



**BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL**

# **PRESS RELEASE**

## **Attorney General Frosh Joins Multistate Coalition in Urging Department of Education to Fix Broken Public Service Loan Forgiveness Program**

***Department of Education Has Denied Nearly All PSLF/TEPSLF Applications  
Submitted to Date***

**BALTIMORE, MD (September 24, 2021)** – Maryland Attorney General Brian E. Frosh today joined a coalition of 22 attorneys general in urging the U.S. Department of Education (ED) to take robust action to fix the broken Public Service Loan Forgiveness (PSLF) program. Since borrowers first became eligible for relief in 2017, almost all PSLF applications have been rejected, leaving millions of public servants in the lurch.

Under the promise that a portion of these loans would eventually be forgiven, teachers, nurses, public interest attorneys, social workers, first responders, servicemembers, and others incurred significant student loan debt in order to gain the skills necessary to educate, heal, and protect our communities. In today's [letter](#), the coalition applauds ED's commitment to improving implementation of the PSLF program and urges ED to act quickly to fix the failures in the program's administration.

"Teachers, nurses, first responders, and others were promised student loan forgiveness for their public service. But, mismanagement of the PSLF program resulted in a shockingly high number of rejections," said Attorney General Frosh. "The Education Department should move quickly to fix this program, so that these workers get the relief they are due."

A bipartisan Congress created the PSLF program in 2007 to encourage student loan borrowers to enter public service jobs in return for forgiving the remaining balance of their federal student loans after ten years of on-time loan payments. When the first wave of borrowers applied for loan forgiveness in 2017, ED denied applicants at the alarming rate of 99 percent. In 2018, a bipartisan Congress gave ED a second chance to deliver on PSLF's critical promise by creating the Temporary Expanded Public Service Loan Forgiveness (TEPSLF) program. Despite this emergency fix, relief continues to be out of reach for nearly all who apply. To date, ED has denied 96% of TEPSLF applications.

Drastic action by ED is required to make the promise of PSLF forgiveness a reality for the nation's dedicated public servants. State attorneys general have a unique perspective on how to improve administration of PSLF/TEPSLF resulting from their experience investigating and

holding student loan servicers accountable for violating the law, including misadministration of the PSLF/TEPSLF program. In today's comment letter, the attorneys general urge ED to:

- Provide immediate relief to borrowers who have been harmed by the misadministration of the PSLF/TEPSLF program;
- Improve servicer oversight and accountability by carefully selecting a new servicer that will be responsive to borrowers and creating new incentives and operating procedures that put borrowers first;
- Extend the pause on payments on student loans that started in response to the COVID-19 pandemic;
- Conduct broad outreach to all borrowers potentially interested in forgiveness, including those who have yet to apply and those who have already received denials; and
- Affirmatively correct errors discovered for all affected borrowers.

Attorney General Frosh is joined by the attorneys general of California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, Virginia, and Washington in filing the letter.

<https://www.marylandattorneygeneral.gov/press/2021/092421a.pdf>