

United States Senate

WASHINGTON, DC 20510

September 10, 2019

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

Dear Secretary DeVos:

We write today with concerns about recent reports regarding the U.S. Department of Education's (Department) mishandling of the Public Service Loan Forgiveness (PSLF) program. In light of these reports, we would like to request an update regarding efforts taken by the Department to implement Congress' directive that the Department "develop a simple method" to assist borrowers in gaining relief through the Temporary Expanded Public Service Loan Forgiveness (TEPSLF) program and mitigate widespread rejection of student borrowers' attempts to gain loan forgiveness under TEPSLF.

The PSLF program was created in 2007 to forgive the student loan obligations of borrowers who perform public service work for at least 10 years and make 120 loan repayments through eligible repayment plans. PSLF was designed to encourage graduates to pursue careers like teaching, social work, or medicine in rural areas, and is also an important recruiting tool for rural employers. When it became apparent that an extremely low percentage of applicants were gaining public loan forgiveness relief—due to widespread confusion about the necessary procedural requirements—Congress enacted TEPSLF in 2018 and appropriated \$700 million to help student borrowers gain relief, even if they were not strictly eligible for relief under PSLF.

Unfortunately, a new report from the Government Accountability Office (GAO) confirms the sad reality that despite Congress' efforts to make public service loan forgiveness a reality, student borrowers continue to find it nearly impossible to access loan forgiveness.^[1] After reviewing and analyzing loan forgiveness requests from May 2018 through May 2019, GAO found that of the 54,000 requests for TEPSLF loan forgiveness that had been processed by the Department, only one percent of these requests had been approved.^[2]

The procedural requirements for obtaining loan forgiveness have caused widespread confusion. A full 71 percent of the TEPSLF denials were made because the student borrowers seeking relief did not first apply for PSLF—even though the student borrowers knew they would not qualify for loan forgiveness under PSLF. While the Department has pointed to eligibility criteria in the text of the TEPSLF statute, this defense rings hollow in light of GAO's finding that the

^[1] U.S. Government Accountability Office. (2019, September). *Public Loan Service Forgiveness: Improving the Temporary Expanded Process Could Help Reduce Borrower Confusion*. (Report No. 19-595). Retrieved from <https://www.gao.gov/assets/710/701157.pdf>

^[2] *Id.*

Department barely raised a finger to inform student borrowers of the relevant requirements or correct obvious misunderstandings during the application process.

We respectfully request that you provide answers to the following questions:

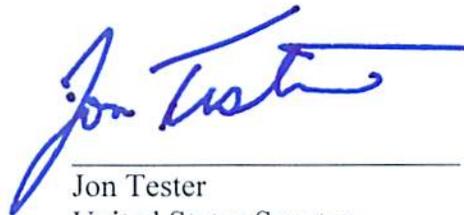
1. What specific actions is the Department taking to minimize student borrowers' confusion regarding the precise steps required to gain loan forgiveness under PSLF and TEPSLF?
2. What specific actions has the Department taken to communicate to student borrowers the option to appeal a denial of loan forgiveness under PSLF and TEPSLF?
3. In light of GAO's finding that the Department has spent only \$26.9 million of the \$700 million appropriated for TEPSLF loan forgiveness, what plans does the Department have to facilitate loan forgiveness and ensure that it is not improperly impounding funds that Congress has lawfully appropriated for this purpose?^[3]

Thank you for your response to this important matter.

Sincerely,



Amy Klobuchar
United States Senator



Jon Tester
United States Senator

^[3] U.S. Government Accountability Office. (2019, September). Public Loan Service Forgiveness: Improving the Temporary <https://www.gao.gov/assets/710/701157.pdf> Expanded Process Could Help Reduce Borrower Confusion. (Report No. 19-595). Retrieved from <https://www.gao.gov/assets/710/701157.pdf>