

SENATE RESOLUTION No. 86

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED SEPTEMBER 24, 2020

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

Urges President and Congress of United States to continue federal Public Service Loan Forgiveness Program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/24/2020)

1 **A SENATE RESOLUTION** urging the President and the Congress of
2 the United States to continue the federal Public Service Loan
3 Forgiveness Program.

4
5 **WHEREAS**, The Public Service Loan Forgiveness (PSLF) Program,
6 codified in federal statute at 20 U.S.C. s.1087e, was established in
7 2007 and was intended to encourage individuals to enter and
8 continue careers in public service by offering the promise of student
9 loan debt forgiveness for eligible public servants; and

10 **WHEREAS**, To be eligible for loan forgiveness under the PSLF
11 program, an individual is required to: be working full-time for a
12 federal, state, local, or tribal government or not-for-profit
13 organization; not be in default on his or her loans; be a borrower of
14 a loan received under the William D. Ford Federal Direct Loan
15 Program; be repaying his or her loans through an income-driven
16 repayment plan; and make 120 on-time monthly loan payments for
17 the full amount due on his or her bill after October 1, 2007; and

18 **WHEREAS**, The most recent PSLF program data released by the Office
19 of Federal Student Aid indicate that, as of December 31, 2019, a
20 total of 1,565 unique borrowers have received a discharge under the
21 PSLF program, with nearly \$100 million being forgiven; and

22 **WHEREAS**, The President's Budget, as introduced for Fiscal Year
23 2021, includes a plan to completely eliminate the PSLF program, a
24 proposal which, if enacted by Congress, would take away a
25 valuable benefit for numerous public service employees; and

26 **WHEREAS**, While the PSLF program has experienced certain design
27 and implementation issues in recent years, it plays a pivotal role in
28 allowing and incentivizing individuals across the country to seek
29 careers in critical public sector jobs, including teachers, military
30 service members, police officers, firefighters, first responders,
31 public sector attorneys, and providers of social services and medical
32 services; and

33 **WHEREAS**, Eliminating the PSLF program entirely would not only
34 deter many individuals from pursuing a desired career path in
35 public service, but would also eradicate an important recruitment
36 tool for public sector employers; now, therefore,

37
38 **BE IT RESOLVED** *by the Senate of the State of New Jersey*:
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40 1. This House respectfully urges the President and Congress of
41 the United States to continue the Public Service Loan Forgiveness
42 Program and to reject efforts to eliminate the program, as is
43 currently proposed in the President's Budget for Fiscal Year 2021.

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45 2. Copies of this resolution, as filed with the Secretary of State,
46 shall be transmitted by the Secretary of the Senate to the President
47 of the United States, the Majority and Minority Leaders of the

1 United States Senate, the Speaker and Minority Leader of the
2 United States House of Representatives, and every member of the
3 congressional delegation from the State of New Jersey.

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6 STATEMENT
7

8 This resolution urges the President and Congress of the United
9 States to continue the federal Public Service Loan Forgiveness
10 (PSLF) Program and opposes the proposal contained in President
11 Donald Trump's Fiscal Year 2021 Budget, as introduced, to
12 eliminate the program. If ultimately enacted by Congress, the move
13 to eliminate the PSLF program would take away a valuable benefit
14 for public service employees.

15 The PSLF program, codified in federal statute at 20 U.S.C.
16 s.1087e, was established in 2007 and was intended to encourage
17 individuals to enter and continue careers in public service by
18 offering the promise of student loan debt forgiveness for eligible
19 public servants. To be eligible for loan forgiveness under the PSLF
20 program, an individual is required to: be working full-time for a
21 federal, state, local, or tribal government or not-for-profit
22 organization; not be in default on his or her loans; be a borrower of
23 a loan received under the William D. Ford Federal Direct Loan
24 Program; be repaying his or her loans through an income-driven
25 repayment plan; and make 120 on-time monthly loan payments for
26 the full amount due on his or her bill after October 1, 2007. The
27 most recent PSLF program data released by the Office of Federal
28 Student Aid indicate that, as of December 31, 2019, a total of 1,565
29 unique borrowers have received a discharge under the PSLF
30 program, with approximately \$100 million being forgiven.

31 The PSLF program plays a pivotal role in allowing and
32 incentivizing individuals across the country to seek careers in
33 critical public sector jobs, including teachers, military service
34 members, public sector attorneys, and providers of social services
35 and medical services. Eliminating the PSLF program entirely
36 would not only deter many individuals from pursuing a desired
37 career path in public service, but would also eradicate an important
38 recruitment tool for public sector employers.