

February 26 2026

Linda McMahon
Secretary, US Department of Education
400 Maryland Avenue SW
Washington, D.C. 20202

Re: Public Service Loan Forgiveness – Clarification Necessary to Effectuate PSLF Credit Under Cross-Referenced IDR Provisions

Docket Number: ED-2025-OPE-0151

Dear Secretary McMahon:

On behalf of the PSLF Coalition, we thank you for the opportunity to provide comments on the proposed regulations to implement the statutory changes included in the *One Big Beautiful Bill Act (OBBA)*.

The PSLF Coalition is made up of over 120 U.S.-based organizations representing community-based nonprofit, state, and local government public service professionals. Public Service Loan Forgiveness (PSLF) is a bipartisan program widely relied upon as a workforce stabilization tool for teachers, nurses, prosecutors, public defenders, social workers, military members, and other public servants. Particularly in rural communities, PSLF serves as a critical recruitment and retention mechanism to address shortages of healthcare professionals, educators, legal aid attorneys, and public safety officials. **Because PSLF operates as a 10-year employment retention incentive, precision in qualifying payment definitions is essential to preserving Congress’s intended workforce outcomes.**

To ensure public service workers get full credit for student loan payments made while employed in qualifying work, it is essential that the final rule explicitly emphasize that § 685.219(c)(2)(ii) remains unchanged and fully operative. That provision continues to provide that **a borrower makes a qualifying PSLF payment by “paying in multiple installments that equal the full scheduled amount due for a monthly payment under the qualifying repayment plan.”** Because §§ 685.209 and 685.219 are structurally cross-referenced throughout the proposed rule, and because the NPRM introduces a refined definition of “on-time payment” in § 685.209(o)(3), **additional clarification is necessary** to ensure that the income-driven repayment (IDR) timing framework does not inadvertently narrow or override this longstanding multiple-installment rule.

Specifically, the final rule should make clear that the definition of “on-time payment” under § 685.209(o)(3), as incorporated into PSLF through § 685.219(b) and (c), does not alter or limit § 685.219(c)(2)(ii)’s provision allowing multiple installments within a billing cycle to constitute a qualifying PSLF payment when the full scheduled monthly amount is satisfied. Advancement of

a due date resulting from a prepayment under § 685.209 should not disqualify an otherwise qualifying month of public service employment for PSLF purposes. Likewise, any event occurring outside the borrowers' control, that might delay payment, should not convert a substantively compliant borrower's payment into a non-qualifying payment.

These clarifications are necessary to ensure consistency with Higher Education Act § 455(m), which establishes eligibility based on qualifying employment and qualifying payments—not on internal servicer processing mechanics. Because borrowers do not control servicer posting timestamps or account coding practices, PSLF eligibility cannot depend solely on administrative processing variables. There have been past instances where payment misapplication, delayed posting, or inadequate borrower notice regarding repayment plan mechanics have occurred. While servicers have made efforts to correct these practices, it is important to note that they remain outside the control of the borrower, and it is our view that the rules should be adjusted to recognize that an otherwise compliant borrower should not be penalized. That is, the borrower should not lose PSLF eligibility or credit towards forgiveness. Not only does this punish that PSLF borrower, but it will disincentivize others from participating in the program, one that Congress has recognized as a long-term recruitment and retention tool for critical public sector roles, particularly in rural communities facing acute workforce shortages.

We respectfully urge the Department to incorporate the clarifications described above in the final rule and accompanying preamble so that repayment modernization efforts strengthen, rather than inadvertently complicate, the administration of PSLF for the public servants Congress intended to support.