The Honorable Betsy DeVos  
Secretary of Education  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Dear Secretary DeVos:

I write today to follow up on my letter of September 10, 2019, on the findings of the September 5, 2019, Government Accountability Office (GAO) report, entitled “Public Service Loan Forgiveness: Improving the Temporary Expanded Process Could Help Reduce Borrower Confusion.” As Montanans reach the required 10 years of service to apply for Public Service Loan Forgiveness (PSLF), too many are finding the process to be nothing short of a bureaucratic nightmare. I am disappointed that I have not yet received a response about how the Department of Education (the Department) is addressing the myriad of concerns laid forth in this report.

The PSLF program was created in 2007 to forgive the student loan obligations of borrowers who perform public service for at least 10 years and make 120 qualifying, on-time loan payments through an eligible repayment plan. This program was designed to encourage graduates to pursue careers in public service – as teachers, social workers, or doctors, especially in rural areas. PSLF is also a critical recruitment tool for employers like emergency managers, critical access hospitals, fire departments, and rural school districts to incentivize recent graduates to seek employment in underserved areas.

In the last two years, as the first wave of borrowers completed a decade of service, issues surrounding PSLF mismanagement and bureaucratic hurdles that applying for PSLF presents have become increasingly clear. An extremely low percentage of applicants were gaining approval for public loan forgiveness relief as a result of widespread confusion about the necessary requirements. The recent GAO report showed that this trend of high denial rates continued even after Congress enacted an expanded version of PSLF with the Temporary Expanded Public Service Loan Forgiveness Program (TEPSLF) in 2018 and appropriated $700 million to help student borrowers gain relief. The report showed that less than one percent of applicants received loan forgiveness under TEPSLF in its first year.

Alarmingly, the GAO report also details immense confusion surrounding the requirements to apply for TEPSLF. Specifically, GAO notes that the requirement created under your Administration that borrowers must apply for and be denied PSLF before applying for TEPSLF resulted in more than 70 percent of TEPSLF denials. The Administration rolled out the process for applying for TEPSLF in only two months, creating a system that is far from borrower-friendly. The ongoing confusion and lack of information surrounding applying for TEPSLF and
borrowers’ ability to appeal decisions made by the Department is unacceptable, and I expect the Department to act swiftly to address these issues.

Furthermore, in testimony before the Senate Committee on Banking, Housing, and Urban Affairs, the director of the Consumer Financial Protection Bureau (CFPB) testified that your Department blocked CFPB examiners from culling information about the status of the PSLF in student loan servicing agencies. In so doing, your Department prohibited the nation’s primary consumer protection agency from intervening and potentially offering solutions to some of the borrowers seeking relief from their student loans. As a former CFPB attorney noted in a recent report, “There are hundreds of thousands of people who are counting on the government to get this right for their livelihood and their well-being for their families.” Once more, the Department’s lack of transparency about the shortfalls of the PSLF program is alarming.

I am writing again today to reiterate the necessity of mitigating these concerns for borrowers in as thorough a manner as possible. While I appreciate the Department’s workload, the lack of response to my letter of more than five weeks ago indicates to me that addressing this issue is not a priority for the Department. I appreciate your attention to this matter.

Sincerely,

Jon Tester