

TO: Senate Education Committee  
FROM: Jeff Fannon, Vermont-NEA Executive Director  
DATE: February 2, 2022  
RE: Follow-up – Loan Forgiveness Proposal and Accountability Measures

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During last week’s committee meeting, we meandered into several issues and I want to make clear Vermont-NEA’s position.

#### Standardized Testing and Accountability Measures

As for the accountability measures in Vermont that were waived last year, the lowest 5% of schools that are typically identified and the state then involves itself with the workings of the identified schools to increase the test scores, i.e., tests beget more focus on the next year’s test. This over-emphasis on tests and test results deprives students from actual class time.

The request for the waiver I made was not just as to these measures, instead it was the tests themselves. Likewise, NEA also requested the waiver of these standardized tests. We know the tests take time away from teaching and learning and have little to no value this year especially, and the tests generally do not help students and the “test and punish” system should be ended entirely. I was asked which advocacy groups favor standardized testing, and I don’t speak for “them,” whoever they may be. These tests, however, should be waived in all ways – the tests themselves and the corresponding accountability measures. Thank you for contacting the federal delegation in this regard.

#### Loan Forgiveness, Retention Bonuses, and Grants

Loans - The committee requested from Vermont-NEA a proposal for loan forgiveness for educators, retention bonuses, and grants for aspiring educators. The NEA data that I shared with you reports that 45% of educators took out student loans and over half of those teachers still have an outstanding balance, which averages \$58,700. Using these data points and the Treasurer’s Retirement Office’s data that there are 9,996 active teachers, we believe a loan forgiveness plan can be built upon some existing statutory language that to the best of anyone’s knowledge is no longer used or funded however can be modified for this current need. As you will see in the language below, at some point a program was created and funded, administered by VSAC, to support loan forgiveness for some specific teaching fields. Recognizing the universal need to support teachers in all fields of instruction we propose a program that is accessible to any qualifying teacher. Based upon the numbers outlined above if the state were to payoff 2,250 teachers’ loans (22% of active teachers), an appropriation of approximately \$132 million would be required. The enormity of the debt is unconscionable, but we are aware that the total may be too much, additionally we know there are other federal loan relief programs that can provide some support. However, it is not a stretch to say that if the state paid off 25% of that total in exchange for a work duration component past or future, approximately \$33 million, the economic boost to the state would be enormously beneficial to teachers, schools, and the state as a whole.

Retention Bonuses - A retention bonuses for those educators who don't have student loans, in order to keep staff during the pandemic staffing shortage crisis, would also benefit educators and schools. Because this necessarily involves collective bargaining, schools that agree to retention bonuses should be allowed to not have that count as educational spending for purposes of the education fund, i.e., it would come "off the top."

Grants - Finally, grants should be awarded to non-teacher educators who seek a teaching license when school districts enact a "grow your own" program. Again, as this too involves matters of collective bargaining, the grant should be payable by the district to the employee but should come "off the top" of the education fund.

Draft Statutory Language – Loan Forgiveness:

**16 VSA § 2869. Loan cancellation; ~~mathematics, science, and computer science~~ teachers**

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(a) Loans obtained under this subchapter may be partially or completely cancelled and forgiven for a borrower who is employed for a complete academic school year as a full-time licensed teacher:

(1) in a Vermont elementary or secondary school that is approved by the State Board; and

~~(2) in the subject area of mathematics, science, or computer science during a year when there is a critical shortage of licensed teachers in that area.~~

(b) Annually, the Board of the Corporation shall determine, after consultation with the Secretary, ~~shall administer the loan forgiveness for teachers, whether a critical shortage of licensed teachers exists in each of the subject areas of mathematics, science, and computer science.~~

(c) The Board shall determine the amount of loan to be cancelled for each complete academic year of teaching service. The amount cancelled for each year shall not exceed 25 percent of the original principal amount plus any accrued interest. Licensed teachers of color shall be eligible for an additional 10% debt cancellation.

(d) This section is subject to the availability of funds specifically appropriated for loan cancellations under this section.