

SENATE MAJORITY OFFICE

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NEWS RELEASE

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Legislation will expand federal loan forgiveness for middle school teachers at Oregon's low-income schools

SB 670 clarifies Department of Education classifications

SALEM – The Senate voted in support of Senate Bill 670 this morning, legislation that will allow qualified Oregon middle school teachers to receive a greater amount of loan forgiveness under a federal program that encourages teachers to work in low-income schools. The savings for some teachers could amount to tens of thousands of dollars.

"Loan forgiveness is a powerful incentive to get teachers into some of our most demanding schools," said Senator Mark Hass (D-Beaverton), chair of the Senate Education and Workforce Development Committee. "This is a minor change to law, but it will help teachers pay down their student loans faster while encouraging them to consider serving low-income communities and their schools."

Currently, many Oregon middle schools teachers who have applied for the federal loan forgiveness program have been denied due to classification standards of the Oregon Department of Education. The federal loan forgiveness program defines two categories of teachers, elementary and secondary, and leaves determining the distinction up to individual states. The distinctions are important because a larger percentage of a teacher's loan amount is eligible to be forgiven for secondary teachers than for elementary teachers under federal law. SB 670 changes state law so that middle school teachers in Oregon are classified as secondary school teachers.

"Our teachers have committed their careers to public service," said Senate Majority Leader Diane Rosenbaum (D-Portland). "Student loans can create an incredible burden for many teachers and be a deterrent for some potential teachers. This bill will provide a little additional help that can go a long way to pay down student loans on a teacher's salary."

The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession. Under this program, individuals who teach full time for five consecutive, complete academic years in certain low-income elementary and secondary schools may be eligible for forgiveness of up to a combined total of \$17,500 in principal and interest on their student loans.

SB 670 now goes to the House for consideration.

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