



**EQUITABLE**  
ADVISORS

# YOU ASK, WE ANSWER



## What is a good approach for learning which available loan forgiveness options are best for you?

Dear Kelly,

*I feel overwhelmed trying to understand the various loan forgiveness programs. There are to be so many changes and updates. I need help! How can I clearly understand what is out there, and what programs I could be applying for?*

-Perplexed by loan forgiveness programs



Applying for multiple loan forgiveness programs may seem like a good strategy, but you should really consider your unique individualized financial goals prior to applying.

I always recommend meeting with a financial professional to review your situation, establish your goals, and to make sure all parts of your financial strategy including loan forgiveness applications align with your short and long term financial goals.

**Dear Perplexed,**

You are not the only one with these thoughts! It seems these loan forgiveness programs are well-meaning and have great intentions, but hard to keep track of. Let me provide some insight below. I have also hyperlinked each piece of information to the website it came from so you can read further.

### **President Biden Loan Forgiveness**

This year President Biden announced a student loan relief program for people making less than \$125k/year as a single person or, \$250k/year as a married, filing jointly person. The application is now live. The amount of forgiveness is \$10,000 or \$20,000 if you had Pell Grants. A word of caution, if you are planning on applying for other loan forgiveness programs, meet with a financial professional prior to applying for this program. **Reason:** If you are on an Income Driven Repayment plan (IDR) your monthly loan payments may increase if your debt-to-income ratio is significantly lowered because of receiving Biden Loan Forgiveness.

### **PSLF Limited Waiver**

October 31, 2022 will close the availability of this program (though there is lobbying now to postpone the cut off). To be eligible for this program, you would have needed to consolidate your non-direct loans (FFELP) by a certain date. Then, the Employment Certification Form (ECF) needs to be submitted. For more information about how the October 31st deadline applies to this program, visit the studentaid.gov site [here](#).

### **The Original and Temporary Expanded PSLF**

This is the standard program which has been around and expanded since the plan's inception in 2007. Additional flexibility has been added to it over time, making it more accessible to the public (TEPSLF, or *Temporary Expanded PSLF*). This is the plan that studentaid.gov will revert back to once the PSLF Waiver has expired.

*I hope this helps*, and if you need further assistance on 'boiling the ocean' on loan forgiveness dates, times, and programs, please reach out to us and we can sort out some of your options together. This is one of the services provided as part of the SAANYS / Equitable partnership.

Sincerely,

*Kelly*

To set up a complimentary meeting with a Financial Professional or submit a *question for Kelly*, please email [Kelly.Demay@equitable.com](mailto:Kelly.Demay@equitable.com), don't forget to mention your SAANYS membership.



Kelly DeMay is a Financial Advisor with Equitable Advisors. Equitable Financial partners with SAANYS to provide financial articles, seminars, guidance and planning for SAANYS members.

As a SAANYS member, you are able to receive complimentary meetings to review your financial situation and plan for the future.