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Time to Celebrate and Act: The Amazing Student Loan Forgiveness Program We Have Right Now

By: Rich Leimsider



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Director of Safe Passage Project.

On May 11, 2022 all of my remaining federal student debt was forgiven by the government, eliminating hundreds of future monthly payments and changing the way my family makes decisions. Although most recently I'd been the Executive Director of a wonderful and growing immigration legal service nonprofit, I hadn't made much of a dent in my remaining debt.

My loan forgiveness was only possible because of a little-known opportunity called the Public Service Loan Forgiveness program (PSLF) and an even lesser-known one-time program modification, The "[PSLF Waiver](#)." Five million Americans, including millions of nonprofit workers, are eligible for as much as \$200 billion in loan relief. \$200 Billion!

I went from having zero qualifying payments in my tracker to having 134. I'd more than reached the required 120 - and my loans were promptly forgiven.

There are very important policy conversations happening right now - and the nonprofit sector is deeply engaged. Should some or all student debt be canceled for all borrowers? Should the COVID "payment pause" that allowed all borrowers to suspend payments the past 2 years be extended?

But we will do an immense disservice to our friends and colleagues if we don't celebrate the PSLF Waiver program we have - our bird in the hand - and communicate the power of the immediate student loan forgiveness available now, as long as applications are submitted by the October 31, 2022 deadline.

According to the US Department of Education, nearly 40 million Americans hold \$1.7 trillion in student debt - with the [average amount totaling \\$37,000](#). The Student Borrower Protection Center projects [more than 5 million of those borrowers have a history of working in public service](#), meaning any government or 501(c)(3) nonprofit job.

In 2007, the federal government created the PSLF program with the promise that anyone could get their debt erased if they worked for a charitable nonprofit or government agency for ten years. To be eligible, a person with a federal student loan must simply work full-time for a nonprofit or government employer. Jobs might

include teachers, nurses and nursing assistants, university professors, philanthropic program officers, foster agency counselors, local elected officials, police officers or firefighters.

The other requirement for PSLF was to make 120 “qualifying payments” on your loan while working in public service. To qualify under the original version of the program, loan payments had to be made of a very specific type – the right type of loan and the right type of payment plan. If you made eight years of payments before realizing you were on the wrong payment plan, for example, too bad. The clock started over and you still had ten years of payments to go.

The original PSLF was so complicated and bureaucratic that almost no one actually received forgiveness. Despite millions of theoretically eligible people across the country, literally only 16,000 had received forgiveness by 2020. Fortunately, things changed dramatically in October 2021 when the [Department of Education took advantage of temporary COVID-era emergency powers](#) in the statute and introduced the PSLF Waiver, which made significant changes. Millions of borrowers are newly eligible for immediate loan forgiveness – or at least to have years of payment credits added to their progress tracker. I went from having zero qualifying payments in my tracker to having 134. I’d more than reached the required 120 – and my loans were promptly forgiven. In fact, I got a refund for the extra payments I’d made.

Under the waiver, the program is much more flexible. Credit will be given for many more payments going back to 2007. In fact, the waiver instructs the government to give credit for any “payment period” in good standing – so even the past two years, when all payments for all borrowers were suspended due to COVID, can count as 24 qualifying payments toward the 120 goal.

So far, so good. But of course there’s one huge catch – because the PSLF Waiver is tied to a temporary national emergency, **this waiver only lasts until October 31, 2022**. After that, the government is free to extend the waiver, or equally free to cancel the entire PSLF program. We are only guaranteed until October.

First and most urgently, every single student loan borrower should check their status using the “Help Tool” at StudentAid.gov to see if they qualify.

PSLF applications still seem complicated but are actually fairly straightforward. I found it harder than getting a library card, easier than doing my taxes.

First and most urgently, every single student loan borrower should check their status using the “[Help Tool](#)” at StudentAid.gov to see if they qualify. Then they may need to change their loan type, they will certainly need signatures from any nonprofit or government employers since 2007, and they need to submit a brief form to the government requesting forgiveness. The application process can take 2-3 weeks and must be completed by October 31. The actual processing and forgiveness can take months after that - but only the application needs to be submitted by the deadline.

We are starting to see more targeted outreach from nonprofit, government, union, and philanthropic partners. In New York in June we created the [PSLF.nyc Campaign](#) to enroll hundreds of institutional partners, spread simple template messages to employees and union members, and host weekly instructional webinars. In early August, the White House launched a national coordinating campaign. Allies like the [PSLF Coalition](#), the [Student Borrower Protection Center](#), and the [National Council of Nonprofits](#) have been leaders on the policy front for years, and have been reaching out on the PSLF Waiver opportunity since it was created.

But awareness is far too low - and as I write this we have only 81 days left.

Although the forgiveness application is remarkably straightforward, one major obstacle is that the opportunity itself is so massive it can sound like a scam. “Special government program can save you thousands - click here to consolidate your debt.” That’s the kind of message that goes to our junk mailbox every day.

So borrowers need to hear the message simply, clearly, and repeatedly from trusted partners and credible messengers. That means their employer, their union, their community association, and social media messages from peers and influencers they know.

Please feel free to use our approach in New York, where our campaign is organized around 3 pillars:

- **100% Awareness:** We must use all tools at our disposal to make sure that every single student loan borrower is aware of this opportunity, and has the necessary information, in time to get the work done by October 31.
- **100% Access:** All employers have a special role to play in making sure their piece of the paperwork, the Employment Certification form, is accurately completed in a timely manner.

- **100% Follow-Up:** Once our colleagues are aware and have started with the [StudentAid.gov/PSLF](https://studentaid.gov/PSLF) Help Tool, we must offer follow up support and tracking to help them cross the finish line. Networks like ours can offer webinars to tens of thousands who need a bit more direct support.

As leaders in the social sector, it is not enough for us to know about this program or even to advocate for long-term changes. We must take advantage of our 81-day window to bring billions of dollars in relief to our staff, colleagues, and friends. This must be an intense and directed campaign. We have no time to lose.