



*A Union of Professionals*

# Classroom Tips

## **Loan Forgiveness**



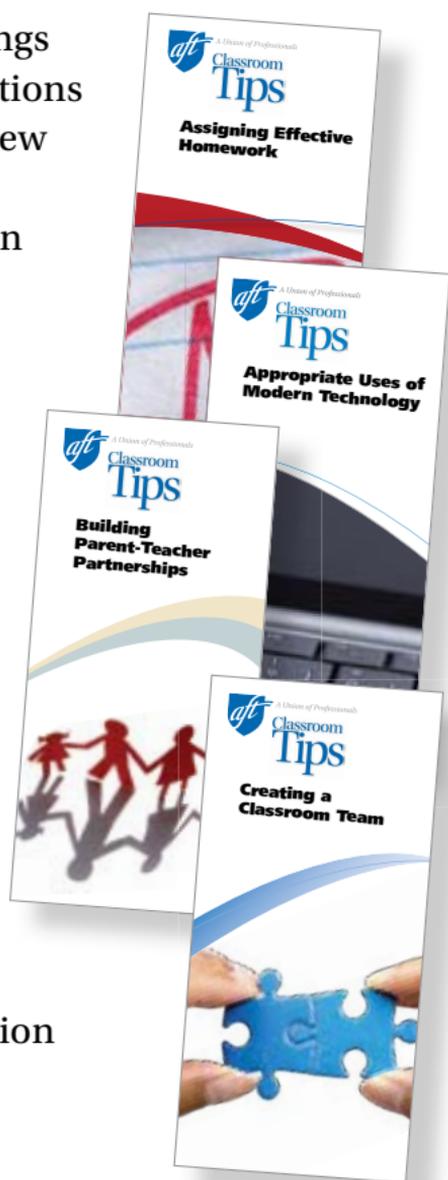


# Classroom Tips

Each new school year brings high hopes, great expectations and challenges for both new and seasoned educators. The American Federation of Teachers (AFT) has developed a series called *Classroom Tips* to help educators start the year off right and anticipate the year ahead.

*Classroom Tips* is developed with you, the educator, in mind. The tips in this collection are taken from real classroom experiences and are part of the AFT's Educational Research and Dissemination (ER&D) professional development program.

The AFT is a leader in providing educators the resources they need to help them succeed. Visit AFT's Web site for classroom resources at [www.aft.org/tools4teachers](http://www.aft.org/tools4teachers) today.



**B**ecoming a teacher takes years of higher education and hard work. The financial and personal costs can be great. The good news is that there are more chances than ever for teachers-in-training and new teachers to reduce their financial burden.

There are two main ways students can get financial aid: with loans and with grants. Many students take on debt in the form of loans. There is some financial relief if you plan to teach certain subjects or teach in schools designated as low-income.



Under the Federal Teacher Loan Forgiveness Program, teachers may be eligible for forgiveness of up to \$5,000 if they teach for five years in low-income schools and meet other requirements, and up to \$17,500 if they teach in certain specialties. There are several federal programs you should know about.\*

## Stafford Loan Forgiveness Program for Teachers

To be eligible, you first have to receive a Stafford Loan. You can get a Stafford Loan either through the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan Program. Additionally, you must be employed for at least *five consecutive, complete years as a full-time teacher in an elementary or secondary school designated as a low-income school*. To find out if a school is designated as low-income, call 800/4FED-AID or visit **www.tcli.ed.gov/** and click on Search. Other eligibility requirements may prohibit you from participating in the forgiveness program. For a full list of eligibility requirements, visit **http://studentaid.ed.gov/PORTALSWebApp/students/english/cancelstaff.jsp**.

There are two ways to be eligible for up to \$17,500 in Stafford Loan forgiveness:

- Meet the *highly qualified* designation set by the No Child Left Behind Act as a full-time mathematics or science teacher in a secondary school; or
- Meet the *highly qualified* designation set by the No Child Left Behind Act as a full-time

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\*We list these programs here to provide an overview of the options and eligibility requirements to receive loan forgiveness. These federal programs are complex and may be difficult to understand fully. Be sure to contact your local loan provider with any questions you may have about your eligibility. They will be able to help you.

special education teacher whose main job is providing special education to children with disabilities.

There are two ways to be eligible for loan forgiveness of up to \$5,000, depending on when you began teaching:

- If your five years of qualifying teaching service in a low-income school began before Oct. 30, 2004, and you were a full-time elementary school teacher who demonstrated knowledge and teaching skills in the elementary school curriculum, or you were a full-time secondary school teacher who taught in an area relevant to your academic major; or
- If your five years of qualifying teaching service began after Oct. 30, 2004, and you were a *highly qualified* full-time elementary or secondary school teacher.

## Federal Perkins Loan Cancellation Program for Teachers

This program qualifies teachers for cancellation of their federal Perkins Loan if they meet a number of eligibility requirements.

Eligible teachers must have served full time in a public or nonprofit elementary or secondary school system as:

- A teacher in a school serving students from low-income families; or
- A special education teacher, including teach-



ers of infants, toddlers, children or youth with disabilities; or

- A teacher in the fields of mathematics, science, foreign languages or bilingual education, or in any other field a state has determined has a shortage of qualified teachers.

Perkins Loan cancellation depends on the number of years of teaching service, based on the following schedule:

For a full-time teacher:

- 15 percent for each of years one and two;
- 20 percent for each of years three and four;
- 30 percent for year five and each successive year.



For a full-time special education teacher:

- 15 percent for each year of service.

For a full list of eligibility requirements visit <http://studentaid.ed.gov/PORTALSWebApp/students/english/cancelperk.jsp?tab=repaying>.

## TEACH Grant Program

Through the College Cost Reduction and Access Act of 2007, Congress created the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program that provides grants of up to \$4,000 per year to students who intend to teach in a public or private elementary or secondary school that serves students from low-income families. For more information about the TEACH Grant Program, contact the financial aid office at the college where you are enrolled.

In exchange for receiving a TEACH Grant, recipients must agree to serve as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves low-income students. TEACH Grant recipients must teach for at least four academic years within eight calendar years of completing the program of study for which you received a TEACH Grant. For a full list of eligibility requirements visit <http://studentaid.ed.gov/PORTALSWebApp/students/english/TEACH.jsp>.

## Public Service Loan Forgiveness

The Public Service Loan Forgiveness program began in 2007 as a result of the College Cost Reduction and Access Act. Eligible borrowers are entitled to have the entirety of their debt (interest and principal) discharged *after* ten years of

full time employment in public service. The borrower must have made 120 payments as part of the Direct Loan program in order to obtain this benefit. Only payments made on or after October 1, 2007, count toward the required 120 monthly payments. Borrowers are permitted to consolidate into Direct Lending in order to qualify for this loan forgiveness program. For a full list of eligibility requirements visit <http://studentaid.ed.gov/PORTALSWebApp/students/english/PSF.jsp>.

In addition to the federal loan forgiveness programs, many states offer their own financial incentives to attract talented people to teaching. These incentives come in the form of grants, loan forgiveness and other financial incentives for committing to teach, often in high-needs areas.

The screenshot shows the AFT website's 'Funding Opportunities' page. The page features a navigation bar with tabs for 'Your Work', 'Your Benefits', 'Key Issues', 'News and Publications', 'AFT Voices', 'Get Involved', and 'About AFT'. Below the navigation bar, there are several sections: 'Funding Opportunities' with links to 'Funding Database', 'Loan Forgiveness', and 'Grant Writing'; 'Tools For Teachers' with links to 'Classroom Management', 'Working Together', 'Teacher to Teacher', 'Teaching as a Career', 'Classroom Materials', 'Working with Special Populations', and 'Funding Opportunities'; 'Unemployed? Join UCubed' with the website 'unionofanemployed.com'; and a testimonial from Sally Brownstein, HR/HRM at the State of MT. The main content area is titled 'Funding Opportunities' and includes a search bar, a 'Take Action' section with a 'Pass a Meaningful Jobs Bill' link, and a 'Classroom Loan Forgiveness' link. The page also features social media sharing options and a 'Tell Us' section for user feedback.

For a complete list of funding opportunities, including state loan forgiveness programs, visit [www.aft.org/tools4teachers](http://www.aft.org/tools4teachers).

# Five Great Reasons to Join a Union of Professionals

## The American Federation of Teachers:

**1 Supports you in the classroom.** Effective learning only takes place when high-quality teachers, with the support of other competent professionals, have the materials and assistance needed to accomplish the task. Your union is a strong advocate for quality classroom materials that are aligned to the standards of achievement we expect our students to meet. We also insist that state and district assessments for measuring student progress are aligned with these standards and that the assessments be used appropriately to support student learning.

**2 Helps you prepare.** No matter how well prepared you may have been before entering the classroom, there is always room for improvement. Ongoing professional development that meets you at your point of need is vital for continued growth as an educator. The AFT and its affiliates deliver some of the finest professional development programs available; and in situations where ours are not available, we advocate and broker for you to receive the best training possible.

**3 Stands up for you.** Whether the discussion is taking place in the White House, in the halls of Congress, on the floor of your statehouse, in colleges of education or in your local editorial pages, you can be sure that union representatives are weighing in assertively, ensuring that the collective voice of educators comes through clearly and effectively.

**4 Advocates for your profession.** No one enters the teaching profession without a strong desire to help children reach their potential. Yet, at times the realities of life make this calling difficult to stick with. Adequate salaries and benefits are essential in order to keep the best teachers, paraprofessionals and support staff in our public schools. Working conditions such as manageable class sizes, adequate teaching materials, and discipline policies that support teaching and enhance student learning are important factors in ensuring that the best teachers remain in the classroom.

**5 Keeps you informed.** *American Educator* is one of the most highly respected journals available to keep you informed on current thinking in public education by some of the most capable thinkers and doers in the field. *American Teacher* will keep you on top of the challenges and successes of your colleagues across the country. And a host of optional publications, as well as a comprehensive Web site that will assist you in addressing the particular needs of your school and classroom, provide the balance of a professional literature package that is second to none.



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