



Education Debt Consumer Assistance Program

Public Service Loan Forgiveness (PSLF) Consolidation

How to Consolidate Federal Student Loans to Benefit from the PSLF Waiver?

Borrowers who have outstanding FFEL or Perkins loans and want to take advantage of the [Limited PSLF Waiver](#) need to consolidate their loans prior to October 31, 2022.

Here are step-by-step instructions:

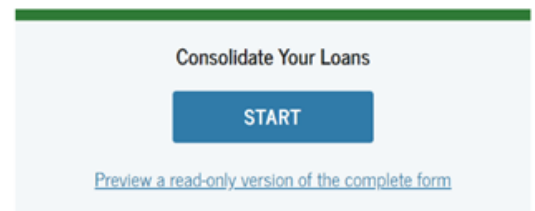
Step 1: Gather the following information.

- You will need your Federal Student Aid ID to log in to your studentaid.gov account. Reset your password or create an ID [here](#) if you don't have one.
- The name, address, and phone number of your current employer (if applicable).
- The name and contact information (address and phone number) of two references. These are not character references. They will only be contacted in the event the Education Department has trouble locating you. It can be a friend or family member. References cannot live with you or with each other.
- Know your Adjusted Gross Income from your last filed tax return. If you did not file taxes in the last two years or your income has significantly decreased, know your current income to help you select the best repayment plan.
- Ideally, you would know which repayment plan you want. PSLF requires that you make payments under an Income Driven Repayment Plan. Refer to Q4 in the FAQ.

Caution: Parent Plus loans don't qualify for the PSLF temporary waiver opportunity and should not be consolidated without getting prior advice.

Step 2: Start the consolidation application through Federal Student Aid.

- Log into your Federal Student Aid Account
- Go to Manage Loans and click on [Consolidate My Loans](#)
- Click START to begin the consolidation application



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Step 3: Complete, electronically sign and submit the application.

Consolidation FAQs to Help You Complete the Application

1. Q: Do I consolidate all my loans or just the FFEL/Perkins?

A: If you have a mix of FFEL, Perkins and Direct Loans, you can consolidate them all together and you would get the highest payment count applied to all loans. But you must do this prior to the October 31, 2022, deadline.

2. Q: How is the interest calculated on the consolidated loans?

A: The interest rate will be the weighted average of the interest rates on the loans being consolidated, rounded up to the nearest one-eighth of one percent. You will see the new interest rate on the application. Know it is a fixed interest rate. It won't change for the life of that loan.

3. Q: Which student loan servicer do I select?

A: MOHELA, because they are the student loan servicer contracted by the U.S. Department of Education to manage the PSLF program. In fact, your loans will be transferred to MOHELA if they are not already with them to determine your PSLF eligibility.

4. Q: Which repayment plan do I select?

A: In general, PSLF requires that you enroll in an Income Driven Repayment (IDR) plan. There are four IDR plans—Pay As You Earn, Revised Pay As You Earn, Income Based Repayment and Income Contingent Repayment. There are key differences for each plan and not everyone is eligible for all plans. If you select a plan you are not eligible for, you will be placed in the least expensive plan available to you. Note: You can change repayment plans at any time.

5. Q: Should I agree to transfer my income information through the IRS tool?

A: If you file taxes, it is best to use the IRS retrieval tool. Otherwise, you may have to provide proof of income after you submit the application. You will be asked for income information if you select an Income Driven Repayment (IDR) plan.

6. Q: What if I am married and file taxes jointly with my spouse?

A: Your spouse will be asked to co-sign the IDR request. Instructions will be provided at the end of the application.

7. Q: How long does the process take?

A: Generally, the consolidation takes 4-6 weeks to complete. It may take another 2 weeks for the IDR request to be processed.

8. Q: How can I access the applications after I complete the consolidation?

A: In your FSA account, at the drop-down menu under your name at the upper right-hand corner, click "My Documents", select "Loan Consolidation", scroll down to "Completed Loan Consolidation Application" and click the down arrow next to the date the application was filed. You will see the PDFs which you can download and/or print for your records.

Resources:

- [Understanding repayment plan options](#)
- [Federal Student Loan Consolidation Online Application](#)