See What’s New with the Public Service Loan Forgiveness (PSLF) Program

Good news! The U.S. Department of Education (ED) is making changes to the Public Service Loan Forgiveness (PSLF) Program. Here's what you need to know.

Lump-Sum Payments and Prepayments Now Qualify

Now, you can make future payments (or prepayments) to your qualifying federal student loans, and they will all be counted toward your PSLF qualifying payment count if all other program criteria are met. Prepayments will count for up to 12 months or the next time you’re due to recertify for your income-driven repayment (IDR) plan, whichever is sooner. Here’s an example:
Use the PSLF Help Tool today to track your progress!

And, speaking of the PSLF Help Tool...

**The PSLF Help Tool Is Getting an Upgrade**

In November 2020, FSA will launch a redesigned PSLF Help Tool (https://studentaid.gov/articles/using-the-pslf-help-tool/) will be simpler to navigate and will help you more easily determine your eligibility for the program. After the tool is updated in mid-November, you'll log in and be directed to the employer database we added this summer, which currently contains more than 1.5 million employers. And going forward, we'll store your employment information right in the tool, so that you can easily keep track of what information you've already submitted to FSA. The stored employer information also will help make the process of recertifying your employment a breeze. Remember, to stay on track for loan forgiveness, you should recertify your employment each year and every time you switch jobs.

*Beginning in mid-November 2020, the PSLF Help Tool will store your employment information when you use the tool so you can quickly check your eligibility and generate forms.*
Once ED makes the November enhancements to the PSLF Help Tool, you'll only be able to move forward in the help tool if you have a qualifying employer. This will help you avoid submitting a PSLF application without qualifying employment, a requirement for the program. If you think your employer should be deemed qualifying, you can use the PSLF Help Tool to ask ED to review the status of your employer, and you can even upload supporting documentation to consider. We'll update the employer database after our review to make sure you have the most-up-to-date information about qualifying employers.

We've also added a “My Loan Eligibility” feature to the PSLF Help Tool. This feature will give you a customized breakdown of your loans, a summary of the steps you've taken so far toward loan forgiveness, and other personalized information, such as the number of qualifying PSLF payments you've made. If you need to take additional actions—like switch to a qualifying repayment plan for one or more loans, consolidate non-qualifying loans into a Direct Loan, or certify your employment—the “My Loan Eligibility” feature will guide you.

When the PSLF Help Tool is updated in mid-November 2020, you'll be able to see how many of your loans qualify for the PSLF program, how many qualifying payments you have made, and what actions you need to take to make non-qualifying loans eligible.

Based on your feedback, we know it's important that we make navigating the PSLF Program simpler. That's why in mid-November, we're introducing a single form to certify and apply for PSLF and Temporary Expanded PSLF (TEPSLF)!
The new PSLF and TEPSLF Certification & Application (PSLF form) is the only form you'll need to submit to certify your employment or apply for PSLF or TEPSLF.

This single form will launch with the updated PSLF Help Tool in mid-November. With this form, there are no longer different forms and processes for employment certification, PSLF forgiveness, and TEPSLF forgiveness. Instead, no matter what you're looking to do with the PSLF program, you'll be able to submit just one form. By submitting the single form, we'll automatically evaluate your employment certification AND eligibility for loan forgiveness under PSLF and TEPSLF. We hope this will reduce confusion and frustration, especially for borrowers seeking forgiveness under TEPSLF, who will no longer have to be denied for PSLF then email the PSLF servicer for separate consideration.

Don't worry; we'll still accept the Employment Certification Form (often referred to as an ECF), the PSLF application, and emailed requests for consideration for the TEPSLF opportunity after the single form goes live; we know it may take some time for the new form to be distributed and adopted by all the organizations that help borrowers—including employers—navigate PSLF.

What’s to Come

To sum things up: prepayments and lump-sum payments are now being counted as eligible PSLF payments. And the new PSLF Help Tool and single PSLF form are coming in mid-November 2020. Keep an eye on our Announcements page (https://studentaid.gov/h/announcements-events), StudentAid.gov/announcements, so you'll know when these improvements launch on our website. At that time, you'll also see changes throughout our website to reflect the fact that you'll only need to submit one form going forward.

As a general reminder, payments have been suspended (https://studentaid.gov/announcements-events/coronavirus) for the majority of Department of Education-held federal student loans because of the COVID-19 emergency. Your suspended payments count toward PSLF as if you made on-time payments (as long as have qualifying loans and employment), but these flexibilities are scheduled to end after Dec. 31, 2020. If COVID-19 has changed your financial situation, you can file an application for an income-driven repayment plan to potentially receive a new, lower payment amount when payments resume. Log in (https://studentaid.gov/fsa-id/sign-in/) and follow the steps below:
Use these steps to update your income for an income-driven repayment plan.

We're here to help you successfully manage your federal student loans. Follow us on Twitter at @FAFSA (https://twitter.com/FAFSA), on Facebook, and now, on Instagram @federalstudentaid (https://www.instagram.com/federalstudentaid/)!