

Federal loan assistance for educators

Montana teachers with *Stafford loans* who have worked as a full-time teacher for five consecutive years in an elementary or secondary school that has been designated as a “low-income school” may be able to cancel up to \$5,000 of Stafford, Direct Subsidized, and Unsubsidized student loans. Math, science, and special education teachers meeting all eligibility criteria may cancel up to \$17,500!

Under this teacher loan forgiveness program, the definition of “low-income school” is the same as the one used for the Perkins cancellation program (see inside).

In order to qualify, teachers must have taken out their first Stafford loan after October 1, 1998.

Other eligibility criteria and program rules:

- At least one of the five qualifying years of teaching must be later than the 1997-1998 school year.
- The loan must have been made before the end of the fifth year of qualifying teaching.
- The school must be public or private nonprofit.
- A defaulted loan cannot be cancelled for teacher service unless you’ve made satisfactory repayment arrangements with the holder of the loan.

How to apply: To learn more about loan cancellation programs and find application materials, visit the U.S. Department of Education web site at <http://studentaid.ed.gov> and select the “Repaying Your Loans” option on that page. Then scroll down to “Cancellation and Deferment Options for Teachers.”

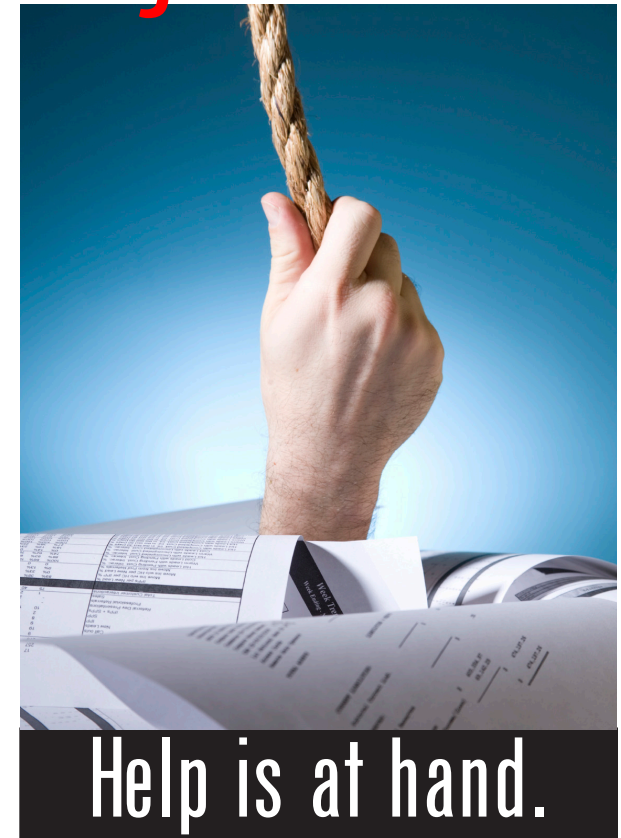
A message from your union, MEA-MFT:

Need help paying your student loan? The Montana Quality Educator Loan Assistance Program for K-12 educators and licensed professionals could help.

Do you qualify? See inside for details.

Also, check inside for information on federal loan forgiveness programs.

got debt?



Help is at hand.

Quality Educator Loan Assistance Program

for Montana teachers
& licensed professionals

MEA·MFT
Public Schools, Public Service
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www.mea-mft.org

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Montana's Quality Educator Loan Assistance Program

MEA-MFT knows many Montana teachers and licensed professionals—our members—graduate with heavy student loan debts.

Plus, many areas of Montana have trouble finding and keeping qualified educators.

That's why MEA-MFT worked to get a loan assistance program passed in the Montana Legislature, to help our members and the Montana kids and communities who need them.

Here's how it works:

The Montana Legislature has authorized a Quality Educator Loan Assistance Program for K-12 educators and licensed professionals.

The program provides for the direct repayment of educational loans. The total loan repayment assistance may not exceed \$3,000 per year for up to four years.

The legislative appropriation of \$350,000 in 2009 will allow for 100-120 educators to receive repayment.

Qualified applicants will be ranked based on a scoring system that takes into account the impacted schools and academic areas.

To qualify for loan assistance, an educator must be:

- A full-time educator holding a valid educator license *or* a licensed professional (such as counselors, speech pathologists, school psychologists) providing services to students in a school district, an education cooperative, the Montana School for the Deaf and Blind, the Montana Youth Challenge Program, or a state youth correctional facility.

- Teaching in an impacted school. These schools tend to be rural and isolated, have a higher percentage of economically disadvantaged students, and/or have

greater challenges in closing the achievement gap. A list of qualifying schools is available at this web site:

www.opi.mt.gov/PDF/cert/CrShortageNov2010.pdf

Click on Quality Educator Loan Assistance, then "Teaching in an academic area impacted by critical educator shortages."

- Teaching in an impacted academic area. These areas are special education, music, math, science, school counselor, speech/language pathologist, library/media, world languages, art, and business.

Applications & instructions

Applications will be available from the MT Guaranteed Student Loan Program beginning August 1, 2010. You'll find the application and information online at:

<https://www.mgslp.org/>

Click on Quality Educator Loan Assistance. Or call the Montana Guaranteed Student Loan Program at 800.537.7508.

Got questions?

If you have questions regarding the program and application process, contact the Montana Guaranteed Student Loan Program at 800.537.7508. Or contact MEA-MFT Public Policy Director Marco Ferro at 800.398.0826, 406.442.4250, or mferro@mea-mft.org.

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The federal government provides three *Perkins Loan* cancellation options for teachers who serve low-income schools, recognized shortage areas, or disabled students.

1. To be eligible for the first option, a teacher must work full-time in a "low-income school" as defined by the U.S. Department of Education. You will find a list of these schools on the department's web site:

<http://studentaid.ed.gov>.

In Montana, 466 schools—nearly two-thirds of all Montana public schools—have been designated as low-income for the 2009-2010 school year.

2. For the second option, teachers must work full-time in a recognized subject shortage area. Currently, math, science, foreign languages, and bilingual education are designated shortage areas in Montana.

3. Special education teachers are eligible for the third Perkins cancellation option. A school official must certify that the teacher is a special education teacher and works primarily with handicapped, disabled, or learning disabled students. Educators in the following areas may also be eligible, depending on the nature of their employment: speech and language pathology and audiology, physical therapy, occupational therapy, psychological and counseling services, or recreational therapy.

Under all of these options, up to 100% of a Perkins Loan may be cancelled in the following increments:

- 15% cancelled per year for the first and second years of service,
- 20% cancelled for the third and fourth years,
- 30% cancelled for the fifth year.

To apply: On the U.S. Department of Education web site: <http://studentaid.ed.gov>, select "Repaying Your Loans," then scroll to "Cancellation & Deferment Options for Teachers."