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Employer's Guide to Assisting Employees with Student Loan Repayment

A toolkit for School Districts, Non-Profit Organizations,
and other Public Service Employers



Consumer Financial
Protection Bureau

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About this Toolkit

The Consumer Financial Protection Bureau is asking public service employers to pledge to help their employees tackle their student loan debt and to help them qualify for existing student loan repayment benefits, including Public Service Loan Forgiveness. Under the this program, after 10 years of public service and 120 qualifying monthly payments, any remaining federal student loan debt will be forgiven.

Many public service fields face major workforce shortages in the coming years and, for many new employees in these professions, low starting salaries and low wage growth make repaying student debt a daunting obstacle. This challenge may be particularly acute for public school districts and public or non-profit hospitals and clinics, especially in rural communities.

The CFPB developed this “Employer’s Guide to Assisting Employees with Student Loan Repayment” in order to empower public service employers to serve as a resource for their employees with student debt.

Qualifying for these benefits can be challenging; but, with a little bit of guidance, employers can help their employees manage their loans, make smart choices early and stay on the path to loan forgiveness. In effect, this is an opportunity for public service employers to provide a valuable fringe benefit at little to no cost—these are federal programs available for all public service employees who qualify.

Help your employees tackle student debt

Some early advice can lead to big savings

ACTION GUIDE FOR PUBLIC SERVICE EMPLOYERS

1 Talk about loan repayment benefits

Public Service Loan Forgiveness (PSLF) is a program that allows certain federal student loans to be forgiven after 10 years of payment. By helping them start early, you might help your employees save thousands of dollars.

GET STARTED

- **Review the toolkit.** We've included a sample letter to your employees, a set of frequently asked questions (FAQs) and "Loan forgiveness starts here," a one-page guide for borrowers with student debt, to bring you up to speed.
- **Share this information with your employees.** Distribute this information at on-boarding, during open season for benefits enrollment or when sending out IRS W-2 forms.
- **Name a point-of-contact.** Designate a member of your Human Resources team to help your employees understand their options. Learn more about student loan repayment benefits at www.consumerfinance.gov/pledge.

How does loan forgiveness work?

To benefit, borrowers working in public service need to have a qualifying loan and sign up for a qualifying repayment plan. After 120 on-time, qualifying monthly payments, the remainder of their loans are forgiven. Borrowers benefit the most when they have high debt relative to their income, so it pays to start early. See "Loan forgiveness starts here" to learn more about this program.

Are there other public service benefits for teachers with student loans?

Some teachers in low-income schools may benefit from other programs. Although, generally, borrowers cannot receive benefits from two programs, taking the first steps toward PSLF will give them time to weigh their options.

2 Help your employees certify

To track their progress toward student loan forgiveness, your employees will need to sign and submit the Employment Certification for Public Service Loan Forgiveness form. Teach your Human Resources team about this form and keep a stack of them on hand.

NEXT STEPS

- **Partially complete the form in advance.** Section 3 of the Employment Certification for Public Service Loan Forgiveness form will require basic information about your company, including your federal tax ID (information that is the same for all employees). Consider prepopulating a portion of section 3 in advance and making this form available to all employees interested in pursuing loan forgiveness.
- **Help your employees with the form.** Your employees will need you to sign the form each year in order to certify their employment status. Consider having your HR team send in these signed forms on behalf of your staff. A sample form is included in this toolkit, and also available at www.consumerfinance.gov/pledge.

3 Check in annually about student loan repayment

Remind your employees to recertify each year. You may want to distribute these forms around tax time or during open season for benefits enrollment.

THINGS TO CONSIDER

- **Tailor your existing student loan benefit around PSLF.** If you currently offer your employees loan repayment assistance, consider making qualifying payments on behalf of your employees instead of providing a lump-sum benefit. You can leverage your resources and help your employees get more bang for their buck.
- **We're here to help.** We have a number of resources available to help borrowers with student debt. Learn more at www.consumerfinance.gov/students.

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.

Sample Letter from Public Service Employers to Employees

Dear Colleague:

{EMPLOYER NAME} is a qualified employer under the federal Public Service Loan Forgiveness program. We are committed to helping you manage your student loan debt and start on the path to a strong financial future.

The path to loan forgiveness can seem complicated, but with a few smart choices early on, you may save thousands of dollars on your student loans. The key is to understand your options.

- Employees who qualify are eligible to have certain federal student loans forgiven after 10 years of on-time monthly payments.
- You will save the most money if your student loan debt is high, relative to your income—so it pays to get started early in your career when your outstanding debt is the greatest.
- To be eligible for the program, you need to have a qualifying loan, be enrolled in a qualifying repayment plan and you need to certify that you work for a qualified employer.

Attached, please find “**Loan forgiveness starts here,**” a one-page action guide to help you get started.

{POINT OF CONTACT} on our Human Resources team can help you certify that you work for a qualifying employer and may be able to provide more information if you have questions. You can also visit {EMPLOYER INTRANET} for additional resources.

Remember, you’ll save the most if you get started early—you might even be able to lower your monthly payment as you work toward loan forgiveness, so it pays to start now.

Please let us know if we can provide additional assistance.

Frequently Asked Questions (FAQs)

Q1. How do I help my employees know whether the student loans they have qualify for loan forgiveness?

Only **federal Direct Loans** are eligible for Public Service Loan Forgiveness.

However, if your employees have other federal loans originated under the Federal Family Educational Loan (FFEL) program or the Perkins loan program, they may be able to consolidate those loans into a new Direct Loan to qualify.

Borrowers can learn more about what type of loan they have through the National Student Loan Data System (NSLDS), available at www.nsls.ed.gov/. This database only contains information about federal student loans. If your employees have private (non-federal) student loans, they will not appear through this system and are not eligible for loan forgiveness.

Consolidating federal loans may cause borrowers to forfeit other benefits. Employees with Perkins loans or those serving in the military should talk to their servicers about the risks associated with consolidation. For more information, see Question 7. They can also learn more at ASK CFPB at www.consumerfinance.gov/askcfpb/.

Q2. How do I help my employees know whether they are in the best repayment plan?

For most student loan borrowers seeking Public Service Loan Forgiveness, **Income-Based Repayment (IBR)** is the best repayment plan. IBR sets a borrower's monthly payment at a fixed percentage of his or her income. As a borrower's income rises, his or her monthly payments will also rise, so it is very important for your employees to enroll early and maximize their savings under Public Service Loan Forgiveness.

To enroll in Income-Based Repayment, borrowers should contact their servicers and ask for this option directly. It is important to make sure that they have a loan that qualifies for Public Service Loan Forgiveness before they enroll in IBR (See Question 1).

Although IBR is the best choice for most borrowers, there may be circumstances where another payment plan is better for an individual employee. Borrowers can learn more about other options from the U.S. Department of Education, available at www.studentaid.ed.gov/publicservice/.

Q3. Public Service Loan Forgiveness requires ten years of monthly payments for an employee to obtain forgiveness. How do I explain to my employees that this isn't a sure thing?

The path toward loan forgiveness presents some risks for borrowers. Because this program is an "all-or-nothing" benefit, it is important for your employees to understand that they must make 120 on-time, qualifying monthly payments in order to obtain loan forgiveness. If your employee leaves public service even one monthly payment short of the required 120, he or she will not be eligible for loan forgiveness and will be required to repay in full.

It is also important to know that these payments do not have to be consecutive. If your employee makes a late payment or leaves public service for a brief period, he or she will still be able to pick up where he or she left off and continue down the path to loan forgiveness. However, to obtain the biggest benefit under Public Service Loan Forgiveness, your employees should strive to make their 120 on-time, monthly payments in 120 months.

Q4. During what time of year should I have my employees complete the Employment Certification for Public Service Loan Forgiveness form?

In addition to having your employees complete an Employment Certification for Public Service Loan Forgiveness as part of their onboarding process, employers should assist employees in re-certifying annually. It may make sense for you to include this as part of your organization’s “Open Season” for benefits enrollment or during tax season when you distribute W-2s to your employees.

You can provide your employees with a pre-populated certification form and manage the re-certification process much like you did for new hires. It is helpful for employers to submit signed, completed certification forms on behalf of their employees.

But remember, your employees should always check with their servicers to make sure the proper forms were received and that they remain on the path toward loan forgiveness.

Q5. Who can sign the Employment Certification for Public Service Loan Forgiveness form?

The Employment Certification for Public Service Loan Forgiveness form can be signed by any staff member (an “authorized official”) who has access to the borrower’s employment or service records and is authorized by your organization to certify the employment status of your current or former employees.

This can be a member of your human capital team or an individual employee’s supervisor. It may make sense for public service employers to designate a single human capital team member to sign and submit these forms on behalf of all eligible employees.

Q6. Can I submit the certification forms online for my employees?

Currently, the Department of Education requires the Employment Certification for Public Service Loan Forgiveness form to be submitted either by U.S. mail or by fax.

Completed forms can be submitted to:

U.S. Department of Education
FedLoan Servicing
P.O. Box 69184
Harrisburg, PA 17106-9184
Fax: 717-720-1628

Q7. My employee has a Perkins loan. What else do they need to know?

Borrowers with Perkins loans may be eligible for a different benefit if they work in certain public service professions. This benefit is known as Perkins loan cancellation. For each complete year of service, a percentage of the loan may be canceled. The total percentage of the loan that can be canceled depends on the type of service performed.

If borrowers choose to consolidate a Perkins loan into a federal Direct Consolidation Loan to become eligible for Public Service Loan Forgiveness, they will no longer be eligible for Perkins loan cancellation. This means that they should understand their options before they choose to consolidate. More information about Perkins loan cancellation is available at www.studentaid.ed.gov/repay-loans/forgiveness-cancellation#perkins-loan/.

Q8. I understand that there may be other benefits for certain teachers. Is Public Service Loan Forgiveness always the best choice?

Highly-qualified teachers in certain **low-income schools** may be eligible for a different benefit that provides \$5,000 in loan forgiveness after the completion of five academic years as an elementary or secondary school teacher. Highly-qualified math, science or special education teachers may be eligible for up to \$17,500 in loan forgiveness after the completion of five academic years as a teacher in an eligible school.

Your employees cannot obtain a benefit under both the teacher loan forgiveness program and Public Service Loan Forgiveness. For borrowers with low-to-moderate student loan debt who meet other program criteria, Public Service Loan Forgiveness may not be the best choice. For borrowers with high student loan debt, it may still make sense to pursue this option.

Remember, taking the first steps toward Public Service Loan Forgiveness will not jeopardize eligibility for teacher loan forgiveness, so it may make sense for teachers to get started on this path while they weigh their options. To learn more about loan forgiveness for teachers, visit www.studentaid.ed.gov/tc.

Q9. My employee has private student loans. Are there repayment benefits that can help? What other options do they have to tackle this debt?

Private student loans are not qualifying loans under the existing federal loan repayment benefits discussed in this toolkit. See Q1 for more information about loans that qualify.

Generally, private student loans have fewer flexible repayment options than federal student loans, but the best thing that your employee can do is to contact their student loan servicer to learn more about the options that might be available. They can learn more and take advantage of CFPB's other resources for student loan borrowers, available at www.consumerfinance.gov/students.



Employment Certification for Public Service Loan Forgiveness (PSLF)

William D. Ford Federal Direct Loan Program

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

INSTRUCTIONS FOR COMPLETING AND SUBMITTING THIS EMPLOYMENT CERTIFICATION
 Read the accompanying instructions for completing this Employment Certification for Public Service Loan Forgiveness. Type or print using blue or black ink. You must sign and date this form in Section 2 and an authorized official from the public service organization which employs/employed you must completely fill out, sign, and date Section 3. If any information is crossed out or altered in Sections 1 or 2, you must initial beside the change; any changes in Section 3 must be initialed by your employer.

SECTION 1: BORROWER IDENTIFICATION

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

1a. SSN [] [] [] - [] [] - [] [] [] [] 1b. Date of Birth (MM-DD-YYYY) [] [] - [] [] - [] [] [] []

2a. Name _____ 2b. Former Name _____
 Last First MI (if applicable) Last First MI

3. Permanent Address _____
 Street Address City State Zip

Mailing Address _____
 (if different) Street Address City State Zip

4. Area Code/Telephone – Home () _____ Area Code/Telephone – Other () _____

5. E-mail (optional) _____

SECTION 2: BORROWER'S CERTIFICATION REQUESTS, AUTHORIZATIONS, AND UNDERSTANDINGS

Before signing, carefully read the entire form, including the instructions and accompanying letter.

I request that the Public Service Loan Forgiveness servicer, on behalf of the U.S. Department of Education (the Department), accept this Employment Certification from the public service organization at which I am/was employed for purposes of qualifying me for the Public Service Loan Forgiveness Program. If I submit this form before I am eligible to apply for forgiveness, I request that the PSLF servicer retain this certification form until I submit the Application for Public Service Loan Forgiveness.

I authorize my employer(s) or other entities having records about the employment that is part of the basis for my request for forgiveness to make information from those records available to the Department, including the Public Service Loan Forgiveness servicer. I also authorize the Department and its respective agents and contractors, to contact me regarding this Employment Certification, at the current or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

I understand that:

- (1) I may only qualify for Public Service Loan Forgiveness after I have made 120 separate, on-time, qualifying monthly payments on an eligible Direct Loan, after October 1, 2007, while employed full-time by a public service organization(s), or serving in a full-time AmeriCorps or Peace Corps position, in accordance with the definitions in Section 5. These 120 payments do not have to be consecutive;
- (2) I must be employed full-time by a public service organization(s) or serving in a full-time AmeriCorps or Peace Corps position at the time I apply for loan forgiveness and at the time the forgiveness is granted. I may be employed part-time concurrently by more than one eligible public service organization and meet the full-time requirement;
- (3) Only the remaining balance of my loan(s) after I have made the 120 separate, on-time, qualifying monthly payments and met all other eligibility requirements of the PSLF Program may be forgiven;
- (4) I am not required to submit any Employment Certification(s) before applying for loan forgiveness, but if I do, the PSLF servicer will review each Employment Certification I submit to ensure that it is complete, will verify that my employer qualifies as a public service organization, and that the loan payments I made during the period covered by the Employment Certification(s) are qualifying payments. Following this review, the PSLF servicer will notify me in writing or electronically of the number of qualifying payments I have made while employed in qualifying public service and the remaining number I must make before I am eligible to apply for PSLF. I will also be notified in writing or electronically if the PSLF servicer determines that the form(s) I submitted is incomplete or that my employment does not meet the qualifying criteria, including the reason(s) for the determination(s), along with the steps I would need to take to complete this form, correct this information, and submit the corrected or additional information to the PSLF servicer; and
- (5) The Department will only determine whether I have fulfilled all of the requirements to be eligible for PSLF after I have made all 120 qualifying payments and have submitted my loan forgiveness application. I understand that the law does not permit partial forgiveness based on making a lesser number of qualifying monthly payments while working at a qualifying public service organization.

Signature of Borrower _____

Date (MM-DD-YYYY) _____

SECTION 3: CERTIFICATION OF EMPLOYMENT

See Section 3 of the accompanying *Instructions for Completing Employment Certification for Public Service Loan Forgiveness* for detailed information on completing this section. These *Instructions* are also located at www.studentaid.ed.gov/publicservice

An authorized official (see Section 5) of the public service organization at which the borrower is/was employed must complete this section.

Instructions for Authorized Official:

- Complete this form only if you are an authorized official of the public service organization at which the borrower identified in Section 1 is/was employed or, if the borrower is/was a full-time AmeriCorps or Peace Corps volunteer, an authorized official of AmeriCorps or the Peace Corps.
- Read the definitions in Section 5 before completing this form.
- Type or print using blue or black ink. All fields must be completed if applicable. Your signature date must include month, day, and year (MM-DD-YYYY).
- Provide all requested information for Items 1, 2, and 3 below. Complete the employer's certification at the bottom of this page. The Employment Certification form cannot be processed if the information requested in this section is missing.
- If you make any changes to the information you provide in this section, you must initial each change.

Please return the completed form to the borrower. The U.S. Department of Education or the PSLF servicer may contact you for additional information or documentation.

Instructions for Borrower when there is no Authorized Official:

- Check this box if you are unable to obtain certification from an authorized official, for example, because the organization no longer exists. Provide all requested information for Items 1, 2, and 3 below. For Item 1, list the organization's address from when you worked there, and consult your W2 records for the EIN. The Department will require you to submit additional evidence of your qualifying employment. Do not submit supporting documents until requested to do so.

1. Information about the public service organization at which the borrower is/was employed.

Public Service Organization Name _____ Federally Assigned Employer ID# (EIN) |_|_| - |_|_|_|_|_|_|_|_|

Public Service Organization Address _____

2. Borrower's Employment Status.

(a) Dates of employment: Start: |_|_| - |_|_| - |_|_|_|_| End: |_|_| - |_|_| - |_|_|_|_| (If the borrower is still employed, put today's date)

(b) Borrower's employment status at your organization:

- Full-Time** Average number of hours per week: _____
- Part-Time** Average number of hours per week: _____

For purposes of eligibility for PSLF, **full-time** employment is defined as:

(1) Working in qualifying employment in one or more jobs for the greater of:

- (A) An annual average of at least 30 hours per week or, for a contractual or employment period of at least 8 months, an average of 30 hours per week; or
- (B) Unless the qualifying employment is with two or more employers, the number of hours the employer considers full-time.

(2) Vacation or leave time provided by the employer or leave taken for a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993, 29 U.S.C. 2612(a)(1) and (3) is equivalent to hours worked in qualifying employment.

NOTE: A full-time AmeriCorps or Peace Corps volunteer is considered a full-time employee for eligibility purposes for PSLF.

3. Type of Public Service Organization, in accordance with the definition in Section 5 (check one):

- (a) A **government organization** (including a Federal, State, local or Tribal organization, agency or entity; a public child or family service agency; or a Tribal college or university);
- (b) A **non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code;**
- (c) A **private, non-profit organization** (that is not a labor union or a partisan political organization) that provides at least one of the following public services (check all that apply):
 - Emergency management,
 - Military service,
 - Public safety,
 - Law enforcement,
 - Public interest law services,
 - Early childhood education (including licensed or regulated child care, Head Start, and State-funded pre-kindergarten),
 - Public service for individuals with disabilities and the elderly,
 - Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics),
 - Public education,
 - Public library services,
 - School library services, or
 - Other school-based services.

NOTE as to categories (b) and (c): For purposes of the full-time requirement (Section 3, Item 2.(b) above), a borrower's qualifying employment does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

I certify that the borrower identified in Section 1 above is/was employed at a public service organization, as indicated above, or is/was serving in an AmeriCorps or Peace Corps position (in accordance with the definitions of these terms in Section 5) during the period identified in Item 2(a) of this section.

Authorized Official's Name (Printed) _____

Authorized Official's Title _____

Authorized Official's Signature _____

Authorized Official's Telephone () _____

Today's Date (MM-DD-YYYY) _____

SECTION 4: ELIGIBILITY REQUIREMENTS / TERMS AND CONDITIONS FOR PUBLIC SERVICE LOAN FORGIVENESS

You may obtain loan forgiveness under this program if:

- (1) You are not in default on the loan(s) for which forgiveness is requested.
- (2) Except as provided below for AmeriCorps and Peace Corps volunteers, you have made 120 separate, on-time, qualifying monthly payments after October 1, 2007, on the Direct Loan(s) for which you are requesting forgiveness under one or more of the following repayment plans—
 - The Income-Based Repayment (IBR) Plan;
 - The Income Contingent Repayment (ICR) Plan;
 - The 10-Year Standard Repayment Plan* (Standard Repayment Plan with a maximum 10-year repayment period); or
 - Any other Direct Loan repayment plan, but only payments that are at least equal to the monthly payment amount that would be required under the Standard Repayment Plan with a 10-year repayment period may be counted toward the required 120 payments.

In addition, each of the required 120 separate, qualifying monthly payments must have been made on time (no more than 15 days after the scheduled due date) and for the full scheduled installment amount.

* **IMPORTANT:** The Standard Repayment Plan for Direct Consolidation Loans entered on or after July 1, 2006 have varying repayment terms based on the loan amount. For purposes of qualifying for Public Service Loan Forgiveness, monthly payments you make under the Standard Repayment Plan on a Direct Consolidation Loan are only qualifying payments if made under the 10-year repayment term.

Note for AmeriCorps/Peace Corps volunteers: If you were an AmeriCorps or Peace Corps volunteer, you may receive credit for making qualifying payments if you make a lump sum payment on an eligible loan for which you are seeking forgiveness by using all or part of a Segal Education Award received after a year of AmeriCorps service, or by using all or part of a Peace Corps transition payment (if the payment is made within 6 months after you leave the Peace Corps). The Department will consider the lump sum payment you have made as the equivalent of qualifying payments equal to the lesser of:

- (1) The number of payments resulting after dividing the amount of the lump sum payment by the monthly payment amount you would have made under one of the qualifying repayment plans listed above; or
- (2) Twelve payments.

Peace Corps volunteers making an eligible lump sum payment must do so within 6 months of the End Date, as reported in Section 3 by the authorized official.

- (3) You were/are employed full time by one or more public service organizations or serving in a full-time AmeriCorps or Peace Corps position at the time you made each of the required 120 qualifying monthly payments, at the time you apply for loan forgiveness, and at the time loan forgiveness is granted.

NOTE: You are not permitted to apply the same period of service to receive a benefit under the PSLF Program and the Teacher Loan Forgiveness, Service in Areas of National Need, and Civil Legal Assistance Attorney Student Loan Repayment Programs.

You may not apply for PSLF until after you have met the eligibility requirements listed above. Since only qualifying payments made after October 1, 2007, while employed at a qualifying public service organization may be counted toward the required 120 payments, and borrowers may not apply for loan forgiveness until after they have made all 120 payments, the earliest date that any borrower will be eligible to apply for and receive loan forgiveness is October 2017. A PSLF Application will be made available to the public before October 2017.

SECTION 5: DEFINITIONS

Eligible Loans

Loans that are eligible for Public Service Loan Forgiveness are:

- Federal Direct Stafford/Ford Loans (Direct Subsidized Loans)
- Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans)
- Federal Direct PLUS Loans (Direct PLUS Loans)
- Federal Direct Consolidation Loans (Direct Consolidation Loans).

Loans that are in default are not eligible for forgiveness.

Note: Federal Family Education Loan (FFEL) Program loans, Federal Perkins Loans, and certain Health Professions and Nursing Loans may be consolidated into a Direct Consolidation Loan. However, payments made on these loans prior to consolidation into the Direct Loan Program are not qualifying payments and are not counted toward the required 120 payments for PSLF.

Qualifying Payments

- Separate, on-time, full monthly payments made after October 1, 2007 under a qualifying Direct Loan repayment plan. A payment is considered on-time if it is made for the full scheduled installment amount no more than 15 days after the due date for the payment.
- Qualifying Direct Loan repayment plans are:
 - The IBR Plan;
 - The ICR Plan;
 - The 10-Year Standard Repayment Plan (Standard Repayment Plan with a maximum 10-year repayment period); and
 - Any other Direct Loan repayment plan, but only payments that are at least equal to the monthly payment amount that would be required under the Standard Repayment Plan with a 10-year repayment period may be counted toward the required 120 monthly payments.

Qualifying Employment

- **AmeriCorps position** means a position approved by the Corporation for National and Community Service under Section 123 of the National and Community Service Act of 1990 (42 U.S.C. 12573).
- An **authorized official** is an official of a public service organization (including AmeriCorps or the Peace Corps) who has access to the borrower's employment or service records and is authorized by the public service organization to certify the employment status of the organization's employees or former employees, or the service of AmeriCorps or Peace Corps volunteers.
- An **employee** means an individual who is hired and paid by a public service organization.
- **Full-time** means working in qualifying employment in one or more jobs for the greater of:
 - An annual average of at least 30 hours per week or, for a contractual or employment period of at least 8 months, an average of 30 hours per week; or
 - Unless the qualifying employment is with two or more employers, the number of hours the employer considers full time.Vacation or leave time provided by the employer or leave taken for a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993, 29, U.S.C. 2612(a)(1) and (3) is equivalent to hours worked in qualifying employment.
- **Government employee** means an individual who is employed by a local, State, Federal, or Tribal government, but does not include a member of the U.S. Congress.
- **Law enforcement** means service performed by an employee of a public service organization that is publicly funded and whose principal activities pertain to crime prevention, control or reduction of crime, or the enforcement of criminal law.
- **Military service** for uniformed members of U.S. Armed Forces or the National Guard means "active duty" service or "full-time National Guard duty" as defined in Section 101(d)(1) and (d)(5) of Title 10 in the United States Code, but does not include active duty for training or attendance at a service

school. For civilians, military service means service on behalf of the U.S. Armed Forces or the National Guard performed by an employee of a public service organization.

- **Peace Corps** position means a full-time assignment under the Peace Corps Act as provided for under 22 U.S.C. 2504.
- **Public interest law** refers to legal services provided by a public service organization that are funded in whole or in part by a local, State, Federal, or Tribal government.
- A **public service organization** is:
 - A Federal, State, local or Tribal government organization, agency or entity;
 - A public child or family service agency;
 - A non-profit organization under Section 501(c)(3) of the Internal Revenue Code that is exempt from taxation under Section 501(a) of the Internal Revenue Code;
 - A Tribal college or university; or
 - A private organization (that is not a labor union or a partisan political organization) that provides at least one of the following public services:
 - emergency management,
 - military service,
 - public safety,
 - law enforcement,
 - public interest law services,
 - early childhood education (including licensed or regulated child care, Head Start, and State funded pre-kindergarten),
 - public service for individuals with disabilities and the elderly,
 - public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics),
 - public education,
 - public library services,
 - school library services, or
 - other school-based services.

NOTE: For purposes of the full-time requirement (Section 3, Item 2.(b) above), an individual borrower's qualifying employment with a Section 501(c)(3) non-profit or other private public service organization does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

SECTION 6: WHERE TO SEND THE COMPLETED FORM

Send the completed *Employment Certification* to:

U.S. Department of Education
FedLoan Servicing
P.O. Box 69184
Harrisburg, PA 17106-9184
Or Fax to: 717-720-1628

If you need help completing this form, call: 855-265-4038
If you use a telecommunications device for the deaf (TDD), call: 800-722-8189

Web site: www.MyFedLoan.org

SECTION 7: IMPORTANT NOTICES

Privacy Act Notice. The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq., §451 et seq., §461 et seq., and §420L et seq. of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., 20 U.S.C. 1087aa et seq., and 20 U.S.C. 1070g et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and §31001(i)(1) of the Debt Collection Improvement Act of 1996 (31 U.S.C. 7701(c)). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a Direct Loan, to receive a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness), to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices.

For a loan, the routine uses of the information that we collect about you include, but are not limited to, its disclosure to federal, state, or local agencies, to institutions of higher education, and to third party servicers to determine your eligibility to receive a loan, to investigate possible fraud, and to verify compliance with federal student financial aid program regulations.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

For a loan, the routine uses of this information also include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to creditors, to financial and educational institutions, and to guaranty agencies to verify your identity, to determine your program eligibility and benefits, to permit making, servicing, assigning, collecting, adjusting, or discharging your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, to locate you if you become delinquent in your loan payments or if you default, or to verify whether your debt qualifies for discharge or cancellation. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state or local agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 0.5 hours (30 minutes) per response, including time for reviewing instructions, searching existing data resources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 685.219. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or e-mail ICDocketMgr@ed.gov and reference OMB Control Number 1845-0110. **Note: Please do not return the completed Employment Certification for Public Service Loan Forgiveness to this address.**

If you have comments or concerns regarding the status of your individual submission of this form, contact the PSLF servicer (see Section 6).

Contact Information



TO REACH THE CFPB'S OFFICE FOR STUDENTS:

Webpage: <http://www.consumerfinance.gov/students>

Email: students@cfpb.gov

Mailing Address:

Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552



TO FILE A COMPLAINT:

Webpage: <http://www.consumerfinance.gov/complaint>

Toll-Free: (855) 411-CFPB (2372)

Español : (855) 411-CFPB (2372)

TTY/TDD: (855) 729-CFPB (2372)

Fax: (855) 237-2392

Mailing Address:

Consumer Financial Protection Bureau
PO Box 4503
Iowa City, Iowa 52244



PRESS & MEDIA REQUESTS

Email: press@consumerfinance.gov