



NEW YORK STATE SENATOR

Kevin Thomas

Sen. Thomas' Legislation Help More NYers Qualify for the Federal PSLF Program Signed Into Law

KEVIN THOMAS September 15, 2022

| ISSUE: **STUDENT LOAN FORGIVENESS**



(Albany, NY) — Governor Hochul signed legislation into law introduced by Chair of the Committee on Consumer Protection, Senator Kevin Thomas (D-Levittown) and Assemblymember Harvey Epstein (D-Manhattan) to eliminate barriers to the Public Service Loan Forgiveness Program (PSLF) that'll help more New Yorkers qualify for the Limited PSLF Waiver Program, which is set to expire after October 2022.

Public Service Loan Forgiveness (PSLF) is a federal program that rewards and incentivizes public service work by allowing non-profit and government employees to have their federal student loans canceled after 10 years, or 120 payments. However, a majority of public service employees have been unable to take advantage of the program due to several well-documented barriers to entry, including complicated eligibility rules, servicing errors, and other technicalities. In 2021, the U.S. Department of Education announced significant new changes to improve the PSLF program, including a time-limited waiver that will allow student borrowers to count payments from all federal loan programs or repayment plans toward forgiveness.

This legislation (S8389C/A9523) sponsored by New York State Senator Kevin Thomas (D-Levittown) will enact needed changes at the state level to enable more New Yorkers to participate in this federal student loan debt forgiveness program. This means New Yorkers can still take advantage of the limited opportunity announced by the U.S. Department of Education to receive credit for PSLF loan forgiveness for periods of repayment that were previously ineligible.

These changes will make it easier for borrowers to qualify by eliminating the well-documented barriers to qualify, such as complicated eligibility rules, servicing errors, and other technicalities. To minimize potential issues that may delay borrowers from seeing much-needed relief, this legislation updates definitions to alleviate possible requirements confusion and clarifies that employers are permitted to share the employment data necessary to certify PSLF eligibility with the U.S. Department of Education. Each of these steps will help more New Yorkers access the PSLF program.

Senator Kevin Thomas said, “I thank Governor Hochul for signing my bill which will incentivize qualified New Yorkers to apply for the Federal Public Service Loan Forgiveness Program. We’ve removed bureaucratic barriers, making it easier for those who selflessly

chose careers in public service to apply for relief before the limited PSLF Waiver Program ends in October. I'm proud to champion legislation that makes student loan relief more accessible to our teachers, veterans, first responders and other public servants. I urge qualified borrowers to take advantage of this program to ensure they receive the loan forgiveness they have rightly earned."

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