Loan Consolidation
How do I make my FFEL, Perkins and Parent Plus Loans eligible for PSLF?
### 4 Steps to Forgiveness

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>Identify Qualified Public Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>STEP 2</td>
<td>Determine Student Loan Type</td>
</tr>
<tr>
<td>STEP 3</td>
<td>Consolidate Loans (FFEL, Perkins, Parent Plus), If Necessary</td>
</tr>
<tr>
<td>STEP 4</td>
<td>Apply for PSLF - Submit Employer Certifications Annually</td>
</tr>
<tr>
<td>Loan Type</td>
<td>PSLF Eligible?</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>Federal Family Education Loans (FFEL)</td>
<td>MAYBE if consolidated into a Direct Loan.</td>
</tr>
<tr>
<td>Perkins Loan</td>
<td>MAYBE if consolidated into a Direct Loan.</td>
</tr>
<tr>
<td>Parent Plus Loan</td>
<td>MAYBE if consolidated with a Direct, FFEL or Perkins loan the parent took out for their own education.</td>
</tr>
</tbody>
</table>
• On August 22, 2022, President Biden announced $10,000 to $20,000 in student debt cancellation for federal loan borrowers who have income below $125,000, or household income below $250,000.

• It was unclear whether privately owned Federal Family Education (FFEL) loans and Perkins loans would qualify for cancellation.

• It was recently determined that borrowers who consolidate FFEL and Perkins loans with other federal loans (e.g., Direct loans) after September 29, 2022, may not be eligible for the $10,000 or $20,000 in debt cancellation. (Loans consolidated prior to September 29 remain eligible for debt cancellation.)

• However, FFEL and Perkins loans consolidated into a Direct loan prior to October 31, 2022, continue to be eligible to receive the benefits of the PSLF waiver.

**Borrowers with individual income below $125,000, or household income below $250,000, should review their loans and carefully weigh the benefits of the one-time debt cancellation vs. PSLF loan forgiveness before consolidating their FFEL and Perkins loans into Direct loans.**
**Benefit of Direct Loan Consolidation**

**PSLF**

- **Loan Type:** FFEL, Perkins or Parent Plus
- **Consolidation date:** After October 31, 2022
- **Loan Payments Made Prior to Consolidation:** 90
- **Additional payments needed before applying for PSLF:** 120
- **Payment amount due before PSLF:** $18,000

**PSLF WAIVER**

- **Loan Type:** FFEL, Perkins or Parent Plus
- **Consolidation date:** Before October 31, 2022
- **Loan Payments Made Prior to Consolidation:** 90
- **Additional payments needed before applying for PSLF:** 30
- **Payment amount due before PSLF:** $4,500

-$13,500 Loan Savings before Forgiveness
Before you begin **STEP 3**, you’ll need:

- **Your FSA ID and Password**
- **Loan Information**
- **Contact Information for Two References**
- **Driver’s License / State Issued ID**
- **Contact Information for your Employer**
Just announced: New one-time student loan debt relief to be granted based on income. Student loan payment pause extended through 12/31/2022.
# DIRECT CONSOLIDATION LOAN APPLICATION

## What is Loan Consolidation?

If you have multiple student loans you may be able to combine them into one loan with a fixed interest rate based on the average of the interest rates on the loans being consolidated. Learn more about loan consolidation.

A Direct Consolidation Loan allows you to consolidate multiple federal education loans into one loan at no cost to you.

Through your completion of the free Federal Direct Consolidation Loan Application and Promissory Note, you will confirm the loans that you want to consolidate and agree to repay the new Direct Consolidation Loan.

Once the consolidation is complete, you will have a single monthly payment on the new Direct Consolidation Loan instead of multiple monthly payments on the loans you consolidated.

**Alert:** On Oct. 6, 2021, the U.S. Department of Education announced a temporary period during which borrowers may receive credit for payments that previously did not qualify for PSLF or TEPSLF. Learn more about this time-limited opportunity.

<table>
<thead>
<tr>
<th><strong>Consolidate Your Loans</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>START</strong></td>
</tr>
<tr>
<td>Preview a read-only version of the complete form</td>
</tr>
</tbody>
</table>

### Who should complete this?

Borrowers who want to consolidate their federal student loans and borrowers who have outstanding FFEL or Perkins loans and want to take advantage of the Limited PSLF Waiver.

Note: There is no application fee to complete a Direct Consolidation Loan application. You may be contacted by private companies that offer to help you consolidate your loans, for a fee. These companies have no affiliation with the U.S. Department of Education (ED) or ED's Federal Loan Servicers.
Select Loans to Consolidate

DIRECT CONSOLIDATION LOAN APPLICATION

Select the Loans to Consolidate

Your Total Educational Indebtedness: $50,000

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Loan Servicer</th>
<th>Loan Balance</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>Sample Servicer A</td>
<td>$30,000</td>
<td>3.4%</td>
</tr>
<tr>
<td>D2</td>
<td>Sample Servicer B</td>
<td>$20,000</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

Add Loans

Your New Direct Consolidation Loan

Loan Amount: $50,000
Interest Rate: 4.875%
Select a Grace Period

Grace Period

If you choose to consolidate at least one loan that is in a grace period, you can request that your servicer delay processing. If you would like your servicer to delay processing your consolidation application, indicate the length of time you would like to delay processing by choosing from the dropdown box at the right.

More Information

Processing Delay
- Select -

- Select -
- Do not delay processing
- 1 month
- 2 months
- 3 months
- 4 months
- 5 months
- 6 months
- 7 months
- 8 months
- 9 months

IMPORTANT NOTE:
If your servicer determines that you do not have at least one loan in a grace period on your application.
Select Loan Servicer

Servicer Selection

Have you been or are you seeking to be employed full-time by a public service organization and are you consolidating for the purposes of Public Service Loan Forgiveness (PSLF)? [More Information About PSLF](#)

**IMPORTANT NOTE:**
If you answer “Yes”, please select FedLoan Servicing (PHEAA) in the servicer drop-down box below. Note: If you choose another servicer, your loan will still be sent to FedLoan Servicing (PHEAA) because they are the PSLF servicer for U.S. Department of Education.

If you answer “No” now and your circumstances change, you can apply for PSLF at a later date. For more information discuss with your consolidation servicer.

Since you are consolidating for the purpose of Public Service Loan Forgiveness (PSLF), the Federal Loan Servicer or Not For Profit Loan Servicer you select will send you information on the steps you should follow to be considered for PSLF.

**NOTE:**
The current servicer of the loans that you want to consolidate may be one of the servicers listed, you may choose to keep your current servicer for your new different servicer.

**Federal Loan Servicers**
- Select -
  - Navient
  - DEED
  - EDF
  - PSFA
  - NELFA
  - GSL
  - FLDS
  - AFS
  - FedLoan Servicing (PHEAA)
Estimate Repayment / Select Plan
### Employment Information

**Do you work for a non-profit or government organization?**

- [ ] Yes
- [ ] No

### Family Size

The following questions will be used to calculate your family size. Do not include yourself or your spouse (if applicable) in your responses to these questions. You and your spouse, as appropriate, are automatically included in your family size.

**Dependent Children**

How many children, including unborn children, are in your family and receive more than half of their support from you?

- [ ] 0
- [ ] 1
- [ ] 2
- [ ] 3 or more

**Other Dependents**

How many other people, excluding your spouse and children, live with you and receive more than half of their support from you?

- [ ] 0
- [ ] 1
- [ ] 2
- [ ] 3 or more
Review Terms and Conditions

DIRECT CONSOLIDATION LOAN APPLICATION

1. Choose Loan & Services
2. Choose Repayment
3. Terms & Conditions
4. Personal Information
5. Review & Sign

BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATIONS

You're currently not logged in!
You must log in to complete and submit federal student loan processes.

BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATIONS

2. I understand that the following:
   - Applying for a Direct Consolidation Loan does not obligate me to agree to take the loan. The U.S. Department of Education (ED) will provide me with:
     - The deadline by which I must notify ED if I want to cancel the Direct Consolidation Loan, or if I do not want to consolidate any of the loans that ED has verified; and
     - A notice containing information about the loans and payoff amounts that ED has verified with the holders of my loans or through ED's National Student Loan Data System (NSLDS) before the actual payoffs occur.

I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations section, and the Borrower's Rights and Responsibilities Statement.

Exit  Continue
Provide Personal Information

DIRECT CONSOLIDATION LOAN APPLICATION

Borrower Information

- First Name:
- Last Name:
- Driver’s License State:
- Driver’s License Number:
- Address (line 1):
- Address (line 2):
- City:
- State:
- Zip Code:
- County:
- Permanent Address:
- This is my current permanent address. If permanent address information is incorrect, update as needed.

Reference Information

- List two persons with different U.S. addresses who have known you for at least three years.
- The first reference should be a parent or legal guardian.
- References must have different addresses and telephone numbers.
- If the reference does not have a telephone number, enter N/A.

Reference 1

- Name:
- Middle Initial:
- Last Name:
- First Name:
- Last Name:
- Address (line 1):
- Address (line 2):
- City:
- State:
- Telephone Number:
- Relationship To You:
- Email Address:
- State:
- Select:

Reference 2

- Name:
- Middle Initial:
- Last Name:
- First Name:
- Last Name:
- Address (line 1):
- Address (line 2):
- City:
- State:
- Telephone Number:
- Relationship To You:
- Email Address:
- State:
- Select:
Review & Sign

DIRECT CONSOLATION LOAN APPLICATION

Choose Loans and Servicers

Loans Selected to Consolidate

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Account Number</th>
<th>First Disbursement Date</th>
<th>Loan Balance</th>
<th>Interest Rate</th>
<th>Loan Servicer</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>11111111</td>
<td></td>
<td>$ 30000</td>
<td>3.4%</td>
<td>Sample Servicer A</td>
</tr>
<tr>
<td>02</td>
<td>11111112</td>
<td></td>
<td>$ 20000</td>
<td>6.8%</td>
<td>Sample Servicer B</td>
</tr>
</tbody>
</table>

Balance: $50,000
Interest Rate: 4.875%
Consolidation Servicer:
Grace Period:
Repayment Plan Request

Certify & Sign

I have reviewed the information about me on the Federal Direct Consolidation Loan Application and Promissory Note and acknowledge that it is true and correct. I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understanding, Certifications, and Authorizations section and the Borrower’s Rights and Responsibilities Statement.

I UNDERSTAND THIS IS A LOAN THAT I MUST REPAY.

First Name: ________________________  Middle Initial: ______  Last Name: ________________________

LOG IN

This page will be populated with the information from the previous steps. You'll have the opportunity to verify that it's correct or update as needed by selecting "Edit."
Navigating the Road to Public Service Loan Forgiveness

Step 4

PLSF Application & Employer Certifications

How do I apply for PSLF?