May 5, 2025

James P. Bergeron
Acting Under Secretary
U.S. Department of Education
400 Maryland Avenue SW
Washington, DC, 20202

RE: Docket ID ED-2025-OPE-0016

As the Washington State Student Loan Advocate, I'm writing in response to the Department of Education's announcement of intent to establish a negotiated rulemaking process to make changes to the Pay As You Earn (PAYE) and Income-Contingent Repayment (ICR) repayment plans, Public Service Loan Forgiveness (PSLF), and other topics that would streamline current federal financial assistance programs. My response is on behalf of the 787,000 student loan borrowers in our state, who collectively own over $29 billion in federal student debt as of September 2024.

The ability to pursue higher education and engage in one's community is an essential aspect of the American dream. This dream is at risk should access to the PSLF program and affordable Income-Driven Repayment (IDR) options be reduced or eliminated. Washington State recognizes that postsecondary education is critical for the success and progress of our society. As the Student Loan Advocate, I speak with Washingtonians daily who rely on both programs to successfully manage their student loans, and who would experience extreme hardship should either option be impacted. I write in strong opposition to any efforts, including through the regulatory process, to weaken federal student loan programs designed to help student loan borrowers manage their student debt.

Millions of borrowers across the country are in default and can't make monthly payments under current IDR plans, so any efforts to restrict access to IDR will only drive more borrowers into delinquency. In Washington State alone, we have over 242,000 borrowers enrolled in IDR plans, with a delinquency rate of 12 percent. By reducing the availability of more affordable IDR plans like PAYE and ICR, more Washington borrowers will be at risk of delinquency and default. In my work as Student Loan Advocate, I hear often from borrowers in default who have had their lives severely impacted by the student loan system, many having their credit hurt, retirement delayed, wages and social security benefits garnished, filed for bankruptcy, and some who even sold their homes to cope with the financial distress of unaffordable student loan payments. Therefore, I strongly urge you to reconsider any measures that would raise Washington borrowers' monthly bills and drive working families into financial hardship.

917 Lakeridge Way SW
PO Box 43430
Olympia, WA 98504-3430
360.485.1079
www.wsac.wa.gov/loan-advocacy

The success of the PSLF program is also contingent upon access to affordable, income-driven repayment options. Cutting access to PAYE and ICR would force student loan borrowers into other repayment options that do not qualify for PSLF. Without access to affordable qualifying options, borrowers may have to turn away from vital public service careers. PSLF was intended to attract and retain qualified individuals to public service, which benefits all Americans; diminishing affordable repayment plans and employer eligibility threatens that aim. This translates to fewer nurses, teachers, first responders, and other essential public service workers available to support our local communities.

Thousands of Washingtonians made the decision to serve our state through public service, counting on the promise of PSLF forgiveness after 10 years of service. To date, over 22,000 public service workers have received PSLF across our state. Therefore, I urge the Department of Education to reject the proposed changes to the definition of public service and to PSLF employer eligibility criteria presented in the recent executive order. Employer eligibility criteria should be consistent, predictable, and not subject to change each election cycle. The criteria should reflect Congress's intention to support those who provide critical services to communities across the country. These proposed changes are also antithetical to the concept of streamlining federal student aid programs, as changing criteria based on ambiguous definitions creates more complexity, not less.

Any action taken to reduce the number of employers eligible for PSLF will harm Washingtonians by potentially intensifying public workforce shortages. Like many states, Washington has well-documented, persistent shortages of healthcare and education staff. Narrowing the eligibility criteria for PSLF employers will only exacerbate this problem. Employer eligibility should be based on criteria that can be objectively evaluated and not create barriers to entry. Additionally, it should expand access to PSLF to include employees of for-profit entities that serve the public, such as healthcare and early childhood education workers, who provide care and support for our most vulnerable populations.

The Department of Education has an inherent responsibility to protect student loan borrowers. Decreasing access to or eliminating IDR and PSLF should not be an option. The Department must administer student loan relief programs as established by Congress. Reducing access to programs such as IDR and PSLF for hard-working public servants will undermine Congress' intent and harm communities. Any efforts to diminish or eliminate these programs will have long-lasting, adverse impacts on Washington students, borrowers, and public service workers. The Student Loan Advocate vehemently opposes any effort by the current administration to limit IDR and PSLF eligibility. Instead, we recommend increasing the flexibility of both programs and streamlining processes so Washingtonians can effectively manage their federal student loans and continue supporting our thriving communities.

Sincerely,

Jessica M. Manfredi
Washington State Student Loan Advocate