

## Your Question:

You wanted examples of state legislation regarding teacher scholarship and loan forgiveness programs.

## Our Response:

### Teacher Scholarship Programs

Examples of teacher scholarship programs in four states are provided below:

- **Indiana's** legislature passed [H.B. 1002](#) in 2016, which created the Next Generation Hoosier Educators Scholarship Program and Fund. The program provides scholarships to Indiana high school graduates who 1) graduate in the top 20 percent of their high school graduating class OR 2.) receive a score in the top 20th percentile on the ACT or SAT AND who participated in school and community service activities in high school AND who attend an eligible higher education institution in the state. Applicants must agree to teach in a public or otherwise eligible school for at least five consecutive years. Eligible applicants can receive up to \$7,500 each academic year for not more than four academic years.
- **South Dakota's** legislature approved [S.B. 233](#) in 2013, which created the [South Dakota Critical Teaching Needs Scholarship](#) Program. The program provides financial assistance to South Dakota high school graduates who attend an eligible higher education institution in South Dakota and promise to work in a critical teaching need occupation in South Dakota for five years after graduating from a participating postsecondary institution. The amount of the scholarship is determined by calculating the student's remaining financial need which may not exceed the tuition and generally applicable fees for 30 credit hours at a public South Dakota postsecondary institution. The critical teaching needs areas for the 2014-2015 academic year included: teaching K-12 special education in a public, private, or parochial school; teaching high school math or science in a public, private, or parochial school; and teaching high school career and technical education in a public, private, or parochial school.
- **Colorado's** legislature passed [S.B. 133](#) in 2008, which created the Teach Colorado Grant Initiative. According to [this 2010-11 grant evaluation](#), "the program was created to give financial incentives to college students to enter the teaching profession and thereby increase the number of teachers in high-need content areas, including but not limited to mathematics, science, special education, English language acquisition, music and world languages." Funds were to be given to institutions for higher education to create scholarships for high-ability students in approved teacher preparation programs who excel in high-need content areas and who demonstrate an interest in or commitment to teaching as a career. Though the bill did not establish time commitment requirements, it did give preference to scholarships that require a recipient to complete his or her student teaching in a rural or high-poverty school, district, or BOCES. The program is subject to appropriation, and it appears no appropriations have been made since 2009-10.
- **North Carolina** provides the oldest, longest standing example of a state teacher scholarship program. A summary is provided on page 4 of [this report](#). Despite its successes, in 2011 the North Carolina General Assembly voted to end the program and remove all program funding by spring 2015.

### Teacher Loan Forgiveness

It appears that teacher loan forgiveness programs are more common than teacher scholarship programs. According to the National Council on Teacher Quality's [2015 State Policy Yearbook](#) (p. 116-118), twelve states provide loan

forgiveness to teachers who agree to teach in shortage subject areas and nine states provide loan forgiveness to teachers who agree to teach in high-need schools. Examples include:

- **Illinois** offers incentives for those teaching in "hard-to-staff schools" or "hard-to-staff teaching positions." Loans are fully forgiven for teachers completing five years of service in these schools or positions and are partially forgiven for shorter periods of service. The maximum amount of the loan may not exceed \$25,000. (This was a part of the "Grow Your Own" Teacher Education Initiative [adopted by the Illinois State Board of Education](#) in 2006.)
- **Montana** mandates that the board of education publish an annual report of "schools and the licensure or endorsement areas identified as impacted by critical quality educator shortages." Teachers working at those schools and in certain subject areas who qualify are eligible for repayment of all or part of their education loans existing at the time of the application, for up to a maximum of four years and not to exceed \$3,000. (The Quality Educator Loan Forgiveness Program was created in 2007 by S.B. 2. See a recent summary [here](#).)
- **Nebraska** offers a program entitled [Enhancing Excellence in Teaching](#), which provides high-achieving students who complete a teacher education program with loan repayments of up to \$1,500 annually. Loan forgiveness is doubled after the first year if the teacher practices in shortage areas or a high-poverty school. (The program was created, and modified in 2015 with the passage of [L.B. 519](#).)
- **South Carolina's** [Teacher Loan Program](#) allows eligible teachers to have their loans forgiven at the rate of 20 percent or \$3,000, whichever is greater, for each full year of teaching in a South Carolina public school in a critical subject or critical geographic area. The loans of teachers who teach in both a critical subject and a critical geographic area are forgiven at the rate of 33 1/3 percent or \$5,000, whichever is greater, for each year of full-time teaching. (The [program](#) has been in existence for more than 25 years.)
- **Virginia** offers incentives to teach certain subjects. As part of its Middle School Teachers Corps, the state provides incentives for experienced middle school math teachers to teach in schools designated as "at-risk in mathematics." In addition, each year the state releases the top 10 "critical shortage teaching areas." It uses this list to determine candidate eligibility for its scholarship loan program, which offers loan repayment for teachers in subject-shortage areas. During the 2015 school year, the state has also approved funding to provide incentive awards to science, technology, engineering and math (STEM) teachers, with preference given to teachers assigned to hard-to-staff or low-performing schools. (The [Teaching Scholarship Loan Program](#) was created in 1999 with the passage of [H.B. 2607](#).)
- **Washington** offers incentives to teach certain subjects. The state offers scholarships or loan repayments and gives priority to candidates seeking certification in math, science, technology or special education. The [Washington Educator Retooling program](#) is also available to help teachers add endorsements in secondary and middle-level math and science. Existing teachers are offered funding of up to \$3,000 a year for two years to teach these subject-shortage areas. [S.B. 6455](#) (2016) created the [Teacher Shortage Conditional Grant Program](#) to provide financial aid to individuals enrolled in professional educator standards-approved teacher preparation programs.

Additional state examples can be retrieved from NCTQ's policy issue website about [compensation and differential pay](#). (See the far-right column.)