

Loan forgiveness starts here

Start early and save more

ACTION GUIDE FOR PUBLIC SERVICE EMPLOYEES

1 Understand your options

Public Service Loan Forgiveness (PSLF) is a program that allows certain federal student loans to be forgiven after 10 years of on-time, qualifying monthly payments. To benefit, you need to have a qualifying loan and sign up for a qualifying repayment plan.

THINGS TO CONSIDER

- Income-Based Repayment (IBR) is the best repayment plan for most borrowers – allowing you to keep your payments low while you make progress toward 120 qualifying payments.
- Payments made under an extended repayment plan don't count. For example, if you've extended repayment over 20 years, your minimum monthly payment won't qualify.
- If you're a servicemember or if you have a Perkins loan, you may have access to other benefits. Consolidating your loans into a new qualifying loan may jeopardize your eligibility. Talk to your servicer about your options before you consolidate. Learn more at www.consumerfinance.gov/pledge.

What is a qualifying loan?

Only federal Direct Loans are eligible for PSLF. You can consolidate most other federal loans into a new Direct Loan to qualify. Learn more at www.nslds.ed.gov.

What is a qualifying repayment plan?

Generally, payments above or at the amount set under a standard 10-year repayment plan qualify, but you will likely pay off your entire loan before you are eligible for loan forgiveness. IBR and other income-driven plans can help you qualify for the biggest benefit.

Are there other benefits for teachers?

Some teachers in some low-income schools may benefit from other programs. Although, generally, you cannot receive student loan benefits from two programs, taking steps toward PSLF will give you time to weigh your options.

2 Enroll and certify

Starting early is the best way to get the biggest bang for your buck. Once you have a qualifying loan and have decided on the best payment plan, you'll need to enroll and certify.

NEXT STEPS

- **Enroll in a qualifying payment plan.** For most borrowers, Income-Based Repayment (IBR) is the best option. To get started on IBR, contact your servicer or visit www.studentloans.gov to enroll online.
- **Certify that you work for a qualified public service employer.** Use the Employment Certification for Public Service Loan Forgiveness form to keep track of your eligible employment and qualifying loan payments. Your employer may keep these forms on hand. Complete sections 1 and 2 on your own, then ask your employer to complete and sign section 3 before submitting the form.

3 Follow up with your servicer

After the form is complete, submit it to your servicer and be sure to follow up.

THINGS TO CONSIDER

- Each year, you should resubmit the Employment Certification for Public Service Loan Forgiveness form so you can keep track of your qualifying service and qualifying payments. This way, you can make sure you stay on the path toward loan forgiveness.
- It's likely that the organization servicing your loan will change. Pay close attention to any information you receive about your student loan, even if it's from an unfamiliar company.