

**QUICK ELIGIBILITY CHART OF TEACHER LOAN FORGIVENESS BENEFITS** See FAQs and 2007-2008 Fact Sheet for Details.

Loan Prog.	Date of FIRST Loan –determines Borrower Eligibility	Benefit	How is the Benefit Earned ?	When Is Benefit Received?	What Should You Do?	Where Do You Get the Forms to Apply?
Stafford	<b>ONLY</b> on or after Oct. 1, 1998  On the date of 1 <sup>st</sup> loan, borrower must have had no outstanding balance on Stafford or Direct loans taken out prior to 10-01-98.	Forgiveness of up to <b>\$5,000</b> (or up to <b>\$17,500*</b> ) per teacher on total loan balances, including consolidations in a Federal Consolidated Loan.	Teach <ul style="list-style-type: none"> <li>• 5 consecutive years</li> <li>• in a low-income school</li> <li>• in an area relevant to his/her academic major (see fact sheet).</li> </ul> If eligible for \$17,500 * or teaching service began after 10-30-04, must meet definition of <i>highly qualified</i> teacher below.	At end of fifth <i>consecutive</i> year of teaching in a designated low-income school.  At least one year of teaching service must be <i>after</i> the 1997-1998 school year.	<ul style="list-style-type: none"> <li>• Make regular loan payments.</li> <li>• Submit <u>Forgive-<i>forbearance form</i></u> when balance due nears benefit amount of \$5,000.* (No refunds possible.)</li> <li>• At end of 5<sup>th</sup> consecutive year, submit application form to loan holder for up to \$5,000* benefit.</li> </ul>	From loan holder or TEA website: <a href="http://www.tea.state.tx.us/edex/loanforgive.html">http://www.tea.state.tx.us/edex/loanforgive.html</a>  Send completed forms to loan holder!
Stafford	Between July 1, 1993 & Sept. 30, 1998. No federal benefit for <i>any</i> Stafford loans, even for additional loans after 10-1-98	NO Federal forgiveness or deferment benefits available-Congress did <i>not legislate</i> a benefit during this time period.			Apply for STATE-Funded program*** IF <ul style="list-style-type: none"> <li>• you teach in subject-shortage area <b>OR</b></li> <li>• in a school with greater than 50% low-income students.</li> </ul>	For details about the State-funded program, go to page 3 of The FAQ's and page 9 of the Fact Sheet at: <a href="http://www.tea.state.tx.us/edex/loanforgive.html">http://www.tea.state.tx.us/edex/loanforgive.html</a>
Stafford (old)	<u>ONLY</u> Between July 1, 1987 & June 30, 1993. <i>Additional</i> later loans eligible, too.	ONLY a Payment <i>Deferment</i> benefit - up to 3 years – No forgiveness!	Must be teaching in a designated subject-matter shortage area** during the years you apply.	When you apply. (Lender determines eligibility). <u>Warning:</u> This benefit is lost if/when loans are consolidated.	Use "Education Related Deferment Request - EDU" form to apply.	From loan holder or TEA website: <a href="http://www.tea.state.tx.us/edex/loanforgive.html">http://www.tea.state.tx.us/edex/loanforgive.html</a> Send to loan holder.
Perkins	On or After July 23, 1992	Cancellation benefit of up to 100% of the loan	After teaching five years in a designated low-income school <b>OR</b> in a designated subject-matter shortage area.	Partial Forgiveness at:  End of yr 1 & 2 = 15% ea End of yr 3 & 4 = 20% ea End of yr 5 = 30% (Total of 100%)	At beginning of each school year, <ul style="list-style-type: none"> <li>• notify college where loan was obtained;</li> <li>• tell them where &amp; what you are teaching.</li> </ul> At end of each school year, fill out the application to apply for benefit.	From the college or university where the Perkins loan was taken out.  (Send the application to your college or university.)
	Prior to 7-23-92	Cancellation benefit of up to 100% of the loan	Same as above, but subject-matter shortage area <u>service</u> counted only after Oct. 7, 1998.	<u>Warning:</u> <i>Never consolidate a Perkins Loan, or cancellation benefits will be lost.</i>		
***State-Funded	Date or type of educational loan does not matter	\$5,000/year up to \$20,000 over 4 years	Teach in shortage area <b>OR</b> in school with 50%+ low income students	Apply after one year of teaching. Amounts not forgivable by fed program are considered. May apply both fed and state progs.	Not a guaranteed nor fully funded program. Those with large balances tend to get benefit first.	In April each year at <a href="http://www.hhloans.com">www.hhloans.com</a> Deadline June 15th

\* Benefit of up to \$17,500 is **only** for secondary math & science teachers and secondary and elementary special ed teachers whose 1<sup>st</sup> Stafford loan was obtained after 10-01-98.

\*\***Texas Subject-Matter Shortage Areas** are: Special Ed, Math, Science, Foreign Language, Bilingual, ESL, and (computer) Technology Applications.

\*\*\* See New STATE-FUNDED Loan Repayment Assistance Program—See page 3 of Frequently Asked Questions, and page 9 of the Fact Sheet

For determination and information about **highly qualified**, go to the guidance section at <http://www.tea.state.tx.us/nclb/hqteachers.html>