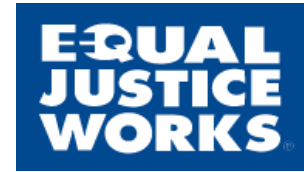


# Equal Justice Works

## Public Service Loan Forgiveness



If you plan to work in public interest law, the Public Service Loan Forgiveness (PSLF) program offers tax-free forgiveness for your eligible loans. The benefits can be considerable when combined with qualifying income-driven repayment plans. Follow these four steps to earn Public Service Loan Forgiveness!



*For three decades Equal Justice Works has created opportunities for public interest lawyers committed to building a more just society. We believe that the poorest and most vulnerable among us deserve the same access to justice and quality legal representation as the privileged. To achieve this, we offer a continuum of opportunities for law students and lawyers that provide the training and skills that enable them to provide effective representation to underserved communities and causes.*

### Step #1: Make Sure You Have Eligible Loans

Only payments made on Federal Direct Loans count toward the required 120 qualifying payments, and only Federal Direct Loans will be forgiven. Only Federal Direct Subsidized Stafford, Unsubsidized Stafford (now referred to as Direct Subsidized and Direct Unsubsidized), Grad PLUS, Parent PLUS, and Federal Direct Consolidation Loans are eligible.

This is an important step to consider whenever you are borrowing or consolidating your loans. If you want to qualify for PSLF, make sure you are borrowing federal loans and avoid private or commercial loans, which are never eligible for government forgiveness. If you have FFEL Loans and want to make sure all your loans qualify for PSLF, consolidate your FFEL Loans into a Federal Direct Consolidation Loan. You can learn more about [eligible loans here](#).

### Step #2: Work Full-Time in Qualifying Employment

Only certain types of employment qualify:

- **Federal, State, Local or Tribal Government:** You may work for any level of government: a local, State, Federal or Tribal government organization, agency, or entity. You may be employed in any position, with one exception: you may not be a member of the U.S. Congress. However, you may work in Congress or for a Senator or Representative
- **A 501(c)(3) Nonprofit:** Employment at a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code that is exempt from taxation under section 501(a) of the Internal Revenue Code is qualifying employment. While you may be employed in any position, the Department of Education has indicated that religious instruction, worship services, or any form of proselytizing is not qualifying employment. If you are employed by a 501(c)(3) organization that engages in these activities, at least 30 hours or more of your time must be spent on other qualifying activities
- **A Full-Time AmeriCorps Position:** Working in a full-time position approved by the Corporation for National and Community Service under Section 123 of the National and Community Service Act of 1990 qualifies
- **The Peace Corps:** If you are working in a full-time assignment under the Peace Corps Act, this work will count as qualifying employment
- **A private "public service organization":** A private public service organization is a nonprofit organization (that is not organized under Section 501(c)(3)) that provides the following services: emergency management; military service; public safety; law enforcement; public interest law services; early childhood education (including licensed or regulated health care, Head Start, and State funded pre-kindergarten); public service for individuals with disabilities and the elderly; public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations, as such terms are defined by the Bureau of Labor Statistics); public education; public library services; school library; or other school-based services

You must also be working full-time, which is defined as working in qualifying employment in one or more jobs for the greater of:

- An annual average of at least 30 hours per week (you may combine one or more part-time jobs to reach the required average of 30 hours per week, but each of your employers must qualify)
- For a contractual or employment period of at least 8 months (if, for example you are a teacher), an average of 30 hours per week
- Or, unless the qualifying employment is with two or more employers, the number of hours the employer considers full-time

## Step #3: Make 120 Qualifying Monthly Payments

Each one of your 120 monthly payments must be made separately, on time, and for the full amount due. In addition, you must be in one of these qualifying repayment plans:

- A Standard Repayment Plan based on a 10-year repayment schedule
- A repayment plan in which you make monthly payments that are at least as much as the monthly amount required under Standard Repayment over a 10-year repayment period
- **Income-Contingent Repayment (ICR)**

- Income-Based Repayment (IBR)
- Pay As You Earn (PAYE)
- Revised Pay As You Earn (REPAYE)

IBR, ICR, PAYE, or REPAYE will be the preferred repayment plans for most borrowers earning PSLF, because they will help ensure your monthly payments are affordable and that you receive the full forgiveness you have earned in return for your public service. You can learn more about these [income-driven repayment plans here](#).

## Step #4: Apply for Forgiveness!

After you make your 120th qualifying payment, you will need to submit the PSLF application to receive loan forgiveness. The application is under development and will be available before October 2017, which is the earliest that borrowers will begin to be eligible to apply for forgiveness. **You must be working for a qualifying public service organization at the time you submit the application for forgiveness and at the time the remaining balance on your loan is forgiven.**

In the meantime, you should *keep track of your employment!*

You will have to show the Department of Education that you have been working in qualifying employment. Therefore, it is important that you keep copies of your W-2s, pay stubs, and any other documents you may have that will show your employment history.

In addition to keeping this documentation, you should submit regularly the Employment Certification for Public Service Loan Forgiveness form created by the Department of Education to assist you in tracking your periods of qualifying employment and your qualifying payments. It also will provide you with some certainty that your employment qualifies.

- [Dear Borrower Letter](#)
- [Instructions for Completing Employment Certification for Public Service Loan Forgiveness](#)
- [Employment Certification for Public Service Loan Forgiveness](#)

After you submit the form, you will be notified about whether your employment qualifies, the total number of qualifying payments you have made, and how many payments still need to be made before you qualify and can apply for Public Service Loan Forgiveness. While use of the form is not required, it is the only way the Department of Education's loan servicer will keep track of your progress toward meeting the PSLF eligibility requirements. We suggest you submit the form annually. You also may use the form to cover more than one employer.