



## GAO Report on Public Service Loan Forgiveness

On September 26, Ranking Member Bobby Scott and Higher Education Subcommittee Ranking Member Susan Davis released a Government Accountability Office (GAO) report on the Public Service Loan Forgiveness (PSLF) program. The report examined the data behind PSLF as well as the experience of loan servicers and student borrowers seeking loan forgiveness through the program.

### Key Findings

This report revealed serious failures in the Trump administration's implementation of the PSLF program:

- *The Department of Education has failed to provide clear guidance and instructions to loan servicers.* There is no centralized guide to participating in the PSLF program. Instead, the information is fragmented across the servicing contract, contract updates, and hundreds of emails. As a result, loan servicer officials are sometimes unaware of important policy changes, which can ultimately affect borrowers' eligibility.
- *The Department of Education has left servicers and borrowers in the dark about which employers qualify.* The Department has not provided the PSLF servicer and borrowers with a definitive source of information for determining which employers qualify a borrower for loan forgiveness, making it difficult for the servicer to determine whether certain employers qualify and for borrowers to make informed employment decisions.
- *The Department of Education has failed to provide borrowers with detailed, accurate information regarding their loan payments.* The Department does not ensure the PSLF servicer receives consistent information on borrowers' prior loan payments from the eight other federal loan servicers, which increases the risk of miscounting qualifying payments. Borrowers also lack sufficiently detailed information to easily identify potential payment counting errors that could affect their eligibility for loan forgiveness.

### GAO Recommendations

1. Develop a timeline for issuing a comprehensive guidance and instructions document for the PSLF servicer;
2. Provide the PSLF servicer and borrowers with additional information about qualifying employers;
3. Standardize payment information other loan servicers provide to the PSLF servicer; and
4. Ensure borrowers receive sufficiently detailed information to help identify potential payment counting errors.

### Main Takeaway

The GAO report makes clear that the Trump administration's failure to faithfully implement the Public Service Loan Forgiveness program is causing widespread confusion and uncertainty for public servants. Despite the administration's consistent hostility toward this popular program, it is still obligated to ensure that teachers, social workers, first responders and others who enter a career in public service are granted the debt forgiveness as federal law requires.