

New Spending Bill Grants Limited Reprieve for Public Servants

President Trump recently signed a \$1.3 trillion spending bill that includes funding to help student loan borrowers who have performed ten years of public service and made consistent payments on their student loans, but are ineligible for the Public Service Loan Forgiveness (PSLF) program. Enacted under President George W. Bush in 2007, PSLF allows borrowers to earn forgiveness on their federal student loans after ten years of qualified public service while making on-time monthly payments. It is a critical program for millions of Americans who dedicate their careers serving our communities and supporting our country.

The new spending bill allocates \$350 million to create a fund for the Department of Education to provide loan cancellation for student loan borrowers who have met all the other requirements to earn PSLF but were not enrolled in a qualifying repayment plan. The one-time cancellation will be provided to borrowers on a first-come, first-serve basis within sixty days of enactment.

“This is great news for borrowers who have dedicated their careers to serving others and are relying on PSLF but inadvertently enrolled in the wrong repayment plan. We estimate it could help up to 11,000 borrowers,” said Isaac Bowers, Director of Law School Engagement & Advocacy at Equal Justice Works. “We applaud all the Members of Congress and their staff who made improving PSLF a priority and worked hard to pass this into law.”

Congress has also provided the Department of Education with \$2.3 million to assist borrowers who may intend to enroll in PSLF in understanding and meeting the requirements of the program. The Department is also directed to improve the filing of Employment Certification forms, including by providing borrowers with the option to file electronically.

These measures shows a laudable commitment by Congress to retain and improve PSLF. It is important that Congress bolsters this limited fund by passing legislation like the PSLF Technical Corrections Fix Act (S.B. 2136) that would enact it permanently into law and rejects any legislation, including the Promoting Real Opportunity, Success and Prosperity through Education Reform (PROSPER) Act, that would eliminate PSLF.

For more information on PSLF, please visit www.PreservePSLF.com.