

Can Forgivable Loans and Service Scholarships Help Attract and Retain Quality Teachers?

New brief from the Learning Policy Institute examines the research

(Washington, DC and Palo Alto, CA – May 20, 2016) This May, college students are graduating across the nation. Among those are newly trained teachers, often strapped with crushing student debt and beset with the difficult choice of whether to work in their chosen field. Even after adjusting for a shorter work year, beginning teachers nationally earn about 20% less than their peers entering other fields, a gap that widens to 30% in mid-career.

Faced with the growing overall shortage of teachers, the increasing need to recruit and retain teachers in under-served rural and urban communities and in specific subject areas (such as the STEM fields and special education) and the high level of student debt, a number of states are seeking remedies. Loan forgiveness and service scholarship programs are two such solutions.

But do these programs work?

The Learning Policy Institute's (LPI) [latest brief](#) examines existing studies to answer this question, *How Effective Are Loan Forgiveness and Service Scholarships for Recruiting and Teachers?* For LPI authors Anne Podolsky and Tara Kini, the answer is yes--in cases where the financial benefit meaningfully offsets the cost of professional preparation.

The LPI brief identifies specific design principles for successful loan forgiveness and service scholarship programs, including providing subsidies that are large enough to offset a significant proportion of teacher preparation costs; targeting the programs to meet the needs of schools and subjects with teacher shortages; and identifying recipients who are committed, academically strong, and well prepared.

"Research shows that these programs can be effective at recruiting teachers into high-need subjects and schools, as well as increasing the diversity of the teacher workforce," LPI Researcher and Policy Analyst Anne Podolsky explains. "Loan forgiveness and service scholarship programs offer a targeted, short-term approach to increasing teacher's overall compensation package at the beginning stages of their professional careers."

One Teacher's Story

Such was the case for [Irene Castillon](#), whose story is featured in the brief. She is a Southern California native, first-generation high school graduate, and recent White House honoree. Without access to forgivable loans and service scholarships, Castillon, now a sixth-year teacher,

says she likely would not have completed a teacher preparation program and earned her Master's degree.

“Teachers lead by example, and we need more teachers to set an example for future generations,” emphasizes Castillon.

To arrange an interview with teacher Irene Castillon in Spanish or English or to arrange an interview with the authors [Tara Kini](#) and [Anne Podolsky](#), please contact Sue Dorfman at sdorfman@learningpolicyinstitute.org or 617-513-6179.

Click [here](#) to download the print version of *How Effective Are Loan Forgiveness and Service Scholarships for Recruiting and Teachers?*

###

About the Learning Policy Institute

The Learning Policy Institute conducts and communicates independent high-quality research to improve education. Working with policymakers, researchers, educators, community groups, and others, we seek to advance evidence-based policies that support empowering and equitable learning for each and every child. For more information, visit www.learningpolicyinstitute.org.