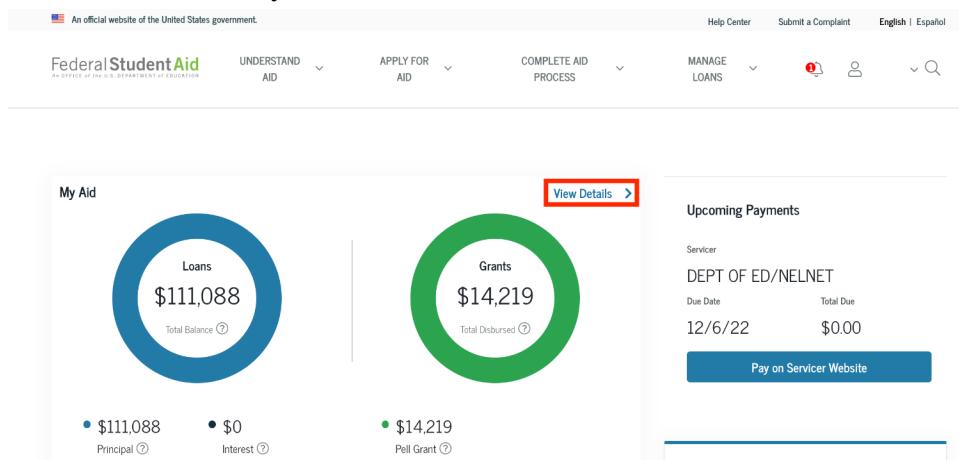


THE PSLF LIMITED WAIVER

Rules which disqualify certain loan and repayment plan types have been temporarily waived to allow more borrowers to qualify for Public Service Loan Forgiveness. If your loan and repayment plan types do not meet PSLF guidelines, you can correct that through October 31st. By October 31st you must be on an Income-Driven Repayment plan and consolidated into a Direct Loan with MOHELA to have your payments count moving forward. Here's how.

ACTION 1: DETERMINE YOUR LOAN TYPE

Check your **Aid Summary** at www.studentaid.gov. Log in to your account using your username and password (FSA ID), select “View Details, then “View Breakdown” from the My Aid section of your Dashboard. That page displays the loan type of each of your individual loans. (You can see My Aid by clicking your log in name, which will be your first name.)



The screenshot shows the 'My Aid' section of the Federal Student Aid website. It displays two circular summaries: one for 'Loans' (\$111,088) and one for 'Grants' (\$14,219). Below each summary are two bullet points: 'Principal' and 'Interest' for loans, and 'Pell Grant' for grants. To the right, there is a 'Upcoming Payments' section for 'DEPT OF ED/NELNET' with a due date of 12/6/22 and a total due amount of \$0.00. A 'Pay on Servicer Website' button is present. A red box highlights the 'View Details' button in the Grants section.

You may see:

- Direct (can be Subsidized or Unsubsidized) – these DO qualify for PSLF
- FFEL – these DO NOT qualify for PSLF **and must be consolidated**
- Perkins – these DO NOT qualify for PSLF **and must be consolidated**

DID YOU KNOW? Even if *all* your loans are Direct Loans, taking action to consolidate them now will bring your payment count for PSLF to the loan with the most payments. For example, if you have one Direct Loan with 12 payments, and another Direct Loan with 60 payments, the consolidation loan will show that you have made 60 payments for PSLF.

I can confirm I ONLY have Direct Loans and don't wish to consolidate. → Go to Action 2.

I have at least one loan that is not a Direct Loan. → Go to Action 3.

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THE TEMPORARY WAIVER ENDS ON OCTOBER 31*

****THESE INSTRUCTIONS ARE NOT VALID AFTER THAT DATE****

ACTION 2: DETERMINE YOUR CURRENT REPAYMENT PLAN TYPE

Only certain repayment plans qualify for PSLF. To get the most benefit from the program, you should switch to an Income-Driven Repayment (IDR) plan if you're not already on one. To benefit from PSLF, you should consider one of the following IDR plans, which base your loan payments on your income, family size, and loan debt. **The only IDR plans are: Revised Pay As You Earn (REPAYE), Pay As You Earn (PAYE), Income-Based Repayment (IBR), and Income-Contingent Repayment (ICR).**

If you do not know what repayment plan you are on for your Direct Loans, log in to www.StudentAid.gov or to your loan servicer to find out. **Verify!**

www.StudentAid.gov → Log in. Click “My Aid,” then “Loan Details,” then click “Loan Breakdown.”

You will need to either contact your servicer to convert your loan to an Income-Driven Repayment plan or, if you have determined that you need to consolidate, you will need to select an Income-Drive Repayment plan as part of that application. If you don't wish to consolidate Direct Loans yet, you can select an IDR using that form under “Loan Repayment.”

- I have verified that I am on an Income-Driven payment plan listed above. → Go to Action 4.
- I am not on an Income-Driven Repayment Plan. I am on a version of a Standard, Extended, or Graduated plan which will not qualify for PSLF. → Go to Action 3.

ACTION 3: CONSOLIDATE ALL LOANS INTO A DIRECT LOAN ON AN INCOME-DRIVEN REPAYMENT PLAN

If you have FFEL, Perkins, or other “non-Direct” loans you will be required to consolidate those immediately to take advantage of the expansion to PSLF guidelines. You can also consolidate Parent Plus loans into a consolidation loan as long as you have existing non-Parent Plus loans in the consolidation. See handout on Parent Plus moans for more details. You **MUST** consolidate if you think you have 120 payments.

DID YOU KNOW? When you consolidate, all payments prior to consolidation will be qualified for PSLF, including any Direct, FFEL, or Perkins Loans you may have.

- Click this link - or type into a browser: www.StudentAid.gov/app/launchConsolidation.action
This Department of Education website has a demo there that will walk you through the process.
you take steps official steps to consolidate your loans.
- Select MOHELA as your new servicer.
- In the payment estimator section, make sure to click the PSLF toggle:



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THE TEMPORARY WAIVER ENDS ON OCTOBER 31*

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- Finally, you'll need to select an Income-Driven Repayment option choosing the plan with the lowest monthly payment. These are the **only** Income-Driven options:
REPAYE, PAYE, Income-Based Repayment, or Income-Contingent Repayment
- Review your answers, certify your application, and electronically submit. A copy will be in the My Documents area of your FSA account. Consolidations typically take 3-5 weeks to be approved once you have submitted the request, and the application takes about 10-20 minutes total. → Then go to Action 4.

ACTION 4: COMPLETING A PSLF FORM

Every month that you have made a payment that you want counted must be certified to correspond with a month that you worked in public service. The PSLF servicer – MOHELA (or AidVantage, assisting the process) - receives PSLF Forms and tracks your count of qualifying payments. Employment can only be certified, and payments can only be qualified, with a PSLF Form signed by your employer and sent to MOHELA.

- Create your application using the PSLF Help Tool: www.studentaid.gov/pslf and click “Start.”

Choose “government agency” as the type of employer you work for.

Once printed do not make any handwritten changes to the form.

Simply sign and have your employer sign.

DID YOU KNOW? No other servicer (no matter what misinformation you may have been given) can certify your payments and no other servicer can or will track your count of qualifying payments.

- If you already have an online account with MOHELA, you can upload a scanned image.
- If you have any other servicer, **you need to fax your form to MOHELA** at the fax number on the form or mail your form to MOHELA at the address on the form (slower).

- Then → Go to Action 5.

ACTION 5: AFTER SUBMITTING YOUR EMPLOYMENT CERTIFICATION FORM

- Wait for MOHELA or AidVantage (assisting with processing) to contact you and confirm certification of your form.
- MOHELA says that you will be able to check your payment count after you “create an online account and sign into Account Access at their secure website.” www.MOHELA.com
- Keep current with certifying your employment annually for every payment you want counted for PSLF until you reach 120 payments!
- While not required, **annual** certification of employment is highly recommended at the same time each year. Right at the end of each school year seems like an appropriate time.

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PARENT PLUS LOANS AND THE LIMITED PSLF WAIVER

- Payments made on Parent Plus loans are not eligible for credit under the limited PSLF waiver, even if you consolidate them into a new Direct Consolidation loan by October 31, 2022.
- However**, if you consolidate (or previously consolidated) a Parent PLUS loan, the consolidation loan may be eligible for credit towards PSLF. The following example provides insight onto how Parent PLUS loans are addressed under the limited PSLF waiver:

A borrower was in repayment on:

- A FFEL Parent PLUS Loan from January 2012 through December 2015 and
- A FFEL Subsidized Stafford Loan from January 2010 through December 2015.

The borrower consolidated both loans in December 2015. While the repayment status history on the FFEL Parent PLUS Loan will not be considered, the repayment status on the FFEL Subsidized Stafford Loan will be considered, and the entire Direct Consolidation Loan made in December 2015 would receive credit under the limited PSLF waiver for the period of January 2010 through December 2015.

However, if the same borrower only had the FFEL Parent PLUS Loan and consolidated it, the borrower would receive no credit from the FFELP Parent PLUS Loan under the limited PSLF waiver.

A new consolidation loan can receive credits for payments made to underlying loans that were not Parent PLUS loans. However, the new consolidation loan will still be credited with any payments you made to other non-parent PLUS FFEL, Perkins, or Direct Loans. (Note: no credits are awarded for payments made to defaulted student loans.)

When the new consolidation loan reaches 120 qualifying payments, then the consolidation loan can be forgiven under PSLF even if some of the loans consolidated into the new loan were Parent PLUS loans. However, if you consolidate only Parent PLUS loans, whether they are FFEL and or Direct Parent Plus loans, then the new consolidation loan would not be credited with any payments made to the underlying loans.

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