

Limited PSLF Waiver: Toolkit for State Partners

On Oct. 6, 2021, the U.S. Department of Education (ED) announced a change to the Public Service Loan Forgiveness (PSLF) program rules for a limited time as a result of the COVID-19 national emergency. **Millions of state and local government employees have federal student loans and may now be eligible for loan forgiveness or additional credit through the Limited PSLF Waiver.** Under normal PSLF rules, borrowers must make 120 payments on a Direct Loan while on a qualifying repayment plan and employed by a qualifying public service employer. Now, for a limited period of time, federal student loan borrowers may receive credit for past periods of repayment that would otherwise not qualify for PSLF.

More specifically, under the waiver:

- Borrowers who have Federal Family Education Loans (FFEL), Perkins loans, or other federal student loans, can consolidate their loans into a Direct Consolidation Loan and receive PSLF credit for periods of repayment prior to consolidation. Periods of repayment on parent PLUS loans are not eligible under the limited PSLF waiver. Before consolidating, borrowers should check to see if they work for a qualifying employer using the [PSLF Help Tool](#).
- Past periods of repayment will now count regardless of whether a borrower made a payment, or made that payment on time, for the full amount due, or on a qualifying repayment plan. Periods of forbearance and deferment do not count unless the borrower is an active duty servicemember.

The waiver will run through October 31, 2022. That means some borrowers will need to consolidate and/or submit a PSLF form—the single application used for a review of employment certification, payment counts, and processing of forgiveness—on or before October 31, 2022, to have previously ineligible payments counted. After October 31, 2022, normal PSLF rules will apply.

What States Can Do

Below are ways that state governments can help public servants receive the loan relief they earned.

- 1) **Promote the Limited PSLF Waiver:** Send the attached sample email to leadership throughout your state agencies and direct them to share it with their employees. Agencies should modify the email as necessary and include the noted agency-specific information. You can also promote the waiver using the attached materials and social media graphics.
- 2) **Answer Borrower Questions:** Work with FSA to set up informational webinars for state personnel or groups about PSLF and the waiver. Direct employees with account-specific questions to contact [FedLoan Servicing](#). Borrowers may also submit a request through the [Feedback Center](#) or contact the [Federal Student Aid Ombudsman Group](#).
- 3) **Simplify Employment Certification:** Create a process for state personnel to easily submit PSLF forms for approval and signature. For example, state agencies may choose to designate a point of contact in their HR department or set up a designated email address for employees to use for submission. Agencies should also make sure their staff have the correct Federal Employer Identification Number (EIN) for their agency to enable staff to properly complete their forms.
- 4) **Accelerate PSLF Approval:** Compile all Federal Employer Identification Numbers (FEINs) for state and local government entities so that FSA can update our PSLF employer database and process borrower applications in a timely manner. FSA currently has a backlog of tens of thousands of employers awaiting approval and this list will help push your state employees to the front of the line.
- 5) **Automate Employment Certification:** Consider entering into a data sharing agreement with FSA to match state personnel records with our student loan system to provide automatic PSLF credit to state employees. Later this year, the Department will begin automatically giving federal employees and military borrowers credit for PSLF by matching Department of Education data with information held by other federal agencies about service members and the federal workforce. The Department is also planning to initiate similar matches with state and local government entities.
- 6) **Supervise Loan Servicers:** Communicate with and monitor loan servicers to ensure they are providing accurate and correct information to student loan borrowers in your state.

Additional Information

The attached documents and resources provide additional guidance for state partners. You can find the most up-to-date information on the waiver at StudentAid.gov/PSLFWaiver.

Please contact FSA through Ashley Harrington (ashley.harrington@ed.gov) with additional questions about the waiver, to set up a webinar, or to discuss other actions your state can take to support this effort.

Attachment 1: [Sample Email for Agency Staff](#)

Attachment 2: [Additional Information and Resources](#)

Sample Email to State Employees

Do you have federal student loans? Have you been thinking about the Public Service Loan Forgiveness Program (PSLF)? Have you encountered problems interacting with that program?

The PSLF Program forgives the remaining balance on federal Direct Loans after you have made 120 qualifying payments while working full-time for a qualifying employer. The U.S. Department of Education (ED) recently announced a temporary, but significant waiver to PSLF program rules. The waiver, called the “Limited PSLF Waiver,” allows those borrowers who had the wrong type of loans or payments to get credit for those past periods.

Here are some of the key improvements available under the Limited PSLF Waiver:

- Borrowers can receive credit for past periods of repayment on loans that would otherwise not qualify for PSLF.
- If you have Federal Family Education Loans (FFEL), Perkins loans, or other federal student loans, you will need to consolidate your loans into a Direct Consolidation Loan to qualify for PSLF both in general and under the waiver. Before consolidating, make sure to check to see if you work for a qualifying employer using the [PSLF Help Tool](#).
- Past periods of repayment will now count whether or not you made a payment, made that payment on time, for the full amount due, on a qualifying repayment plan.
- Periods of deferment or forbearance, and periods of default, still do not qualify.

The waiver is available to borrowers until October 31, 2022. To take advantage of the waiver, you need to:

1. If you don't have one already, register for an FSA ID at [StudentAid.gov/fsa-id/create-account](https://studentaid.gov/fsa-id/create-account).
2. Have or get Direct Loans (including through loan consolidation). You can consolidate your loans if you need to at [StudentAid.gov/consolidation](https://studentaid.gov/consolidation).
3. Submit a PSLF form to certify employment for PSLF that you want credit for through the waiver. You can generate a PSLF form for our agency to sign at [StudentAid.gov/pslf](https://studentaid.gov/pslf). In the PSLF Help Tool, it's important to use the appropriate Federal Employer Identification Number (EIN). For our employees, please use the following when searching for our agency, **[CUSTOMIZED BY AGENCY]**. Please note that some state agencies have the same EIN, and you may see several agencies in the PSLF Help Tool once you put in the EIN, be sure to select our agency from the list. After the PSLF Help Tool gives you a PDF, please sign and date it and submit it to **[AGENCY TO INSERT PROCESS]**.

There's no specific application for the waiver. Once borrowers have submitted PSLF forms and/or consolidated into the Direct Loan program, they will be automatically opted in and receive forgiveness if they qualify or an increased qualifying payment count.

Remember: this opportunity is time sensitive. Some borrowers will need to consolidate their loans and/or submit a PSLF form. **It's important for you to take the steps necessary to qualify for the Limited PSLF Waiver before October 31, 2022.** Learn more about the Limited PSLF Waiver at [StudentAid.gov/PSLFWaiver](https://studentaid.gov/PSLFWaiver).

Additional Information and Resources

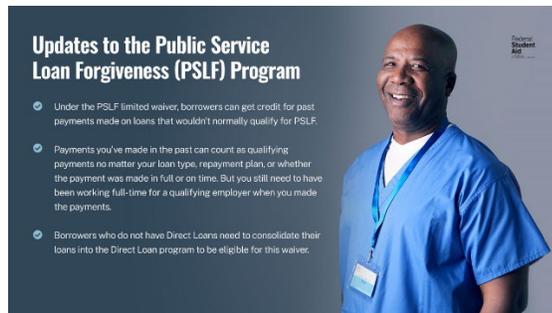
Helpful Resources:

- [Take Advantage of the Public Service Loan Forgiveness Waiver by Oct. 31 – Federal Student Aid](#)
- [PSLF Waiver Offers Way to Get Closer to Loan Forgiveness | Federal Student Aid – PSLF Waiver landing page](#)
- [Fact Sheet: Public Service Loan Forgiveness \(PSLF\) Program Overhaul | U.S. Department of Education](#)
- [Public Service Loan Forgiveness \(PSLF\) Help Tool | Federal Student Aid](#)
- [Become a Public Service Loan Forgiveness \(PSLF\) Help Tool Ninja – Federal Student Aid](#)
- [How to Use the Public Service Loan Forgiveness Help Tool – Federal Student Aid](#)
- [6 Things to Know About Public Service Loan Forgiveness During the COVID-19 Emergency](#)
- [StudentAid.gov/consolidation](#) – The landing page for the consolidation application

Sample Social Media Posts:



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