



State of Wisconsin Higher Educational Aids Board

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Tony Evers
Governor

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Executive Secretary

WISCONSIN MINORITY TEACHER LOAN RECIPIENT INFORMATION

As a recipient of the Minority Teacher Loan program, this document outlines what is expected of you and provides you with further information about the loan program. Please read this document carefully and keep it for future reference.

Loan Administration

The Wisconsin Minority Teacher Loan is administered by the State of Wisconsin's Higher Educational Aids Board. The administration of this loan is completely separate from any other loans you may have, including federal or private loans, and the loan cannot be consolidated with other loans. All requests for loan deferment or other account considerations must be made directly to HEAB.

Address and Status Change

You are required to notify this office of any changes in your name, address, or status. At least once per year, you must confirm your current name, address, and status with the Higher Educational Aids Board (HEAB). Status may include enrollment at a post-secondary institution, degree completion, employment, and teacher license attainment.

Loan Forgiveness

During the loan forgiveness grace period, you may earn 25% loan forgiveness per year provided you meet **all** of the following requirements:

- Be licensed by the Wisconsin Department of Public Instruction to teach in a discipline identified as a teacher shortage area for the state of Wisconsin by the federal Department of Education. *Note: This is the discipline that you identified on your original Minority Teacher Loan Agreement.*
- Be employed in a private or public elementary or secondary school, or a tribal school, in a Wisconsin school district with a 40% or higher minority student population as a full-time teacher in the discipline that you identified on your original Minority Teacher Loan Agreement.
- Receive a rating of proficient or distinguished on the educator effectiveness system or the equivalent in a school that does not use the educator effectiveness system.
- Submit to HEAB a completed employment verification form at the end of each academic year.

Loan Forgiveness Grace Period

If you meet all of the requirements as outlined above for loan forgiveness, you will have four years to earn full forgiveness. This time period is called the forgiveness grace period.

- The forgiveness grace period will begin on the date that you meet all of the requirements for loan forgiveness, but must begin no later than six months after graduation or program certification completion.
- The standard four-year grace period may be extended up to 3 years for special circumstances.
- During the forgiveness grace period, you must maintain contact with this office on a yearly basis through submission of the Status and Employment Verification form.
- Loan forgiveness and the forgiveness grace period will be terminated when you are no longer employed as a full-time teacher in a shortage area discipline at a school in a Wisconsin school district with a 40% or higher minority student population and/or no longer hold a valid teacher's license.
- Once the forgiveness grace period has expired or forgiveness is terminated, you will be required to pay any remaining loan balance, including principal and interest.

If forgiveness is terminated, repayment is to begin immediately. **You must contact this office to update your status and arrange to begin repayment of your loan.**

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Repayment

If not eligible for forgiveness, repayment will begin no sooner than six months after withdrawal or graduation from the nominating institution.

- Once the repayment period begins, your loan account will begin to accrue interest at a rate of 5% annually.
- The maximum repayment period is 10 years. If a balance remains after 10 years, a balloon payment will be required.
- The minimum monthly payment is based on the total amount loaned (see chart below) and is due by the first of each month. You may choose to pay more than the minimum monthly payment; however, you are still required to submit a monthly payment.

REPAYMENT AMOUNTS BASED ON TOTAL AMOUNT LOANED, 5% INTEREST, AND 120 PAYMENTS (TEN YEARS)			
Total Amount Loaned:	Interest paid by end of payment period:	Total amount to be repaid:	Minimum Monthly Payment:
\$10,000	\$ 2,727.86	\$ 12,727.86	\$ 106.07
\$20,000	\$ 5,455.72	\$ 25,455.72	\$ 212.13
\$30,000	\$ 8,183.59	\$ 38,183.59	\$ 318.20

Please note: The Wisconsin Minority Teacher Loan is a State of Wisconsin loan and cannot be consolidated with federal loans. Therefore, the minimum monthly payment shown on the chart above is in addition to any other loan payments the you may be required to make.

Deferment

Deferment from loan payments may be granted for specific circumstances*. You must submit, directly to HEAB, a request for loan deferment **and** provide HEAB with any required supporting documentation. HEAB will notify you if your deferment request is granted.

**Deferments may be granted for full-time enrollment at a post-secondary institution, unemployment (6-month maximum), military service-active duty (3-year maximum), care for a new born child (1-year maximum), and participation in VISTA or Peace Corps (3-year maximum).*

READ CAREFULLY---Failure to Repay

Pursuant to Section 71.91 of Wisconsin Statute, **failure to maintain contact with this office and failure to repay debt may result in having your debt referred to the Department of Revenue.** Once your debt is referred to the Department of Revenue, no forgiveness may be granted. A delinquent collection fee of 15% of the unpaid balance or \$35.00, whichever is greater, will be added to your account. Also, interest will accrue at a rate of 5% annually until the amount due is paid in full.

Special Circumstances

Our main goal is to have your Minority Teacher Loan forgiven. If you are not eligible for loan forgiveness and are having difficulties with your monthly loan payments, please contact us immediately. We will discuss your payment options with you as we would prefer to work directly with you than to send your loan to the Department of Revenue for collection.

All correspondence or questions about your Minority Teacher Loan should be directed to:

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