



Excellent Educators for All Initiative

Student Loan Forgiveness

June 2, 2016

Illinois State Board of Education
Center for Educator Effectiveness



Student Loan Forgiveness

Federal

- ▶ Public Service Loan Forgiveness (PSLF)
- ▶ Teacher Loan Forgiveness
- ▶ Teacher Cancellation
- ▶ TEACH Grant

State

- ▶ Illinois Teachers Loan Repayment Program



Public Service Loan Forgiveness

Federal Loan Forgiveness

Practicing Teacher



Public Service Loan Forgiveness

Eligibility Requirement

Qualifying Employment

- ▶ Government organizations
- ▶ Not-for-profit organizations
- ▶ AmeriCorps/Peace Corps

Employment that does not Qualify

- ▶ Labor Unions
- ▶ Partisan political organizations
- ▶ For-profit organizations



Public Service Loan Forgiveness

Eligibility Requirement Continued

Qualifying Monthly Payment

- ▶ after October 1, 2007
- ▶ Qualifying repayment plan
- ▶ Full amount
- ▶ No late payments
 - ▶ >15 days
- ▶ Employed full-time by a “qualifying” employer
- ▶ Only required periods of payment qualify
- ▶ 120 Payments
 - ▶ Do not need to be consecutive



Public Service Loan Forgiveness

Eligibility Requirement Continued

Qualifying Repayment Plan

- ▶ Income-driven repayment plans
 - ▶ Revised Pay As You Earn Repayment Plan (REPAYE Plan)
 - ▶ Pay As You Earn Repayment Plan (PAYE Plan)
 - ▶ Income-Based Repayment Plan (IBR Plan)
 - ▶ Income-Contingent Repayment Plan (ICR Plan)

- ▶ 10-year Standard Repayment Plan



Public Service Loan Forgiveness

Application & Resources

- ▶ [Employment Certification for Public Service Loan Forgiveness form](#)
 - ▶ Annually
- ▶ **Federal Student Aid**
 - ▶ Fact Sheet
 - ▶ Q & A Document



Teacher Loan Forgiveness

Federal Loan Forgiveness

Practicing Teacher



Teacher Loan Forgiveness

Eligibility Requirements

- ▶ **Outstanding Balance as of 10/1/1998**
 - ▶ Direct Loan or Federal Family Education Loan (FFEL)
- ▶ **Default on subsidized or unsubsidized loan**
- ▶ **Loan granted during 1 of the 5 years of “qualifying” teaching service**
 - ▶ AmeriCorps-Does Not Qualify
- ▶ **Employed full time teacher for 5 consecutive academic years**
 - ▶ 1 of 5 years after 1997-1998 academic year
- ▶ **Employed in an Elementary or Secondary School that:**
 - Title I
 - 30% of students qualify for Title I services
 - [Annual Directory of Designated Low-Income Schools](#)



Teacher Loan Forgiveness

Teaching Service

- ▶ Educators must teach full time for 5 complete and consecutive academic years.
- ▶ Service Completed prior to October 30, 2014:
 - ▶ \$5,000 Loan Forgiveness
 - ▶ Elementary Teacher
 - ▶ Secondary Teacher-Taught subject area relevant to academic major
 - ▶ \$17,500 Loan Forgiveness
 - ▶ HQ-Secondary Math or Science
 - ▶ HQ-Special Education
- ▶ Service Completed after October 30, 2014:
 - ▶ \$5,000 Loan Forgiveness
 - ▶ HQ Elementary or Secondary
 - ▶ Secondary school-Taught subject area relevant to academic major
 - ▶ \$17,500 Loan Forgiveness
 - ▶ HQ-Secondary Math or Science
 - ▶ HQ-Special Education



Teacher Loan Forgiveness

Application & Resources

- ▶ U.S. Department of Education
 - ▶ Federal Student Aid
 - ▶ studentaid.ed.gov
- ▶ Teacher Loan Forgiveness Application
 - ▶ [TLFA](#)
- ▶ Return Application to:
 - ▶ Loan holder
 - ▶ Loan Servicer
- ▶ Federal Student Aid
 - ▶ [Resource Page](#)



Teacher Cancellation

Federal Loan Forgiveness

Practicing Teacher



Teacher Cancellation

Eligibility Requirements

- ▶ **100% Federal Perkins Loan Forgiveness:**
 - ▶ teacher serving low income families
 - ▶ special education teacher
 - ▶ Including infants, toddlers, children, or youth with disabilities
 - ▶ teacher in the fields of:
 - ▶ Math, Science, Foreign language or bilingual education or Shortage area
- ▶ **Cancellation Increments:**
 - ▶ 15 percent canceled per year for the first and second years of service
 - ▶ 20 percent canceled for the third and fourth years
 - ▶ 30 percent canceled for the fifth year
 - ▶ Each amount canceled per year includes the *interest* that accrued during the year.
- ▶ **Deferment**



Teacher Cancellation

Teaching Service

- ▶ Full Time Teacher
- ▶ Full academic year
 - ▶ One school year
 - ▶ Two half years
 - ▶ Two different schools
 - ▶ Consecutive
 - ▶ 12 month period
- ▶ Low-Income School
 - ▶ Title I
 - ▶ 30%
 - ▶ [Teacher Cancellation Low Income Directory](#)



Teacher Cancellation

Application & Resources

- ▶ Request through College/University
- ▶ Evidence for Qualification

- ▶ College/University decision
 - ▶ Cannot be appealed to U.S. Department of Education

- ▶ Federal Student Aid
 - ▶ [Resource Page](#)



TEACH Grant

Federal Loan Forgiveness

Pre-Service Teacher/Teacher Candidates



TEACH Grant Eligibility Requirements

- ▶ Federal “Eligibility Criteria”
- ▶ FASFA
- ▶ Enrolled in TEACH-Grant-eligible Program
 - ▶ Bachelor
 - ▶ Masters
 - ▶ Postbaccalaureate
- ▶ Academic requirements
 - ▶ 75th percentile on college admission test
 - ▶ 3.25 GPA
- ▶ TEACH Grant counseling
 - ▶ Annual
- ▶ TEACH Grant Agreement to Serve



TEACH Grant

Teaching Service

- ▶ **\$4,000 distributed annually to teacher candidates**
- ▶ **Sign TEACH Grant Agreement to Serve**
 - ▶ High-Need field
 - ▶ Low-Income School
 - ▶ Elementary
 - ▶ Secondary
 - ▶ Educational Service Agency
 - ▶ Four years
- ▶ **Covert to Direct Unsubsidized Loans if agreement is broken**



TEACH Grant

Application & Resources

- ▶ College or University
 - ▶ Financial Aid Office

- ▶ TEACH-Grant-eligible Program

- ▶ Federal Student Aid
 - ▶ [Resource Page](#)

- ▶ TEACH Grant
 - ▶ [webpage](#)



The Illinois Teachers Loan Repayment Program

State Loan Forgiveness

Practicing Teacher



Illinois Repayment Program

Eligibility Requirements

- ▶ U.S. citizen or an eligible non-citizen
- ▶ Illinois resident
- ▶ Portion of loan forgiven
- ▶ Remaining balance
- ▶ Five-year teaching
 - ▶ Low-income Illinois elementary school
 - ▶ Low-income Illinois secondary school
- ▶ \$5000 awarded



Illinois Repayment Program

Application & Resources

- ▶ **Illinois Student Assistance Commission**
 - ▶ [Illinois Teacher Loan Repayment Application](#)
 - ▶ Required documentation
 - ▶ Federal Teacher Loan Forgiveness application
 - ▶ Federal Teacher Loan Forgiveness approval
 - ▶ 6 months

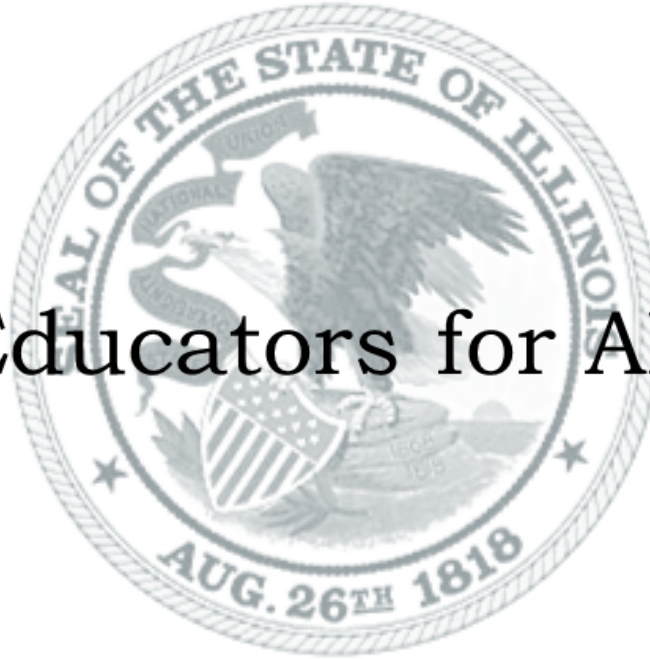
- ▶ **Illinois Student Assistance Commission**
 - ▶ [Forgiveness Programs page](#)



Student Loan Forgiveness for Educators

Online Resources:

Public Service Loan Forgiveness	Teacher Loan Forgiveness	Teacher Cancellation	TEACH Grant	Illinois Teachers Loan Repayment Program
Website Fact Sheet Q & A Employment Certification Form	Website Application	Website	Website Agreement to Serve FAQ	Website



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