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Leadership and Advocacy

May 2, 2017

Secretary Betsy DeVos
United States Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary DeVos,

On behalf of the undersigned higher education organizations, we write to express concern with recent reports regarding the Department's Public Service Loan Forgiveness (PSLF) program. In short, it appears that some borrowers, despite having voluntarily and periodically provided the Department with information demonstrating their on-going public service employment, will be unable to rely upon the Department's previous determinations of their PSLF eligibility. Consequently, these borrowers cannot be certain they are "on track" to loan forgiveness. Considering the fact that the first loan forgiveness applications will be filed later this year, this is deeply concerning.

The PSLF program encourages individuals to pursue public service employment by forgiving any remaining loan balance (principal plus accrued interest) after making 120 on-time monthly payments while employed full-time by a covered employer. Rather than require borrowers to maintain and provide their 10-year employment histories at the time of application, the Department in 2012 developed a system to help borrowers track their progress toward forgiveness. This system is critically important to preserve confidence in the program so that all borrowers fully understand the eligibility of their employment and loans throughout the 10-year period.

The Department's PSLF website informs borrowers to submit an "Employment Certification for Public Service Loan Forgiveness" form to the designated loan servicer, who then determines the total number of qualifying payments the borrower has made. Borrowers can subsequently file additional forms to receive updated information.

The Department's records show that, over the last decade, nearly 850,000 forms submitted by more than 550,000 borrowers have been approved. That is, a substantial number of borrowers reasonably believe they are on track to loan forgiveness. These borrowers likely made career, family formation and other major life decisions based on the expectation that their loans would be forgiven.

If the Department has changed its policy with respect to its PSLF tracking system and employment eligibility, it should offer the public an opportunity to comment on that change. If, on the other hand, the Department's chosen servicer is misinterpreting the program's rules, we urge the Department to correct this mistake and ensure its contractor is properly managing the program. Either way, we urge the Department not to reverse the initial determinations for PSLF borrowers who were deemed on track to loan forgiveness, as such a move would be grossly unfair to borrowers who reasonably relied on the system.

Regardless of the efforts the Department undertakes to address these concerns, we would ask that the Department also look at meaningful ways to better engage with borrowers, particularly those who may be eligible for PSLF. The higher education community is eager to work with you and the Department in order to guarantee greater utilization of this valuable benefit by the public.

Public Service Loan Forgiveness

May 2, 2017

Thank you for your attention to this matter.

Sincerely,



Molly Corbett Broad
President

On behalf of:

ACPA—College Student Educators International
American Association of Collegiate Registrars and Admissions Officers
American Association of Colleges of Nursing
American Association of Colleges of Osteopathic Medicine
American Association of Colleges of Pharmacy
American Association of Community Colleges
American Association of State Colleges and Universities
American Association of University Professors
American Council on Education
American Dental Education Association
American Indian Higher Education Consortium
American Psychological Association
American Student Association of Community Colleges
Association of American Law Schools
Association of American Medical Colleges
Association of American Universities
Association of American Veterinary Medical Colleges
Association of Chiropractic Colleges
Association of Community College Trustees
Association of Governing Boards of Universities and Colleges
Association of Jesuit Colleges and Universities
Association of Public and Land-grant Universities
Association of Research Libraries
Association of Schools and Programs of Public Health
Association of Schools of Allied Health Professionals
Council for Christian Colleges & Universities
Council for Opportunity in Education
Council of Independent Colleges
EDUCAUSE
Equal Justice Works
National Association for College Admission Counseling
National Association of College and University Business Officers
National Association of Independent Colleges and Universities
National Association of Student Financial Aid Administrators
UNCF
University Professional and Continuing Education Association
U.S. PIRG