

FINANCING A PUBLIC INTEREST CAREER

Loan Forgiveness and Repayment Assistance

- **Two primary loan repayment loan forgiveness/assistance plans for graduates who go into Public Interest Law Careers**
 - **Federal Public Service Loan Forgiveness (PSLF)** – PSLF is the Department of Education’s (ED) loan forgiveness program for borrowers who choose careers in Public Service. Forgiveness occurs after 120 qualifying, on time repayments (10 years)
<https://studentaid.ed.gov/repay-loans/forgiveness-cancellation/charts/public-service>

PSLF Fact sheet:
<https://studentaid.ed.gov/sites/default/files/public-service-loan-forgiveness.pdf>
 - **UCH Public Interest Career Assistance Program (PICAP)** – PICAP will help you pay between 50% – 80% of your qualifying loan payments
<http://www.uchastings.edu/about/admin-offices/financial-aid/picap/index.php>

How it works

Lay the groundwork and position yourself on track for PSLF

- Transfer loans to FedLoan Servicing (ED’s designated PSLF loan servicer)
 - [PSLF Employer Certification](#)
- Consolidate loans if necessary - <https://studentloans.gov/myDirectLoan/index.action>
- Get set up on either Income Based Repayment (IBR) or Pay As You Earn (PAYE)
If timed correctly loan payments can be as low as \$0.00 and still qualify for PSLF
 - [IBR/PAYE Repayment Plan Request Form](#)
- Complete the PICAP paperwork before the August deadline
- [Preparation for Repayment Timeline](#)

CASE Study: Discussion

Repayment Estimator:

<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>

Add loans = Example \$129,000 Direct PLUS, interest 7.0%, AGI \$35,000, Family = 1, State = CA
PAYE = \$146/mo; IBR = \$219. PICAP pays 70%, \$102

GO FISH:

Repayment Calculators

Finaid.org

Calculators: <http://www.finaid.org/calculators/>

IBR 15% calculator: <http://www.finaid.org/calculators/ibr.phtml>

IBR 10% calculator (PAYE): <http://www.finaid.org/calculators/ibr10.phtml>

Department of Education

Studentloans.gov

<https://studentloans.gov/myDirectLoan/index.action>

Studentaid.ed.gov

<https://studentaid.ed.gov/repay-loans>

TIPS:

- File Taxes as a 3L so that tax information can be used to determine the IBR payment
- Meet with Jeff Hanson in October or February for one-on-one counseling to review your individual circumstances and create a repayment strategy. October 6 – 10, 2014. Online appointments approximately 2 weeks prior.

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