

Trump/DeVos FY2018 Budget Eliminates Public Service Loan Forgiveness Program



.....

Starting in July 2018, the Trump/DeVos budget proposal eliminates Public Service Loan Forgiveness. The program wipes away federal student debt for educators and other public servants after 120 qualifying monthly payments — 10 years' worth of payments.

- ▶ Enacted in 2007 under President George W. Bush, Public Service Loan Forgiveness (PSLF) encourages college graduates to pursue careers in education, firefighting, law enforcement, and other forms of public service.
- ▶ This October marks the 10th year of the program and the first time anyone will have made enough payments to get their debt wiped away.
- ▶ More than 550,000 people are on their way to receiving forgiveness, according to the U.S. Department of Education.
- ▶ The typical borrower in the program owes about \$70,000, with 1 in 4 on the hook for more than \$100,000, according to a 2015 report by the Government Accountability Office (GAO).
- ▶ The Trump/DeVos FY2018 budget proposal uses the money now spent on PSLF for voucher programs that deprive students and their public schools of essential resources and support.
- ▶ Only people who take out loans on or after July 1, 2018, would be affected by the Trump/DeVos proposal to eliminate PSLF.