



Public Service Loan Forgiveness

for Public Defense and Appointed Attorneys

What's New?

The Department of Education recently updated the definition of “**qualifying employment**” for the purpose of loan forgiveness. While direct employees of qualifying employers continue to be eligible for Public Service Loan Forgiveness (PSLF) program, a new exception exists for those

who work as a contracted employee for a qualifying employer in a position or providing services which, under applicable state law, cannot be filled or provided by a direct employee of the qualifying employer. 34 CFR § 685.219(b)(iii).

A “contracted employee” can include an individual practicing as a sole proprietorship or as a partner, owner, or employee of a partnership, group, or professional corporation.

With this change, contractors for qualified employers (including contract and appointed attorneys) are potentially eligible for loan forgiveness under PSLF. Contract-based attorneys provide constitutionally required assistance of counsel and those services often cannot be performed by a state or local institutional office for various reasons, including no office exists, the office exists and is at caseload capacity, or the office exists and contract attorneys are appointed instead for legal, ethical, conflict of interest, or practical concerns.[1]



[Learn More](#)

Learn more about the qualifying employment exception here:

New potentially eligible attorneys include:

- appointed attorneys as the primary, secondary or tertiary public defense providers in a county (such as **assigned counsel, managed assigned counsel panel attorneys**); and,
- attorneys who work on contract directly with the county to provide indigent defense or family protection representation (such as **contract attorneys**).

Direct employees of an institutional public defense office continue to be eligible to participate in the PSLF, provided they meet other PSLF requirements.

[1] This interpretation has been informed by consultations with national defender organizations and other public defender offices. The Department of Education is the ultimate arbiter of what qualifies under its PSLF program.

Who is eligible for this benefit?

To qualify for PSLF, you must:

- Have an **eligible Direct Loan** (or consolidate other federal student loans into a Direct Loan);
- Make a total of **120 qualifying monthly payments** that do not need to be consecutive that are repayed under an income-driven repayment plan or a 10-year Standard Repayment Plan;
- Work **full-time (30 hours+ per week)**; and
- Work in **qualifying employment** that does not need to be consecutive while making payments and applying for PSLF.



[Direct Loan](#)



[Payments](#)



[Full-Time](#)



[Employment](#)

Frequently Asked Questions



What is the Public Service Loan Forgiveness Program?

The Public Service Loan Forgiveness Program (PSLF) allows federal Direct Loans to be forgiven after 10 years of monthly payments (120 payments) made while working at an eligible public service employer to encourage people to work in public service employment. 34 CFR § 685.219(a).

What loans are eligible?

Eligible Direct Loans can have the remaining balance forgiven, including:

- Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans, or Direct Consolidation Loans.

Other federal student loans do not qualify for PSLF unless they have been consolidated into a Direct Loan.

What is considered “full time” employment?

For PSLF eligibility, working “full time” means working in one or more jobs a minimum of 30 hours per week during the period being certified.

Who certifies as a signing authority?

Any authorized official from a qualifying employer can certify that an attorney has performed qualifying work during a given time period.

- For direct employees of a statutory public defender office or qualified non-profits, certification should be delegated to the administration of the public defender or non-profit’s office.
- For contract-based attorneys providing the equivalent work of a public defender, the bar association or county office overseeing the contract is suggested to serve the role of PSLF program certifier. That office is in the best position to have access to prior records that could substantiate an attorney’s request for certification (by example, having access to prior monthly invoices submitted or the number and types of cases for flat fee contract-based attorneys). The Texas Indigent Defense Commission has Attorney Practice Time reports going back to 2014, which may be a potential tool to certify practice time.

Note: While a court that appointed a contract-based attorney on a case or cases may potentially be able to certify that an attorney has performed qualifying work during a given time period, substantiation of eligibility by a court or judge may be more difficult.

Is PSLF eligibility retroactive?

It can be. Qualifying employment from October 2, 2007 to present can qualify if the applicant meets the other PSLF requirement.

What is the process for applying?

To apply for PSLF, an applicant must submit a completed PSLF application either through the PDF form or the online PSLF Help Tool. It is recommended to complete the application annually to track and verify how many qualifying payments you make while working full-time for a qualifying employer.

What are the tax considerations?

Student loans forgiven through PSLF are not considered income for federal tax purposes.

Can an employer refuse to certify a PSLF application?

If an applicant cannot obtain certification from their employer because the organization is closed or the organization is unable to certify employment, an attorney seeking to participate in the PSLF program can indicate that information on the PSLF application (see Section 5B). The applicant can then submit alternative documentation that may allow employment to be certified.

More Questions?

Visit <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>



Learn More