

Public Service Loan Forgiveness Program

What is the Public Service Loan Forgiveness (PSLF) Program?

The PSLF Program is intended to encourage individuals to enter and continue to work full-time in public service jobs. Under this program, you may qualify for forgiveness of the remaining balance due on your William D. Ford Federal Direct Loan (Direct Loan) Program loans after you have made 120 qualifying payments on those loans while employed full-time by certain public service employers. Since you must make 120 qualifying payments on your eligible federal student loans after Oct. 1, 2007, before you can qualify for the loan forgiveness, the first forgiveness of loan balances will not be granted until October 2017.

What federal student loans are eligible for forgiveness under the PSLF Program?

Any nondefaulted Direct Loan is eligible for loan forgiveness. (See below for information on how non-Direct Loans may become eligible.) The Direct Loan Program includes the following loans:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans—for parents and graduate or professional students
- Direct Consolidation Loans

NOTE: Parents who received a Direct PLUS Loan may qualify for forgiveness of the PLUS loan, if the parent borrower—not the student on whose behalf the loan was obtained—is employed by a public service organization (*additional conditions apply; see the Q&As below*).

How can other federal student loans become eligible for loan forgiveness under the PSLF Program?

Although loan forgiveness under this program is available only for Direct Loans, loans made under other federal student loan programs may become eligible for PSLF if they are consolidated into a Direct Consolidation Loan. However, only payments made on the Direct Consolidation Loan will count toward the required 120 qualifying payments.

The following loans may be consolidated into a Direct Consolidation Loan:

- Federal Family Education Loan (FFEL) Program loans, which include the following:
 - Subsidized Federal Stafford Loans
 - Unsubsidized Federal Stafford Loans
 - Federal PLUS Loans—for parents and graduate or professional students
 - Federal Consolidation Loans (excluding joint spousal consolidation loans)
- Federal Perkins Loans
- Certain Health Professions and Nursing Loans

NOTE: *To consolidate a Federal Perkins Loan or Health Professions or Nursing Loan into a Direct Consolidation Loan, you also must consolidate at least one FFEL Program loan or Direct Loan. If you are unsure about what kind of loans you have, you can find that information at StudentAid.gov/login.*

What are the borrower eligibility requirements for loan forgiveness under the PSLF Program?

- You must not be in default on the loans for which you are requesting forgiveness.
- You must be employed full-time by a public service organization
 - when making each of the required 120 qualifying loan payments (*certain repayment conditions apply—see below*);
 - at the time you apply for loan forgiveness; and
 - at the time the remaining balance on your eligible loans is forgiven.

What are the specific loan repayment requirements for loan forgiveness under the PSLF Program?

- You must have made 120 separate monthly payments after Oct. 1, 2007, on the Direct Loans for which you are requesting forgiveness. Payments made before this date do not count toward meeting this requirement. Each of the 120 qualifying payments must be made for the full scheduled installment amount and no later than 15 days after the scheduled payment due date. The 120 required payments do not need to be made consecutively.
- The 120 required payments must be made under one or more of the following Direct Loan Program repayment plans:
 - Revised Pay As You Earn Repayment Plan (REPAYE Plan)
 - Pay As You Earn Repayment Plan (PAYE Plan)
 - Income-Based Repayment Plan (IBR Plan)
 - Income-Contingent Repayment Plan (ICR Plan)
 - 10-year Standard Repayment Plan
 - Any other Direct Loan Program repayment plan; but only payments that are at least equal to the monthly payment amount that would have been required under the 10-year Standard Repayment Plan may be counted toward the required 120 payments

The REPAYE, PAYE, and IBR plans are not available for Direct PLUS Loans made to parents or for Direct Consolidation Loans that repaid Direct or FFEL PLUS Loans made to parents.

The ICR Plan is not available for Direct PLUS Loans made to parents. However, Direct PLUS Loans that repaid Direct or FFEL PLUS Loans made to parents may be repaid under the ICR Plan.

For more information about the repayment plans available in the Direct Loan Program, please visit [StudentAid.gov/repay](https://studentaid.gov/repay).

IMPORTANT NOTE: *The PSLF Program provides for forgiveness of the remaining balance of your eligible loans after you have made 120 qualifying payments on those loans. In general, you will have a remaining balance on a loan after making 120 payments only if you are making reduced monthly payments under the REPAYE, PAYE, IBR, or ICR repayment plans.*