

# 60+ Ways To Get Rid Of Your Student Loans (Without Paying Them)

An (Almost) Comprehensive  
Guide To Student Loan  
Forgiveness And Discharge

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Part One:

# Introduction

### So, What Is This Thing?

In short, this eBook is a collection of different options that may forgive, discharge, or pay for all or a portion of your federal student loans.

Simple, right? The tricky stuff comes on the following pages.

### Why We Created This

Quite frankly, because we're awesome. But really, because we care about your success managing your student loans.

The amount of options out there is dizzying and confusing, and we think it's cruel to make you figure it out all on your own. Also, we haven't found another resource out there that covers all the options like this does (and we'd know—we work in student loans).

We figured you might want some help, and you might not like that help to come in the form of a big, intimidating table or webpage. So we wrote this easy-to-navigate book and did our best to collect everything in one place. There may be more options out there, and some of the ones here may change, so it's always good to do your own research too. Still, we hope you think this resource is a helpful jumping-off point.

### Ground Rules: What Are Forgiveness And Discharge?

Student loan forgiveness and discharge are programs instituted by the federal government (as well as some state governments, organizations, and businesses) that eliminate all or part of a student's loans if he or she qualifies. These options exist to help borrowers shoulder the burden of student debt if they give back to their community, work in fields or areas of need, or face unpredicted, extenuating circumstances.

The difference between loan forgiveness and discharge is the circumstances that can cancel the debt. Loan discharges usually occur if there is no way the borrower can pay a loan (e.g., a total and permanent disability or death) or if a borrower can no longer apply the education for which the loan was granted (e.g., the school the borrower was attending closed before they could finish their program).

Loan forgiveness happens when the forgiving party (e.g., the government) determines that the borrower has given back to the community in a way they've specified, like through teaching or public service. Special repayment programs can act as a form of forgiveness as well. Federal and governments, as well as organizations, offer these programs to promote service in needed fields or high-need areas.

### Covering Your Bases

Though forgiveness is a huge opportunity for any do-gooders out there, planning a career and loan payments around it may not be the best idea. Regulations change, you may not meet all the requirements, or forgiveness could take longer than you think. Make sure to prepare for these possibilities—and have a backup plan.

You should never take on student loan debt assuming that you will be able to forgive all or part of it down the road. Always borrow the bare minimum you need, and think of any potential forgiveness benefits as a (very) happy bonus.

Also, know that the IRS considers many student loan forgiveness options to be taxable—so if you do have some or all of your loans forgiven, the forgiven amount may end up affecting your tax bill at the end of the year. To determine if forgiveness is taxable, the IRS will generally look at whether the forgiveness occurred due to the borrower fulfilling a service requirement. If you are fulfilling a service requirement to receive forgiveness, then the IRS will generally not tax the amount. However, you should consult a tax professional to determine whether the forgiveness you receive is taxable.

You can read more about this at [www.irs.gov](http://www.irs.gov)

### Applying For Forgiveness

To apply for forgiveness, you may need proof that you worked for the required number of years at the location or in the profession that makes you eligible for forgiveness.

We linked all of the forms for the listed forgiveness options, but a simple Google search may allow you to find other possibilities as well. Be wary of scams and the fine print before filing for anything. You shouldn't have to pay to apply for forgiveness or discharge.

### Using This Book

We designed this eBook to help you discover, access, and learn more about what options for forgiveness are available to you. We highlighted eligibility criteria, qualifying loans, and the steps for pursuing an option—including links to the forms you need to apply. There's also a glossary at the end of the book if you need to know the difference between loan types or repayment options.

A quick warning: This book is **not all-inclusive** by any means. Many employers offer student loan repayment benefits, and there may be other forgiveness programs that we haven't found. Even if you don't see anything you might be eligible for here, it never hurts to ask around at your place of employment, city, state, or even any social clubs or sports teams you may participate in. We'll do our best to keep this book current, but sometimes programs like these can change or get phased out.

Also, be sure to visit the sites we've linked to for complete eligibility requirements. These programs have lots of ins and outs (you didn't think getting rid of your loans would be easy, right?), so we only included the highlights.

If you like this book and want to learn more about managing your student loans, check us out at [saltmoney.org](http://saltmoney.org).

# Part Two:

# Loan Forgiveness Options

# Community Service

The community service forgiveness plan listed here is for AmeriCorps members only. There are, however, other forgiveness plans available if you are active in community service. As always, funding and requirements are subject to change.

### **Segal AmeriCorps Education Award**

#### **To Be Eligible ...**

This award is for borrowers who have successfully completed a term of service with AmeriCorps. You must sign up to receive it prior to serving with AmeriCorps. It is given upon successful completion of service. You can use this award up to 7 years after completing your term of service.

If you meet the requirements for this award, you may receive up to the maximum Pell grant allotment for the current year for up to 4 years. For 2013, this amount was \$5,645.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent loans
- Grad PLUS loans
- Perkins loans
- State-funded loans

These loans may be eligible even if they are in default.

#### **Next Steps**

If you have questions regarding this scholarship, check out the [AmeriCorps website](#).



# Military

All of the following forgiveness plans require you to be a member of the U.S. military. This is **not an exhaustive** list. The funding and requirements for each program are subject to change. Additional qualifications are presented throughout.

### **Active Duty Health Professions Loan Repayment Program**

#### **To Be Eligible ...**

You must be a fully qualified health professional as determined by a U.S. military branch in an identified skill shortage area. You must also be serving as a commissioned officer who is serving on active duty.

Those who qualify for this program are eligible to have up to:

- \$40,000 per year for up to 3 years forgiven if you are in the dental, medical, allied health, nurse, or veterinary corps serving active duty.
- \$50,000 over 3 years forgiven if you are in the dental, medical, allied, health, nurse, or veterinary corps serving in the reserves.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Health professions student loans (HPSLs)
- Private student loans

#### **Next Steps**

Click the name of this benefit in the title above to access the program's webpage, and select "locate a recruiter" or "request more info" to learn how to apply.

### **Air Force College Loan Repayment Program**

#### **To Be Eligible...**

This program is for all newly enlisted servicemembers. You must sign up for the program when enlisting to receive up to 33 1/3% of your student loan balance each year for a total of 3 years (\$10,000 maximum).

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent PLUS loans
- Grad PLUS loans
- Perkins loans
- Auxiliary Loan Assistance for Students (ALAS Loans)
- Federally Insured Student Loans (FISL Loans)

#### **Next Steps**

Contact an Air Force [adviser](#) or recruiter to learn more.

### **Army Student Loan Repayment**

#### **To Be Eligible ...**

You must have been in active duty from December 1, 1980, through September 30, 1981, or after September 30, 1982. You must be a non-prior service accession and enlist with a high school diploma. And you must have an Armed Forces Qualification Test score of 50 or higher and enlist in a critical military occupational specialty (MOS); these specialties change quarterly. A local recruiter will have the current list.

If you meet the requirements, you can receive 33 1/3% or \$1,500 (whichever is greater) toward the remaining original unpaid principal on all qualifying loans for each successfully completed year of enlisted active duty.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans
- Supplemental loans for students (SLS)

#### **Next Steps**

*To apply for this forgiveness plan, contact an army recruiter.*

### **Military Reserve Health Professionals Loan Repayment Program**

#### **To Be Eligible ...**

You must perform satisfactory service as an officer in the Selected Reserve of an armed force. You must also possess professional qualifications or be enrolled in a program of education leading to professional qualifications in a health profession that the Secretary of Defense has determined to be needed critically in order to meet medical skill shortages.

Eligible applicants may receive up to \$20,000 per year (with a maximum of \$50,000) for this repayment program. Your length of service after the loan was made will determine the amount you receive.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Health Professions Student Loans (HPSLs)
- Private student loans

#### **Next Steps**

*To learn more about this type of forgiveness, speak with a recruiter.*

### **National Guard Student Loan Repayment**

#### **To Be Eligible ...**

You must enlist for a minimum of 6 years for a critical skills vacancy in the grade of E-4 or below into a qualifying position in a Modified Table of Organization and Equity (MTOE) or Medical Table of Distribution Allowances (TDA) unit only. You must score a minimum of 50 on the Armed Forces Qualification Test (AFQT).

Those eligible for this forgiveness can receive up to \$7,500 annually, with a maximum of \$50,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*You must speak to a recruiter to apply for this forgiveness plan.*

### **Navy Loan Repayment Program**

#### **To Be Eligible ...**

This plan is for active-duty borrowers. You must have no prior military experience and enlist for a minimum of 3 years. If you meet requirements, you are eligible to receive 33 1/3% of the remaining principal balance or \$1,500 (whichever is greater) per year, with a maximum of \$65,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*For questions on this program, contact [Navy Recruiting Command](#).*

# Profession

Qualifications for the following forgiveness programs are based on your career. Not all careers are eligible for forgiveness programs, and this list is **not all-inclusive**. The funding and requirements for each program are subject to change. You may find more career-based forgiveness programs with an online search or by talking to your employer.

### **Faculty Loan Repayment Program (FLRP)**

#### **To Be Eligible ...**

You must be a U.S. citizen or a lawful permanent resident. This repayment program is available to degree-trained health professionals from disadvantaged backgrounds serving on the faculty at accredited health profession colleges and universities.

This form of forgiveness will forgive up to \$40,000 for 2 years of service. Applicants will be funded first if they obtain a written agreement from the eligible health profession school that the school will match equal FLRP loan repayments.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

*You can sign up to be notified by email when the 2014-2015 application is available.*

### **Health Professionals Loan Repayment Program**

#### **To Be Eligible ...**

You must be a member of the U.S. Armed Forces and a health professional. You must either be enrolled in a program of education leading to professional qualifications or be performing satisfactory service as an officer in the Selected Reserve of an armed force and already possess professional qualifications. Also, you must work in a health profession that the U.S. Secretary of Defense has determined to be needed critically in order to meet identified wartime combat medical skill shortages.

Applicants for this forgiveness plan are eligible to receive a maximum of \$40,000 per year. (Approximately 25% will be deducted to pay for federal income taxes). The amount of repayment depends on the length of your service after the date on which the loan was made.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

The loans must have been for your health professions education expenses.

#### **Next Steps**

*The steps and materials required to apply for this forgiveness plan are [here](#).*

### **Indian Health Services Loan Repayment Program**

#### **To Be Eligible ...**

You must commit to a 2-year service obligation to practice in certain health professions full time at an Indian health program site. The site must provide quality health care services to American Indian and Alaska Native communities.

Eligible applicants to this forgiveness plan can receive up to \$20,000 per year for an initial 2 years, and additional years may be added for continued service.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation Loans
- Private student loans
- Institutional loans
- Perkins loans

You must have borrowed the loans to pay for health profession schools and related expenses, as well as undergraduate prerequisites that were required for the graduate degree.

#### **Next Steps**

Find more information on how to apply for this repayment program is [here](#).

### **National Health Service Corps**

#### **To Be Eligible ...**

This forgiveness plan is available to licensed primary care medical, dental, and mental and behavioral health providers who are working at high-need sites.

If you qualify, you could receive up to \$60,000 for an initial 2-year commitment. Eligibility for additional repayment is given by applying for additional years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

Learn more about the application process for this forgiveness program [here](#).

### **National Institutes Of Health (NIH) Loan Forgiveness**

#### **To Be Eligible ...**

You must be a U.S. citizen, U.S. national, or U.S. permanent resident. You must also have a health professional doctoral degree, have qualified educational debt in excess of 20% of institutional base salary at the time of the award, and perform research that is supported by a domestic nonprofit foundation, university, professional association, U.S. government agency, or other nonprofit.

You must engage in qualified research that represents 50% of your level of effort and consumes an average of at least 20 hours per week during each quarterly service period during the contract. You must also conduct research that is not prohibited by federal law, regulations, or policies of the U.S. Department of Health and Human Sciences or NIH. Part-time federal employees working fewer than 20 hours per week who meet other criteria may apply.

Eligible applicants can receive up to \$35,000 per year

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- State-issued loans (includes Washington, D.C., Puerto Rico, and any U.S. held territory)
- Academic institution loans
- MEDLOANS
- Private student loans

Spousal consolidation loans cannot be included

#### **Next Steps**

*If you think you're eligible, you can apply to this program [here](#).*

### **NURSE Corps Loan Repayment Program**

#### **To Be Eligible ...**

This program is for registered nurses and advanced-practice registered nurses working in a critical shortage facility or nurse faculty in return for working full time at an accredited school of nursing.

Eligible applicants can receive up to 60% of their loans paid for them for a 2-year service agreement and up to 85% for service of 3 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

You must have obtained your loans to cover nursing educational expenses or living expenses while studying nursing. Non-nursing education expenses are ineligible.

#### **Next Steps**

*Borrowers can apply for this program [here](#).*



### **Perkins Loan Cancellation And Discharge**

#### **To Be Eligible ...**

Perkins loans have unique requirements for loan cancellation based on the field you work in. Schools award these federal, low-interest loans to high-need students attending or planning to attend college. Approximately 1,700 participating schools offer Perkins loans.

Depending on their profession (see list below), Perkins loan borrowers can have up to 100% of their loan cancelled over the course of 5 years (except when indicated). Here's how it works:

- **15% of their principal balance and accrued interest can be cancelled after their first and second year of qualifying service.**
- **20% of their principal balance and accrued interest can be cancelled after their third and fourth year.**
- **30% of their principal balance and accrued interest can be cancelled after their fifth year.**

Perkins loans also offer concurrent deferment if you are performing qualifying service. Combining that postponement with these cancellation options means you could potentially never have to make payments on these loans.

The professions eligible for cancellation and the requirements are listed below.

- **Attorney:** You must be a full-time attorney employed in a federal public or community defender organization. You must perform qualified service that includes August 14, 2008, or began on or after that date. You may receive up to 100% forgiveness of your loans.
- **Child or family services agency:** You must be a full-time employee of a public or nonprofit child or family services agency providing services to high-risk children and their families from low-income communities. You may receive up to 100% forgiveness of your loans.
- **Firefighter:** You must be a full-time firefighter whose service included August 14, 2008, or began on or after that date. Firefighters may receive up to 100% forgiveness of their loans.

- **Head Start:** You must be a full-time staff member in the education component of a Head Start program. You may receive up to 100% forgiveness of your loans—15% of the principal balance and accrued interest for the each year of service.
- **Imminent danger area:** You must serve in the U.S. Armed Forces in a hostile fire or imminent danger area. You may receive forgiveness for up to 50% of your outstanding loans if your active duty ended before August 14, 2008. You may receive up to 100% forgiveness of your outstanding loans if your active duty includes or began after August 14, 2008.
- **Intervention services provider:** You must be a full-time qualified professional provider of early intervention services for the disabled. Service must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.
- **Law enforcement:** You must be a full-time law enforcement or corrections officer. You may receive up to 100% forgiveness for your loans.
- **Librarian:** You must be a librarian with a master's degree working in a Title I-eligible elementary or secondary school or in a public library serving Title I-eligible schools. Work must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.
- **Nurse or medical technician:** You must be a full-time nurse or medical technician. You may receive up to 100% forgiveness of your outstanding loans.
- **Prekindergarten or child care:** You must be a full-time staff member in a prekindergarten or child care program that is licensed or regulated by a state. Work must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.
- **Special education teacher:** You must be a full-time special education teacher of children with disabilities in a public school, nonprofit elementary or secondary school, or educational service agency. If the service is at an educational service agency, it must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.

- **Speech pathologist:** You must be a full-time speech pathologist with a master's degree working in a Title I-eligible elementary or secondary school. Your service must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.
- **Teacher at an educational service agency:** You must be a full-time teacher in a designated educational service agency that serves students from low-income families. Your service must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness of your loans.
- **Teacher in shortage area field:** You must be a full-time teacher of math, science, foreign languages, bilingual education, or other fields designated as teacher shortage areas. You may receive up to 100% forgiveness of your loans.
- **Tribal college faculty member:** You must be a full-time faculty member at a tribal college or university. Your service must include August 14, 2008, or have begun on or after that date. You may receive up to 100% forgiveness.
- **Vista or Peace Corps volunteer:** You must serve for a period of time in the AmeriCorps Vista program or the Peace Corps. You may receive forgiveness for up to 70% of your loans over the course of 4 years—15% of the principal balance and accrued interest for the first and second years and 20% of the principal balance and accrued interest for the third and fourth years.

### LOANS THAT QUALIFY

- Perkins loans

### Next Steps

To find an application, research the specific Perkins loan forgiveness plan based on your career.

## Public Service Loan Forgiveness

### To Be Eligible ...

You must make 120 qualifying payments under the standard, income-based, income-contingent, or Pay As You Earn repayment plan. (Payments made before October 1, 2007, and payments made while in default, do not count.) You must have been working full time at a public service or nonprofit organization when you made these payments.

Eligible borrowers may receive up to 100% of the remaining outstanding balance after 10 years and 120 eligible payments.

### LOANS THAT QUALIFY

- Direct Stafford loans
- Direct Parent and Grad PLUS loans
- Direct Consolidation loans

Parent PLUS loans are only eligible if you consolidate them into a Direct Consolidation loan and repay them under the standard or income-contingent repayment plan.

You can consolidate any non-Direct loans into Direct loans; however, the payments you made on the underlying loans do not qualify.

### Next Steps

The form to apply for this forgiveness plan is available [here](#).

### **SEMA Loan Forgiveness Program**

#### **To Be Eligible...**

This program helps recent graduates in the automotive aftermarket industry get off to a successful start. You must work for an employer that is part of the Specialty Equipment Market Association (SEMA) and:

- Be a U.S. citizen.
- Have completed a graduate, bachelor's, associate's, or certificate program.
- Achieved at least a 2.5 GPA.
- Have at least \$2,000 in outstanding student loan debt.
- Be employed for at least 1 full year prior to applying.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent loans
- Grad PLUS loans
- Perkins loans

If selected for the award, you will receive \$2,000 toward outstanding student loans mailed directly to your lender. Previous recipients of SEMA Loan Forgiveness are not eligible to reapply.

#### **Next Steps**

Apply [online](#) or contact Juliet Marshall for questions at 909.978.6655.

### **Teacher Loan Forgiveness Program**

#### **To Be Eligible ...**

You must teach full time for 5 consecutive years in a designated elementary or secondary school or educational service agency serving low-income families. Other requirements are listed in the link above.

Borrowers are eligible to receive up to \$5,000 a year or up to \$17,500, depending on when the service began and what subject they teach.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans

For Consolidation loans, only the portion consolidated you used to repay eligible loans qualifies.

Loans made before October 1, 1998, do not qualify.

#### **Next Steps**

You can find that application for this forgiveness program [here](#).

## **USDA Veterinary Medicine Loan Repayment Program (VMLRP)**

### **To Be Eligible ...**

You must be a qualified veterinarian serving in certain high-priority veterinary shortage situations for an agreed amount of time.

Those who are eligible may receive up to \$25,000 per year for at least a 3-year commitment.

You may be eligible for additional years of repayment with longer commitments.

### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans
- Private loans
- State loans

Consolidation loans that include loans in another person's name (such as spousal consolidation loans) are not eligible.

### **Next Steps**

You can learn more about applying by emailing [mvmrlp@nifa.usda.gov](mailto:mvmrlp@nifa.usda.gov).

# State Specific

These forgiveness plans are state specific. You may be eligible in a particular state if you are a legal resident in that state, work in that state in one of the selected jobs, have a license for one of the jobs in that state, or went to school in that state.

This list is **not all-inclusive**. Funding and regulations are subject to change. You may find more career-based forgiveness programs with an online search.

### **Alaska Supporting Health Care Access Through Loan Repayment**

#### **To Be Eligible ...**

You must be a licensed health care professional practicing in a federally designated health professional shortage area in Alaska. You must also sign a 2-year commitment to practice in that area.

Eligible applicants may receive up to \$35,000 per year for 2 years; this amount depends on your field.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can inquire about applications and eligibility [here](#).

### **Arkansas State Teacher Assistance Resource Program**

#### **To Be Eligible ...**

You must be a full-time teacher who graduated from a teacher education program after April 1, 2004. You must be a resident of Arkansas for at least 6 months before applying. You must teach in an Arkansas public school located in a geographical area designated as having a critical shortage of teachers, and/or in a subject matter area designated as having a critical shortage of teachers.

Eligible borrowers can receive up to \$6,000 per year for up to 3 years if they satisfy both criteria. You are eligible to receive up to \$3,000 per year for up to 3 years if you only work in a critical shortage area.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

See the linked title above to learn more about applying for this forgiveness program.

### **California Army/Air National Guard Student Loan Repayment Program**

#### **To Be Eligible ...**

You must be a prior or non-prior service soldier in the California Army/Air National Guard or soldiers reenlisting or extending their service. You will need to sign up for a minimum 6-year service agreement.

Those who are eligible may receive \$7,500 per year with a lifetime maximum of \$50,000 per year to repay your federal student loans.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Federal Consolidation loans
- Perkins loans

To qualify, your loans must have been disbursed prior to your enlistment or reenlistment date.

#### **Next Steps**

You may apply [here](#).

### **California State Loan Repayment Program (SLRP)**

#### **To Be Eligible ...**

You must be a U.S. citizen or eligible non-citizen, a California resident, and a licensed primary health care professional who provides health care services in federally designated professional shortage areas to improve access to health care in underserved areas in California. You must provide full-time (40 hours per week) primary care in California for a minimum of 2 years. Private practices do not qualify.

Eligible borrowers can receive up to \$160,000. They may receive \$50,000 a year for a 2-year commitment, \$40,000 a year for a 3- or 4-year commitment, and \$30,000 a year for a 5-year commitment.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

You can find more details on eligibility and the application form [here](#).

### **Colorado Health Service Corps**

#### **To Be Eligible ...**

You must be a U.S. citizen or eligible non-citizen, a Colorado resident, and a licensed health care professional who provides health care services for those in need as determined by [this](#) criteria.

Eligible borrowers can receive up to \$35,000 per year for up to 3 years, depending on their field of practice. Dentists may be eligible for an additional \$25,000 for an additional 2-year commitment.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can find the application form for this repayment program [here](#).

### **Delaware State Loan Repayment Program**

#### **To Be Eligible ...**

You must work as a designated health care professional in an area of Delaware that the Delaware Health Commission designates as underserved. Repayment requires you to sign a contract for a term of 2 to 3 years of service.

Advanced degree practitioners may receive up to \$105,000 for a 3-year commitment. Mid-level degree practitioners may receive up to \$52,500 for a 3-year commitment.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation Loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can find the application for this program [here](#).



### **Nursing Student Loan Forgiveness Program (Florida)**

#### **To Be Eligible ...**

This forgiveness plan is for licensed practical nurses, registered nurses, and advanced registered nurse practitioners in the state of Florida. You must work at state-of-Florida-operated medical and health care facilities, public schools, Department of Health, county health departments, federally sponsored community health centers, teaching hospitals, family practice teaching hospitals, or specialty hospitals for children. Other Florida-licensed hospitals, birth centers, and nursing homes must be matched on a dollar-for-dollar basis by contributions from the employing institutions.

Eligible borrowers can receive up to \$4,000/year for a maximum of 4 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

Only loans obtained to cover nursing educational expenses or living expenses while studying nursing are eligible.

#### **Next Steps**

You can find the application for this program [here](#).

### **Georgia Physicians For Rural Areas Assistance Program**

#### **To Be Eligible ...**

You must commit to practice medicine for a minimum of 40 clinical hours per week in a Georgia county with fewer than 35,000 people. You must participate in the Medicaid program and actively treat Medicaid recipients.

If you're eligible, you can receive up to \$25,000 per year for up to 4 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can apply for this forgiveness program [here](#).

### **Illinois Nurse Educator Loan Repayment Program**

#### **To Be Eligible ...**

You must be a U.S. citizen or eligible non-citizen, an Illinois resident, and a nurse educator who meets licensing requirements of Illinois. You must have worked as a nurse educator instructing practical or professional nurses in an approved Illinois institution for at least the past 12 consecutive months prior to applying.

If you're eligible, you can receive up to \$5,000 per year for 4 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Nursing Student Loans (NSLs)
- Supplemental loans for students (SLS)
- Private student loans
- Institutional student loans

All loans must be for nursing education expenses.

#### **Next Steps**

You can find various applications on the website linked in the title of this section.

### **Illinois Teachers And Child Care Providers Loan Repayment Program**

#### **To Be Eligible ...**

You must have received loan forgiveness through the federal Teacher Loan Forgiveness Program and be a U.S. citizen and resident of Illinois. You must work for 5 years teaching in an elementary or secondary school designated as a low-income school, or you must work full time for 2 years in a child care facility that serves a low-income area in Illinois.

Eligible borrower may receive up to \$5,000.

#### **LOANS THAT QUALIFY**

- Stafford loans

#### **Next Steps**

You can find directions on how to apply to this forgiveness plan [here](#).

### **Illinois Veterans' Home Nurse Loan Repayment Program**

#### **To Be Eligible ...**

You must be a licensed nurse practicing and residing in Illinois at an Illinois veterans' home.

If you're eligible, you can receive up to \$5,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Nursing Student Loans (NSLs)
- Supplemental Loans for Students (SLS)
- Private student loans
- Institutional loans
- Perkins loans

You must have borrowed loans for nursing education expenses.

#### **Next Steps**

You can find applications for this forgiveness plan [here](#).

### **Iowa Teacher Loan Forgiveness**

#### **To Be Eligible ...**

You must be a fully licensed instructional teacher whose first teaching position in Iowa began no earlier than July 1, 2007. You must teach in a shortage subject area designated by the Iowa Department of Education.

If you're eligible, you can receive up to 20% of your total eligible student loan balance (including principal and interest) per year. The maximum you can apply for is determined annually, but it cannot exceed the average resident tuition rate established for students attending Iowa's Regent Universities for the first year following graduation. The maximum for 2013 graduates is \$6,658.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans

#### **Next Steps**

Eligible borrowers can apply to this forgiveness program [here](#).

### **Kansas State Loan Repayment Program**

#### **To Be Eligible ...**

You must be an eligible health professional working in Kansas who commits to provide health care services at an eligible site located in a federally designated health professional service area for at least 2 years. Your employment must be at a public or nonprofit private agency or facility. The practice site must maintain an open door to all residents regardless of their ability to pay.

Eligible physicians and dentists may receive up to \$30,000 annually for up to 2 years. All other health professionals may receive up to \$25,000 annually for up to 2 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can find details for applying to this forgiveness program in the link within the section title.

### **Kansas Bridging Plan**

#### **To Be Eligible ...**

You must be a physician in a Kansas residency program in family practice, internal medicine, or pediatrics. You must commit to practicing medicine after your residency for 36 continuous months in a rural community in Kansas.

If you're eligible, you can receive up to \$26,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Student PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can apply to this forgiveness plan [here](#).

### **Kentucky Large/Food Animal Veterinary Incentive Program**

#### **To Be Eligible ...**

You must be a veterinarian, veterinary technician, or veterinary technologist who practices mostly large/food animal medicine in Kentucky. You must also work at a practice that devotes at least 50% of its time to large/food animals. You must apply for this program within the first 2 years after you graduate.

Eligible borrowers can receive up to \$6,000 per year for up to 3 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Private student loans
- Institutional loans
- Perkins loans

You must have borrowed loans for veterinary education.

#### **Next Steps**

*You can find details on applying for this program in the link within the title of this section.*

### **Janet L. Hoffman Loan Assistance Program (Maryland)**

#### **To Be Eligible ...**

You must be a Maryland resident who graduated from a Maryland institution. You must also work full time in public service in Maryland state or local government or nonprofit agencies in Maryland.

You must work to serve low-income or underserved residents and must gross less than \$60,000 per year (if married, your combined gross cannot be more than \$130,000).

Lawyers, nurses, nurse faculty members, physical and occupational therapists, social workers, speech pathologists, physician assistants, and teachers are eligible.

If your total debt is \$15,000 or less, you may receive up to \$1,500 per year. If your total debt is \$15,001 to \$40,000, you may receive up to \$3,000 per year. If your total debt is \$40,001 to \$75,000, you may receive up to \$6,000 per year. And if your total debt is over \$75,000, you may receive up to \$10,000 per year. No matter your total debt, you can receive the indicated amount for up to 3 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

*You can find application forms on the website linked in the title of this section. You can also contact their office for paper applications.*

### **Massachusetts Loan Repayment Program**

#### **To Be Eligible ...**

You must be a qualified health professional as determined by Massachusetts and employed at a public or nonprofit health care organization located in a federally designated health professional shortage area.

You may receive up to \$25,000 per year and up to \$50,000 total for 2 years if you're eligible. Your profession will determine your award amount.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

The application for this repayment program is [here](#).

### **Minnesota Loan Forgiveness Program**

#### **To Be Eligible ...**

You must be an eligible health professional (see site linked in the title of this section) committed to a minimum of 3 years of service.

You may receive up to \$25,000 per year for a minimum 3-year commitment and a maximum of 4 years. The amount you receive depends on your field and where you practice.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

Applications are accepted only during certain times. If they are currently being accepted, you can find them within the career-specific pages on the webpage linked in the title of this section.

### **Martha Mordini Rukavina Loan Forgiveness Program**

#### **To Be Eligible ...**

You must be a dentist working full time and devote at least 25% of your time to patients enrolled in state public programs or receive a sliding fee in Minnesota for at least 3 years.

If you're eligible, you can receive up to \$30,000 per year for 4 years. Forgiveness cannot exceed your total loan amount.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Private student loans
- Institutional loans
- Perkins loans

#### **Next Steps**

You can find applications on the website linked in the title of this section.

### **Mississippi Teacher Loan Repayment Program**

#### **To Be Eligible ...**

You must be currently holding a Mississippi Alternate Route Teaching License and a teaching position in a Mississippi public school district located in a critical teacher or subject shortage area. You must not currently be in default or delinquent on any federal, state, or local educational loan and not have received funds from the Critical Needs Teacher Loan Scholarship Program or the William Winter Teacher Scholar Loan Program.

If you're eligible, you can receive up to \$3,000 annually for up to 4 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Private student loans

Your loans must be for your undergraduate education.

#### **Next Steps**

You can find the application for this repayment program [here](#).

### **Montana Quality Educator Loan Assistance Program**

#### **To Be Eligible ...**

You must be teaching full time in a public school, state-funded school, special education cooperative, or the Montana Youth Challenge Program. You must be teaching at an “impacted” school (see site linked in headline for definition) and in an academic area impacted by critical educator shortages.

If you’re eligible, you can receive up to \$3,000 per year for up to 4 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can find the application to this assistance program [here](#). (An account is required to access the site.)

### **District Attorney And Indigent Legal Services Attorney Loan Forgiveness Program (New York)**

#### **To Be Eligible ...**

You must be a legal resident of New York for 1 year, a U.S. citizen or eligible non-citizen, an eligible attorney, and not be serving for the John R. Justice Student Loan Repayment Program.

New York funding determines the annual amount each year, but you can receive no more than \$20,400.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- NY student loans
- Private student loans

#### **Next Steps**

You can find the application for this program [here](#).



### **New York State Licensed Social Worker Loan Forgiveness Program**

#### **To Be Eligible ...**

You must be a legal resident of New York for 1 year, a U.S. citizen or eligible non-citizen, a social worker professionally licensed in New York, and have at least 1 year of full-time qualified service in a critical service area.

Eligible borrowers can receive up to \$6,500 per year, with a maximum of their total qualified loan debt or \$26,000—whichever is less.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- NY student loans
- Private student loans

If another forgiveness program can cancel your loans, they do not qualify for this forgiveness program.

#### **Next Steps**

You can find the application for this program on [this website](#).

### **Nursing Faculty Loan Forgiveness Incentive Program (New York)**

#### **To Be Eligible ...**

You must be a legal resident of New York for 1 year, a U.S. citizen or eligible non-citizen, and a registered nurse professionally licensed in New York. You must also have a master's degree in nursing or a doctoral degree that qualifies you as nurse faculty, prior experience as a registered nurse, and qualified service (see site for more details).

Eligible borrowers can receive up to \$8,000 per year, with a maximum total of \$40,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- NY student loans
- Private student loans

Your loans must have funded a nursing degree received after January 1, 2001. Also, if another forgiveness program can cancel your loans, they do not qualify for this forgiveness program.

#### **Next Steps**

You can find applications on the website linked in the title of this section; however, applications are only available in August.

### **North Dakota Science, Technology, Engineering, And Mathematics (STEM) Occupations Student Loan Program**

#### **To Be Eligible ...**

You must be a North Dakota college graduate with a cumulative GPA of 2.5 or higher and employed in a board approved STEM occupation for 12 months.

If you are eligible, you can receive up to \$1,500 per year, with a maximum total of \$6,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Loans from the Bank of North Dakota

#### **Next Steps**

You can find the application for this program [here](#).

### **North Dakota Teacher Shortage Loan Forgiveness Program**

#### **To Be Eligible ...**

You must teach in North Dakota at a grade level and/or in a content area identified as having teacher shortages. Eligible borrowers can receive up to \$1,000 per year, with a maximum total of \$3,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Loans from the Bank of North Dakota

#### **Next Steps**

You can find the application for this program [here](#).

### **North Dakota's Veterinarian Loan Repayment Program**

#### **To Be Eligible ...**

You must be a veterinarian who provides food animal veterinary medicine services to defined needs areas in North Dakota. You must also complete a contract to provide the veterinary services for 2, 3, or 4 years.

Eligible borrowers can receive up to \$15,000 per year for the first 2 years of service and then up to \$25,000 per year for their third and fourth years of service.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Student PLUS loans
- Consolidation loans
- Private student loans
- Institutional loans
- Perkins loans

You must have borrowed these loans for veterinary education.

#### **Next Steps**

You can apply for this program [here](#).

### **Oklahoma Dental Loan Repayment Program**

#### **To Be Eligible ...**

You must be a dentist in Oklahoma practicing in an underserved metro area or rural area. In addition, at least 30% of your patients must be Medicare recipients.

Eligible borrowers may receive up to \$25,000 per year for 2 to 5 years. However, the availability of this program is very limited. Only five dentists receive this award per year.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Private student loans

#### **Next Steps**

You can find the application for this program [here](#).

### **Oregon Partnership State Loan Repayment Program**

#### **To Be Eligible ...**

You must be a primary care provider working in an HPSA designated service site that is willing to provide 50% of the total loan repayment award plus a 10% administrative fee. You will need to sign a minimum 2-year service obligation with the option of 1 to 2 years beyond the initial obligation.

Eligible borrowers can receive up to \$35,000 or 25% of their qualifying debt (whichever is smaller) disbursed every 6 months, for their 2 years of service. If you opt to extend your service obligation, you may be able to receive additional student loan repayment.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans
- Private loans
- State loans

#### **Next Steps**

You can find the two applications for this program [here](#).

### **Rhode Island Educational Loan Repayment Program For Primary Care Providers**

#### **To Be Eligible ...**

You must be a licensed physician, nurse practitioner, or physician's assistant newly recruited to practice in Rhode Island and work in family medicine, internal medicine, or pediatrics.

Physicians may receive up to \$20,000 per year for 4 years, for a maximum of \$80,000.

Nurse practitioners and physicians assistants can receive up to \$10,000 per year for 4 years, for a maximum of \$40,000. The amount you receive cannot exceed 50% of your educational debt.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Health Professions Student Loans (HPSLs)
- Private student loans

#### **Next Steps**

There are separate forms for each vocation. You can download the appropriate one for you from the link within the title of this section.

### **Rhode Island Dental Educational Loan Repayment Program**

#### **To Be Eligible ...**

You must be a licensed dentist or dental hygienist practicing in a safety net site in Rhode Island.

Dentists may receive up to \$25,000 per year for a 2-year commitment. Dental hygienists may receive up to \$10,000 per year for a 2-year commitment. The amount you receive cannot exceed 50% of your educational debt. Six dental professionals may receive up to \$150,000.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Health Professions Student Loan (HPSLs)
- Private student loans

#### **Next Steps**

You can find applications [here](#).

### **Teach For Texas Loan Forgiveness**

#### **To Be Eligible ...**

You must teach in Texas at a designated subject shortage area, which are determined annually, and in a designated low-income area school.

If you're eligible, you can receive up to \$2,500 per year for the 2013-2014 budget period. This amount is adjusted annually based on funding.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*Applications are emailed to eligible teachers.*

### **RISLA Loan Forgiveness For Internships**

#### **To Be Eligible ...**

You must have non-federal student loans held by the Rhode Island Student Loan Authority. You must complete an eligible academic internship worth at least three credit hours through an accredited higher education institution and must graduate.

Only students at Rhode Island schools or residents of Rhode Island attending out-of-state schools qualify. Independent studies and practicums that are required for a particular major do not qualify.

The internship must be after May 1, 2013, may be paid or unpaid, and can be done in any state.

You may receive \$2,000 for one three-credit internship after graduation. Sorry, you can only apply once.

#### **LOANS THAT QUALIFY**

- Non-federal loans (state loans, private loans, etc.)

#### **Next Steps**

Contact the Rhode Island Student Loan Authority (RISLA) at 800.758.7562 to apply.

### **RISLA Nurse Educators Loan Forgiveness Program**

#### **To Be Eligible ...**

You must be a nurse educator hired on or after April 1, 2012, teaching full or part time at a degree-granting accredited institution in Rhode Island licensed by the Rhode Island Board of Nursing Registration.

You may receive up to \$5,000 annually for up to 4 years. Part-time teachers would have awards prorated.

RISLA is awarding up to \$240,000 on a first-come, first-served basis.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad or Parent PLUS loans
- Consolidation loans
- Private loans
- Nursing loans

#### **Next Steps**

You can find the application [here](#).

### **Vermont Science, Technology, Engineering, And Mathematics (STEM) Incentive**

#### **To Be Eligible ...**

You must be recently employed in Vermont in an eligible position that meets the STEM definition. You must also have graduated from an accredited institution with an associate's degree or higher within 18 months of your hire date.

Eligible borrowers may receive up to \$1,500 per year for up to 5 years.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans
- Health Professions Student Loan (HPSLs)
- Private student loans

#### **Next Steps**

You can apply to this program [here](#).

### **Alternative Routes Program (Washington)**

#### **To Be Eligible...**

This program was designed to recruit teaching candidates in subject shortage areas in Washington state (currently math, science, foreign language, and technology/media centers) and is for individuals seeking their initial Washington residency teaching certificates.

In return for a 2-year teaching commitment, you may receive up to \$3,000 per year in scholarships to help pay tuition for your coursework, the cost of the subject knowledge test (WEST-E), or student loan repayment.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent loans
- Grad PLUS loans
- Perkins loans

#### **Next Steps**

Contact the Washington Department of Education for more information.

## **Wyoming Healthcare Professional Loan Repayment Program**

### **To Be Eligible ...**

You must be a physician, health care professional, or dentist who works full time in Wyoming and treats Medicare, Medicaid, and Kid Care eligible patients.

Physicians and dentists may receive up to \$30,000 per year for 3 years. All other health care professionals may receive up to \$10,000 each year for 3 years.

### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

### **Next Steps**

*Applications are only accepted during certain times of the year. If they are currently available, you can find them [here](#).*



# Part Three:

# Loan Discharge Options

# Closed Schools/School Error

Borrowers may be eligible if their school closed while they were attending it or within 90 days of leaving it. They may also be eligible if they withdrew from school and were not refunded the correct amount. Borrowers are only eligible if they received their loans on or after January 1, 1986.

### **Discharge Closed School**

#### **To Be Eligible ...**

This program is for borrowers who could not complete their program of study because the school closed while they were enrolled or within 90 days of their dropping out. If you were offered a [Teach-Out Program](#) and did not accept or completed your program of studies at another institution, you are not eligible.

If you meet the requirements, you are eligible to have 100% of the loans you took out for that program forgiven—including any amounts you've already paid.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent PLUS loans
- Grad PLUS loans
- Perkins loans

#### **Next Steps**

To receive an application for a closed school discharge, you must contact your loan servicer. If you have questions regarding your closed school, contact the appropriate person [here](#).

### **Discharge Unpaid Refund**

#### **To Be Eligible ...**

This is for borrowers who were eligible for a refund on their loans after withdrawing from school but did not receive all or a portion of the loan. You may be eligible for this whether your school is open or closed.

If you meet the requirements, you are eligible to receive up to the amount that was originally supposed to be refunded and was not.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Consolidation loans
- Parent PLUS loans
- Grad PLUS loans

#### **Next Steps**

To see if you are eligible, contact the school you withdrew from and request their federal aid refund policy. If you did not follow the school's posted withdrawal procedures, you may not be eligible for a refund. You should also contact your loan servicer for more information.

# Disaster

This section features a discharge option for victims of September 11, 2001.

## **Spouses And Parents Of Victims of September 11, 2001, Forgiveness**

### **To Be Eligible ...**

This discharge is available to the spouses of eligible public servants (police officers, firefighters, Armed Forces, or other safety and rescue personnel) or other eligible victims who died or became permanently and totally disabled due to physical injuries suffered in the September 11 attacks.

If you meet these requirements, you are eligible to earn back 100% of the loan amount you owed on September 11, 2001.

### **LOANS THAT QUALIFY**

- Stafford loans
- Parent PLUS loans
- Grad PLUS loans
- Perkins loans
- Consolidation loans made to pay off loan amounts that were owed on September 11, 2001

### **Next Steps**

If you are eligible for this form of forgiveness, access the application [here](#).

For more information on this form of forgiveness, look [here](#).

# Financial Hardship

The following options are for borrowers who face financial hardship based on income or debt.

### **Bankruptcy**

#### **To Be Eligible ...**

You must prove to a **bankruptcy** judge that repaying your loans would be an undue hardship. This standard generally requires you to show that there is no likelihood of any future ability to repay. As a result, it can be difficult to discharge federal student loans through bankruptcy.

If you are eligible for this type of discharge, you can have up to 100% of your loan's amount forgiven. You may also regain eligibility of federal student aid if you previously lost it.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Parent PLUS loans
- Grad PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*You must apply for this type of discharge in an adversary proceeding in bankruptcy court. To learn how to go about doing this, look [here](#).*

### **Income-Based Repayment**

#### **To Be Eligible ...**

You must make 25 years of eligible payments or 300 payments under the income-based repayment (IBR) program. Only payments made on or after July 1, 2009, count.

Not all borrowers qualify for IBR. To qualify, you must have a partial financial hardship—meaning that payments to your eligible loans exceed 15% of your discretionary income. IBR caps the maximum monthly payment at 15% of your discretionary income. This is the difference between your AGI and 150% of the annual poverty guideline for your family size and state.

If you are eligible, you can have up to 100% of your outstanding balance forgiven after 25 years (10 if you work in public service).

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Consolidation loans, except loans that include Parent PLUS loans

#### **Next Steps**

*To apply for IBR, you need to submit two forms to your servicer: an [application](#) and an [IRS Tax Form 4506-T](#).*

### **Income-Contingent Repayment**

#### **To Be Eligible ...**

You must make 25 years of eligible payments or 300 payments under the income-contingent repayment (ICR) program.

Payments are calculated each year and are based on your annual income (this includes your spouse's income if you file jointly), family size, and the total amount of your federal student loans. Payments are capped at 20% of your discretionary income.

If you are eligible, you can have up to 100% of your outstanding balance forgiven after 25 years (10 if you work in public service).

#### **LOANS THAT QUALIFY**

- Direct Stafford loans
- Direct Grad PLUS loans
- Direct Consolidation loans (including those with Parent PLUS loans)

#### **Next Steps**

To apply for ICR, sign in to [studentloans.gov](https://studentloans.gov) and complete a request form.

### **Pay As You Earn Forgiveness**

#### **To Be Eligible ...**

You must be a new Direct Loan borrower as of October 1, 2007, with a disbursement made after October 1, 2011. Any Direct Consolidation loan made on or after October 1, 2011, that does not include a Parent PLUS loan or a loan made prior to October 1, 2007 is eligible.

You must make 20 years (10 if you work in public service) of payments under the Pay As You Earn repayment plan. Not all borrowers qualify for Pay As You Earn. To qualify, you must have a partial financial hardship—meaning payments to your eligible loans exceed 10% of your discretionary income. Pay As You Earn caps your maximum monthly payment at 10% of discretionary income (the difference between your AGI and 150% of the annual poverty guideline for your family size and state).

If you are eligible, you can have up to 100% of your outstanding balance (after 240 eligible payments) forgiven.

#### **LOANS THAT QUALIFY**

- Direct Stafford loans
- Direct Grad PLUS loans
- Direct Consolidation loans, except those that include a Parent PLUS loan or a loan made prior to October 1, 2007

#### **Next Steps**

To apply for Pay As You Earn forgiveness, sign in to [studentloans.gov](https://studentloans.gov) and complete a request form.



# Fraud

You may be eligible to have 100% of your loan discharged if someone fraudulently obtained the loan in your name. This includes identity theft and false certification. Forgery is another kind of fraud addressed in our [links and references](#) section.

### **False Certification Due To Identity Theft**

#### **To Be Eligible ...**

The person who stole your identity must have been convicted of the crime. Generally, you must also file and submit a police report and various other evidence of identity theft as requested by the loan holder and/or the U.S. Department of Education. In addition, you must be willing to assist in any proceedings related to the investigation and/or prosecution of the identity theft. This type of discharge is only for loans received after July 1, 2006.

If you meet the requirements, you are eligible to receive up to 100% of your student loan discharged.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*To discharge your loans due to identity theft, fill out an identity theft report, file a police report, and contact your loan holder.*

### **False Loan Certification**

#### **To Be Eligible ...**

This discharge is for borrowers whose schools falsely certified their eligibility for a loan. This can be caused by a school official falsely signing the borrower's name on a loan application or master promissory note, which resulted in the borrower not benefitting from the funds. This is called a false certification due to unauthorized signature.

False certification also occurs when a school admits a student even though the student did not meet the requirements of admission. In this instance, the borrower did not have the [ability to benefit](#) from the education received. This is called a false certification due to ability to benefit.

The final cause of false loan certification is [disqualifying status](#), meaning the student is unable to meet the legal requirements for employment in the student's state of residence in the occupation for which the program of study was intended due to age (upon completion of training), physical or mental condition, criminal record, or other reason. This disqualifying status must have existed at the time the loan was issued.

This discharge option is only for loans received on or after January 1, 1986.

If you meet these requirements, you are eligible to receive up to 100% of your federal student loan discharged.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans

#### **Next Steps**

##### **To apply for this type of discharge:**

- Fill out [this form](#) for the false certification due to unauthorized signature and submit to your loan holder.
- Fill out [this form](#) for the false certification due to ability to benefit and submit to your loan holder.
- Fill out [this form](#) for the disqualifying status and submit it to your loan holder.

# Medical

The following options are for borrowers who suffer from physical or mental impairments or have died.

### **Death**

#### **To Be Eligible ...**

In the unfortunate case of the passing of the borrower, the borrower's family can have the borrower's loans discharged.

Parent PLUS loans can be discharged if the borrower (the parent) dies or if the student on whose behalf the loan was borrowed dies. In the case of spousal Consolidation loans, only the portion of the loan attributed to the deceased borrower can be discharged.

If you meet these requirements, you are eligible to receive up to 100% of your remaining balance discharged. In addition, payments made on behalf of the borrower after the borrower's death will be refunded.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*You must send an original or certified copy of the death certificate (or a photocopy of either) to all of the borrower's loan holders to discharge the loans.*

### **Total And Permanent Disability**

#### **To Be Eligible ...**

A physician must certify that the borrower is unable to engage in substantial gainful activity due to a physical or mental impairment. This impairment must be expected to result in death or last for a continuous period of at least 60 months, or it must have already lasted for a continuous period of at least 60 months.

The Secretary of Veteran Affairs (VA) can also certify the borrower to be unemployable due to a service-connected disability.

Effective July 1, 2013, borrowers may be eligible for discharge if they have been certified as disabled by the Social Security Administration (SSA) where the notice of award for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits indicates that the borrower's next scheduled disability review will be within 5-7 years.

Any remaining balance on your federal student loans will be discharged from the date that your physician certifies your application.

If the VA certified your application, any federal student loan amounts owed after the date of the service-related injury will be discharged.

If you were approved due to the SSA determination, any remaining balance on your federal student loans would be discharged as of the date the SSA determination is received by the Department of Education on or after July 1, 2013.

You must return any disbursements made after the TPD certification approval within 120 days.

#### **LOANS THAT QUALIFY**

- Stafford loans
- Grad PLUS loans
- Parent PLUS loans
- Consolidation loans
- Perkins loans

#### **Next Steps**

*To apply for this discharge, complete [this form](#) and contact your loan holder.*

# Part Four: Other Useful Stuff

# Glossary

Trying to figure out what some of this student loan lingo actually means? You came to the right place.

**Bankruptcy:** A process by which some or many of your debts can be discharged—meaning you won't have to pay them. However, it can come with some major costs, like giving up some of your assets (such as your home, car, etc.) Most importantly, student loans can be difficult to discharge through bankruptcy.

**Discharge:** The cancellation of a student loan debt due to certain rare circumstances, such as a school closure, the death of the borrower, or total and permanent disability.

**Direct Loan Program (DL):** The most common federal loan program. With Direct loans, the federal government lends money directly to students, instead of going through a private bank (see FFELP). DL offers subsidized and unsubsidized Direct Stafford loans, federal Direct Consolidation loans, and Direct PLUS loans. As of June 30, 2010, all federal student loans are Direct loans.

**Federal Family Education Loan Program (FFELP):** Prior to July 1, 2010, the Federal Family Education Loan Program (FFELP) was an alternative way to get Stafford, PLUS, SLS, and Consolidation loans. Private lenders originated FFELP loans with government backing. As of June 30, 2010, new FFELP loans are no longer issued.

**Forgiveness:** The cancellation of a loan's remaining balance—or a portion of the balance—by the federal government.

## Loan Repayment Plans

- **Income-Based Repayment (IBR):** Plan that sets your payment amounts based on your income and family size and caps your payments at 15% of your discretionary income if you are eligible. After 25 years (10 if you work in public service) and 300 eligible payments, any remaining balance may be forgiven but would be taxable.
- **Income-Contingent Repayment (ICR):** Similar to IBR, but caps your payments at 20% of your discretionary income and is available for Direct loan borrowers only. After 25 years (10 if you work in public service) and 300 eligible payments, any remaining balance may be forgiven but would be taxable.
- **Pay As You Earn Repayment:** Another plan similar to IBR that allows you to make payments of no more than 10% of your discretionary income if you qualify. After 20 years (10 if you work in public service), any remaining outstanding balance may be forgiven but would be taxable.

## Types of Loans

- **Consolidation loans:** Loans that combine one or more pre-existing loans into one new loan and (generally) a longer repayment term.
- **Health Professions Student Loans (HPSLs):** Loans for health care professionals specializing in many areas other than primary care or nursing. HPSLs are part of Title VII of the Public Health Service Act.
- **Institutional loans:** Non-federal loans provided directly by your school.
- **Nursing Student Loans (NSLs):** Loans for nursing professionals looking to supplement their financial aid. NSLs are part of Title VIII of the Public Health Service Act.
- **Stafford loans:** The most common federal student loans. Stafford loans can be either subsidized or unsubsidized.
- **Supplemental Loans for Students (SLS):** Federal loans for financially independent students. This program was eliminated in 1994 with the creation of unsubsidized Stafford loans.
- **Perkins loans:** Federal loans that schools award to their students who have exceptional financial need.
- **PLUS loans:** Loans borrowed by parents of eligible dependent students (Parent PLUS loans) or by graduate students themselves (Grad PLUS loans) typically after exhausting their Stafford loan awards.
- **Private student loans:** Non-federal loans provided by private lenders that can help you pay for school, if you don't have enough other financial aid.

# Helpful Links And References

**Further information On Federal Loan Discharge Programs:**

<http://www.asa.org/loan-help/dispute/default.aspx>

**Further information On Federal Loan Forgiveness Programs:**

<http://www.finaid.org/loans/forgiveness.phtml>

**Loan Cancellation And Discharge Forms:**

[https://saltmoney.org/content/Forms?Ns=/Form/\\_/N-17Z4I](https://saltmoney.org/content/Forms?Ns=/Form/_/N-17Z4I)

**Further information On Forgery (Contact Your Local Police And Refer To You State Law):**

<http://statelaws.findlaw.com/criminal-laws/forgery/>





[saltmoney.org](http://saltmoney.org)