



Got Loans?

*Leverage Your City Employment for
Public Service Loan Forgiveness*

May 22, 2019

Today's Speakers



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WorkWell NYC

WorkWell NYC seeks to create **workplaces** that help our employees live **healthy**, active lifestyles, and to provide health and well-being services, programs, and resources at the **worksite** and beyond.



WorkWell NYC established Project XYZ to target the unique interest of the City's youngest employees: Generations **Y** and **Z**. Project XYZ seeks to inspire a wellness community that encourages healthy, active lifestyles throughout our employees' public service careers.



THE PLACE FOR NYC'S
YOUNG PROFESSIONALS

PROJECT
XYZ


Bill de Blasio, Mayor
Healthy Workforce. Healthy City.

NYC Department of Consumer and Worker Protection (DCWP) & Office of Financial Empowerment (OFE)

DCWP protects and enhances the daily economic lives of New Yorkers to create thriving communities.

Within DCWP, OFE focuses on initiatives that support New Yorkers and communities with low-incomes in **building wealth and improving their financial health**.

OFE uses data and research, policy, partnerships, and convenings to advance its mission. Using this model, OFE is able to develop, offer, and advocate for innovative programs and products for all New Yorkers.



Student Borrower Protection Center

The Student Borrower Protection Center is a nonprofit organization solely focused on **alleviating the burden of student debt for millions of Americans**. The SBPC engages in advocacy, policymaking, and litigation strategy to rein in industry abuses, protect borrowers' rights, and advance economic opportunity for the next generation of students.



STUDENT BORROWER
PROTECTION CENTER

In this webinar you'll learn...

- Impact of student debt
- Overview of the Public Service Loan Forgiveness Program (PSLF) and how to sign up
- Temporary Expanded PSLF
- Scams & complaints
- Additional resources



Who will benefit from this webinar?



- First time applicants
- Those already pursuing PSLF who want to learn more
- Those who believe they are eligible but have not yet earned forgiveness

Why are we talking about student loans?



- Borrowers in the US are burdened by student loan debt to the tune of \$1.5 trillion dollars
- Of the 6.5 million adults in NYC, approximately one million (15 percent) have a student loan

The Heavy Burden of Unpaid Debt



- Damaged credit
- Difficulty obtaining future loans and leases
- Potential for wage garnishment
- Calls from collection agencies
- Stress

PSLF Overview

What is Public Service Loan Forgiveness (PSLF)?

The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on a borrower's Direct Loans after he or she has made **120 qualifying monthly payments** (10 years) under a **qualifying repayment plan** while working **full-time** for a **qualifying employer** in a public service job.



PSLF Rejections: The Elephant in the Room



PSLF was created in 2007

10 years later, 2017, was the 1st year anyone was eligible for loan forgiveness under this program

In the past 2 years, many applicants for PSLF have been rejected

4 Factors to consider for PSLF

1.

Qualifying
Loan

Direct Loans

2.

Repayment
Plan

Income-Driven
Repayment Plan

3.

Employment
status

Gov't or eligible
non-profit work

4.

Payments

120 payments

Factor 1: Do you have a “Qualifying Loan”?



- Only **Federal Direct Loans** qualify for loan forgiveness under PSLF
- Other types of federal loans may be able to be consolidated into a new Direct Loan to become eligible for PSLF
- **Parent Plus** loans ARE eligible if consolidated

Factor 1 Continued:

Do you have a “Qualifying Loan”?

Borrowers with FFELP or Perkins loans can consolidate their loans to qualify

Loans that don't require consolidation:

- Direct Stafford Subsidized
- Direct Stafford Unsubsidized
- Direct PLUS Graduate
- Direct Consolidated Subsidized
- Direct Consolidated Unsubsidized
- Direct Unsubsidized (TEACH)

Loans that need to be consolidated for PSLF:

- FFEL Stafford Subsidized
- FFEL Stafford Unsubsidized
- FFEL PLUS Graduate
- FFEL Refinanced
- FFEL Consolidated
- FFEL Supplemental Loan
- Federal Insured
- Federal Perkins Loan
- Parent PLUS

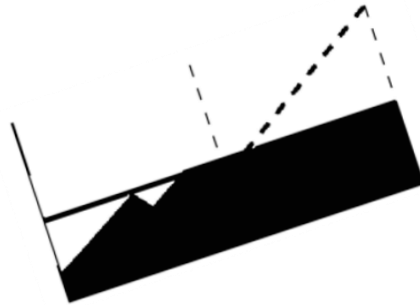
- Visit www.studentloans.gov to start the consolidation process
- Caution: Borrowers with individual Direct Loans will lose any progress made towards PSLF if they consolidate.

Factor 2: Are you enrolled in a “Qualifying repayment plan”?



STUDENT LOAN REPAYMENT

- ☐ STANDARD
- ☒ INCOME DRIVEN
- ☐ EXTENDED
- ☐ GRADUATED



Factor 2 Continued: Are you enrolled in a “Qualifying repayment plan”?



- **Income-Driven Repayment (IDR) plans are the only loan payment plans that qualify for public service loan forgiveness**
- IDR plans use your income to determine your monthly payment (this may lower the amount you pay each month)



- Extended repayment plans don't count toward PSLF
- Standard payments technically are eligible (but won't leave you with any loans to forgive after 10 years of payments)

Types of IDR plans

Income-Driven Repayment Plan Type	Payment Amount	Eligibility Notes
<div>Revised Pay As You Earn REPAYE Plan</div>	<div>10 percent of your discretionary income</div>	<ul style="list-style-type: none"> • Eligible loan
<div>Pay As You Earn PAYE Plan</div>	<div>10 percent of your discretionary income, capped at the 10-year Standard Repayment Plan amount</div>	<ul style="list-style-type: none"> • Eligible loan • Partial financial hardship • Started borrowing recently
<div>Income-Based Repayment IBR Plan</div>	<div>10 percent of your discretionary income if you're a new borrower on or after July 1, 2014, capped at the 10-year Standard Repayment Plan amount</div> <div>15 percent of your discretionary income if you're not a new borrower on or after July 1, 2014, capped at the 10-year Standard Repayment Plan amount</div>	<ul style="list-style-type: none"> • Eligible loan • Partial financial hardship • FFELP borrowers
<div>Income-Contingent Repayment ICR Plan</div>	<div>The lesser of the following:</div> <ul style="list-style-type: none"> • 20 percent of your discretionary income <u>or</u> • What you would pay on a repayment plan with a fixed payment over the course of 12 years, adjusted according to your income 	<ul style="list-style-type: none"> • Eligible loan • Parent plus borrowers (w/ consolidation)



Factor 3: Do you have “Qualifying Employment”?

- Employed by City of New York, a government organization
- Full-time employment or work at least 30 hours per week (whichever is greater)
- If you are employed in 2 or more qualifying part-time jobs at the same time, it is possible to meet the full-time employment requirement by working a combined average of 30+ hours per week



Factor 4: Are you Making “Qualifying Payments”?

120 qualifying payments:

- Payments made in full no later than 15 days after the due date shown on your bill
- Payments made while in “paid ahead” status do not count
- Lump sum payments will only count for one payment
- Payments made after Oct 1, 2007
- Payments don’t have to be consecutive



Next Steps

Step 1: Identify your student loan servicer

A student loan servicer is the company you make payments to for your loans.

Some common student loan servicers are:

- Navient
- Great Lakes
- FedLoan Servicing

NAVIENTSM



If you have federal loans, you can find out who your student loan servicer is by visiting the website

My Federal Student Aid

<https://studentaid.ed.gov/log-in>



Step 2: Get in Touch with your student loan servicer regarding 3 things...

1. If you have the wrong type of loans, consolidate into a Direct Consolidation Loan
2. Enroll in an Income-Driven Repayment (IDR) plan
3. Complete the Employer Certification Form

**you can do steps 1 & 2 by calling your loan servicer or online at <https://studentaid.ed.gov/log-in>*


Step 3: Recertify IDR Annually

The screenshot shows the StudentLoans.gov website. At the top, there is a header with the Federal Student Aid logo, the text "StudentLoans.gov", and links for "Log In" and "Español". A "MENU" button is also present. Below the header is a large banner image of four diverse students. Overlaid on the right side of the banner is a login box with the text "Log in to StudentLoans.gov with your verified FSA ID", a "LOG IN" button, and links for "Create an FSA ID" and "Natural Disasters". Below the banner, there are four main navigation buttons: "Undergraduate Students", "Graduate/Professional Students", "Parent Borrowers", and "Repayment & Consolidation". The "Repayment & Consolidation" button is highlighted. Below these buttons, there is a list of links for the "Repayment & Consolidation" section, including "Complete a Consolidation Loan Application and Promissory Note", "Use the Repayment Estimator", "Apply/Re-Certify/Change an Income-Driven Repayment Plan", "Co-sign Spouse's Income-Driven Repayment Plan Request", "Access Repayment Forms", and "Public Service Loan Forgiveness (PSLF) Help Tool". To the right of this list is a video thumbnail titled "Repayment: What To Expect". At the bottom of the page, there is a row of four video thumbnails: "Myths About Financial Aid", "Overview of the Financial Aid Process", "Budgeting", and "Responsible Borrowing".

Submit with your annual recertification

- Salary info – find this on Employee Self Service
- Federal tax return from previous year

Step 4: Complete Your Employer Certification Form

 **PUBLIC SERVICE LOAN FORGIVENESS (PSLF):
EMPLOYMENT CERTIFICATION FORM**
William D. Ford Federal Direct Loan (Direct Loan) Program

OMB No. 1845-0110
Form Approved
Exp. Date 5/31/2020
PSLFCF - XBCN

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.
☐ Check this box if any of your information has changed.

SSN _____
Date of Birth _____
Name _____
Address _____
City _____ State _____ Zip Code _____
Telephone - Primary _____
Telephone - Alternate _____
Email (Optional) _____

SECTION 2: BORROWER AUTHORIZATIONS, UNDERSTANDINGS, AND CERTIFICATION

Before signing, carefully read the entire form. For more information on PSLF, visit StudentAid.gov/publicservice.

I authorize:

1. My employer or other entity having records about the employment that is the basis of my request to make information from those records available to the U.S. Department of Education (the Department) or its agents or contractors.
2. The entity to which I submit this request and its agents to contact me regarding my request or my loans at any cellular telephone number that I provide now or in the future using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

I understand that:

1. To qualify for PSLF, I must make 120 qualifying payments on my Direct Loans while employed full-time by a qualifying employer or employers. Neither the 120 qualifying payments nor the employment have to be consecutive.
2. To qualify for PSLF, I must be employed full-time by a qualifying employer when I apply for and receive PSLF.
3. If I qualify for forgiveness, only the remaining balance on my Direct Loans will be forgiven.
4. By submitting this form, my student loan(s) held by the Department will be transferred to FedLoan Servicing.
5. The Department may request supplemental documentation substantiating my employment.
6. The Department will notify me in writing or electronically of the number of qualifying payments I have made while employed full-time by a qualifying employer and how many more I must make before I am eligible to apply for PSLF.
7. I will be notified if the form that I submit is incomplete, or if my employment or payments do not qualify for PSLF, why the determination was made, and the steps I need to take to correct the form or make qualifying payments.
8. The Department will retain this certification form until I submit my application for forgiveness.

I certify that all of the information I have provided on this form and in any accompanying document is true, complete, and correct to the best of my knowledge and belief.

☐ Check this box if you cannot obtain certification from your employer because the organization is closed or because the organization has refused to certify your employment. The Department will follow up to assist you in getting documentation of your employment. **Complete Section 3, but do not complete Section 4.**

Borrower's Signature _____ Date _____

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- Have your agency's HR personnel complete an Employer Certification Form (ECF) and then mail it back to FedLoan Servicing
- Submitting an ECF triggers transfer of loans to FedLoan if loans are not already held there
- Keep a copy for your records
- Complete this form annually and every time you change jobs

Temporary Expanded PSLF (TEPSLF)



- Loan forgiveness for borrowers who made payments for 10 years and had their PSLF application denied because payments were made on the wrong type of loan repayment plan
- Need to be enrolled in an IDR for at least 1 year
- TEPSLF is temporary and has a limited pot of funding. If you believe that you are eligible, you should act quickly.

You need to apply (and get rejected) to the PSLF program to qualify for TEPSLF

Predatory Companies & Complaints

Loan Relief Scams...

Your student loan recertification is due soon

Hi , it's your team over here at 77 Elite

We just wanted to send you a special reminder that the anniversary of your annual recertification is coming up soon. It's an EASY thing to forget about, so we wanted to send you a quick refresher, reminder on what a recertification is, and an offer to save if you feel like getting it done sooner than later!

Refresh

Every year, the Department of Education requires a **recertification** to keep you enrolled in your current and lowest student loan repayment plan. Without action, your payment plan will change, and will likely cause higher payments.

Remind

Your student loan **recertification** is due within 90 days. **Recertification** must occur prior to due date to prevent damaging repayment plan changes.

Save

If you're like most people, you like to get things like this out of the way quickly -- so we're going to make it easy for you!

Save \$75 by renewing within your 90 day timeframe

Normally \$199, we will take \$75 off if you **recertify** 90 days in advance. Opportunity for savings winds down as we get closer to your renewal date, so keep more money in your wallet by renewing today!


FEE SCHEDULE

Pay 90 Days in advance: \$125.00 (**SAVE \$75 NOW!**)
Pay 60 Days in advance: \$150.00
Normal **Recertification** Fee: \$199.00

We are here to help you! For questions, please contact us. To **recertify** quickly and easily online, just click **here**, and we'll do the rest!

Cheerfully,

Team 77 Elite
Legal Document Processor



HOARDING EXPERT

SLDA
Student Loans Debt Advisors

HOME ABOUT SERVICES BLOG CONTACT

100% FREE PROFESSIONAL CONSULTATION FOR FEDERAL STUDENT LOANS DEBT MANAGEMENT PROGRAM.

- Student Loans Documents Preparation services for over 5 years
- More than 75,000 clients served
- Over 30,000 active loan forgiveness program clients

[Read More](#)

Get Started

We will make every effort to respond to all inquiries of an urgent nature, please

First Name Last Name

Phone

Email

Loan BALANCE Type Of

[CHECK ELIGIBILITY](#)



Be wary! There's little a student loan debt relief company can do for you that you can't do for free yourself with a little effort

Not Getting the Help You Need? File a complaint.

Complaints can be filed with both your servicer and the government

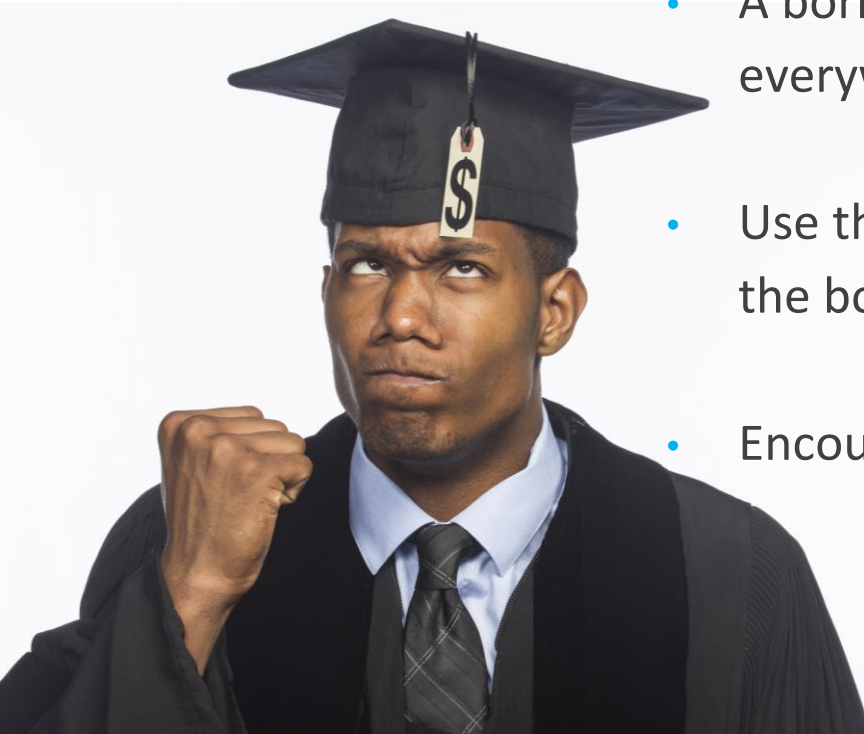
- **Servicer:** Each student loan servicer has a different process for complaints. The servicer's website should be consulted to determine where to submit a complaint.
- **Federal Government:** Consumer Financial Protection Bureau
- **State Government:** New York State Department of Financial Services

**Always keep a record of complaints and other correspondence regarding your loans.*

WE
CAN
HELP
YOU



Keep Calm and File a Complaint



- A borrower can complain everywhere
- Use the same narrative across the board
- Encourage others

STUDENT LOAN DEBT *SHOULDN'T* *MEAN* DEBT STRESS.

You didn't plan to fall behind or default on student loans. But you can make a plan to manage your debt. NYC Financial Empowerment Center counselors can help you lower monthly payments, explore loan forgiveness, or get out of delinquency or default, depending on your loans.

BE REAL ABOUT STUDENT LOANS.

Visit nyc.gov/studentloans or call **311** for information or to schedule a FREE financial counseling appointment.



Free, High-Quality, One-on-One Financial Counseling and Coaching.

NYC Financial Empowerment Centers provide free, confidential financial counseling at more than 20 sites throughout the city.

BE REAL ABOUT STUDENT LOANS.

Visit nyc.gov/studentloans or call **311** for information or to schedule a FREE financial counseling appointment.

Before you go...

Questions?

Write in the text box now
or email us at:
workwellnyc@olr.nyc.gov



Tell us what you think!

Webinar Survey

1. How would you rate this webinar?
 - ☐ Excellent
 - ☐ Good
 - ☐ Fair
 - ☐ Poor
2. How would you rate the webinar platform GoToWebinar?
 - ☐ Positive
 - ☐ Neutral
 - ☐ Poor
 - ☐ Other - please state in the comments box below
3. Would you like a free trial of GoToMeeting, GoToTraining or GoToWebinar?
 - ☐ Yes please / I would like further information
 - ☐ No thanks
4. What country did you attend the webinar from

*We'd love to hear
what you thought
of today's webinar*



bit.ly/studentloanfeedback

Additional Resources



This slide deck, useful links
and additional loan
forgiveness resources for
teachers will be emailed to
everyone who signed up
for this webinar

WorkWell In-Person Events



Project XYZ in the Mix

June 14, 2019, 5:30 – 8:00 PM



MoveNYC 5k

June 20, 2019, 5:30- 8:00 PM

Contact us...



workwell@olr.nyc.gov | [NYC.gov/workwellnyc](https://nyc.gov/workwellnyc)