

2025 Student Loan and Affordability Committee for PSLF

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on behalf of Proprietary Institutions

PUBLICLY-AVAILABLE QUALIFYING EMPLOYERS DATA

AVAILABLE DATA

There are two sets of data for PSLF to which the Committee was given access including:

- Data between 11/9/2020 and 1/31/2023, representing **78%** of total applications
- Data between 6/30/2024 and 12/31/2024, representing **22%** of total applications

**Note: Data between 2/1/2023 and 6/29/2024 has not been provided*

PUBLIC SERVICE LOAN FORGIVENESS DATA	JANUARY 2023 DATA 11/9/2020 - 1/31/2023		DECEMBER 2024 DATA 6/30/2024 - 12/31/2024		COMBINED DATA	
	# of Applications	% of Total	# of Applications	% of Total	# of Applications	% of Total
PSLF Approved Applications						
Total PSLF Forms Rec'd	4,557,261	78.0%	1,282,700	22.0%	5,839,961	
Total PSLF Processed	2,325,240	51.0%	688,500	53.7%	3,013,740	51.6%
PSLF Employment Met Requirements	2,325,240		688,500		3,013,740	
Government Employer	1,358,992	58.4%	392,900	57.1%	1,751,892	58.1%
Non-Profit Employer	853,550	36.7%	296,600	43.1%	1,150,150	38.2%
PSLF Employer & Payments Met Requirements	52,616	2.3%	137,900	20.0%	190,516	6.3%
Government Employer	36,233	68.9%	87,700	63.6%	123,933	65.1%
Non-Profit Employer	16,383	31.1%	50,200	36.4%	66,583	34.9%
PSLF Closed and Rejected Applications	112,698	4.8%	270,000	39.2%	382,698	12.7%
Employer Not Approved	40,540	36.0%	20,400	7.6%	60,940	15.9%
Has open Direct Loans in repayment for at least 120 months, but has less than 120 months of qualifying employment at time of submission	856,843	39.7%	Not Provided in Report	Not Provided in Report	856,843	39.7%

RELEVANT CONCERNS FOUND IN DATA

Patterns between both data sets show areas of concern for the proper administration of the program as follows:

1. Only **51.6%** of total applications have been processed.
2. Government Employer Data
 - a. Employment requirements met – 58.1%
 - b. Employer and Payments met requirements – 65.1%
3. Non-profit and Other Employer Data
 - a. Employment requirements met – 38.2%
 - b. Employer and Payments met requirements – 34.9%

4. Employer Not Approved Data
 - a. Jan 2023, representing 78% of total, is **36.0%**
 - b. Total of both data total is **15.9%**
5. Payment Requirements met, but Employer Requirements not met (have open Direct Loans in repayment for at least 120 months but *has less than 120 months of qualifying employment at time of submission*) is **39.7%**. This data is not provided with a breakdown of Government and Non-profit details.

Based on data outlined above, the following assumptions are reasonable:

- The government can easily verify eligibility for itself.
- The majority of “unapproved” or “ineligible” qualifying employers belong to the Non-profit sector.
- There is a need for a database of eligible qualifying employers that would empower borrowers to effectively qualify for PSLF, especially those employed by non-profit entities.
- There is a need to develop criteria for notifying employees when an employer becomes ineligible. This will give borrowers an informed choice to either (1) continue to work for an ineligible qualifying employer or (2) seek employment with an eligible employer.

SUGGESTED REGULATORY LANGUAGE

The following is our suggested regulatory language to be placed within the PSLF regulatory language where the Secretary feels appropriate:

1. The Secretary shall provide public access to data for qualified employers that includes the following data:
 - a. Employer Name.
 - b. Employer EIN.
 - c. Employer Phone.
 - d. Employer Address.
 - e. Dates Employer Met Qualifying Employer Requirements to include all periods of eligible in ineligible status.
2. The Qualifying Employer shall notify all employees of the date it became ineligible within seven (7) calendar days of receiving notification of its ineligibility. Such notification must be in writing using the current contact information on record for each employee.
3. The Qualifying Employer shall send the Secretary a written confirmation of its compliance with the employee notification requirement within fourteen (14) calendar days of receiving notification of its ineligibility.

MODIFICATION OF CONFUSING PSLF REGULATORY LANGUAGE FOR STANDARD 10-YEAR REPAYMENT PLANS

The language below, found in **§ 685.219(c)(2)** of existing PSLF regulations, is very confusing and, frankly, I am not even sure of the intent of the language. I think we should clean it up while we are addressing the PSLF; however, we need to understand the intent before drafting corrections and I have requested clarification from ED. Based on the context, I believe the corrections would be technical in nature and not substantive so they should be easily rewritten.

(iii) For a borrower on an income-driven repayment plan under § 685.209, paying a lump sum or monthly payment amount that is equal to or greater than the full scheduled amount in advance of the borrower's scheduled payment due date for a period of months not to exceed the period from the Secretary's receipt of the payment until the borrower's next annual repayment plan recertification date under the qualifying repayment plan in which the borrower is enrolled;

ML: ...paying...does what? Is this addressing prepayments? Multiple payments? Is it supposed to give credit for multiple payments with a large payment that covers multiple payments for the purpose of determining PSLF eligibility? What exactly is or is not counted toward PSLF eligibility? I've written thousands of pages of federal regulations and this makes no sense. What is the intent?

(iv) For a borrower on the 10-year standard repayment plan under § 685.208(b) or the consolidation loan standard repayment plan with a 10-year repayment term under § 685.208(c), paying a lump sum or monthly payment amount that is equal to or greater than the full scheduled amount in advance of the borrower's scheduled payment due date for a period of months not to exceed the period from the Secretary's receipt of the payment until the lesser of 12 months from that date or the date upon which the Secretary receives the borrower's next submission under subsection (e).

ML: If 120 payments are needed for PSLF and these are 10-year repayment plans, what is this defining? Is it an attempt to qualify people even if they have a repayment schedule that covers 120 payments or less? Is this leaving a door open if the borrower defers payments past 10 years? What is the intent?

