

How To Get Your Student Loans Forgiven (No, Really): A Fact Sheet for Government and Non-Profit Employees

As of April 2024, more than 19,000 Washingtonians had a total of over \$1.3 billion in federal student debt forgiven through the Public Service Loan Forgiveness (PSLF) program.

PSLF is a program that could eliminate some or all of your student loan debt – as long as you meet all the requirements, that is. Sounds interesting? Here’s what you should know.

WHAT IS PSLF, EXACTLY?

It’s a federal program that forgives the remaining balance on your Direct loans if you meet all of these requirements:

- ✓ Make 120 qualifying payments under qualifying repayment plans.
- ✓ Work an average of 30 hours per week for a qualifying employer.

That’s the basic idea, but keep reading for details about each of these requirements.

#1 REQUIREMENT: WHO YOU WORK FOR

It’s not about your specific job title. It’s about who your employer is.

You could qualify for PSLF if you work for any of these types of organizations:

- Government organizations at any level (federal, state, local, or tribal).
- 501(c)(3) not-for-profit organizations that are tax exempt.
- Other types of not-for-profit organizations if their primary purpose is to provide certain types of qualifying public services.
- AmeriCorps or Peace Corps (if you work as a volunteer).

You must be a direct employee for a qualifying employer (meaning, you receive a W2). Non-direct employees, like independent contractors, only qualify if they provide services that by State law cannot be filled or provided by an employee of that organization.

#2 REQUIREMENT: WORK AN AVERAGE OF AT LEAST 30 HOURS PER WEEK

You must work an average of at least 30 hours per week to be eligible for PSLF.

If you have part-time jobs, you must work a combined average of 30 hours per week and all of your part-time jobs must meet the eligibility requirements listed in #1.



#3 REQUIREMENT: FEDERAL DIRECT LOANS ONLY

A federal direct loan is the only type of loan that's eligible for PSLF. However:

- If you received a Federal Family Education Loan (FFEL) or Perkins loan, it's possible for that loan to become eligible too – if you consolidate it into a Direct Consolidation loan.
- Please note that Parent PLUS borrowers, while eligible for PSLF, are not eligible for any of the Income-Driven Repayment plans. Parent PLUS borrowers need to consolidate into a Direct Consolidation loan to get access to gain access to Income-Driven Repayment. Visit our [PSLF page under the PSLF and Direct Parent Plus Loans" tab](#) to learn more.

Are your loans Direct loans? [Learn how to find out.](#)

Keep in mind!

If you consolidated by April 30, 2024, you will not lose PSLF qualifying payment credit due to the [IDR Account Adjustment](#).

Certain periods you spent in forbearance, deferment or non-qualifying repayment plans may count towards PSLF due to the IDR Account Adjustment. **Action may be needed for you to benefit.** Visit the [IDR Account Adjustment](#) page to learn more.

Consolidations submitted after April 30, 2024 may still benefit from the payment count adjustment, if the consolidation is completed when the IDR Account Adjustment takes place in July 2024.

#4 REQUIREMENT: QUALIFYING MONTHLY PAYMENTS

Your payment qualifies if you make it:

- ✓ After Oct. 1, 2007.
- ✓ Under a qualifying repayment plan.
- ✓ To satisfy the amount due as shown on your bill.
- ✓ While you are employed on average of at least 30 hour/week by a qualifying employer.

Keep in mind!

You can't make a qualifying payment while your loans are in any of these statuses:

- In-school status.
- The grace period.
- Some types of deferment.
- Some types of forbearance.

However, [certain types of forbearance and deferments](#) may qualify as long as you were employed by a qualifying employer during that period of time. You may also have the option to "buy back" other periods of deferment and forbearance to have them count towards PSLF if you make payments that are equivalent to what you would have owed at the time.



Finally, your 120 qualifying payments don't have to be consecutive. Example: If there's a period when you're working for a nonqualifying employer, you won't lose credit for the qualifying payments you made before that period.

#5 REQUIREMENT: YOUR REPAYMENT PLAN

All of the income-driven repayment plans are eligible:

- Saving on A Valuable Education (SAVE – formerly REPAYE).
- Pay As You Earn (PAYE).
- Income-Based Repayment (IBR).
- Income-Contingent Repayment (ICR).

Please note that Parent PLUS borrowers, while eligible for PSLF, are not eligible for any of the Income-Driven Repayment plans. Parent PLUS borrowers need to consolidate into a Direct Consolidation loan to get access to the ICR plan.

What about the 10-year Standard Repayment Plan?

This plan qualifies for PSLF too, but if you're on the 10-year Standard Plan the entire time you're working toward PSLF, you'll have no balance left to forgive after you've made 120 qualifying PSLF payments.

So we recommend entering one of the income-driven repayment plans above as long as the monthly payment is lower than the 10-year Standard Plan.

READY TO GET STARTED?

Check out the [Steps to Apply for PSLF](#) guide for step-by-step guidance on how to apply and remain eligible for PSLF.

Check out the Student Loan Advocate [PSLF page](#) for recorded webinars and additional resources.

HAVE MORE QUESTIONS?

Check out the [Public Service Loan Forgiveness \(PSLF\) FAQs](#) to find answers to the most frequently asked questions about the program.

