

Public Service Loan Forgiveness Program Information

Compiled by the Financial Literacy Group of the Church Benefits Association

The Public Service Loan Forgiveness (PSLF) Program is designed to remove the burden of student debt on those working in the public interest. PSLF regulations [were amended in July 2021](#). Among other changes, full-time employees of religious not-for-profit organizations now qualify, under some circumstances, to have their loans forgiven after ten years.

To qualify for the PSLF, you must:

1. **Work for a qualifying employer.** As of July 1, 2021, this includes religious not-for-profit organizations such as congregations, religious schools and camps, seminaries, etc.
2. **Work full-time for the organization.** For PSLF, you're generally considered to work full-time if you meet your employer's definition of full-time or work at least 30 hours per week, whichever is *greater*. Hours from qualifying employers can be combined.
3. **Have federal student loans through the Direct Loan Program.** A waiver gives borrowers who have loans through other federal programs until October 31, 2022 to consolidate these loans into the Direct Loan Program.
4. **Have repaid your loans under a qualifying monthly payment plan** while you were working full-time for a qualifying employer. These are generally income-based plans rather than "standard" or "graduated" payment plans.
5. **Have made 120 qualifying payments.** Note that a payment waiver was in effect during the pandemic (March 2020 through January 2022). Even if you did not make payments during this period, these months count toward the 120 qualifying payments.

Because you are required make 120 qualifying monthly payments, it will take at least ten years to become eligible for PSLF. You must be working for a qualifying employer when you submit the application and at the time the remaining balance on your loan is forgiven.

The Department of Education recommends that those who think they may be eligible for PSLF submit an application. The Department will use the application to let you know if your loan payments qualify for the PSLF. If you work for more than one employer during the 10-year repayment period, you will need to prove that each employer meets program guidelines.

The PSLF can greatly reduce the federal student loan debt burden for many of those working within religious organizations, but determining whether you qualify and navigating the application process can be complex. These links may help:

- [Department of Education Fact Sheet](#)
- [Federal Student Aid Office PSLF Page](#)
- [Federal Student Aid PSLF Help Tool](#)