

## Teacher Loan Forgiveness — Recognizing a teacher's value



### Other Incentives and Benefits for Teachers

#### Federal Pell Grants

Generally awarded to undergraduate students only. However, you may be eligible to receive a Pell Grant if you are enrolled in a teaching credential program. Check with your college's financial aid office.

#### Perkins Loans

Borrowers with federal Perkins loans may be eligible for loan cancellation for full-time teaching service in a qualifying school. For information, check [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

#### State-Specific Grants and Scholarships

Borrowers should check with their state's education agency to explore available teacher incentive programs.

#### Teach for America

Pays recent college graduates to teach for two years at disadvantaged schools. You may also receive forbearance and interest payment benefits on your student loans, as well as earning an education award of \$4,725 a year to repay your student loans or for more education. To learn more, go to [www.teachforamerica.org](http://www.teachforamerica.org).

#### Teach Grants

Up to a total of \$16,000 for undergraduate or \$8,000 for graduate teaching candidates. Eligible candidates maintain a minimum 3.25 GPA and make a time commitment to a high-need field.

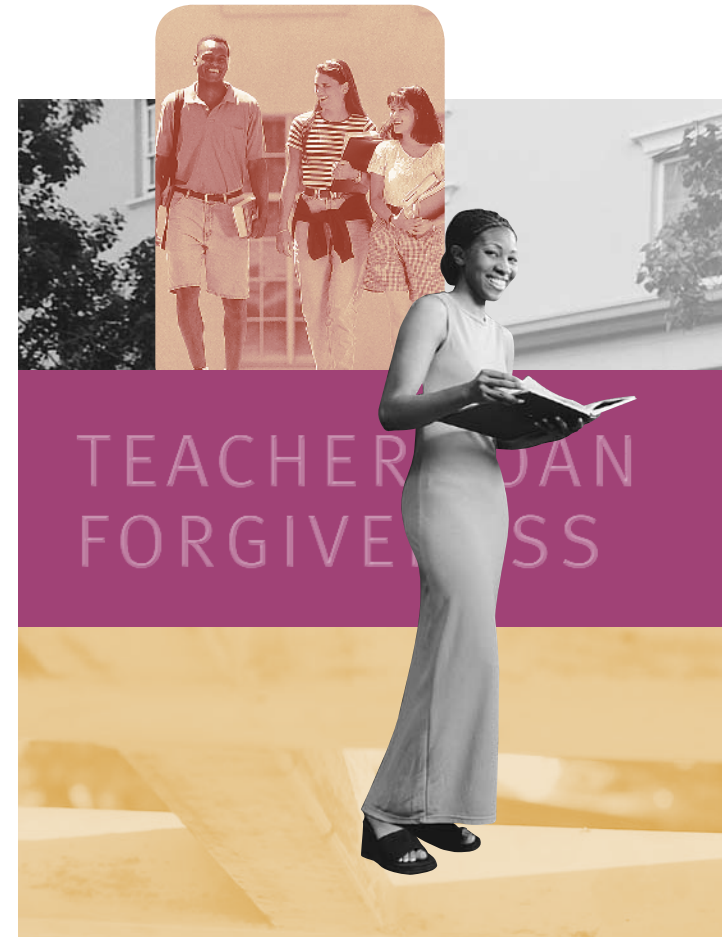


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[www.edfund.org](http://www.edfund.org)

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**a**s an incentive for choosing teaching as a career, the federal government has a loan forgiveness program for teachers that allows qualifying borrowers to have a portion of their student loans forgiven.

In exchange for teaching in a qualified, low-income elementary or secondary school for five years, up to a maximum of \$5,000 of your outstanding student loans can be forgiven or canceled. If you're a highly qualified math, science or special education teacher, you may have up to \$17,500 of your outstanding student loan debt forgiven.

Starting July 1, 2008, Federal Family Education Loan Program borrowers can consolidate their loans into the Federal Direct Loan Program to benefit from new Loan Forgiveness for Public Service Employees. See your financial aid office or your lender for more information.



## Federal Loan Forgiveness for Teachers

### Amount Forgiven

- ▶ \$5,000 maximum, paid in a lump-sum to your lender or note holder, at the end of qualifying service; OR
- ▶ \$17,500 maximum, paid in a lump-sum to your lender or note holder, at the end of qualifying service if you're a highly qualified math, science or special education teacher

### Eligible Loans

- ▶ Stafford—Federal Family Education Loan Program (FFELP) and Direct loans, both subsidized and unsubsidized, made before the fifth year of qualifying teaching service.
- ▶ Consolidation—FFELP and Direct loans but only those portions of the loans that were used to repay eligible FFELP and Direct loans made before the fifth year of qualifying teaching service.

### Requirements

**To be eligible for up to \$5,000 of loan forgiveness, you must meet these conditions:**

- ▶ You must be employed as an elementary or secondary school teacher and be highly qualified as defined by the Teacher Loan Forgiveness Application.
- ▶ Only federal student loans disbursed after September 30, 1998, are eligible. In addition, when you took out the loan you wish to have forgiven you must not have had any outstanding balance on a federal student loan obtained prior to October 1, 1998.
- ▶ Loan balances must be outstanding at the time any loans are forgiven.
- ▶ You must be employed as a full-time teacher at a qualifying school for five complete and consecutive years. At least one of the years must be after the 1997-98 academic year. For a list of qualifying schools, visit the U.S. Department of Education's Web site at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

**To be eligible for up to \$17,500 of loan forgiveness,** you must satisfy all the requirements for the \$5,000 maximum benefit and also teach math, science or special education at the secondary school level, or special education at the elementary school level.

- ▶ There are certain conditions that allow for an interruption of teaching service. You'll find more information at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

To maximize your benefits under this program, please contact your lender to learn more about obtaining a forbearance for the period of time you're completing your qualifying teaching service.

### IMPORTANT NOTES!

- ▶ If you began your teaching service under the program requirements in place prior to October 30, 2004, and you continue to meet those requirements, you remain eligible for up to \$5,000 of loan forgiveness.
- ▶ If you already received loan forgiveness under the previous requirements, you may be eligible for further loan forgiveness up to the difference between \$17,500 and the amount previously forgiven.

### To Apply

After completing the qualifying teacher service, simply obtain the Application for Federal Loan Forgiveness for Teachers Program from your lender, servicer or EdFUND's Web site at [www.edfund.org/pdfs/TLF\\_Application\\_1.pdf](http://www.edfund.org/pdfs/TLF_Application_1.pdf).

### ON THE WEB:

U.S. Department of Education  
[www.studentaid.ed.gov](http://www.studentaid.ed.gov)

EdFUND Reference Chart  
[www.edfund.org/pdfs/TLF\\_Chart.pdf](http://www.edfund.org/pdfs/TLF_Chart.pdf)

Teach for America  
[www.teachforamerica.org](http://www.teachforamerica.org)