

September 17, 2025

The Honorable Linda McMahon  
Secretary  
United States Department of Education  
400 Maryland Ave, SW  
Washington, DC 20202

**Re: Docket ID ED-2025-OPE-0016**

Dear Secretary McMahon:

On behalf of the American Council on Education (ACE), and the undersigned higher education associations, we write to express our strong opposition to the changes proposed to the Public Service Loan Forgiveness (PSLF) program in the Notice of Proposed Rulemaking (NPRM) issued on August 18 in the Federal Register.<sup>1</sup> These proposed changes, while aligned with Executive Order 14187 issued on February 3,<sup>2</sup> are not aligned with the law or congressional intent.

The PSLF program was created in the College Cost Reduction and Access (CCRAA) Act of 2007,<sup>3</sup> on a bipartisan basis in both the House and Senate and was signed into law by President George W. Bush. Congress created PSLF to ensure a brighter future with less financial burden for public servants, and lawmakers wanted to properly recognize the contributions and challenges of public service while encouraging participation in these careers. As clearly articulated in statutory language, the law defined public service employment as full-time jobs at government and 501(c)(3) nonprofit organizations, and particularly identified fields of employment such as emergency management, social work in a public child or family service agency, public library sciences, and public education.<sup>4</sup>

In the August 18 NPRM, the Department of Education attempts to justify its proposal to deny certain organizations qualifying employer status because the Higher Education Act (HEA) does not define the term *public service*. However, the HEA clearly defines a public service job without a need to bifurcate *public service* and *job*. In fact, Congress wanted to ensure that it was clear what types of jobs would qualify for PSLF and as a result the Department was only given narrow authority to alter this definition in the limited circumstances of jobs in high-need subject areas of shortage.

The PSLF program was created to benefit individuals who chose public service jobs and these are the very people that will be severely harmed if these proposed regulations were to go into

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<sup>1</sup> William D. Ford Federal Direct Loan (Direct Loan) Program, Volume 90 F.R. 40154-40176 (proposed August 18, 2025)(to be codified at 34 C.F.R. Part 685).  
[https://owl.purdue.edu/owl/research\\_and\\_citation/apa\\_style/apa\\_formatting\\_and\\_style\\_guide/apa\\_legal%20references%20.html](https://owl.purdue.edu/owl/research_and_citation/apa_style/apa_formatting_and_style_guide/apa_legal%20references%20.html)

<sup>2</sup> Exec. Order No. 14187, 3 C.F.R. 8771-8773 (2025). <https://www.govinfo.gov/content/pkg/FR-2025-02-03/pdf/2025-02194.pdf>

<sup>3</sup> Congress.gov. (2007, September 27). *H.R.2669 - College Cost Reduction and Access Act*. Retrieved August 20, 2025, from <https://www.congress.gov/bill/110th-congress/house-bill/2669?q=%7B%22search%22%3A%22college+cost+reduction+and+access+act+%22%7D&s=2&r=1>

<sup>4</sup> A full list of public service jobs can be found in the Higher Education Act of 1965, 20 U.S.C. 1087e(m). (2025).  
<https://www.govinfo.gov/content/pkg/COMPS-765/pdf/COMPS-765.pdf>

effect. Currently, there are over 2.5 million borrowers, with a cumulative loan balance of \$225 billion, who are employed at organizations with qualifying employer status.<sup>5</sup> Of these borrowers, only 20,400 have made over 119 payments towards their student loan forgiveness, which leaves millions of borrowers who will see their eligibility put at risk should these regulations go into effect on July 1, 2026.<sup>6</sup> These borrowers entered their professions making a conscious choice to forego higher salaries in order to serve the public across a range of critical needs with the expectation that the law would be observed and they would be eligible for loan relief if they met the requirements.

This is not the only likely harm to borrowers that would result from the proposed regulations, as the Department acknowledges that they may impose further costs to borrowers including potential delays in loan forgiveness processing due to an employer losing qualifying employer status as well as potential misunderstandings of the new regulations leading borrowers to be confused and delaying the application of the forgiveness benefit. The Department states:

Borrowers who are employed by organizations disqualified under the new rules may experience a temporary disruption in their progress toward loan forgiveness. These borrowers will need to transition to qualifying employers to continue receiving credit for their payments. Borrowers who misunderstand the new rules may apply for forgiveness without knowing or understanding the implications of the new rule on their former or current employer as they may no longer be a qualifying employer.<sup>7</sup>

It is not an easy feat for a borrower to simply “switch” employers, and it is unreasonable to assume that this is actually a viable option for borrowers.<sup>8</sup> Compounding the above harm to borrowers is that the regulations prevent them from even requesting a reconsideration of the Department’s decision to revoke their employer of qualifying employer status.

It is our hope that you will reconsider this proposal and approach any changes to the PSLF program with the goal of improving the program to ensure borrowers receive the benefits they are entitled to and that the law guarantees. We are happy to work with you on ways to improve the program for student loan borrowers outside of changes to the actual law.

We appreciate your time and consideration.

Sincerely,



Ted Mitchell  
President

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<sup>5</sup> Federal Student Aid. (n.d.). *Public Service Loan Forgiveness Data*. U.S. Department of Education. Retrieved August 20, 2025, from <https://studentaid.gov/data-center/student/loan-forgiveness/pslf-data>

<sup>6</sup> The number of borrowers in the next category with 97-119 payments is 355,500. Of these borrowers, those with more than 11 additional payments or more could potentially see a loss in student loan forgiveness.

<sup>7</sup> William D. Ford Federal Direct Loan (Direct Loan) Program, Volume 90 F.R. 40168 (proposed August 18, 2025)(to be codified at 34 C.F.R. Part 685)

<sup>8</sup> This is especially true for women and borrowers of color due to disparities in earnings and employment within the labor market.

AACTE: American Association of Colleges for Teacher Education  
AccessLex Institute  
Achieving the Dream  
ACPA-College Student Educators International  
AICUP-Association of Independent Colleges and Universities in Pennsylvania  
American Association of Colleges and Universities  
American Association of Colleges of Nursing  
American Association of Collegiate Registrars and Admissions Officers  
American Association of Community Colleges  
American Association of Veterinary Medical Colleges  
American Council on Education  
American Library Association  
Association for Institutional Research  
Association of American Law Schools  
Association of American Medical Colleges  
Association of American Universities  
Association of Community College Trustees  
Association of Governing Boards of Universities and Colleges  
Association of Independent Colleges & Universities in Massachusetts  
Association of Independent Colleges and Universities of Rhode Island  
Association of Jesuit Colleges and Universities  
Association of Schools and Colleges of Optometry  
Association of Schools and Programs of Public Health  
College and University Professional Association for Human Resources  
Complete College America  
Council for Advancement and Support of Education  
Council for Opportunity in Education  
Council of Independent Colleges  
EDUCAUSE  
Higher Education Loan Coalition  
Higher Learning Commission  
Hispanic Association of Colleges and Universities  
Maryland Independent College and University Association  
Middle States Commission on Higher Education  
NAFSA: Association of International Educators  
NASPA-Student Affairs Administrators in Higher Education  
National Association for College Admission Counseling  
National Association of College and University Business Officers  
National Association of Student Financial Aid Administrators  
National Council for Community and Education Partnerships  
New England Commission of Higher Education  
North Carolina Independent Colleges and Universities  
Presidents' Alliance on Higher Education and Immigration