

EDUCATOR LOAN FORGIVENESS PROGRAM POLICY

1.00 Introduction

This policy describes the goals, program, procedures, and eligibility criteria for the program, and eligibility standards for institutions participating in Colorado's Educator Loan Forgiveness Program.

2.00 Statutory Authority

Statutory authority for the Educator Loan Forgiveness (ELF) Program is contained in 23-3.9-100.2, C.R.S.

2.01 Program Funding

- a. The General Assembly has authorized the Educator Loan Forgiveness Program for the 2019-2020 academic year. Funding in future years is subject to available appropriations.
- b. This program is designed to make one payment per year for up to five years of up to \$5,000 per payment on qualified loans for a qualified educator in a qualified position who is accepted into the program. Subject to available appropriations, one payment will be made per year for each qualified, accepted educator.
- c. Initial program eligibility will be determined through an application and document verification process run by the Colorado Department of Higher Education (CDHE).
- d. Continued program eligibility will be confirmed on an annual basis through official Colorado Department of Higher Education communication with schools, school districts, and the Colorado Department of Education (CDE).

- e. The ELF program fund consists of all money appropriated to the fund by the General Assembly for the ELF program, and any gifts, grants, and donations received for that purpose.
- f. At the end of any fiscal year, all unexpended and unencumbered money in the fund remains in the fund and is not credited or transferred to the general fund or any other fund.
 - i. Exception - On August 30, 2033, any unexpended and unencumbered money in the fund shall be transferred to the general fund.
- g. Subject to available appropriations, the CDHE as an extension of the Commission shall annually approve applications for up to 100 new participants in the ELF program.
- h. The total number of loan forgiveness awards and the amount of those awards is subject to available appropriations.

3.00 Goals, Principles, and Terminology

3.01 Policy Goals for Educator Loan Forgiveness

CCHE’s Educator Loan Forgiveness Policy is designed to help keep educators employed in their education positions, and to address shortages in rural geographic areas and content areas.

3.02 Principles

The Educator Loan Forgiveness Program is a way of delivering financial support to rural educators and content-area shortage educators, in order to incentivize them to remain working in their positions into the future.

3.03 Terminology

- a. Educator – A Teacher, Principal, or Special Services Provider (SSP) as defined by CRS 22-60.5-102
 - i. Special Services Provider is further defined by CDE as a School: Audiologist, Counselor, Nurse, Occupational Therapist, Orientation and Mobility Specialist, Physical Therapist, Psychologist, Social Worker, or Speech-Language Pathologist.

- b. Qualified Loan – an educational loan incurred from an approved student loan financing institution while completing an educator preparation program; or while completing a bachelor’s or a master’s degree in the educator’s subject area.
- i. This includes loans made, insured, guaranteed under Title IV of the Higher Education Act, 20 U.S.C. 1070 et seq.
 - ii. Private education loans as defined in the Truth in Lending Act 15 U.S.C. 1650(a)(8):

(A) means a loan provided by a private educational lender that—

(i) is not made, insured, or guaranteed under of [1] title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(ii) is issued expressly for postsecondary educational expenses to a borrower, regardless of whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the private educational lender; and

(B) does not include an extension of credit under an open-end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling;

- c. Qualified Position –

- i. An Educator as defined above in a rural school district as defined annually by the CDE, pursuant to 23-3.9-102 (6)(a)(I).
OR
- ii. An educator in a content-shortage area as defined annually by CDE pursuant to 23-3.9-102

- d. Rural District – A school district identified as having less than 6,500 total enrolled students. These districts will be identified annually by the CDE.

- e. Content-Area Shortage - includes those identified by the Colorado Department of Education. The CDE will also identify content shortage areas for specific or general geographic areas of the state. The CDE can also consider education and community stakeholder feedback.

- f. Award Year – Begins July 1 and ends June 30.

4.00 School or District Eligibility

- a. School or Public Schools - Identified pursuant to 22-1-101; includes Charter School authorized by: Part 1, Article 30.5, Title 22; Part 5, Article 30.5, Title 22.
- b. BOCES (Board of Cooperative Education Services) Schools – Identified pursuant to Article 5 of Title 22.
- c. Facility Schools – Statewide schools, having an identified content-area shortage, pursuant to 23-3.9-102.

5.00 Educator Eligibility

To qualify for the ELF program, an educator shall:

- a. Graduate from an approved educator preparation program, defined in 23-1-121; or, if an SSP, satisfy SSP requirements for licensure.
- b. Meet initial or professional licensure requirements pursuant to 22-60.5-201 (1)(b) or (1) (c); or 22-60.5-301 (1)(a) or (1)(b); or 22-60.5-210.
- c. Demonstrate professional competencies consistent with state Board of Education rules in the subject matter in which the educator obtains a qualified position; or be fully qualified under a training program approved by a federal court or agency or the state Department of Education.
- d. Contract for a qualified position, as defined in 23-3.9-101, no earlier than June 2019 and no later than the end of the 2027-2028 academic year.
- e. Be liable for an outstanding balance on a qualified loan.

6.00 Program Procedures

6.01 Application Procedure and Prioritization

- a. An applicant must complete and submit an application with the ELF program for an Educator Loan repayment award and include documentation that he or she qualifies for loan forgiveness by virtue of service performed in Colorado, and as defined in 5.00.
- b. The amount repaid will be based on the borrower's outstanding balance not to exceed \$5,000 annually. Each recipient will have a lifetime eligibility cap of \$25,000 received through this program.
- c. Upon selection, all educators will provide proof of their current employment status, to be verified by the ELF program. Upon selection, all educators will provide proof that the loan for which they are seeking repayment is a qualified loan, being serviced by a qualified loan servicer.
- d. Loan payments will be remitted directly to the loan servicer, to be paid after the beneficiary designates the DHE/CCHE/ELF program as their disbursing agent (third-party payer) for this purpose.
- e. An eligible educator may continue to qualify each year without having to reapply as long as the educator remains in the original qualifying position. If the educator changes positions, but both the former and latter position are equally qualifying (rural and content shortage) the educator need not reapply. If the latter position only fulfills one of the priority qualifications, rural but not content shortage or content shortage but not rural, the educator must reapply.
- f. ELF Program staff will annually verify that educators who were selected for the program in the prior year have not changed positions or otherwise changed their eligibility status.
- g. Eligible educators will be awarded a loan forgiveness award based on the directives as defined in 23-3.9-102, (1)(c)(I-III), with highest priority given to rural area educators in content-area shortages, second highest priority given to rural area educators not in content-shortage areas, and third highest priority given to educators in content-shortage areas not located in rural areas.
- h. The ELF program will select the 100 recipients each year based on a proportion of the number of educators in each category (Teacher, Principal, SSP) working in Colorado. This proportion will be based on reports from the CDE, which will be updated annually. This effort is contingent upon the number of and nature of applications received.

6.02 Professional Judgment

The state ELF program eligibility parameters are designed to apply to all currently licensed educators serving as Teacher/Principal/SSP in qualified positions in Colorado public schools holding education loans, within the constraints of the program. This policy recognizes, however, that circumstances may exist in which the state program parameters do not adequately address a particular educator's situation. ELF program administrators may exercise professional discretion on a case-by-case basis. The need for special treatment as well as the action taken, if any, must be adequately documented in the educator's application record.

6.03 Reporting

Pursuant to **23-3.9-103**, on or before December 15, 2019, and on or before December 15 each year thereafter, the Commission shall prepare an annual report that includes, but is not limited to:

- a. The content shortage areas identified by the Department of Education.
- b. The number of applications received.
- c. The number of participants awarded loan forgiveness.
- d. The public schools/districts/BOCES in which the participants are employed.
- e. Demographic information for the participants.
- f. The approved educator preparation programs attended by the participants.
- g. The amount of money applied toward loan forgiveness and the sources of the money.
- h. For all participants awarded loan forgiveness, the length of time each participant has remained in the program and has remained serving in the public school or within the same school district or BOCES.

The Commission shall provide notice to the education committees of the Senate and the House of Representatives, or any successor committees, that the report is available to the members of the committees upon request.