** Loans,
2. Select **MOHELA** as your new servicer
3. Select an **Income-Driven Repayment** (IDR) Plan
 - a. Revised Pay As You Earn Repayment Plan (**REPAYE** Plan)
 - b. Pay As You Earn Repayment Plan (**PAYE** Plan)
 - c. Income-Based Repayment Plan (**IBR** Plan)
 - d. Income-Contingent Repayment Plan (**ICR** Plan)
4. Submit income information-link to IRS if income has been consistent

Use the PSLF Help Tool: to complete the PSLF Form

- Guides you through Public Service Loan Forgiveness (PSLF) Form
- Use the EIN listed on your W-2
- Add every employer and every period of employment
- Complete and submit PSLF Form

You might think you are done, but you are not done!



If you need help completing this form, call: 855-265-4038. TTY: dial 711, then enter 855-265-4038.



PSLF

PUBLIC SERVICE LOAN FORGIVENESS (PSLF) & TEMPORARY EXPANDED PSLF (TEPSLF) CERTIFICATION & APPLICATION

William D. Ford Federal Direct Loan (Direct Loan) Program

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

You're not done yet. Action is required to submit your form.

Based on your answers in the PSLF Help Tool, refer to the required and recommended next steps below.

REQUIRED NEXT STEPS

Print, complete, and submit this form for processing.

STEP 1: Download and print the form.

STEP 2: Read and sign the form.

STEP 3: Have your employer read and sign the form.

Note: It is your employer's responsibility to ensure that the organization listed on your form matches your actual employment. Your employer should confirm that the EIN, employment status, and hours worked per week were completed correctly before signing.

STEP 4: After you and your employer have signed the form, submit it in one of the following ways:

Mail:

U.S. Department of Education, MOHELA, 633 Spirit Drive, Chesterfield, MO 63005-1243.

Fax:

866-222-7060

You Must Certify Employment

Employment certification required steps:

1. Complete the PSLF Form using the PSLF Help Tool
2. Print the completed form
3. Sign page 1 (must be wet ink = use a pen)
4. Present the corresponding page to qualifying employer(s)
 - a. Scan and email*, fax or bring in person
 - b. E-signatures are NOT accepted
5. Secure the signed page(s)
6. Submit all signed pages to MOHELA (fax *and* mail)
 - a. Once MOHELA is your servicer you can upload form

*This form has your social security number (SSN) on every page. Never scan or email anything with your SSN. Instead, email a blank page 2 and add your SSN before you submit to MOHELA. [PSLF Form](#)

What's next?

- Check your email for updates, documentation requests and any other important communication.
- Monitor your studentaid.gov account
- Monitor your loan servicer account
- Monitor consolidation request

Every year until your loans are forgiven–

- Verify you are on an **Income-Driven Repayment** plan
- Recertify your income and family size every year to maintain **IDR** plan
- Submit **employment certification** paperwork every year for **PSLF**

Resources and links

Free webinars! Register and share!

- If you are new to Public Service Loan Forgiveness, join our **Introduction to PSLF** and How to Qualify webinar
Thursday October 6, noon-1pm [Register here!](#)
Tuesday October 18, noon-1pm [Register here!](#)
- If you have experience with PSLF and still have questions, join our **PSLF Q&A** with Matt Amory, Volunteer Consumer Advocate and PSLF Specialist
Friday 10/8 at 3pm [Register here!](#)

Public Service Loan Forgiveness (PSLF)

- [PSLF Waiver Offers Way to Get Closer to Loan Forgiveness | Federal Student Aid](#)
- [Public Service Loan Forgiveness \(PSLF\) Help Tool | Federal Student Aid](#)
- [Income-Driven Repayment and Public Service Loan Forgiveness Program Account Adjustment](#)

Peer to peer (Facebook)

[Public Service Loan Forgiveness Program Support](#)

[The Biden-Harris Administration's Student Debt Relief Plan Explained](#)

[Subscriptions | U.S. Department of Education](#)
Sign up for updates: NEW!! Federal Student Loan Borrower Updates

www.pfcu.com
financialeducation@pfcu.com

PFCU
PHILADELPHIA
FEDERAL CREDIT UNION