

## **Teacher Education Loan Program**

Prepared by the Alaska Commission on Postsecondary Education (ACPE)

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### **1. How does the program work / how is it implemented?**

The Teacher Education Loan (TEL) program was created in 1986 to provide low-cost education loans to graduates of Alaska high schools that are enrolled in bachelor's degree programs in elementary or secondary teacher education or undergraduate certificate programs intended to lead to elementary or secondary teacher certification. The program has since ceased originating new loans due to a variety of factors (including a low teacher return rate) and awarded the last loan in 2018.

On an annual basis, ACPE mailed nomination forms to school districts in Alaska that contained a rural community. School districts would nominate students interested in pursuing an education related to either elementary or secondary education. ACPE would mail these students a letter with information regarding the TEL and a Promissory Note (PN) to all nominated students. Once ACPE had received a completed PN, the school certified the student was enrolled in a qualifying education program and had financial need. ACPE would award eligible applicants up to \$7,500 per year. TEL recipients wishing to continue receiving funds from the program were required to apply annually for up to 5 years of funding.

TEL recipients may receive forgiveness benefits to equal 100% of principal and interest as long as they work as a teacher in an Alaskan rural community as defined in statute and meet all other forgiveness eligibility requirements. In order to receive forgiveness, borrowers must apply annually after each completed year of teaching and provide required documentation. The amount of the forgiveness benefit is determined by the number of years working in the state as a teacher. Borrowers completing their first, second, or third year of eligible work in the state are awarded 15% forgiveness. The forgiveness amount increases to 25% for those students completing their 4<sup>th</sup> year of eligible work, and the fifth year of forgiveness is 30%. Loan recipients that do not return to Alaska and receive forgiveness are required to repay the debt.

### **2. How many people have utilized the program?**

Since this loan program's inception, 1,368 borrowers have received 3,879 loans. The total amount of funding awarded was \$24,691,181.

### **3. How many loans have been forgiven?**

Of 3,879 total loans, 1,126 have received one or more forgiveness benefits.

### **4. How much money is in this program?**

Funding for this program was through the Alaska Student Loan Corporation until its cessation.

### **5. Funding source / Funding information / fund total**

Same answer as above.

### **6. Teacher retention statistics related to the program**

Teacher retention statistics are not available and would require additional analysis to create.