

Responses to public comments received during the 60 day public comment period regarding the Public Service Loan Forgiveness Forms 1845-0110 from Ian Foss, Policy Liaison & Implementation, Federal Student Aid, U.S. Department of Education.

Mr. Foss also included copies of the forms as they will enter the 30-day comment period.

Response to the American Federation of State, County and Municipal Employees

Dear Mr. Kreisberg,

Thank you for the comments that the American Federation of State, County, and Municipal Employees submitted to the Public Service Loan Forgiveness Forms. Many of your comments, such as those about how the program is or should be administered, were outside the scope of our request for comment; namely, the content of the forms. My responses will only address those comments that you submitted which were within the scope of our request for comment. However, we thank you for all of your comments.

With respect to your comment related to the authorization of auto-dialer language on the form, this authorization is in all of our loan servicing forms, and we have never received complaints that a borrower has received a call perceived as abusive as a result of that authorization. Moreover, borrowers are always free to opt out of this authorization. Therefore, we decline to remove this language.

With respect to your comment related to the full-time employment requirement, the full definition of the term “full-time” for the purposes of PSLF is contained in the form, and is referenced in Section 3 of the form. The form is very space constrained, and when considering whether to modify the language of the form, we must consider whether the deletion of text that is necessitated by the addition of other text is warranted given the entire population that is being served by the form. We do not believe that going into more detail related to the definition of “full-time” will help a significant number of borrowers (the population of those who rely on the exception for contractual employees who receive credit for a full year of employment even though they actually work less than a full year). Moreover, we believe that the guidance in our other documents with respect to this exception is sufficiently clear to help the affected population have their employment appropriately certified.

With respect to your comment related to who is authorized to certify a borrower’s employment, that term is fully defined in the form itself, and delegates the authority to specify who an authorized official of the employer is to the employer. We do not believe that changes to the form will alleviate any confusion that borrowers experience.

Response to the National Association of Student Financial Aid Administrators

Ms. Desjean,

Thank you for the National Association of Student Financial Aid Administrators’ comments to the Public Service Loan Forgiveness forms. Some of your comments, such as requests for data and comments on how the program should be administered, were outside the scope of our request for comment; namely, the content of the forms. My responses will only address those comments that you submitted which were within the scope of our request for comment. However, we thank you for all of your comments and will consider them.

In your comments, you noted that we changed the term “qualifying employment” to “qualifying employer”, but appeared to not have done so in all places. We agree that these terms should be consistently used, and have replaced all instances of “qualifying employment” with “qualifying employer”.

In your comments, you noted that we changed the term “public service organization” to be “private not-for-profit organization”. Specifically, you requested that we not make this change. In arguing for a reversion to “public service organization” you noted that this would cause the forms to use different terminology from the regulations, and that this may confuse borrowers. We do not agree, as such confusion would only result if borrowers read the regulations, and our experience indicates that many borrowers do not read the regulations. Moreover, though the current form uses the term “public service organization” it does not mirror that term’s use under the regulations. The current version of the form uses the term “public service organization” to refer only to not-for-profit organization that are not tax-exempt under Section 501(c)(3) of the Internal Revenue Code, whereas the regulation uses the term “public service organization” to encompass all qualifying employers. Arguably, moving to a more accurate name for the term being defined will decrease confusion, not increase it, particular where, as here, the change will cause a term that is used in the regulations to mean one thing to not be used in a different fashion in the form.

With respect to your request that we clarify the ambiguity in the forms caused by different section of the form variably, indicating that it is both required and optional to submit employment certifications of 10 years of qualifying employment, we agree and apologize for the confusion.

With respect to your request that we move the instructions on the form to appear elsewhere, we do not currently have room in the forms to include the instructions up front. However, we note that any of the instructions that are essential to a borrower completing the form correctly are also provided in the section to which they apply. For example, borrowers are told on the first page of the application that they must submit employment certifications of all of their 120 qualifying payments for their applications to be approved. Those instructions are merely repeated in Section 4.

With respect to your comment that borrowers are directed to FedLoan Servicing, whose contact information the form indicates is provided in Section 7, but that this information is missing, this was intentional. As this form is a draft form, we did not want borrowers to download and submit it. The address and contact information will be embedded in the form when it is finalized.

With respect to your request that we provide details in the application related to how long a borrower will need to wait to receive confirmation that he or she is eligible or ineligible for PSLF, we are unable to provide an estimate in the application, as it will be highly variable. Borrowers who have submitted employment certification forms will be able to have their applications processed much more quickly than those who have not, as determinations that their loans, payments, and employment have qualified towards forgiveness, whereas those who have not previously submitted an employment certification form will have their applications take longer. Because we cannot provide a clear timeline for all borrowers, we do not believe it is appropriate to speak to such a timeline in the application, itself. Instead, we believe that it is more appropriate to address this question on our website.

With respect to your request that we remove instructions in Section 7 indicating that borrowers should submit the form to their loan holder if no contact information is provided, we agree.

With respect to your request that we more clearly direct borrowers, at the beginning of Section 8, to the other relevant subsections, we agree and have added page numbers where appropriate.

We thank you for catching the typographical errors in the draft of the form and believe that we have removed them all.

Response to the American Veterinary Medical Association

Dear Ms. Luke,

Thank you for the comments that the American Veterinary Medical Association submitted to the Public Service Loan Forgiveness Forms.

In your comments, you requested that the application include a statement that the entire remaining balance will be forgiveness if the application is accepted. Both the request portions of Section 2 of the application as well as the understanding portion of Section 2 mention this. Therefore, we do not believe that further clarification is warranted.

You also requested that borrowers be told, if their application was rejected, why that was the case and be given an opportunity to rectify the issues causing the rejection. The application currently specifies that, if an application is rejected, the borrower will be informed of the reason for the rejection. Moreover, borrowers are always free to contest the Department's determinations that they do not qualify for a benefit for which they have applied. We do not believe that further clarification is warranted.

You also requested that we notify all borrowers who have made 120 qualifying payments of their eligibility to apply for PSLF. We do plan to notify borrowers when it is time to apply for PSLF—after they have made 120 qualifying payments during a documented period of qualifying employment.

Lastly, you requested that veterinarians be added to the list of public health occupations which can lead an organization to qualify for Public Service Loan Forgiveness. As you know, the definition of the term "public health" is created in statute and regulation. Specifically, the term includes "nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics". Specifically, we look to the Standard Occupational Classification Codes, which are produced by the Bureau of Labor Statistics, for further definition of what it means to be a "health care practitioner occupation" or a "health support occupation". While veterinary are listed in the appropriate Standard Occupational Classification Code, and therefore can lead organizations which employ them to be qualifying employers for the purposes of Public Service Loan Forgiveness, so are many other occupations. Because we have no meaningful basis on which to choose which occupations should be specifically listed, and which should be left specifically in the list of occupations covered by the Standard Occupational Classification Codes, we will not add veterinarians to the list of public health occupations. However, we do plan to provide links to the relevant Standard Occupational Classification Codes on our website and in the application.

While we acknowledge your request that additional data be made available regarding PSLF, and your statement regarding the future of PSLF, those comments are outside the scope of our request for comment on the PSLF forms.

Response to the Access Group

Dear Ms. Conneely,

Thank you for your comments, on behalf of the Access Group, regarding the Public Service Loan Forgiveness Forms. Some of your comments, such as requests for data and comments on how the program should be administered, were outside the scope of our request for comment; namely, the content of the forms. My responses will only address those comments that you submitted which were within the scope of our request for comment. However, we thank you for all of your comments.

With respect to your request that we provide details in the application related to how long a borrower will need to wait to receive confirmation that he or she is eligible or ineligible for PSLF, we are unable to provide an estimate in the application, as it will be highly variable. Borrowers who have submitted employment certification forms will be able to have their applications processed much more quickly than those who have not, as determinations that their loans, payments, and employment have qualified towards forgiveness, whereas those who have not previously submitted an employment certification form will have their applications take longer. Because we cannot provide a clear timeline for all borrowers, we do not believe it is appropriate to speak to such a timeline in the application, itself. Instead, we believe that it is more appropriate to address this question on our website.

With respect to your request that it be made clear whether a borrower's loans would be placed in administrative forbearance while applications are being processed, the draft of the application on which Access Group commented did, in the understandings portion of Section 2, specify that an administrative forbearance could be applied. However, in response to other comments, we are modifying the application to make it clear that such a forbearance will be applied in some circumstances and allow the borrower to opt out of the forbearance in the application.

With respect to your request that the application clearly state that the borrower's entire remaining balance will be forgiven if the application is approved, the application states this in the request portion of Section 2 and the understanding portion of Section 2.

With respect to your request that the application provide statements relating to how borrowers may contest determinations that they do not qualify for forgiveness, there is not room in the application for such additional text. However, communications from FedLoan Servicing that are sent when a borrower's employment certification form is rejected do describe this process.