

On September 19th, the **House Education and Labor Higher Education and Workforce Investment Subcommittee** held a [hearing](#) about the **Public Service Loan Forgiveness (PSLF)** program. The purpose of the hearing was to examine why and how the program has performed so poorly and why so few borrowers actually qualify for the program.

In 2007, Congress created PSLF with the goal of steering people into careers in the public sector with the promise of forgiveness of student loan debt after 10 years of public service. Ten years after the program's inception, 28,000 people applied for loan forgiveness under PSLF. Just 96 qualified, a 99.6 percent denial rate.

In her [written opening statement](#), **Subcommittee Chairwoman Susan Davis (D-Calif.)** detailed the history of the troubled PSLF program and referenced four recommendations a 2018 Government Accountability Office (GAO) report made to reform and improve it, which included providing comprehensive information about qualifying employers, creating a standardized manual for loan servicers, standardizing payment information for loan servicers, and ensuring borrowers sufficiently detailed information to help identify potential payment counting errors. According to Chairwoman Davis, the Department of Education, the agency that oversees PSLF, agrees with the GAO's recommendations but has not fully implemented any of them.

However, according to [Politico](#), the **Trump Administration**, which in the past has called on Congress to eliminate PSLF altogether, has said it is faithfully carrying out the law as it currently exists. Education Department officials have blamed Congress for creating a complicated set of criteria that borrowers need to meet in order to qualify for loan forgiveness.

Ranking Member Lloyd Smucker (R-Pa.), said in his opening statement that PSLF is a "broken promise" and discounted the GAO study as stretching the truth and only telling half the story. He said that 71 percent of applicants were denied because they did not submit a PSLF application. Additionally, only four percent of the remaining 29 percent who did submit an application were found to be eligible for PSLF. According to Ranking Member Smucker, the GAO study did not find that the Department of Education improperly denied any applicants or "slow-walked" the process. Rep. Smucker contends that PSLF was intentionally narrowly designed by Congress and is being properly implemented by regulators.

Hearing witnesses included **Kelly Finlaw**, a New York City teacher who did not qualify for PSLF after making 10 years of student loan payments; **Yael Shavit**, Assistant Attorney General in the Office of the Massachusetts Attorney General, which has brought enforcement actions against student loan servicers; **Matthew Chingos**, VP for Education Data and Policy at the Urban Institute; **Melissa Emery-Arras**, Director, Education, Workforce, and Income Security at GAO; and **Jeff Appel**, Office of Federal Student Aid, Director of Policy Liaison and Implementation at the Department of Education. **James Steeley**, President and CEO of the Pennsylvania Higher Education Assistance Agency, which is contracted to manage PSLF, declined an invitation to testify at the hearing.

PSLF is a complicated program, but [GradFin](#) will work with you to determine whether you are eligible for PSLF and, if eligible, ensure your compliance for student loan forgiveness. As a Gradfin PSLF Member, Gradfin representatives will determine your eligibility for the program and help you enroll your student loan payments to count as “qualifying payments.” After enrolling in the program, Gradfin student loan professionals will meet with you once a year to ensure your payments are in compliance with Department of Education laws and will also keep track of your payments and send you reminders to renew your PSLF application. Learn more about the Gradfin PSLF membership program [here](#).