



Restoring Public Service Loan Forgiveness

Administration Policy:

President Trump issued an executive order (EO) titled [Restoring Public Service Loan Forgiveness](#), which is intended to restore the original purpose of the Public Service Loan Forgiveness (PSLF) Program by prohibiting organizations that engage in unlawful activity from providing access to PSLF for their employees.

Specifically, the EO requires the exclusion of organizations that “engage in activities that have a substantial illegal purpose” from the definition of “public service.” The order requires the Secretary of Education, in coordination with the Secretary of Treasury, to propose revisions to the [PSLF Program](#) to ensure the definition of “public service” excludes organizations that engage in the following activities:

- Aiding or abetting violations of [8 USC 1325](#), or other federal immigration law.
- Supporting terrorism, including facilitating funding or operations of cartels which have been [designated](#) as Foreign Terrorist Organizations (FTOs).
- Child abuse, including the “chemical and surgical castration or mutilation of children” or the trafficking of children.
- Engaging in a pattern of aiding and abetting illegal discrimination.
- Engaging in a pattern of violating state tort laws.

Background:

- Current PSLF eligibility rules allow non-governmental organization (NGO) and non-profit employees to qualify for PSLF, including organizations that purportedly support [illegal immigration](#), [terrorism](#), and [violent protests](#) on college campuses.
- Congress established the PSLF Program as part of the [College Cost Reduction and Access Act of 2007](#) to encourage Americans to enter into public service. The program was designed to forgive public servants’ remaining loan debt after 10 years of service and the equivalent of 10 years of minimum payments.
- In 2018, Congress [appropriated](#) \$700 million to allow limited additional conditions for eligibility for PSLF. The Department of Education called this the [Temporary Expanded Public Service Loan Forgiveness \(TEPSLF\) program](#).
 - TEPSLF included borrowers who had previously been denied PSLF because their payments were made under non-qualifying repayment plans.
- The Biden administration created a [waiver process](#) in 2021 which expanded eligibility for PSLF and used tax payer dollars to forgive student loan debt before the statutory 10 year requirement.
 - The expansion resulted in [\\$4.28 billion](#) in student debt being forgiven.
 - Prior to 2021, [\\$290.4 million](#) in student loan debt had been forgiven through PSLF.
 - Prior to 2021, the average number of pending applications for PSLF was 15,088. In 2023, the average number of pending applications for PSLF was 1.04 million.
- A fact sheet from the White House can be found [here](#).