

The Rising Cost of Becoming an Educator

**Reimagining Pathways Into the Profession
With Affordable, Cost-Effective, and
Responsive Solutions**

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Introduction

Teachers are experiencing unprecedented levels of stress exacerbated by the coronavirus pandemic, low compensation, demanding workloads, political strife, and growing concerns about school safety (Carver-Thomas, 2022; National Education Association [NEA], 2022; Schmitt & deCourcy, 2022). Added to the mix is the financial burden of [resumed payments for student loans](#)—most of which were deferred as a result of a federal pandemic pause that began in March 2020 and expired October 1, 2023. Despite the paramount value of teachers for the success of students (Podolosky et al., 2019), teacher candidates and current classroom teachers are faced with (a) increasing student loan debt; (b) increasing cost of becoming a teacher, including college tuition and fees, initial certification, and remaining credentialing; and (c) stagnant teacher salaries in an increasingly expensive economy. The effects of these financial burdens result in fewer college graduates with bachelor’s degrees in education and greater stress on the education system (Darling-Hammond et al., 2023). Research suggests that the structural elements of the student loan system, including systemic barriers, may act as deterrents, preventing access and opportunity, especially in fields like the teaching profession (Darling-Hammond, 2022).

The profession needs thoughtful, multifaceted, long-term solutions that address the rising costs of becoming an educator. Equitable and accessible pathways are required to attract, prepare, and retain high-quality teachers and leaders. This brief shares the financial barriers to the profession and their likely impact on the teaching shortage, especially as the barriers relate to educators of color who continue to be marginalized by systems of inequity. Then, this brief emphasizes promising and sustainable solutions that support a vision to reimagine current programming to include affordable, cost-effective, and responsive solutions, such as (a) Grow Your Own (GYO) programs, which offer multiple pathways for students *and* adults, including dual enrollment and paraprofessional-to-teacher transition plans; (b) Registered Teacher Apprenticeship Programs (RTAPs), which provide a living wage compensation to teacher candidates during clinical practice; (c) teacher residency programs, which provide multiple forms of support and incentives (e.g., mentoring, living stipends and tuition remittance) and allow for advanced credentialing; (d) federal funding streams (e.g., Teacher Education Assistance for College and Higher Education [TEACH] Grants, Office of Special Education Programs [OSEP] grants, Title II Higher Education Act programs) that fund programs at institutes of higher education to support programs to address the teacher shortage and diversify the educator workforce; and (e) state-based initiatives that provide flexibility in teacher licensing without compromising educator quality.

Educators and Increasing Student Loan Debt

Educators are experiencing increasing debt burden as a result of increasing access to student loans, decreasing associated government fiscal responsibility, increased incidence of [student loan servicer misconduct](#), and soaring education costs. [Decreased state funding](#) in higher education coupled with the surging cost of degree attainment has led to increased reliance of educators on student loans over time.

For educators, the debt burden is a result of a complex mix of financial burdens: rising college costs, forced reliance on student loans for degree attainment, and stagnant wages during the past 25 years. According to a 2021 report issued by [NEA](#), more than half (53%) of all teachers relied on student loans to afford college degrees. The average educator owes \$58,700 in student loan debt, and 14% of educators owe more than \$105,000.

Notably, educators of different age groups have been impacted by the student loan crisis. [Sixty-five percent](#) of educators aged 18 to 35 took out student loans, and 42% of educators borrowed in excess of \$65,000. [Twenty-seven percent](#) of educators 61 and older took out student loans, and 25% of educators still have more than \$45,000 left to pay off, jeopardizing their ability to save for retirement.

High loan balances impact quality of life.

The [Student Borrower Protection Center and Credit Builders' Alliance](#) uncovered the hidden debt Americans pay when they have high student loan balances. High student loan debt could adversely impact credit scores and, in turn, purchasing power by increasing mortgage payments, car loan payments, or credit card interest rates. These hidden costs could amount to as much as \$30,000 in total. In a study completed by [NEA in 2021](#), borrowers aged 18 to 35 shared that student loan debt has influenced their decisions to start a family or buy a home.

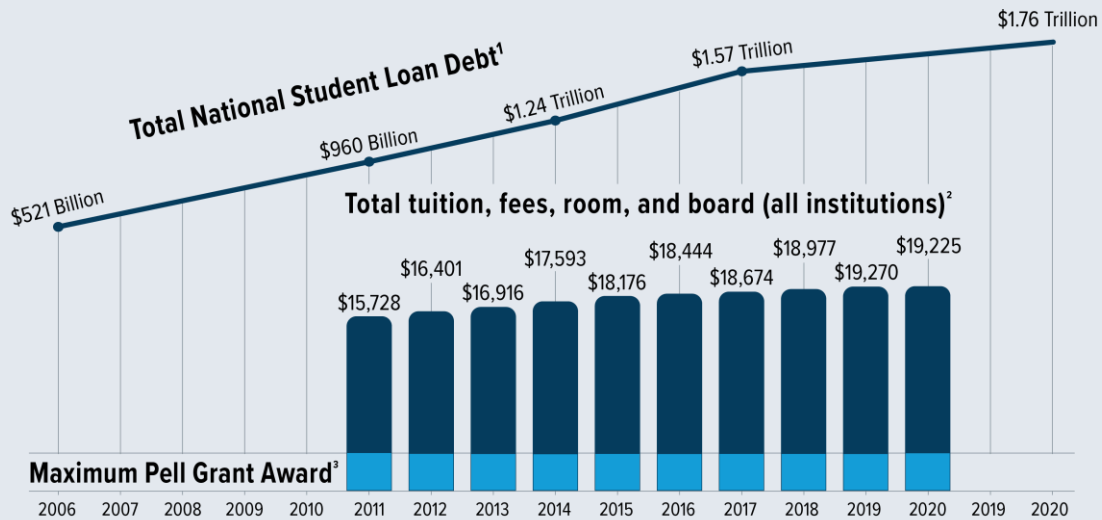
The Escalation in Student Loan Debt: A Primer

Access to federal student loans was meant to provide economic security and financial advancement (Best & Best, 2014). However, as of the end of the second quarter 2023, borrowers had amassed a collective [\\$1.76 trillion](#) in federal and private student loan debt. Recent records from the [U.S. Department of Education](#) (ED) reflect that 43.6 million borrowers have student loan debt, with an average balance of \$37,717.

The escalation in student loan debt is in part due to the financial responsibility of the federal government being reduced and the responsibility shifting to the borrowers. For example, in 1980, eligible borrowers were able to use Pell Grants to cover more than [75% of the cost of attending](#) a 4-year public university. By the 2019–20 academic year, Pell Grants covered less than 28% of the cost (Darling-Hammond et al., 2023; National Association of Student Financial Aid Administrators, 2022). Exhibit 1 illustrates the rising total national student loan debt and waning Pell Grant funding in relation to increasing cost of tuition, fees, room, and board of all institutions.

As access to student loans increased, the cost of attending college also soared. According to the [National Center for Education Statistics](#), the cost of attending college, including tuition and fees, increased by 129% between 1970–71 and 2021–22. Just in the past decade, these costs have increased by 12%. The current average annual cost of attending a 4-year public university, including room, board, tuition, and fees, is \$21,878, and the average annual cost of attending a 4-year private, nonprofit university is \$47,962. The soaring cost of education impacts all students regardless of whether they access student loans.

Exhibit 1. Rising Student Loan Debt and Waning Pell Grant Funding



¹ Student loans owned and securitized, not seasonally adjusted level. This graph shows the total amount of the fourth fiscal quarter of each year.

² In constant 2020-21 dollars. The amount is the average undergraduate tuition, fees, room, and board rates charged for full-time students in degree-granting postsecondary institutions.

³ Inflation-adjusted to 2021 dollars.

Source: Federal Reserve System, Consumer Credit - G.19; National Center for Education Statistics, 2020 Digest of Education Statistics (Table 330.10); NASFAA.

Increasing Cost of Becoming an Educator

In addition, education careers often encompass ongoing investments in degrees and certifications, compounding the cost of becoming and remaining an educator. Nearly all states require teachers to hold a bachelor's degree. In addition, some states, such as Connecticut, Maryland, Massachusetts, New York, and Ohio, require teachers to earn master's degrees to keep their teaching credentials. Even when not required, many educators elect to earn their master's degrees to advance their careers, prepare for leadership roles, teach special education or college-level courses, or to earn additional pay. The cost of earning continuation education or master's degrees adds further barriers to educators and can impede professional advancement.

Stagnant Teacher Salaries in an Increasingly Expensive Economy

Teacher compensation does not align with compensation in other industries. This trend is known as a teacher pay penalty (Allegretto, 2022). A teacher pay penalty is the difference in wages teachers and comparable workers earn. According to this report published by the [Economic Policy Institute](#), the variation in weekly pay between teachers and other college graduates increased from 6.1% in 1996 to 23.5% in 2021. ED [reports](#) for the 2021–22 academic year indicate that 35 states had starting salaries less than \$45,000 per year and 16 states had starting salaries less than \$40,000 per year.

According to a report published by the [Economic Policy Institute](#), the variation in weekly pay between teachers and other college graduates increased from 6.1% in 1996 to 23.5% in 2021.

In a recent brief from the [Center on Great Teachers and Leaders](#), *Raise the Bar on Teacher Pay*, compensation was reported to be the most important variable for college students when they were deciding between teaching and an alternate career choice. Only 17% of college students believed the teaching profession paid appropriately for the knowledge, skills, and effort needed to successfully carry out the job requirements. And 74% of current teachers agree that they are not compensated justly (Kurtz, 2022). Educators on average make more than 20% less than other college-educated professionals, a number that swells to 30% by mid-career (Oamek, 2022; Podolsky & Kini, 2016). When adjusting for inflation, the wage gap increase can be attributed to teacher income remaining relatively stagnant for 25 years while other college graduates experienced wage growth (Allegretto, 2022).

Disproportionate Financial Burdens for Black Educators

Critical to strengthening and diversifying the educator workforce, Black educators are disproportionately impacted by the student loan crisis. This too, is a result of complex factors: historic financial inequity, systemic deprivation, racial disparity, and persistent

intergenerational wealth gaps (McIntosh et al., 2020; Weller & Roberts, 2021). The resulting gap in wealth reduces financial security and leads Black educators to the overdependence on student loans ([56% versus 44% of White educators](#)). Black educators currently carry more debt than White educators or any other race (Latin(o/a/x), Hispanic, Asian) and currently experience the highest average unpaid debt. [On average](#), Black educators have an initial balance of \$68,300 compared to White educators, who have an initial balance of \$54,300, and Latin/o/a/x educators, who have an initial balance of \$56,400, post-graduation. Approximately 25% of the difference in total loan balance can be attributed to interest accrual and differences in rates of repayment (Scott-Clayton & Li, 2016). Forty-eight percent of Black graduates experience negative amortization,¹ causing their loan balance to swell compared to only 17% of White graduates (Scott-Clayton & Li, 2016). Additionally, [20%](#) of Black educators carry a balance of \$105,000 or more compared to 11% of White educators, and Black educators tend to have higher monthly payments than any other race or ethnicity.

Data support that financial burdens of becoming a teacher weigh heavily on attracting new talent to the field, as evidenced by the reduced number of education degrees conferred each year. The [National Center for Education Statistics](#) reported only 4% of bachelor's degrees conferred in 2020–21 were in the field of education, a sharp decline since the 1970s, when 20% of all undergraduate degrees were awarded in education (Schaeffer, 2022). Factoring into this reduction are the increasing tuition costs, increasing cost of loans, rising cost of becoming an educator, and the lack of competitive salaries. Today's youth are selecting more lucrative careers, especially Black students who may feel they cannot afford to be teachers (Fiddiman et al., 2019; Flannery, 2020). Student loans act as a barrier for educators of color who are not willing to acquire the amount of student loan debt necessary as they must shoulder more student loan debt than their White peers only to enter a career where teachers earn nearly a quarter less than other similarly educated professionals (Fiddiman et al., 2019).

Federal Relief for Educators

The Biden–Harris administration is taking steps to provide relief for borrowers by making changes to the student loan system. For more details about the SAVE (Saving on a Valuable Education) Plan, public loan forgiveness programs, and other forms of relief, please see the Appendix.

¹ Negative amortization refers to paying off a loan in such a way unpaid interest is added to the balance of unpaid principal, which leads to the amount owed increasing over time.

Recruit and Retain a Diverse Educator Workforce With High-Quality, Affordable Approaches to Educator Preparation

In addition to addressing the financial burdens of becoming a teacher, building high-quality, affordable approaches to educator preparation is necessary to attract a new generation of educators. This work requires a concerted effort on the part of policymakers; educator preparation programs; and national, state, and local education agencies. Recognizing this need, [ED](#) has prioritized eliminating teacher shortages, especially in high-need areas, including bilingual education, special education, and career and technical education. ED proposes to address this area of need by recruiting high-quality teachers by (a) increasing compensation through competitive salaries, tax-credits, housing subsidies, and other incentives and (b) increasing enrollment in educator preparation programs by forging high-quality and affordable pathways.

We offer the following recommendations and highlight specific examples that align with these priorities, especially in the high-need areas identified. Highlighted affordable pathways to becoming an educator and diversifying the workforce include the following:

- GYO programs, including dual enrollment and paraprofessional-to-teacher programs
- RTAPs
- Teacher residency programs
- Federal funding opportunities
- State-sponsored educator preparation advancement

All these pathways share a common goal to address the teacher shortage and diversify the educator workforce by centering the teacher candidate and providing affordable and accessible entryways to the profession. [Although each pathway](#) includes some distinct features, the pathways include many common characteristics as well. With RTAPs approved and validated by the U.S. Department of Labor, some educator preparation programs and districts have moved to transition their GYO programs and teacher residencies to become approved as RTAPs. The following sections share detailed information about each of the pathways, including similarities and differences.

By reducing the cost of earning a license and offering flexible scheduling, these programs open the doors to the profession to those who may otherwise face barriers, including teachers of color and individuals such as paraprofessionals who may already have decades of experience in the classroom, but previously did not have an affordable pathway to become a teacher.

– [U.S. Departments of Education and Labor](#)

GYO Programs

[GYO programs](#) leverage partnerships between school districts, educator preparation programs, and community organizations to address teacher shortages in high-need areas, including [bilingual, special education, career and technical education](#), and [diversify the educator workforce](#) (Gist et al., 2019). Because of the localized approach, GYO programs can address school-level shortages while meeting community needs, especially in [rural areas](#) and hard-to-staff districts (Cushing, 2019). GYO programs are designed to attract career changers, paraprofessionals, nonteaching school faculty, and community members (Espinoza et al., 2018) with financial aid counseling, targeted communication efforts, and continuous coaching and mentoring through job-embedded learning. In addition, GYO programs focus on recruiting high school students and engaging them in clinical, field- and work-based experiences. In some GYO models, participating students receive scholarships or other financial incentives.

Examples

- [Center for Black Educator Development](#). The Center for Black Educator Development's Black Teacher Pipeline Project's mission is to ensure equity in the recruitment, preparation, and retention of educators who share the cultural capital of the students they serve. This programming addresses the teacher shortage in Michigan, New Jersey, Pennsylvania, and Tennessee in a robust model that begins during a student's freshman year of high school and mentors them through their first 4 years of teaching for a total investment of 12 years. The Center for Black Educator Development's mission is to rebuild the national Black teacher pipeline to achieve racial justice and educational equity.
- [Call Me MiSTER](#). The Call Me MiSTER (acronym for Mentors Instructing Students Toward Effective Role Models) program began at Clemson University in South Carolina and expanded [to 11 states](#) since 2000. The leadership program is designed to increase the number of male teachers of color. Although the types of support may vary slightly at each institution of higher education, foundational support includes a cohort model, tuition assistance, loan forgiveness options, academic support, community engagement, mentorship, and job placement. In return, graduates are expected to serve in a public school for 1 year for every year of support they received. Participants are selected from underserved and economically disadvantaged communities.
- [Para to Teacher Program](#). This paraprofessional teacher program provides financial assistance in the form of tuition support for paraprofessionals working in Florida schools to earn a degree in special education. The program is funded by the Florida Department of Education, and students can take courses at an eligible Florida college or university of their choice. Additionally, paraprofessionals can work toward a bachelor's or master's degree but must be working toward a degree that leads to initial certification. Once admitted to the

institution, the applicant can then apply for funding. This pathway opens opportunities and addresses the state's shortage of special education teachers.

- [Pathways for Paraprofessionals](#). This program at Missouri State University is a pathway for paraprofessionals to become certified special education teachers while remaining employed in their current positions. The program is designed to meet the needs of working paraprofessionals, is affordable and flexible, and provides access to scholarships and grants to assist with funding. In addition, students can earn college credit for their practicum and student teaching while in their current positions.
- [Temple Education Scholars](#). The Temple Education Scholars is a dual enrollment program located at Temple University in partnership with a local urban school district that provides up to 15 credit hours of coursework to high school seniors interested in pursuing a career in education. Courses are offered at no expense to the students, and students receive tutoring, mentoring, study skills and college success workshops, study halls, and daily advising. Students also receive support with the college application process, admissions, and the financial aid process. Students can combine this opportunity at Temple University with the Center for Black Educator Development's [Freedom Schools Literacy Academy](#) or [Teaching Pathways](#) and become eligible for a Black Teacher Pipeline Fellowship, which provides up to \$5,000 annually in scholarships and up to \$20,000 in stipends at the start of the educator's fifth year of teaching.

RTAPs

The U.S. Departments of Education and Labor are jointly investing in addressing the teacher shortage by expanding RTAPs for educators. This pathway provides a distinct opportunity for educators to earn while they learn, creating an affordable entry point to the profession. The CEEDAR Center, the American Institutes for Research® (AIR®), and Center on Great Teachers and Leaders collaboratively developed [a funding guide](#) designed to support RTAPs with federal and state funding sources.

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Pathways Alliance recently released [National Guidelines for Apprenticeship Standards](#) that have been approved by the U.S. Department of Labor. States, districts, and educator preparation programs can use these guidelines as a blueprint to develop and align RTAPs to recruit and prepare high-quality educators.

[Building on GYO models](#), RTAPs provide (a) practice-based learning experiences; (b) on-the-job opportunities; (c) scaffolded mentoring support and feedback; and (d) progressively increasing

wages offered by the sponsoring state, district, and/or educator preparation program designed to strengthen and diversify the workforce.

Examples

- [Classroom Academy](#). The Classroom Academy is a registered apprenticeship program that provides initial certification for graduate-level candidates. Candidates work full time in a classroom position and are paid a \$22,000 annual stipend and \$5,000 tuition assistance during their graduate program. Program residents are placed with a high-quality mentor teacher for 2 years as they complete coursework in an immersive environment, turning knowledge to skills. Mentor teachers also receive an annual stipend. This program is a partnership with participating districts, institutes of higher education, and the union (NEA and New York State United Teachers).
- [Dallas College, Texas](#). The RTAP at Dallas College is a paid apprenticeship model that allows students to earn while they learn. Paid apprentices receive a salary of approximately \$30,000 during their senior year. Students spend their senior year in a yearlong residency learning under the guidance of a mentor teacher. If students are already employed in the school system or in a childcare facility, they are able to remain in their positions through an adaptive residency. The adaptive residency allows them to complete all responsibilities of the program while remaining employed. With the program funded through federal grants and embedded in the local community, the cost of the program is affordable at \$79 a credit hour, or \$237 for a 3-hour course.
- [National Collaborative for Digital Equity \(NCDE\)](#). NCDE commits to serving schools in low- and moderate-income communities by providing apprentices with clinical experiences in communities experiencing generational poverty. Program benefits include experiential learning 30 hours a week with K–12 students; salary and benefits; funding for tuition, books, supplies, and/or childcare; cohort model; completion of a 2+2 program (AA + BA + teacher certification) or postbaccalaureate teacher certification; and completion of degree with little or no debt.
- [University of Tennessee](#). In partnership with the GYO Center, the University of Tennessee at Knoxville, Chattanooga, Martin, and Southern offer an RTAP that is committed to meeting the educator workforce needs by graduating individuals with their teaching credentials at little to no cost. This pathway is for individuals who are already employed in the school system (e.g., paraprofessionals, teaching assistants, tutors) and are seeking licensure. Classes are offered online to accommodate working professionals' schedules and increase accessibility.

Teacher Residency Programs

Teacher residencies provide another affordable pathway to teacher certification. During a teacher residency, preservice teachers engage in a yearlong mentored co-teaching experience while completing aligned coursework. Many teacher residencies partner with neighboring districts, allowing the future educator to receive tuition support, financial incentives, and a living wage (Chu & Wang, 2022). Within this model, residency programs target recruitment to meet the district's hiring needs, including filling positions in high-need subject areas or diversifying the teacher workforce (Silva et al., 2014).

Examples

- City Teaching Alliance. The City Teaching Alliance is partnered with the American University and 346 schools serving more than 351,000 students in Baltimore, Maryland; Dallas, Texas; Philadelphia, Pennsylvania; and Washington, D.C. In 2020, the City Teaching Alliance launched an extension of its program known as the Black Educators Initiative to provide additional fellowship (up to \$5,000) and tuition (up to \$25,000) for Black educators. Students earn a master's degree; tuition for all 4 years at the American University; one-to-one coaching for 85 hours throughout 3 years; and dual teaching certificates, including in special education.
- National Center for Teacher Residencies (NCTR). NCTR is an equity-focused model centered on recruiting, preparing, and retaining a cadre of diverse and culturally responsive educators to teach students of color and students from low-income backgrounds. In 2019, the center used a \$20 million grant to create a teacher residency program called the Black Educators Initiative designed to recruit and prepare 750 Black educators during a 5-year period. Educators will be provided with scholarships, stipends, and other financial incentives to support their participation.
- San Francisco Unified School District (SFUSD). SFUSD has partnered with Stanford University to deliver an urban teaching residency program. In this model, residents work alongside a mentor teacher for 1 year and become teacher of record the following year. Once residents complete the program, they have earned their teaching credentials and all, or most, of their coursework for a master's degree. Graduates work for SFUSD for 3 years in return for tuition remission, fellowships, or eligibility for loan forgiveness through the university.
- Washington Education Association. The Washington Education Association teacher residency program provides differentiated pathways into the profession for individuals from diverse communities. Residents earn a minimum salary of \$35,000, including benefits, while participating in the program. The resident pays a total of \$2,000 in tuition for the program, paid in installments, and commits to employment with the district for 3 years.

The Center on Great Teachers and Leaders developed [a funding guide](#) for supporting the teacher workforce with funds from federal programs, private foundations, and state legislative appropriations. The funding guide provides state and local education agencies and educator preparation programs with funding resources, eligibility requirements, and activities designed to attract, prepare, develop, support, and retain educators.

Federal Funding Opportunities That Support Teachers and Teacher Leaders

The federal government streamlined funding opportunities in collaboration with institutes of higher education to increase the number of affordable pathways to becoming an educator from initial licensing and bachelor's, master's, education specialist, and doctoral degrees. These funding opportunities give absolute priority to historically Black colleges and universities (HBCUs), tribally colleges and universities (TCUs), and minority-serving institutions (MSIs). These funding streams target personnel shortages in high-need fields, especially in special education where the need remains the greatest and to prepare racially and ethnically diverse students to be fully credentialed and serve students in a variety of settings. Where applicable, these opportunities are repayable through an agreement to serve (i.e., service obligation) in lieu of loan repayment.

TEACH Grants

[TEACH Grants](#) provide up to \$4,000 annually to eligible students who are pursuing a career in education. Recipients must meet basic eligibility criteria, be enrolled in an eligible program, and complete the service obligation as a condition of the grant, or the TEACH Grant will be converted to a loan that must be repaid with interest. The service obligation requires the student to serve as a full-time highly qualified teacher at a school or educational service agency that services students from low-income households, teach in a high-need field (e.g., mathematics; science; foreign language; bilingual education; English language acquisition; reading specialist; special education; or any field on the federal, state, or local district [annual teacher shortage high-need list](#)), and complete the required 4 years of teaching within 8 years of graduating. TEACH Grants are available at participating institutes of higher education.

OSEP Grants

[OSEP](#) provides a series of personnel development programs designed to improve services and results for children and students with disabilities by supporting the personnel and professional development of qualified personnel who work with them. OSEP grants lead to a bachelor's

degree, master’s degree, educational specialist degree, or doctoral degree for special education teachers, early intervention specialists, and related service personnel.

OSEP grants are available at institutes of higher education that have applied for and been awarded funding. Funding is awarded up to \$1.25 million per grant during a 5-year period. Each institute of higher education establishes protocol for recruiting, preparing, and retaining students in the program. Programs typically provide support for students’ tuition; fees; and, in some cases, stipends to cover living wages, health insurance, and other expenses while they complete their degrees. Students must complete a service obligation as a condition of participation in an OSEP-funded grant—the student is required to work in the field of special education for 2 years for every year funding is received.

For the 2024 fiscal year, the Biden–Harris administration requested [\\$250 million](#) for personnel preparation through OSEP funding, an increase of \$135 million from the 2023 appropriation. From this request, \$161 million would be used to support new projects to address the critical shortage of special educators at all levels—beginning special educators; personnel to serve children with low-incidence disabilities; and leadership personnel, including teacher preparation faculty, administrators, researchers, supervisors, and principals.

The Augustus F. Hawkins Centers of Excellence Program

[The Hawkins Program](#) establishes centers of excellence at HBCUs, TCUs, or MSIs to increase the number of diverse educators to work in high-need local education agencies to support underserved students. Scholarships are provided to prospective educators, and grants are awarded to institutes of higher education for a 4-year period. These centers prepare teachers to create inclusive, supportive, equitable, unbiased, and identity-safe learning environments. The Hawkins Program provides high-quality clinical experiences, including a pathway to teaching for paraprofessionals, and mentoring from high-quality educators. For [Fiscal Year 2023](#), the Hawkins Program received \$18 million in funding.

Teacher Quality Partnership Grant

The [Teacher Quality Partnership \(TQP\) program](#) is designed to simultaneously address and improve K–12 student achievement while improving the quality of prospective new teachers, retain new teachers through enhanced professional learning, increase the recruitment of diverse teachers to the field, and hold educator preparation programs accountable for the preparation of teachers. TQP grants emphasize clinical experiences in high-need school settings through strong partnerships between educator preparation programs at institutes of higher education and high-need school districts. Participating students are provided with [stipends](#). In 2023, ED funded 27 new TQP awards in the amount of [\\$95 million](#).

State-Sponsored Educator Preparation Advancement

Some states have passed legislation to address teacher shortages by reducing barriers and increasing accessible pathways to the field that do not impact teacher quality. Included in these initiatives are flexibility in initial teacher credentialing, funding to support candidates during clinical experiences, and modified employment requirements.

Examples

[Golden State Teacher Grant Program](#). This program provides up to \$20,000 to students enrolled in an approved professional preparation program and working toward their initial teaching credentials.

[Colorado House Bill 22-1220](#). This bill, also known as *Removing Barriers to Educator Preparation*, includes the [Student Educator Stipend Program](#), which provides eligible teacher candidates placed in a 16-week residency up to \$11,000 and candidates in a 32-week residency up to \$22,000 during their clinical experience. Additionally, the program provides funding to cover fees and costs of preparing for and taking the Praxis tests.

[Montana Flexibility in Teacher Licensing](#). Superintendent Elsie Arntzen from the Board of Public Education believes providing flexibility in teacher licensing would address the growing teacher shortage in Montana without reducing teacher quality. Examples of [flexibilities include](#) increasing alternative pathways to the profession, increasing reciprocity for military spouses from other states, recognizing lifetime licenses, and recognizing national board certification for licensing.

[Limited Instructional Certification of Eligibility \(CE\) and Certification of Eligibility with Advanced Standing \(CEAS\) Candidate Guidance](#). The New Jersey State Board of Education recently authorized certificate holders with limited CE and CEAS the ability to gain an instructional position in an approved school district, charter school, or renaissance school as long as the number of CE or CEAS holders does not exceed 10% of the school district's total teacher population and in accordance with all other requirements of approval and participation. This program is offered on a provisional basis as part of a 5-year state pilot program that will expire on September 1, 2027.

Conclusion

Providing economic relief for educators is a critical first step in recruiting and retaining a strong and diverse workforce. Recruiting a new generation of educators requires recognizing the current socioeconomic realities of future educators. The financial burdens that arise from college debt and inadequate teacher compensation impact educator recruitment and retention and influence educator diversity (Darling-Hammond et al., 2023). Increased and sustained investment in affordable pathways that lead to certification and degrees and funding streams that support costs of higher education in exchange for service obligation in lieu of loans are promising steps forward. Policymakers; educator preparation programs; and national, state, and local education agencies must work together to develop, implement, and fund an infrastructure that is equitable, accessible, and affordable. Organizational entities must collaborate on building new pathways while braiding funding into comprehensive and sustainable support networks for educators so that the vision for a stable financial future is readily perceived and available to all.

Thank you for investing your time and energy in this important topic. For additional support, questions, or comments, please reach out to us at the Center on Great Teachers and Leaders at gtlcenter@air.org.

For educators in need of additional support, please consider the American Federation of Teachers (AFT) [Student Debt Clinics](#). AFT is hosting this series of virtual clinics on various topics, including Return to Repayment, Post Waivers, and Parent Plus Loans. In addition, AFT provides a 2-day train-the-trainer program on the student debt clinic curriculum. To learn more, contact debtclinic@aft.org.

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Appendix. Federal Relief for Educators

As noted in the introduction, the federal government allowed nearly all federal loans to enter a COVID-19 pandemic pause in March 2020, during which no interest accrued, and no payments were due. However, beginning September 1, 2023, interest accrual resumed, and payments began on October 1, 2023. The return of student loan payments during a time of high inflation has educators concerned.

The Biden–Harris administration is taking steps to overhaul some of the existing issues with the student loan system and to provide immediate relief for borrowers. In July 2023, as part of its account adjustment, the U.S. Department of Education (ED) began notifying [804,000 borrowers](#) on income-driven repayment loans that their loans will be automatically discharged due to fixes to the program. These borrowers have been making payments for more than 20 years and have a collective \$39 billion in loans. This is a big step in overhauling what some have called a broken system. More than 2 million borrowers have persisted in making payments for more than 20 years with the hope their debts will be forgiven.

Included in the Biden–Harris administration’s overhaul is the [Saving on a Valuable Education](#) (SAVE) Plan, which replaced the Revised Pay as You Earn (REPAYE) Plan. Borrowers who were on the REPAYE Plan were automatically enrolled in the SAVE Plan. The SAVE Plan will be implemented in two stages. The first phase begins in October 2023. The SAVE Plan is an income-driven repayment plan that reduces a borrower’s monthly payments to the lowest monthly plan available. Monthly payments are calculated based on discretionary income and family size, with single borrowers earning \$32,800 or less or a family of four with a household income of \$67,500 or less making no monthly payment. The SAVE Plan addresses the negative amortization issue that caused borrowers’ loan balances to expand.

[Beginning in July 2024](#), borrowers will receive credit toward forgiveness for specific periods of deferment and forbearance, and borrowers can make additional payments to earn credit for periods of deferment or forbearance. Borrowers who experience difficulty paying their loans and are 75 days late will be automatically enrolled in an income-driven repayment if they agree to allowing access to their income taxes. Borrowers will have their undergraduate loan payments reduced by half and borrowers who have graduate and undergraduate loans will pay a weighted average of their income based on the original principal balance. Exhibit A1 outlines ED’s [changes](#) in response to the student loan crisis.

Exhibit A1. ED's Responses to Student Loan Debt Burden

Area of impact	Immediate impact
<p>Income-driven loan repayment programs</p> <p>White House fact sheet/press release</p>	<ul style="list-style-type: none"> • Account adjustment has forgiven \$39 billion for 804,000 borrowers with more to come. • The SAVE Plan replaced the REPAYE Plan. • Borrowers will make the lowest possible payment available based on income and family size. • Individual borrowers earning less than \$32,800 or families earning less than \$67,500 would pay \$0 per month. • Most borrowers would have monthly bills cut in half. • Students who borrow less than \$12,000 would have balances forgiven after 10 years instead of 20 to 25 years. • Loan balance will not grow due to unpaid interest. • Spousal income is excluded for married borrowers who file separately.
<p>Public service loan forgiveness (PSLF)</p>	<ul style="list-style-type: none"> • \$47 billion for 670,800 public servants and counting has been forgiven. • Employment hours has been simplified to a flat 30 hours a week at a nonprofit or 501(c)(3) organization to qualify (no longer full time). • Adjunct professors who teach at least nine credit hours now qualify. • The loophole in California and Texas for direct employment at a nonprofit organization has been addressed. • Some types of deferment or forbearance can now count toward PSLF. • Credits on lump sum, late payments, and installments are now allowed. • Payment history is not erased by consolidation; instead, a weighted average will be applied. • Borrowers who experience a hardship can continue to qualify for PSLF. • Income-Driven Repayment account adjustment will count all the time spent in repayment, regardless of whether payments were made, the loan type, or repayment plan that the borrower was on, while the borrower was in qualifying public service employment toward PSLF. It will also count certain time spent in deferment or forbearance toward PSLF.
<p>Permanent disability borrowers</p>	<ul style="list-style-type: none"> • 491,000 borrowers had \$10.5 billion forgiven. • Borrowers unable to maintain substantial, gainful employment due to a medical condition can qualify for forgiveness. • Borrowers receiving Social Security disability benefits can qualify if they have a medical onset date at least 5 years before applying for student loan forgiveness.
<p>Borrowers cheated by their schools</p>	<ul style="list-style-type: none"> • \$22 billion forgiven for 1.3 million borrowers

In September 2023, ED [announced](#) more than 4 million borrowers will be protected from the consequences of late, missed, or partial payments for up to 12 months after payments resumed October 1, 2023, including being reported to credit reporting agencies, collection agencies, or considered in default. Additionally, although interest will accrue during this period, interest will not capitalize at the end of the 12 months.



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