



## What You Can Do for Your Country Act of 2019

*Sponsored by Senators Kirsten Gillibrand (D-NY) and Tim Kaine (D-VA)*

In order to incentivize more students to enter public service, Congress established the Public Service Loan Forgiveness Program (PSLF) in 2007. The program allows eligible Direct Loan borrowers to have their loans forgiven after 10 years of working full-time for a federal, state, local, or tribal government organization or certain nonprofit organizations. Unfortunately, flawed implementation of the PSLF program by the U.S. Department of Education and numerous loopholes has resulted in less than 1 percent of all public servants who have applied for forgiveness from receiving it.

As a result, millions of teachers, social workers, members of the military, first responders, nurses, public defenders, and countless other professions engaged in service to their communities, have been denied forgiveness due to clerical errors, servicing failures, having the wrong type of federal loan, or inadvertently enrolling in the wrong federal repayment plan—even if they've already paid back more on their student debt than they were required to. With borrowers swimming in \$1.4 trillion of federally managed student loan debt and growing, these mistakes are adding unnecessary pain and burden to individuals who are already doing everything they can for their country.

The **What You Can Do for Your Country Act of 2019** would close loopholes in the PSLF program and provide a true path to forgiveness for those who serve their country. The bill would ensure that students who borrow to attend higher education can count on relief instead of being subjected to a bureaucratic nightmare when they seek forgiveness. Under this legislation:

- **All types of federal loans would qualify.** The bill would allow borrowers with both Direct Loans, and loans in the Federal Family Education Loan (FFEL) program, to qualify for forgiveness. Under current law, borrowers who took out federally-backed FFEL loans have been deemed ineligible for PSLF with little recourse. This bill would allow borrowers to consolidate their loans without losing credit toward forgiveness.
- **All federal repayment plans would qualify.** Borrowers enrolled in any federal student loan repayment plan could receive forgiveness. Under current law, borrowers who are on “extended” or “graduated” repayment plans fall into a loophole and are generally ineligible.
- **Public servants would receive clearer information and guidance.** The U.S. Department of Education would be required to give borrowers better up-front information about whether they qualify, how many payments are counted and why, and what they can do to dispute any issue with how their progress is determined. Borrowers who “pay ahead” will be clearly able to apply these payments toward forgiveness.
- **Borrowers could receive a partial benefit after five years of public service.** Instead of making borrowers wait a full 10 years to receive full forgiveness, borrowers could have half of their loans forgiven at 5 years, with the remaining balance forgiven at the end of 10 years. This allows borrowers to contribute a shorter, but still meaningful, period of public service and to ensure they can still receive a benefit from giving back.
- **The application and certification process would be simplified.** The Department of Education would be required to provide a fully electronic system to upload and process all forms, including the option to obtain employer certification using a digital signature, or self-certification for borrowers when their employer no longer exists. The Department would

also be required to establish a database of qualifying federal and state employers to help automatically qualify some borrowers.

**This legislation is endorsed by:**

American Federation of Teachers, National Education Association, American Federation of State, County, and Municipal Employees, National Association for College Admission Counseling, National Legal Aid & Defender Organization, National Association of Social Workers, Association of Schools of Allied Health Professions, Student Debt Crisis, Young Invincibles, National Association of Secondary School Principals, Equal Justice Works, California Association of Nonprofits, Legal Aid at Work, Association of Young Americans, Council on Social Work Education, Civil Service Bar Association, American Psychological Association, National Legal Aid and Defender Association, AccessLex Institute, National Association for College Admissions Counseling, National Labor Relations Board Union, National Association of Elementary School Principals, American Bar Association, Loan Repayment Assistance Program of Minnesota, Service Year Alliance, Association of American Veterinary Medical Colleges, Higher Education Consortium for Special Education, Teacher Education Division, Council for Exceptional Children, The Higher Education Loan Coalition, American School Counselor Association, American Medical Student Association

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