

Hello LABBB Staff,

We received a lot of interest about the Stafford & Perkins Loan Forgiveness Loan Program so I've decided to send out a little more information to the entire community. Below is a brief summary of various Forgiveness Programs and some FAQs, but the requirements may change from time to time so check with your specific loan program to make sure you have all the current information.

The **Stafford Loan Forgiveness Program** is for eligible public service employees. To be eligible, you must satisfy the following requirements:

- None of your loans are in default,
- You have worked at least five (5) complete academic years as a full-time teacher,
- You must be employed by a Title I or Low Income school,
- You must be considered a Highly Qualified Teacher

How much of my Stafford Loans can be forgiven?

1. You may receive up to \$5,000 if you were a highly qualified full-time elementary or secondary school teacher;
2. You may receive up to \$17,500 if you were a highly qualified full-time Math or Science in an eligible secondary school
3. You may receive up to \$17,500 if you were a highly qualified Special Education teacher serving students with disabilities.

If I fulfill all the requirements, how do I apply for Stafford Loan Forgiveness?

If you feel that you have fulfilled all the requirements to be considered for Stafford Loan Forgiveness, please submit the application, obtained by contacting your lender, to Maria Walsh or Matthew Cameron so we can complete the employment-related questions.

If I'm a Highly Qualified Science teacher in secondary school, will I receive \$5,000 and \$17,500 to total \$22,500 in total loan forgiveness?

No, total loan forgiveness for Stafford Loans can't exceed \$17,500 so you would only have \$17,500 forgiven for being a Highly Qualified secondary school Science teacher.

If approved, would I receive a check for the amount to be forgiven?

No, the lender will decrease your current balance by the forgiven amount and you will be notified of your new balance and your new payment plan.

The **Federal Perkins Loan Program** is for eligible full-time teachers at low-income school or who teach in certain subject areas. To be eligible for this program, you must satisfy the following requirements:

- You have worked between one (1) and five (5) full academic years as a full-time teacher,
- You must be employed by a public or nonprofit elementary or secondary school system (*LABBB is both*),
- You must be a teacher serving low income families, a Special Education teacher serving students with disabilities, or a teacher in the Math, Science, Foreign Languages, Bilingual education, or any other field determined by the state as having a shortage of highly qualified teachers.

How much of my Federal Perkins Loans can be discharged?

You may have up to 100% of your Federal Perkins Loans discharged if it's determined you fulfill the requirements. You will be eligible for discharge based on the following scale:

Year 1: 15% discharged
Year 2: 15% discharged
Year 3: 20% discharged
Year 4: 20% discharged
Year 5: 30% discharged

If I fulfill all the requirements, how do I apply to have my Federal Perkins Loans discharged?

If you feel you have fulfilled all the requirements to have some portion of your Federal Perkins Loans discharged, please contact the college/university that granted you the Perkins Loan to get a discharge application. You will also need to provide an official job description to prove that your position qualifies for a discharge.

Note: If you qualify for discharging your Perkins Loans for less than 100%, you can defer your Perkins Loans payments while performing duties that qualify you for future discharges. For example, if you're a 2nd year teacher and have 30% of your Perkins Loans discharged, you can ask for a deferment of the remaining balance as long as you're in a qualifying position until you have 100% of your Perkins Loans discharged.

If approved, would I receive a check for the amount to be discharged?

No, the lender will decrease your current balance by the forgiven amount and you will be notified of your new balance and your new payment plan unless you qualify to have the remaining balance deferred pending future discharged amounts.

Please feel free to review [this website](#) for more information and links regarding student loan forgiveness guidelines and processes.

For further details or to learn more about the programs, please click this link: <http://studentaid.ed.gov/repay-loans/forgiveness-cancellation/charts/teacher#teacher-loan-forgiveness>.

Thanks!

Your HR Support Team