



## Module 6 - Path to Loan Forgiveness



### COURSE INTRODUCTION

Aristotle, a great philosopher, once shared, “The essence of life is to serve others and do good”. When you set out to choose a career interest, you often consider what you would enjoy doing and potentially getting paid to do. You accept the student loans you are awarded to pursue your educational desires, and, upon graduation, you eagerly search for a job that will allow you to put your talents and skills into action.

Careers in public service, such as roles in the government and in education, quite often offer the appeal of exercising a certain set of skills and talents you enjoy and give you the opportunity of using those skills and talents to impact the lives of others in a positive way.

Although the role of public service employers is taxing and most often requires much time and attention, there is an internal reward and possibly financial relief. Borrowers who work in public service positions may have the opportunity of student loan forgiveness.

The ***Public Service Loan Forgiveness (PSLF)*** is a government-funded federal loan forgiveness program for Borrowers who work full-time in public service careers and have made 120 qualified payments. To qualify for loan forgiveness, your loan repayment choice must meet the required Student Loan Forgiveness qualifications.

In Module 6 “Path to Loan Forgiveness,” Borrowers will begin their path by learning about student loan forgiveness. Borrowers will have an opportunity to assess their understanding of the different types of federal student loan forgiveness programs and what makes one eligible. Borrowers will then apply the knowledge learned to determine the type of Loan Forgiveness to inquire about with their loan service provider.

To ensure a successful continuation on your *DISB P.A.T.H*, Borrowers are encouraged to commit 45 minutes to focusing on completing Module 6: “Path to Loan Forgiveness”.

≡ ARRIVE

≡ START YOUR PATH

≡ LOAN FORGIVENESS LITERACY CHECKPOINT

≡ FINAL DESTINATION

Lesson 1 of 4

# ARRIVE

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**“The best way to find yourself is to lose yourself in the service of others.” - Mahatma Gandhi**

Start Your Path 1

Welcome



Start Your Path 2

## Learning Objectives



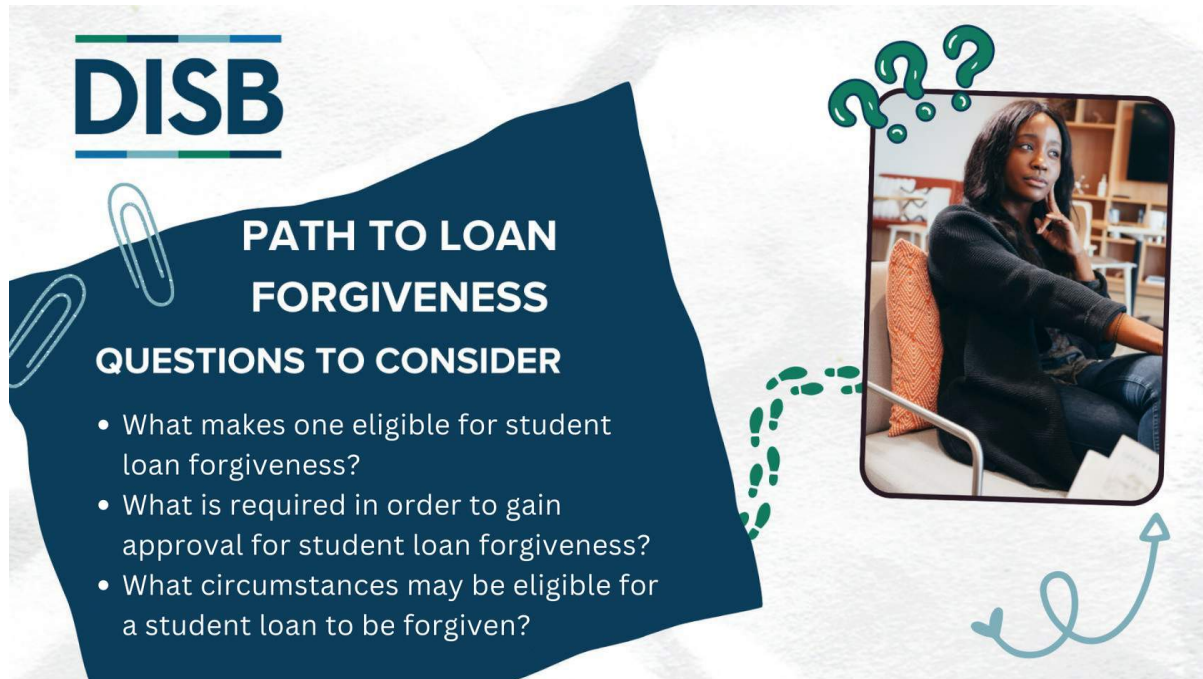
**DISB**

**PATH TO LOAN FORGIVENESS**

**IN THIS MODULE, YOU WILL**

- Identify what a student loan forgiveness means
- Learn what makes one eligible to apply for student loan forgiveness
- Learn the qualifications for earning a student loan forgiveness

## Essential Questions



**DISB**

**PATH TO LOAN FORGIVENESS**

**QUESTIONS TO CONSIDER**

- What makes one eligible for student loan forgiveness?
- What is required in order to gain approval for student loan forgiveness?
- What circumstances may be eligible for a student loan to be forgiven?

Start Your Path 4

## Affirmation



**PATH TO LOAN  
FORGIVENESS**

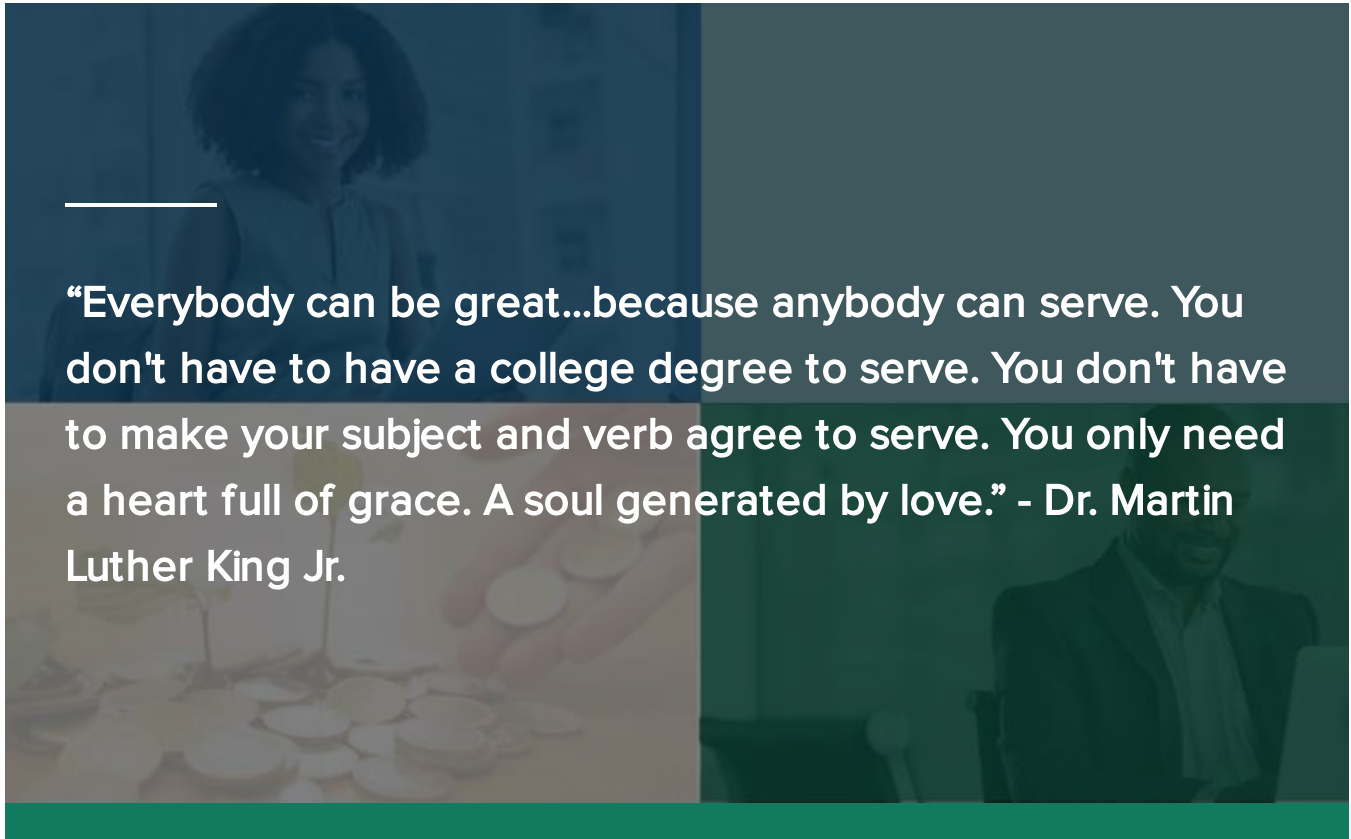
**MONEY MINDSET AFFIRMATION**

“MONEY HELPS ME EXPERIENCE FREEDOM.”



# START YOUR PATH

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## Glossary

As you navigate your Loan Forgiveness Path, there are key terms to know. Take a moment to review.

**Student Loan Forgiveness**

[Public Service Loan Forgiveness \(PSLF\)](#)



is a government-funded federal loan forgiveness program for Borrowers who work full-time in public service careers and have made 120 qualified payments.

### **Types of Student Loan Forgiveness Programs**

#### *Temporary Expanded Public Service Loan Forgiveness (TEPSLF)*

is a loan forgiveness program with limited conditions granted by the Consolidations Appropriations Act of 2018, which gives Borrowers who work full-time in public service careers the opportunity for their non-qualifying loan payments to count towards 120 qualifying loan forgiveness payments.

#### *Teacher Loan Forgiveness (TLF)*

is a forgiveness program for eligible teachers who work in low-income school districts for 5 consecutive years.

#### *Perkins Loan Cancellation for Teachers*

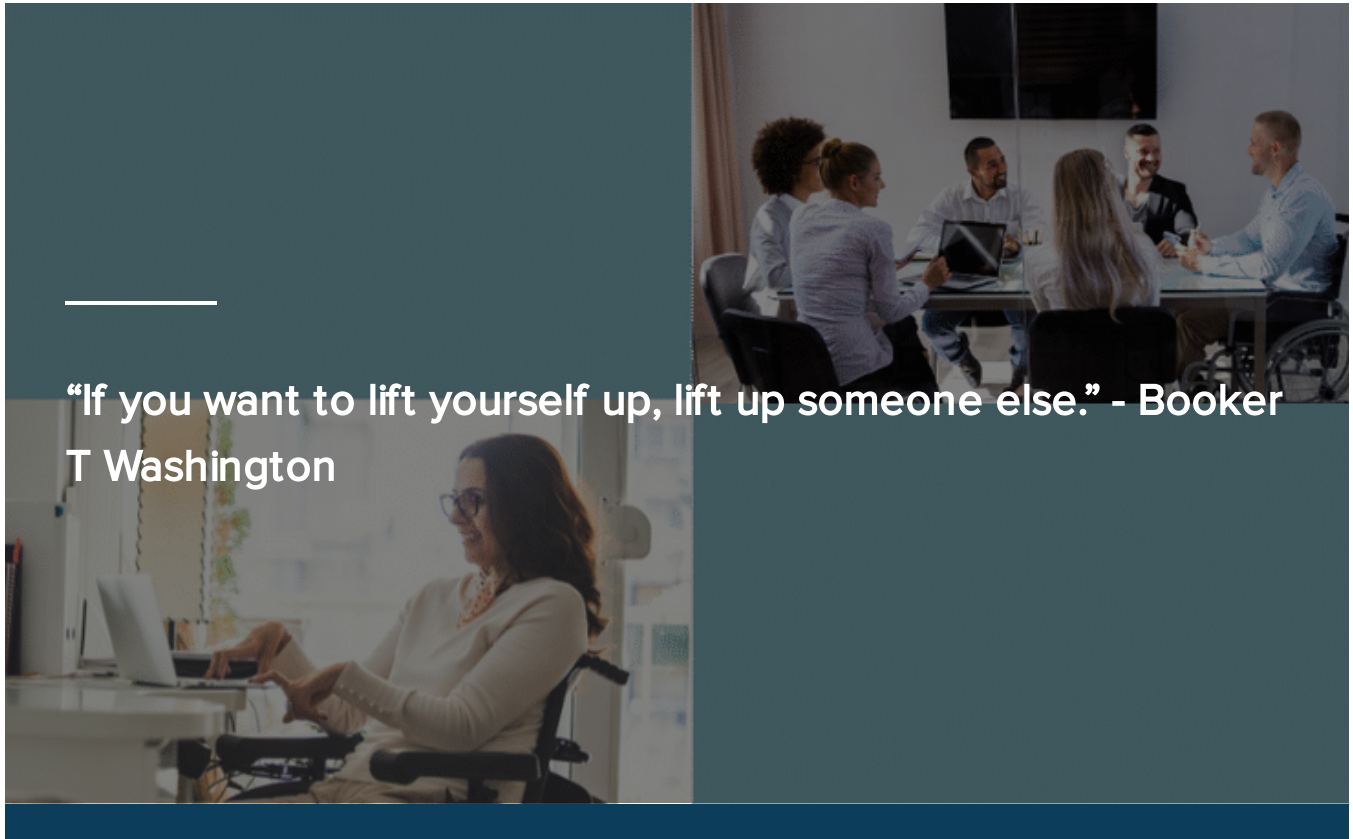
is a loan forgiveness program that may grant Borrowers up to 100% of Perkins Loan forgiveness if they work full-time in a low-income school or teach a certain subject.

#### *State-Sponsored Student Loan Forgiveness Programs*

is a federal forgiveness program for teachers that may grant loan forgiveness to Borrowers who teach in a high needs area.

# LOAN FORGIVENESS LITERACY CHECKPOINT

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## Loan Forgiveness Literacy Checkpoint



Beatrice is thrilled to be able to give back to her community and equally as excited to discover that her years of service could result in student loan forgiveness. Please note *Higher Bound* is a learning reference to the Federal Trio Program *Upward Bound*.

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### **Meet Beatrice**

Beatrice serves as the Site Director of Higher Bound at the District High School Pre-College Program. She grew up in the community in which she works. She has first-hand experience of the economic hardships students face and understands the many distractions that create barriers in their paths to future success. Beatrice was raised by her loving grandmother and devoted mother. They pushed her and always encouraged her to see what lies ahead.

In school, Beatrice excelled. Her Guidance Counselor suggested that she apply to the Higher Bound Pre-College program for exposure and opportunity. Ms. Sparks was her first connection to plans of college and a future that would give her the success her mother and grandmother had often spoken about.

Beatrice's participation in *Higher Bound* helped with her acceptance into District HBCU. She earned her BA in English and was determined to work in her community in a way that allowed her to use her personal experiences and learned skill set to give back the hope and possibility she was given.

Following in the steps of her mentor Mrs. Sparks, as Site Director for the Higher Bound Program, Beatrice offers essay writing sessions, financial aid seminars, and creates career readiness activities for the students at District High School. Her career does not only render happiness of giving to her students, but it also became a space for nurturing a loving relationship with a Science Teacher, Mr. Atom.

Shortly after meeting, they wedded and began the process of searching for a home. Beatrice took note of her budget. Her student loans totaled \$27, 500 and had been a considerable monthly obligation for the last 9 years. She wasn't sure how she'd be able to contribute in a way they gave support to her and her partner's home buying goal.

### **The Challenge**

Over brunch with Mrs. Sparks one Saturday, Beatrice expresses her concerns of her loan payment and being able to afford the purchase of a home. Mrs. Sparks shares with Beatrice that she may qualify for the public service loan forgiveness program and encourages her to learn more.

Beatrice reached out to the *DISB P.A.T.H Center* and has been encouraged to reach out to her loan service provider to inquire about the steps to take to see if *Higher Bound* would be considered a public service employer and to see if her student loan repayment plan would be eligible for forgiveness.


## **Public Service Loan Forgiveness Help Tool Ninja**



Public Service Loan Forgiveness Help Tool Ninja.pdf

596.8 KB



 Please note the employer verification process can be different for every Borrower. It is encouraged that you exercise being a [Public Service Loan Forgiveness HelpTool Ninja](#) by using the tool to guide you through the loan forgiveness process.



Now that you have learned the different types of loan forgiveness, let's put your knowledge to the test. Watch the Federal Student Aid video "Complete PSLF Form in 5 Easy Steps" to review how a student loan can be forgiven. Then answer a few questions to check your understanding.

Click [HERE](#) to watch the video below.



[Thinking about applying for Public Service Loan Forgiveness \(PSLF\) before the limited PSLF waiver ends on Oct. 31, 2022?](#)

[With the PSLF Help Tool, you can complete your PSLF form in just five easy steps:](#)

- [1. Add your past and current employers to see if they qualify for PSLF.](#)
- [2. Review the loan eligibility rules.](#)
- [3. Answer a few questions about your student loan\(s\).](#)
- [4. Enter or edit your contact information and address.](#)
- [5. Review and save your answers to generate your PSLF form.](#)

**Question 1: What number is used to verify your employment eligibility?**

- A. Social Security Number to verify employment eligibility.
- B. Telephone Number to verify employment eligibility.
- C. EIN on your W-2 and Tax Statement to verify employment eligibility.

**Question 2: TRUE/FALSE** Borrowers should review the loan eligibility rules and consider what they mean to you.

- A. True
- B. False

**Question 3: Should you answer “Yes” if you are uncertain you have made 120 payments?**

- A. No
- B. Yes

**Question 4: Borrowers will be able to save, print and submit their PSLF forms only if the following status is:**

- A. Eligible
- B. Likely Eligible
- C. Undetermined

## **Answer keys**

**Question 1: What number is used to verify your employment eligibility?**

Correct answer: C. EIN on your W-2 and Tax Statement to verify employment eligibility.

Feedback: You got it! A Borrower must use the *Employer Identification Number, EIN* from their W-2 or Tax Return to verify employment eligibility.

**Question 2: TRUE/FALSE Borrowers should review the loan eligibility rules and consider what they mean to you.**

Correct answer: A. True

Feedback: You got it! A Borrower should review the eligibility rules and consider what they mean for you.

**Question 3: Should you answer “Yes” if you are uncertain you have made 120 payments?**

Correct answer: B. Yes

Feedback: You got it! Borrowers should answer “Yes, I have made 120 payments...” Even if you are not certain, PSLF will review to see if you are eligible for forgiveness.

**Question 4: Borrowers will be able to save, print and submit their PSLF forms only if the following status is:**

Correct answer: A. Eligible

Feedback: You got it! Borrowers are able to print, submit, their PSLF forms only if their employer’s status is eligible.



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Great job for **continuing the path!** The **Student Loan Repayment process** can feel overwhelming. You are on your path to **financial freedom** and that is **worth the extra push** to continue your journey.

Pause to take a **mindfulness moment** to remind yourself, “**Money helps me experience freedom**”. When you are ready, “**Continue**” the Path to Loan Repayment.

## Application Checkpoint

Now that you have learned about student loan forgiveness and watched the Federal Student Aid video “Complete Your PSLF Form” in 5 Easy Steps to review the process, you will now demonstrate understanding of a few different types of loan forgiveness programs. Click the link to “Continue”.

 **Loan Forgiveness Glossary Knowledge Chart.pdf**  
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Match the numbered term with the correct letter meaning to demonstrate understanding of the different loan repayment options available.

Answer Choice	Loan Repayment Term		Loan Repayment Meaning
	1. PUBLIC SERVICE LOAN FORGIVENESS (PSLF).	A	is limited conditions granted by the <i>Consolidations Appropriations Act, 2018</i> that may give Borrowers who work full-time in public service the opportunity for their non-qualifying loan payments to




Answer Choice	Loan Repayment Term		Loan Repayment Meaning
			count toward 120 qualifying loan forgiveness payments.
	2. TEMPORARY EXPANDED PUBLIC SERVICE LOAN FORGIVENESS.	B	eligible teachers who work in low-income school districts for 5 consecutive years.
	3. TEACHER LOAN FORGIVENESS.	C	is a government-funded federal loan forgiveness program for Borrowers who work full-time in public service careers and have made 120 qualified payments.
	4. PERKINS LOAN CANCELLATION FOR TEACHERS.	D	Borrowers who work in public service are able to count their non-qualifying payments toward 120 qualifying payments.
	5. STATE-SPONSORED STUDENT LOAN FORGIVENESS.	E	Borrowers who work in a low income school or teach a certain subject may be granted up to 100% forgiveness.

## Answer keys

1. C    2. A    3. B    4. E    5. D

# FINAL DESTINATION

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**“If you don't like something, change it. If you can't change it, change your attitude.” - Maya Angelou**



## DISB P.A.T.H to Resources

Now that you have learned about student loan forgiveness, explored a few different types of loan forgiveness programs, and watched the Federal Student Aid video “Complete Your PSLF Form in 5 Easy Steps” to review the loan forgiveness steps to take, you should now have gained a better understanding of several Loan Forgiveness options and their request process.

### Student Loan Ombudsman Repayment

To learn more about the **DISB** and how they can extend support, take a moment to view this informational video to learn about the many loan repayment options and support.

INFORMATIONAL VID...

### Play It Safe: Protect Yourself From Student Loan Scams

Do you know what to do when you receive a call or notice from any scam disguised as Student Loan Forgiveness? Take a moment to view the informative video to learn about ways to protect yourself and determine the legitimacy of the notification.

INFORMATIONAL VID...

The logo for the Department of Insurance (DISB) is located in the top left corner of the graphic. It consists of the letters "DISB" in a bold, dark blue font, with horizontal lines above and below the text.

## Path to Understanding

**Question 1: TRUE/FALSE** Student loan forgiveness is for a Borrower who has made 120 Payments on any loan repayment plan.

- A. TRUE
- B. FALSE

**Question 2: Which of the following are student loan forgiveness programs?**

- A. Teacher Loan Forgiveness
- B. Temporary Expanded Public Service Loan Forgiveness
- C. Perkins Loan Cancellation for Teachers
- D. State Sponsored Student Loan Forgiveness
- E. Public Service Loan Forgiveness
- F. Teach for 30 Loan Forgiveness

**Question 3: Borrowers must verify employers by using what identification?**

- A. Employer Identification Number
- B. Social Security Number
- C. Telephone Number

## Answer keys

**Question 1: TRUE/FALSE Student loan forgiveness is for a Borrower who has made 120 Payments on any loan repayment plan.**

Correct answer: A. TRUE

Feedback: You got it! Student Loan Forgiveness is for a Borrower who has made 120 payments on a qualifying payment plan.

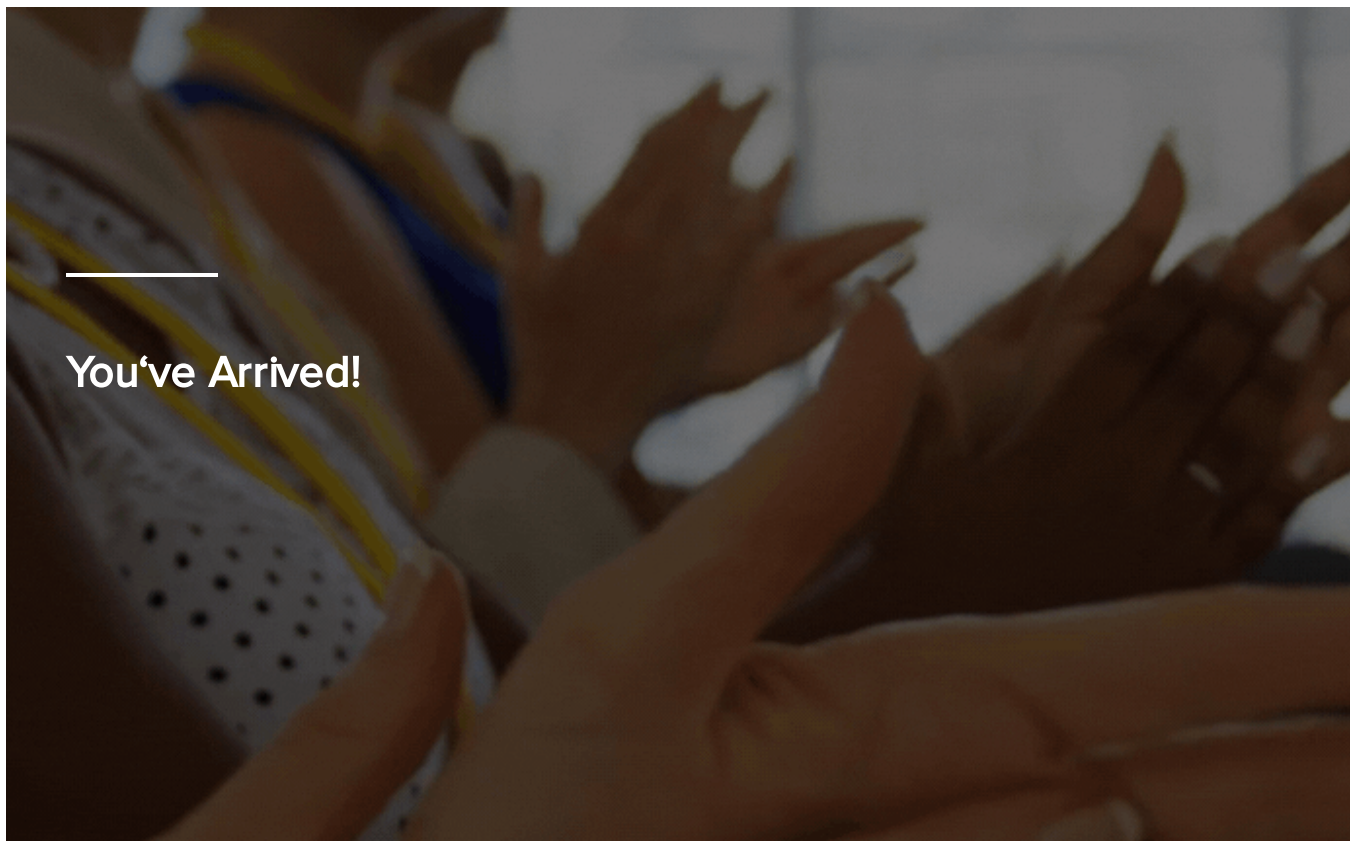
**Question 2: Which of the following are student loan forgiveness programs?**

Correct answer:

- A. Teacher Loan Forgiveness
- B. Temporary Expanded Public Service Loan Forgiveness
- C. Perkins Loan Cancellation for Teachers
- D. State Sponsored Student Loan Forgiveness
- E. Public Service Loan Forgiveness

**Question 3: Borrowers must verify employers by using what identification?**

Correct answer: A. Employer Identification Number



**Congratulations! You have completed Module 6- Path to Loan Forgiveness of the DISB P.A.T.H. Loan Repayment Course.**