

September 22, 2021

The Honorable Miguel Cardona
Secretary
United States Department of Education
400 Maryland Avenue SW
Washington, DC 20202

Secretary Cardona:

We, the more than 200 undersigned union, student, consumer, higher education, public health, workforce, public interest, professional, military, and faith organizations representing millions of public service workers and student loan borrowers are writing to urge you to take administrative action to ensure that all public service workers who have completed a decade of service receive the debt relief they were promised. As part of this administrative action, the Department of Education must guarantee that any and all changes to the Public Service Loan Forgiveness (PSLF) program aren't just prospective but provide retroactive relief to all dedicated public service workers with student debt. This action should be immediate and need not wait for the Department of Education to write new rules.

Since the Department of Education called for comments on the future of PSLF, nearly 45,000 individual student loan borrowers from all 50 states have shared their stories— demanding the Biden Administration restore the promise of this critical protection. These public comments describe how workers across the country have faced widespread, systemic barriers to PSLF while responding to an unprecedented public health emergency, navigating a deep economic recession, and struggling to emerge from an unequal economic recovery. Throughout the pandemic, public service workers have remained on the hook for debts they should not owe, taking a heavy psychological and financial toll month after month.

Congress, in a bipartisan fashion, made a promise more than a decade ago that public service workers who choose to give back to their communities and our country wouldn't be locked in a lifetime of debt. This promise ensured aspiring nurses, educators, and millions of others were not precluded from pursuing these careers due to the dual financial pressures of stagnant wages and ever-rising student loan balances, and that underserved communities were able to attract public service professionals to their communities.

This promise has been broken.

Since the first public service workers became eligible for debt cancellation in 2017, 98 percent of those who applied have been rejected. Despite reassurances from the Department of Education that these were just initial missteps and that rates of debt cancellation granted under this program would improve over time, year after year we continue to see widespread denials without explanation and no serious effort to address the underlying problems driving this systemic failure.

Throughout the history of this program, government mismanagement and industry abuses have knocked a generation of dedicated public service workers off track, including student loan borrowers across the public sector and those serving at nonprofit organizations. This led to predictably poor results, highlighted in warnings from government auditors,¹ regulators,² law enforcement officials,³ and Members of Congress.⁴

Millions of people who planned their lives and livelihoods around the promise of PSLF deserve better. That's why, earlier this year, the largest international labor unions⁵; organizations representing servicemembers, veterans, and their families⁶; a coalition of 100 student, consumer, civil rights, and public interest organizations⁷; and more than 50 U.S. Senators and Members of Congress⁸ called on you to immediately take critical steps to restore the promise of the PSLF program.

Building on this call to action, we urge you to follow these three central principles when delivering overdue debt relief to our nation's dedicated public service workforce:

- **Eliminate all student debt owed by those who have served for a decade or more.**
We call on you to establish new, streamlined criteria for a simple, straightforward path to cancel debt for all who have worked in public service for a decade or more. The current payment pause presents a unique opportunity to bring an end to the mismanagement and abuse that have become the hallmarks of PSLF. Simply, our remedy cannot require dedicated public service workers to start anew, following an equally complicated multi-year pathway to access relief, as the prior Administration had done. This relief must also be extended regardless of current employment status, ensuring all who have served can benefit. The elimination of public service workers' debts must be underway before restarting student loan payments and before the imminent departure of the Education

¹ <https://www.gao.gov/products/gao-18-547>

² https://files.consumerfinance.gov/f/documents/201706_cfpb_PSLF-midyear-report.pdf

³ <https://www.mass.gov/news/ag-healey-sues-to-protect-public-service-loan-forgiveness>;
<https://ag.ny.gov/press-release/2019/ag-james-sues-student-loan-servicer-mismanaging-loan-forgiveness-program>;

<https://oag.ca.gov/news/press-releases/attorney-general-becerra-sues-secretary-devos-and-us-department-education>

⁴

<https://www.cardin.senate.gov/imo/media/doc/Bicameral%20Oversight%20Letter%20to%20Ed%20Dept%20on%20PSLF%20Implementation.pdf>;

<https://quigley.house.gov/sites/quigley.house.gov/files/PSLF%20IL%20Letter%202019.05.03.pdf>

⁵

<https://educationvotes.nea.org/wp-content/uploads/2021/04/FINAL-labor-letter-on-emergency-PSLF-action.pdf.pdf>

⁶ <https://vetsedsuccess.org/our-letter-to-dod-ed-asking-them-to-improve-pslf/>

⁷ <https://protectborrowers.org/advocates-pslf-letter/>

⁸

https://sarbanes.house.gov/sites/sarbanes.house.gov/files/05.05.2021_LETTER_Sec-Cardona-PSLF-Improvements.pdf

Department's primary PSLF loan contractor— ensuring no public service worker who has served for a decade ever receives another student loan bill.

- **Grant one year of credit for each year of service for all public service workers who owe any type of federal student loan.** This effort should grant prorated credit toward PSLF for every public service worker with student debt who has served for less than a decade. Regardless of borrowers' loan type, loan status, or repayment plan, the Department of Education must recognize and reward borrowers' service, consistent with congressional intent. By reorienting the criteria for eligibility to focus solely on the duration of public service performed, the Department of Education will also make public service workers whole where they have been the victims of widespread deception and fraud by the student loan industry.⁹
- **Ensure relief to public service workers is automatic.** To the maximum extent possible, the Department of Education should automate the process of verifying and awarding credit to borrowers who owe these debts, relying on information already collected or available through other government agencies. Last month, the Department of Education used this approach to protect military borrowers, delivering debt relief to more than 47,000 current and former active duty service members by leveraging existing government records about borrowers' employment to automatically waive interest charges.¹⁰ The Department of Education should build on this framework, leveraging a wide range of federal, state and local government records—including employment records maintained by the federal Office of Personnel Management, Internal Revenue Service records of employer tax status, and personnel logs maintained by public school districts—to identify and automate access to PSLF for all borrowers who can be identified as public service workers.

As noted above, in the weeks since launching this public inquiry, ED has received nearly 45,000 comments from affected student loan borrowers and other stakeholders, offering new insight into the myriad failures of the failed program. These comments have come from educators, frontline workers, legal aid workers and public defenders, firefighters, contingent faculty members, workers laid off due to COVID-19, social workers, among other key segments of our nation's public service workforce. Yet the consequences of breakdowns around PSLF cannot be captured in a rejection rate or an average loan balance. Individual borrowers' narratives illustrate the heavy toll that widespread government mismanagement and industry abuses have taken from public service workers with student loan debt.¹¹

⁹ <https://protectborrowers.org/public-service-loan-forgiveness-2/>

¹⁰

<https://www.ed.gov/news/press-releases/us-department-education-grants-interest-rate-benefit-more-4700-0-service-members>

¹¹ For example, **military borrowers**: <https://bit.ly/3u25YnC>; **FFEL borrowers**: <https://bit.ly/3zCfCyl>; **teachers**: <https://bit.ly/3zDG6zS>; **frontline workers**: <https://bit.ly/39syFk7>; **legal service workers and public defenders**: <https://bit.ly/3zx4q6i>; **fire fighters**: <https://bit.ly/3kwr6iR>; **nurses**: <https://bit.ly/3iLLHPG>; **social workers**: <https://bit.ly/3kwza31>; and **Connecticut borrowers**: <https://bit.ly/3nYiiEA>.

During your confirmation hearing, you committed to using all of the tools at your disposal to provide student loan borrowers with immediate relief. You also committed to “boldly address” inequities across our education system.¹² The burden of student debt falls disproportionately on Black and Brown borrowers— those who, as a result of a racial wealth gap driven by systemic racism, most often lack the familial wealth necessary to obtain a debt-free higher education in America. Unfortunately, a growing body of evidence also demonstrates that these borrowers frequently miss out on existing avenues for debt relief enacted by Congress.¹³ For these reasons, fixing existing loan forgiveness programs so that the Department lives up to the promises required under law should be one of the first places you start.

Should the Department identify legal, statutory, or regulatory barriers to implementing the steps described above, we believe you must invoke your authority under the Higher Education Relief Opportunities for Students Act or other statutory authorities, that allow you to waive or modify statute and regulations as necessary.¹⁴

Once again, we urge you to take immediate administrative action outside of the rulemaking process to deliver the promise that all public service workers who have completed a decade of service see their student debt eliminated, that those workers who have completed less than a decade of service have their past work credited toward full relief, and ensure any action is not limited to prospective change, but delivers retroactive relief for all public service workers. As you take the actions described above, we look forward to meeting with you and your staff to discuss the timeline and tactics the Department will deploy to fix the Public Service Loan Forgiveness program. We stand ready to assist you and President Biden in this effort.

Sincerely,

Student Borrower Protection Center
American Federation of Teachers

Equal Justice Works
National Education Association

603 Forward
AASA, The School Superintendents Association
Accountable.US
Administration of Resources and Choices (ARC)
Affordable Homeownership Foundation Inc.
Affordable Housing Centers of PA
ALAA UAW Local 2325
Alaska PIRG
Alliance for Youth Action
American Association of Colleges for Teacher Education
American Association of University Professors

¹² <https://www.help.senate.gov/imo/media/doc/Cardona.pdf>

¹³ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3726183

¹⁴ P.L. 108-76

American Federation of Government Employees (AFGE)
American Federation of State, County and Municipal Employees (AFSCME)
American Library Association
American Psychological Association
Americans for Financial Reform Education Fund
Arizona Housing Coalition
Asian Pacific American Labor Alliance, AFL-CIO
Association of Educational Service Agencies (AESA)
Association of Latino Administrators and Superintendents (ALAS)
Association of People Supporting Employment First (APSE)
Association of Schools Advancing Health Professions
Association of Schools and Programs of Public Health
Association of Young Americans
Autistic Self Advocacy Network
Bet Tzedek
Blue Future
Broome County Urban League Inc
California Association of Nonprofits
CCCS of Buffalo
Center for Economic Integrity
Center for LGBTQ Economic Advancement & Research (CLEAR)
Center for Responsible Lending
Center for Workers' Rights
Central American Resource Center-CARECEN
Central Islip Civic Council, Inc.
Charlotte Center for Legal Advocacy
Chicago Foundation for Women
Child Care Law Center
Citizens for Public Schools
Civil Service Bar Association
Clarifi
CNC
Coastal Enterprises, Inc.
Committee of Interns and Residents / SEIU
Community Reinvestment Solutions, Inc,
Community Service Society of New York
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces
Consumer Action
Consumer Credit and Budget Counseling, Inc d/b/a National Foundation for Debt Management
Consumer Credit Counseling Service of Maryland and Delaware, Inc.
Consumer Federation of America
Consumer Federation of California
Consumer Reports
Consumers for Auto Reliability and Safety

Cook County Public Defenders Office
Cooperative Baptist Fellowship of Texas
Council on Social Work Education
Cuban American National Council, Inc.
CWA Local 1036
CWA Local 1081
Cypress Hills Local Development Corporation
DC37 Municipal Employees Legal Services
Debt Collective
Debt-Free MD, Inc. (Maryland)
DevNW
Disability Rights Maine
Empire Justice Center
Equal Rights Advocates
Equality Maine
Financial Inclusion for All Illinois
Financial Pathways of the Piedmont
Forum for Youth Investment
Fossil Fuel Divest Harvard
Fosterus
Frayser CDC
Greenpeace USA
Heartland Alliance
Hildreth Institute
HomeFree-USA
Horizons, A Family Service Alliance
Housing Action Illinois
Housing and Economic Rights Advocates
Housing Opportunities of Fort Worth, Inc.
Housing Options & Planning Enterprises, Inc.
Hudson County Housing Resource Center
Illinois PIRG
International Association of Fire Fighters (IAFF)
International Federation of Professional and Technical Engineers (IFPTE)
Inversant
Investor Advocates for Social Justice
Ironbound Community Corporation
Jain Family Institute
La Vida Scholars
Law Foundation of Silicon Valley
Law Students for Climate Accountability
Latino Action Network
Lawrence CommunityWorks
LCLAA

Legal Action Chicago
Legal Aid at Work
Los Angeles Center for Law and Justice
Maine Center for Economic Policy
Maine Community Action Partnership
Maine Education Association
Maine Immigrants Rights Coalition
Maine Public Health Association
Maine Youth for Climate Justice
Margert Community Corporation
Maryland Consumer Rights Coalition
Massachusetts Affordable Housing Alliance
Miami Valley Community Action Partnership
Midwest College Project
Minority Veterans of America
Mobilization for Justice
Mt. Airy CDC
National Action Network
National Advocacy Center of the Sisters of the Good Shepherd
National Association of Consumer Advocates
National Association of Consumer Bankruptcy Attorneys (NACBA)
National Association of Pediatric Nurse Practitioners
National Association of Social Workers
National CAPACD- National Coalition for Asian Pacific American Community Development
National Consumer Law Center (on behalf of our low-income clients)
National Disability Rights Network (NDRN)
National Housing Law Project
National Housing Resource Center
National League for Nursing
National NeighborWorks Association
National Rural Education Association
Navicore Solutions
New Era Colorado
New Hampshire Youth Movement
New Jersey Citizen Action
New Jersey State Conference of the AAUP
New York Legal Assistance Group
New York State Defenders Association, Inc.
New Yorkers for Responsible Lending
Newtown Community Development Corporation
NextGen California
NHS of Los Angeles County
Nonprofit Professional Employees Union, IFPTE Local 70
North Carolina Council of Churches

Northeast Ohio Black Health Coalition
Northfield Community LDC
OCA – Asian Pacific American Advocates
Office of the External Affairs Vice President, Associated Students of the University of California
Ohio Student Association
OneJustice
OnTrack WNC Financial Education & Counseling
Our Revolution
Partnership for College Completion
Peace Financial Center
Penquis
People's Parity Project
PHENOM (Public Higher Education Network of Massachusetts)
Project LIFT
Public Counsel
Public Justice Center
Public Law Center
Refugee Family Assistance Program
Revolving Door Project
Rise
Rockland Housing Action Coalition, Inc.
Sandhills Community Action Program Inc
SC Appleseed Legal Justice Center
SEIU local 509
Service Employees International Union
Sisters of St. Francis of Philadelphia
Social Security Works
Sowing Empowerment & Economic Development, Inc.
Spanish American Committee
SparkAction
St. Petersburg Neighborhood Housing Services, Inc. dba Neighborhood Home Solutions
Student Debt Crisis Center (SDCC)
Student Veterans of America
Suzanne Hawley Counseling, LLC
Tanglewood Nature Center & Museum- non-profit
Texas Appleseed
The Homeowners Employment Corporation
The People's Lobby
The Western New York Law Center, Inc.
Trellis
Tri-City Peoples Corporation
Troy Rehabilitation and Improvement Program, Inc.
Tzedek DC
uAspire

UnidosUS
United States Student Association
United Way Bay Area
United Ways of Texas
UnKoch My Campus
Urban League of Middle Tennessee
Urban League of Northwest Indiana
Urban League of Portland
Urban League of Racine and Kenosha
Urban League of Rochester
U.S. PIRG
Virginia Poverty Law Center
Women Employed
Working Families Party
Worksafe
Wyandanch Community Development Corporation
Young Invincibles
Zero Debt Massachusetts