

September 17, 2025

Office of Postsecondary Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Re: Docket No. ED-2025-OPE-0016—2025 Negotiated Rulemaking; William D. Ford Federal Direct Loan (Direct Loan) Program

To Whom It May Concern:

Our respective organizations would like to comment on the Department of Education's notice of proposed rulemaking on the Public Service Loan Forgiveness (PSLF) program. We offer these comments in response to your Federal Register notice of August 18, 2025 (90 FR 15665).

The PSLF program was created in 2007 to encourage graduates to enter public service.¹ The program forgives all federal student loan balances for borrowers who have made 10 years of on-time payments—and uninterrupted employment—in certain public service jobs for qualifying employers. Qualifying public health employers can include community health centers, federally qualified health centers, teaching health centers, migrant health centers, and others that furnish a disproportionate amount of care to those who cannot afford to pay.

The Department is proposing to amend the regulations governing the PSLF program to exclude qualifying employers that engage in activities that have a “substantial illegal purpose.” The intent is to prevent taxpayer-funded PSLF benefits from being improperly provided to individuals who are employed by organizations that are engaged in activities that are unlawful.

While we support the intended purpose of this rule change—which is to remove bad actors from the PSLF program—we would like to see safeguards in place to ensure participating dentists are not penalized should their employer's qualifying status be suddenly removed. We would also like to avoid unnecessary interruptions to care delivered to those in need before allegations of qualifying employer misconduct are substantiated.

Our detailed comments, which are enclosed, emphasize the need to maintain borrower eligibility, ensure due process for qualifying employers, sustain health literacy and cultural competence training for health care professionals, and improve program quality and accountability. With respect to these areas, we offer the following recommendations.

Maintaining Borrower Eligibility

- When a qualifying health care employer's PSLF status is revoked, provide a deferment period of at least 6 months for participating dentists to retain or regain their PSLF eligibility—for the purpose of finding new qualifying employment and, if necessary, relocating and obtaining a new license to practice.
- Immediately reinstate a participating dentist's PSLF eligibility should a court find against the Department's withdrawal of their qualifying employer's eligibility status, and payments made during the dispute period should count retroactively toward the PSLF program's loan repayment requirements.

Ensuring Due Process for Qualifying Employers

- Refrain from rescinding a qualifying employer's status or borrower's PSLF eligibility until after the appropriate outside law enforcement agency or court has completed a substantive investigation and reached a final determination of liability or violation.
- Clarify that the term "illegal discrimination" applies only to discriminatory activities that are based on a person's race, color, religion, sex, national origin, age, disability, and other protected classes codified in federal civil rights laws.
- For less severe illegal activities, give qualifying employers the opportunity to pursue a corrective action plan with their PSLF eligibility intact—even provisionally.

Sustaining Health Literacy and Cultural Competence Training

- Clarify that health literacy and cultural competence training—which addresses the *clinical* nuances of delivering care to patients from different cultures—is separate and distinct from the diversity, equity, and inclusion programs subject to Executive Order 14151, titled "Ending Radical and Wasteful Government DEI Programs and Preferencing."

Improving Program Quality and Accountability

- Not later than five years following adoption of this rule, report to Congress whether and how the Department has achieved the intended purpose of removing bad actors from the PSLF program without undue consequence to program participants and qualifying employers.
- Gather data identifying the health care disciplines participating in the PSLF program to inform future decisions about the program's effectiveness in public health.

Today, over three quarters (78 percent) of dental school graduates with educational debt are starting their careers owing over \$312,000 in student loans.² The PSLF program is a pathway these indebted dentists can use to achieve financial independence while advancing oral health equity for the vulnerable and underserved. We are confident that those noble ends can be preserved while also removing bad actors from the program.

Thank you for providing the opportunity to comment. If you have any questions or would like to talk further, please contact Mr. Robert J. Burns at the American Dental Association. Bob can be reached at 202-789-5176 or burnsr@ada.org.

Sincerely,

American Dental Association
Academy of General Dentistry
American Academy of Oral & Maxillofacial Pathology
American Academy of Pediatric Dentistry
American Academy of Periodontology

American Association for Dental, Oral, and Craniofacial Research
American Association of Endodontists
American Association of Oral and Maxillofacial Surgeons
American Association of Orthodontists
American Dental Education Association
American Society of Dentist Anesthesiologists
Hispanic Dental Association
Society of American Indian Dentists

¹ 20 U.S.C. § 1087e(m)

² Istrate EC, Samanta A, Booker CL, West KP. Dentists of Tomorrow 2024: An Analysis of the Results from the ADEA 2024 Survey of U.S. Dental School Seniors. American Dental Education Association (ADEA) Education Research Series. Issue 7, December 2024.

Detailed Comments

2025 Negotiated Rulemaking; William D. Ford Federal Direct Loan (Direct Loan) Program Docket No. ED-2025-OPE-0016

September 17, 2025

The Department is proposing to amend the regulations governing the PSLF program to exclude qualifying employers that engage in activities that have a “substantial illegal purpose.”¹ The intent is to prevent taxpayer-funded PSLF benefits from being improperly provided to individuals who are employed by organizations that are engaged in activities that are unlawful. These activities include:

- Chemical and surgical castration or mutilation of children
- Child trafficking
- Illegal discrimination
- Immigration violations
- Terrorism
- Violating state laws

While we support the intended purpose of this rule change—which is to remove bad actors from the PSLF program—we would like to see safeguards in place to ensure participating dentists are not penalized should their employer’s qualifying status be suddenly removed. We would also like to avoid unnecessary interruptions to care delivered to those in need before allegations of qualifying employer misconduct are substantiated.

Note that we question the extent to which health care safety net employers may be deviating from the PSLF program’s mission. These qualifying employers often include community health centers, federally qualified health centers, teaching health centers, migrant health centers, and others. Their eligibility for participating in programs other than PSLF—such as Medicaid and the National Health Service Corps—are tied to their compliance with high public service standards that are subject to oversight from outside the Department of Education.

The PSLF program is a pathway indebted dentists can use to achieve financial independence while advancing oral health equity for the vulnerable and underserved. Toward that end, these comments emphasize the need to maintain borrower eligibility, ensure due process for qualifying employers, sustain health literacy and cultural competence training for health care professionals, and improve program quality and accountability.

Maintaining Borrower Eligibility

The Department is proposing that no on-time payment would be creditable as a qualifying PSLF payment for any month after a determination that a qualifying employer engaged in activities that have a substantial illegal purpose, beginning on or after July 1, 2026.

This proposal would effectually interrupt two of the participant’s eligibility requirements—the requirement to make continuous on-time payments and the requirement to maintain uninterrupted qualifying employment.

It is not realistic to expect that program participants will find new qualifying employment in such a brief time following the sudden revocation of their employer's qualifying status. Finding new employment can take well more than a month. In the case of participating dentists, the borrower must consider the need to move to a new geographic area and possibly obtain a new license to practice.

We appreciate that the Department is proposing to protect borrowers from losing eligibility by notifying them when their employer is *at risk* for losing PSLF eligibility (90 FR 40166). However, this approach could have a detrimental effect on the health care safety net.

Alarming dentists over allegations could lead them to unnecessarily flee already understaffed facilities in health professional shortage areas. These facilities furnish a disproportionate amount of care to those who cannot afford to pay. They include community health centers, federally qualified health centers, teaching health centers, migrant health centers, and others.

We offer the following recommendations to protect participating dentists from losing eligibility due to the unscrupulous behavior of their employer, and to avoid disrupting the health care safety net.

- When a qualifying health care employer's PSLF status is revoked, we urge the Department to provide a deferment period of at least 6 months for participating dentists to retain or regain their PSLF eligibility—for the purpose of finding new qualifying employment and, if necessary, relocating and obtaining a new license to practice.
- We urge the Department to immediately reinstate a participating dentist's PSLF eligibility should a court find against the Department's withdrawal of their qualifying employer's eligibility status, and payments made during the dispute period should count retroactively toward the PSLF program's loan repayment requirements.

Ensuring Due Process for Qualifying Employers

For the vast majority of activities the Department has identified as having a "substantial illegal purpose," it is unclear how the Department will be able to carry out full and fair due process until after the appropriate outside law enforcement agencies and courts have completed substantive investigations and reached a final determination of liability or violation. The vast majority of "substantially illegal" activities the Department has identified (e.g., terrorism, human trafficking, immigration violations, chemical and surgical castration or mutilation of children, etc.) are under the purview of the Justice Department, the Homeland Security Department, and other federal agencies and courts.

Additionally, we question whether a broad interpretation of "illegal discrimination" warrants the same 10-year suspension from the PSLF program compared to the more severe criminal activities covered in the rule (90 FR 40159, 40160).

For example, terrorism and human trafficking are clearly criminal activities whose investigation and prosecution fall to the Justice Department and/or Homeland Security Department. The penalties often involve prison time. Comparatively, most illegal discrimination cases—in areas like employment—are handled as civil matters, many of which involve financial penalties rather than prison time.

- We urge the Department to refrain from rescinding a qualifying employer’s status or borrower’s PSLF eligibility until after the appropriate outside law enforcement agency or court has completed a substantive investigation and reached a final determination of liability or violation. (90 FR 40163, 40164).
- We urge the Department to clarify that the term “illegal discrimination” applies only to discriminatory actions that are based on a person’s race, color, religion, sex, national origin, age (40 and older), disability, and other protected classes that are codified in federal civil rights laws (90 FR 40159).
- For less severe illegal activities, such as “illegal discrimination,” we urge the Department to give qualifying employers the opportunity to pursue a corrective action plan with their PSLF eligibility intact—even provisionally.

Sustaining Health Literacy and Cultural Competence Training

We recognize that E.O. 14235 identified a “pattern of aiding and abetting illegal discrimination” as a “substantial illegal purpose.” However, we are concerned that PSLF-qualifying employers might scale back or discontinue essential patient-centered health literacy and cultural competency training programs out of concern that such training could be misinterpreted as “illegal discrimination” under E.O. 14151, Ending Radical and Wasteful Government DEI Programs and Preferencing.

Health literacy and cultural competence training is a clinical best practice that equips health professionals to provide safe, effective, and equitable care to patients from different cultural backgrounds. This training focuses on improving communication, understanding patient motivations, and addressing barriers to care. It is distinct from the types of workplace diversity and preference programs addressed in Executive Order 14151.

- We therefore urge the Department to clarify in the final rule that health literacy and cultural competency training—aimed at ensuring high-quality, patient-centered care—does not constitute a violation of E.O. 14151.

Improve Program Quality and Accountability

The PSLF program was originally plagued by serious mismanagement. Around 99 percent of the program’s applications were denied due to confusing program requirements and poor oversight.^{2,3} And tens of thousands who pursued public service to benefit from the program were surprised to learn years later that their employment or loan type did not qualify.⁴

The PSLF program is functioning better today, but some issues persist. This proposed rule, for example, suggests the program is rife with qualifying employers that are participating in “substantial illegal activities.” The Department is also unable report how many dentists, dental hygienists, doctors, nurses, and other health care disciplines participate in the PSLF program, or even which degrees are being considered for loan forgiveness. It is therefore difficult to ascertain how many dentists are participating in the program and in what public service capacity.

- Not later than five years following adoption of this rule, we urge the Department to report to Congress whether and how it has achieved the intended purpose of removing bad actors from the PSLF program without undue consequence to program participants and qualifying employers.
- Though not being sought through this notice, we also suggest collecting data identifying the health care disciplines participating in the PSLF program to inform future decisions about its effectiveness. This information will also help determine the program's effectiveness in addressing shortages in federally designated Health Professional Shortage Areas (HPSAs).

¹ 90 FR 15665 (August 18, 2025).

² Green EL and Cowley S. "Broken Promises and Debt Pile Up as Loan Forgiveness Goes Astray." *New York Times*, November 28, 2019.

³ Government Accountability Office. (2018). Public Service Loan Forgiveness: Education Needs to Provide Better Information for the Loan Servicer and Borrowers. (GAO Publication No. GAO-18-547). Washington, D.C.: U.S. Government Printing Office.

⁴ Government Accountability Office. (2019). Public Service Loan Forgiveness: Opportunities for Education to Improve Both the Program and Its Temporary Expanded Process. (GAO Publication No. GAO-19-717T). Washington, D.C.: U.S. Government Printing Office.