

## **Expanded Loan Forgiveness For Teachers<sup>9</sup>**

### **Purpose of the Program**

Currently, teachers who were new Federal Family Education Loan or Ford Direct Student Loan borrowers as of October 1998 and taught in qualified low-income schools for 5 consecutive years are eligible for up to \$5,000 in student loan forgiveness. The President's FY-03 budget will substantially increase the amount of forgiveness for some teachers, reaching up to \$17,500 for each qualified individual.

### **New Program Improvements and Resources**

This year, President Bush's budget proposed expanding this program, which is estimated to cost \$45 million in FY-03 and a total of \$112 million over the next five years.

### **Highlights**

- Highly qualified teachers are eligible for this program, if they teach math, science or special education in qualified low-income schools for five consecutive school years.

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<sup>9</sup> *Fiscal Year 2003 Budget of the United States Government, p. 112-113*