

# PSLF FAQs (p.1)

## Public Service Loan Forgiveness & the Income-Driven Repayment Adjustment Opportunity

### Q. What is Public Service Loan Forgiveness (PSLF)?

**A.** If you are employed by a government or not-for-profit organization, you may be able to receive loan forgiveness on your remaining balance on your Direct Loans! You may qualify after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full-time for a qualifying employer. If you are an educator or employee of the Arkansas Department of Education, you work for a qualifying employer!

### Q. What are the loan requirements?

**A.** You have to be in a Direct Loan or a Direct Consolidation Loan to qualify. For new loan holders, that is not an issue. All federal loans being issued now and in recent history are Direct Loans, making them eligible for the program. But some borrowers have older loans called Family Federal Education Loans, or FFEL loans. For some reason, the government chose to carve out those loans from being eligible for PSLF. BUT, the federal government has been saying, "Consolidate your FFEL loans into a Direct Consolidation loan, and you can START YOUR 10 YEAR clock for forgiveness." Read on . . . there's good news in the form of a temporary waiver!

### Q. What are the payment plan requirements?

**A.** Eligible repayment programs for PSLF include:

- Standard 10-year repayment, which for many borrowers would make no sense since their entire balance would be paid off in 10 years and leave no balance available for forgiveness.
- And income-driven repayment programs, including:

- Income-Based Repayment (IBR),
- Pay As You Earn (PAYE),
- Revised Pay as You Earn (REPAYE), and
- Income-Contingent Repayment (ICR)

### Q. What is the Public Service Loan Forgiveness Waiver Opportunity?

**A.** The federal government announced a special program that ends on May 1, 2023. The Department of Education will conduct a one-time account adjustment to borrower accounts that will count time toward income-driven repayment forgiveness, including:

- any months in a repayment status, regardless of the payments made, loan type, or repayment plan;
- 12 or more months of consecutive forbearance or 36 or more months of cumulative forbearance;
- months spent in economic hardship or military deferments after 2013;
- months spent in any deferment (with the exception of in-school deferment) prior to 2013; and
- any time in repayment on earlier loans prior to consolidation of those loans into a consolidation loan.



WOMEN  
EMPOWERED

#SAVE10

WOMEN'S FOUNDATION  
ARKANSAS



SAVE10 WEBSITE

# PSLF FAQs (p.2)

---

## Public Service Loan Forgiveness & the Income-Driven Repayment Adjustment Opportunity

This means that previously ineligible periods of forbearance payments made on previously ineligible payment plans will now count toward forgiveness. All you need to do is submit your [PSLF application/ Employment Certification](#) Form for all eligible employment since October 2007 (and, remember, you should submit this form to MOHELA every year moving forward while you work in public service, until you reach your 120 payments).

If you have FFEL or Perkins loans, you can benefit from this one-time account adjustment. By May 1, 2023, you will need to consolidate your FFEL or Perkins loans with any Direct Loans you may have (or consolidate your FFEL/Perkins loans into Direct Loans if you only have FFEL or Perkins loans) to ensure that you get credit for PSLF-eligible payments made on FFEL loans since October 2007. Submit your [PSLF application/ Employment Certification Form](#) for all eligible employment since October 2007 as well.

The sense of urgency to get your loans and payments in order to take advantage of this one-time account adjustment cannot be overstated. We encourage you to take action today! You can find a PSLF resource kit with more information about how to consolidate your loans, select a PSLF-eligible payment plan, and more here: [www.womensfoundationarkansas.org/save-10/](http://www.womensfoundationarkansas.org/save-10/)



**WOMEN  
EMPOWERED**

#SAVE10

WOMEN'S FOUNDATION  
ARKANSAS



SAVE10 WEBSITE