Generation Debt: Student Loan Forgiveness
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What loans are we talking about?

► As with all things financial, student loans are highly personal. Thus, you will want to contact your lender to ensure that you are meeting the terms of your loan.

► For the purpose of this presentation:
  ► Federal or Stafford Loans
  ► Federal Perkins Loans
  ► Public Service Loan Forgiveness
You have graduated from University ... now what?

- Visit the Federal Student Aid Information Center:
  https://studentaidhelp.ed.gov/

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How did I get these loans?

US Department of Education

Stafford Loans

Loan Servicer

You

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Teacher Loan Forgiveness Program

* Stafford Loan

• General Requirements:
  • Receive a Stafford Loan through the Federal Family Education Loan (FFEL) Program

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Teacher Loan Forgiveness Program
* Stafford Loan

• General Requirements:
  • You are a new borrower (no outstanding balance on an FFEL before October 1, 1998)

We have reviewed your Teacher Loan Forgiveness (TLF) application and are unable to approve your request based on the following condition(s):

INELIGIBLE: The requirements state you must be a new borrower as of 10/01/1998 to qualify. You had an outstanding balance owed on a FFELP or FDLP loan as of 10/01/1998 or used a consolidation loan to pay off your older loans. Therefore you are not eligible for forgiveness. See the first bullet in Section 10 for the formal details.

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Teacher Loan Forgiveness Program
* Stafford Loan

- General Requirements:
  - How do I find out if my school is designated as a low-income school?
    - Call 1-800-4-FED-AID
    - GOOGLE: Teacher Cancellation Low Income Directory
      - State: Identify your state
      - Year: Identify the school year you want to check eligibility
        - 2019-2020 and 2020-2021 “Covid-19 Years”...all student loans in Deferrment
      - School or Education Service Agency Name: LEAVE BLANK
      - Location: List the SCHOOL DISTRICT
      - Click BLUE Search button
      - DO THIS FOR FIVE CONSECUTIVE YEARS TO SEE IF YOUR SCHOOL QUALIFIES

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Teacher Loan Forgiveness Program
* Stafford Loan

- General Requirements:
  - You are not in default on the loan for which you are seeking forgiveness

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Teacher Loan Forgiveness Program
* Stafford Loan

• General Requirements:
  • You have not received a benefit for the same teaching service through the AmeriCorps Program

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Teacher Loan Forgiveness Program
* Stafford Loan

• General Requirements:
  • At least one of your five years of qualifying teaching service must be after the 1997-98 academic year

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Teacher Loan Forgiveness Program
* Stafford Loan

• General Requirements:
  • You received the loan for which you are requesting forgiveness before the end of your fifth year of qualifying teaching

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Teacher Loan Forgiveness Program
* Stafford Loan

• You may receive up to $17,500 in loan forgiveness if you are:
  • “Highly qualified” full-time mathematics or science teacher in a secondary school
  • “Highly qualified” special education teacher

Teacher Loan Forgiveness Program
* Stafford Loan

• You may receive up to $5,000 in loan forgiveness if:
  • Your five years of qualifying teaching service began before October 30, 2004 and you were:
    • A full time elementary teacher who demonstrated knowledge and teaching skills in reading, writing, mathematics, and other areas of the elementary school curriculum
    • A full time secondary teacher who taught in a subject area relevant to your academic major
Teacher Loan Forgiveness Program
* Stafford Loan

• Your first five years of qualifying service began on or after October 30, 2004 and you were a “highly qualified” full time elementary or secondary school teacher

Teacher Loan Forgiveness Program
* Stafford Loan

• Complete the Teacher Loan Forgiveness Application
• Mail to Loan Servicer
• 6-8 weeks
• 3 months

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How did I get these loans?

US Department of Education

Stafford Loans

Loan Servicer

University of __BLANK__

You

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Teacher Loan Forgiveness Program

* Perkins

- You qualify for cancellation:
  - If you have served full time in a public or nonprofit elementary or secondary school system as a:
    - teacher in a school serving students from low-income families; or
    - special-education teacher, including teachers of infants, toddlers, children, or youth with disabilities; or
    - teacher in the fields of mathematics, science, foreign languages, or bilingual education, **or in any other field of expertise determined by a state education agency to have a shortage of qualified teachers in that state.**

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Teacher Loan Forgiveness Program
* Perkins

• How do I apply for teacher cancellation?
  • Request the paperwork from the office that administers the Federal Perkins Loan program at the school that holds your loan
  • You must also provide any documentation the school requests to show that you qualify for cancellation

Cancellation amounts for years of service
  • If a borrower is eligible for teacher cancellation under any of the categories listed above, up to 100 percent of the loan may be canceled for teaching service, in the following increments:
    • 15 percent canceled per year for the first and second years of service,
    • 20 percent canceled for the third and fourth years, and
    • 30 percent canceled for the fifth year.
  • Each amount canceled per year includes the interest that accrued during the year.
Public Service Loan Forgiveness (PSLF Program)

• The PSLF Program is intended to encourage individuals to enter and continue to work full-time in public service jobs. Under this program, you may qualify for forgiveness of the remaining balance due on your William D. Ford Federal Direct Loan Program loans after you have made 120 qualifying payments on those loans while employed full-time by certain public service employers.

• Steps:
  • 1. Consolidate into Direct Loans
  • 2. Complete Employment Certification for Public Service Loan Forgiveness (PSLF)
  • 3. Enroll in a qualifying repayment plan Income Driven Repayment (IDR)
    • Income-Based Repayment (IBR)
    • Contingent Repayment Plan (ICR)
    • Revised Pay As You Earn (REPAYE)
    • Pay As You Earn (PAYE)
Consolidation

• Should I consolidate?
  • Stafford and Perkins: Two Families
  • Pre-1998 and Post 1998 loans
  • Undergraduate and Graduate Degrees
  • Love and Marriage...and sometimes Divorce
  • “If I do what you’re recommending, am I still eligible for student loan forgiveness? Do you have documentation to the effect?”

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• Three Top Boxes.
  • Middle Box is that start point:
NEA Student Debt Navigator powered by Savi

- When you begin your no cost analysis, you’ll input your data
- Link your loan servicer accounts to Savi algorithms
NEA Student Debt Navigator powered by Savi

• You’ll then receive the analysis of your student loan results
• Savi will complete and process the paperwork
• Provide one-on-one assistance
• Coordinate with school district and loan servicer

NO COST
For the first year

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<th>Years of Continuous Membership</th>
<th>Death Benefit</th>
<th>AD&amp;D Benefit</th>
<th>Occupation/Association Leader AD&amp;D Benefit</th>
<th>Unlawful homicide while at work</th>
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Resources from CTA Member Benefits

• Visit www.ctamemberbenefits.org
  • Name Beneficiary for CTA D&D Plan
• Visit www.ctamemberbenefits.org/studentloan
  • Has Supplemental Information for Student Loan Forgiveness
• Call CTA Member Benefits Department 650-552-5200 to learn more about your benefits
• Download the CTA Member Benefits App on the App Store and Google Play
CARES Act: Student Loan Relief

- Suspends payments and waives all interest for *certain* federal loans beginning March 13, 2020. President Biden has extended this to **January 31, 2022**
  - Suspends federal direct loans that are loans from the federal government
  - DOES NOT suspend loan payments and interest on “commercially-held” loans (some FFEL and Perkins) or Private Loans
  - Can get a refund if payment made since March 13, 2020

- Suspended payments count towards Public Service Loan Forgiveness

- Suspends involuntary collections for certain federal loans such as
  - Wage garnishment and federal income tax or social security withholdings

- Treats suspended payments as “on-time” payments for credit reports

- Call Loan Servicer or log-in to your account at studentaid.gov

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