

# **SC Education Oversight EIA & Improvement Mechanisms Subcommittee**

**September 15, 2025**

# Welcome & Approval of EIA Subcommittee Minutes

December 2, 2025

*Dr. Brian Newsome(filling in for Chairlady Allen)*



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# Information Item: Update on the 2025-26 EIA Budget Process

*Dr. Rainey Knight, Director of Strategic Innovation*



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# Legislative Authority

**SECTION 59-6-10(A)(1)** In order to assist in, recommend, and supervise implementation of programs and expenditure of funds for the Education Accountability Act and the Education Improvement Act of 1984, the Education Oversight Committee is to serve as the oversight committee for these acts. The Education Oversight Committee shall:

- (a) review and monitor the implementation and evaluation of the Education Accountability Act and **Education Improvement Act programs and funding**;
- (b) make programmatic and funding recommendations to the General Assembly;
- (c) report annually to the General Assembly, State Board of Education, and the public on the progress of the programs;
- (d) **recommend Education Accountability Act and EIA program changes to state agencies and other entities as it considers necessary.**

(2) Each state agency and entity responsible for implementing the Education Accountability Act and the **Education Improvement Act funded programs** shall submit to the Education Oversight Committee programs and expenditure reports and budget requests as needed and in a manner prescribed by the Education Oversight Committee.

**SECTION 59-6-110.** The division must examine the public education system to ensure that the system and its components and the **EIA programs are functioning for the enhancement of student learning**. The division will recommend the repeal or modification of statutes, policies, and rules that deter school improvement.

## Education Improvement Act (EIA) EOC EIA Subcommittee Timeline 2025

May 16

- All EIA contacts confirmed

June 13

- Update Template and share spreadsheet

June 30

- Merge spreadsheet with EIA reports

July 25

- Email EIA Program to Contacts

July 25

- Email addendum to select EIA Programs

## Education Improvement Act (EIA) EOC EIA Subcommittee Timeline 2025

**Sept. 26**

- EIA Reports due to EOC

**Oct. 10**

- Populate Yellow Summary Sheet

**Oct. 20**

- Review and complete Yellow Summary Sheets Completed for Subcommittee

**Week of Oct. 21**

- Summary sheets emailed and snail mail to EIA Subcommittee; Notebooks available for subcommittee members at Nov. 10 meeting

## Education Improvement Act (EIA) EOC EIA Subcommittee Timeline 2025

**Nov. 10**

- EIA Subcommittee Meeting (Testimony only)

**Nov. 17**

- EIA Subcommittee Meeting (Testimony; discussion of recommendations, if time available; draft of EOC staff recommendations)

**Dec. 1**

- EIA Subcommittee Meeting (Draft of EOC staff recommendations; discussion of EIA programs to develop consensus and vote to approve EIA program recommendations to full EOC on Dec 11)

**Dec. 8**

- EOC Full Committee Meeting

# Action Item: SC Teacher Loan Program Report



*Sally Cauthen, Consultant to the EOC*



# Outline for Presentation

- An Overview of the Teacher Loan Program (TLP)
- Governance of TLP
- Impact of TLP
- Status of last year's Findings and Recommendations
- Response to last year's Findings and Recommendations from the Teacher Loan Advisory Committee (TLAC)
- Where do we go from here?
  - Discussion

# Origins and Purpose of TLP

## Origin

The South Carolina Teacher Loan Program (TLP) was authorized by the South Carolina General Assembly as part of the Education Improvement Act (EIA) of 1984, 41 years ago.

## Purpose

The TLP is a **financial incentive program offering three types of forgivable loans for the express purpose of encouraging talented and qualified state residents to enter the teaching profession in academic and/or geographic areas of critical need**, which are defined annually by the State Board of Education

At program inception in 1984, **TLP loans (Type 1/TLP)** became available for qualified state residents enrolled in traditional education preparation programs (EPP) at public or private colleges and universities for the sole purpose and intent of becoming certified teachers in SC areas of critical academic or geographic need. **TLP Type 1 Loans** are the only loans identified that accrue interest and that require teaching in designated content and/or geographic areas for loan-forgiveness – today, there is broad flexibility for both.

# Type 1 Teacher Loan: Traditional (from inception)

- At program inception in 1984, TLP loans (Type 1/TLP) became available for qualified state residents enrolled in traditional education preparation programs (EPP) at public or private colleges and universities for the sole purpose and intent of becoming certified teachers in SC areas of critical academic or geographic need.
  - Freshmen and sophomores may borrow up to \$2,500 per year; juniors, seniors, 5th year undergraduates, and graduate students may borrow up to \$7,500 per year, with an aggregate maximum of \$27,500.
- A Proviso added for Fiscal Year 2019-20 at the request of the CHE (through the TLAC) increased the annual amount for juniors, seniors, 5th year undergraduates, and graduate students by \$2,500 (from \$5,000 to \$7,500) and the aggregate by \$7,500, beginning with Fiscal Year 2020-2021 (from \$20,000 to \$27,500).



## **Type 2 Teacher Loan: added in 2000**

- Act 393 of 2000 subsequently added loan forgiveness provisions to assist Career Changers (Type 2/TLC) with becoming certified teachers employed in SC areas of critical need. Participants may borrow up to \$15,000 per year and up to an aggregate maximum of \$60,000.

## **Type 3 Teacher Loan: added in 2000**

- Act 393 of 2000 also added loan forgiveness for participants in the state's Program of Alternative Certification for Educators (PACE) for critical needs subject area certification. Statutory language is interpreted to mean that PACE is the only alternative certification program eligible for Type 3 loans although there are currently 16 approved alternative certification programs in SC.
- For 2024-25, more than 10% (775) of the 7,381 hires new to the profession from SC-approved alternative certification programs, so this is currently a significant source of new hires for districts.

# Governance of TLP

**State Board of Education (SBE) and SC Department of Education (SCDE):** SBE, in conjunction with SCDE, determines the TLP's Areas of Critical Needs pursuant to statutory requirements annually

**SC Student Loan Corporation (SLC):** The SLC, a private entity which also has other loan administrative functions, is directed by statute to administer the SC Teacher Loan Program (which includes the process for applications, loans, and loan forgiveness/ cancellation or repayment).

**Education Oversight Committee:** Statute directs the EOC to perform a review of the program annually and report to the General Assembly. Reviews budget requests from SLC.

**SC Commission on Higher Education (CHE):** The governing statute provides for CHE's role in the program: "Appropriations for loans and administrative costs incurred by the corporation are to be provided in annual amounts, recommended by the CHE, to the State Treasurer for use by the corporation."

**Center for Educator Recruitment, Retention, and Advancement (CERRA):** The proviso in place since Fiscal Year 2013-14 directs CERRA to "appoint and maintain the South Carolina Teacher Loan Advisory Committee" (TLAC), to staff the committee and to convene the committee at least twice a year.

# Impact of TLP

- Since the inception of TLP, approximately **34% of Type 1 Borrowers have had their loans cancelled 100% by fulfilling the teaching requirement (7,701 out of 22,438).**
- An increasing number of borrowers are paying their loans back, not committing to the terms of loan forgiveness.
  - The Revolving Loan Fund (RLF), which includes monies collected by the SC Student Loan Corporation from individuals who do not qualify for cancellation, **increased from \$8,695,425 as of June 30, 2018 to \$20,935,219 for June 30, 2023.** SLC reports that the ending balance in the fund on June 30, 2024 was \$23,032,296.
- Compared to other options, TLP is not well-utilized.
  - Slightly less than 8% of Fall 2024 Bachelor's and Master's level education program enrollees received TLP loans
  - by comparison, 43% of undergraduates in education programs received HOPE, LIFE, or Palmetto Fellows Scholarships (not loans.)
  - Also, there were no recipients from any of the technical colleges.

# **Additional Options Exist for Aspiring Teachers Today**

The original intent of the TLP was strategic and intentional; it has not been adjusted and positioned to accommodate evolving conditions, as reflected in the general decline in the number of applications.

Today, there are numerous financial aid options for SC residents who aspire to enter the teaching profession – TLP is positioned against other programs which may offer more flexibility and/or do not carry interest, and therefore may be more appealing:

i.e., Teaching Fellows, HOPE, LIFE, Palmetto Fellows, and more recently, the LIFE/Palmetto Fellows Enhancement

## **FINDINGS FROM LAST YEAR'S REPORT**

### **TLP Governance**

- TLP operations, funding, and governance are stagnant. By statute, the program is to be “administered” by the SLC, meaning it does not have official authority to manage and direct the program and move it forward.

### **Funding**

- Evaluating TLP Revenues and Expenses is complex, as it involves EIA (Type 1) and General Fund (Type 2) budget request and appropriation endeavors by multiple agencies
- Several concerns with clarity, inconsistencies, and/or conflicting information in the SLC June 30, 2023 Annual Financial Report were noted.
- The Revolving Loan Fund (RLF), which includes monies collected by the SC Student Loan Corporation from individuals who do not qualify for cancellation, increased from \$8,695,425 as of June 30, 2018 to \$20,935,219 for June 30, 2023.

## **RECOMMENDATIONS FROM LAST YEAR'S REPORT**

### **TLP Governance**

- Direct the Teacher Loan Advisory Committee to perform a critical review of seven of the TLP’s core components using the EOC’s 2022-23 TLP Report as a starting point, and to provide recommendations to the EOC.
- Perform a critical assessment of alignment, parity, and effectiveness between the TLP and other teacher recruitment initiatives.

### **Funding**

- Determine efficacy of consolidating Type 1, Type 2, and Type 3 funding streams.
- Direct funds in the RLF (1) to refinancing student loan debt for certified teachers employed in SC public schools, and (2) to teacher for loan forgiveness in certain districts, based upon teacher vacancies and/or the number of uncertified teachers in their subject area.



## **FINDINGS FROM LAST YEAR'S REPORT**

### **Data Collection and Quality**

- Data collection and reporting processes were found to be labor-intensive, paper-driven, and included certain self-reported measures and loosely-defined metrics on some of the more significant data points, collectively creating challenges with evaluating the program's impact and efficacy.
- No data was available for the number of TLP loan recipients who have had their loan cancelled 100% but are still teaching in an SC public school.

### **Loan Forgiveness**

- At program inception, there were only two subject areas designated as critical needs. The ability of Type 1 loan participants to accelerate their pace of reaching 100% TLP loan forgiveness by teaching a critical needs subject in a critical needs geographic area has evolved to include all teaching and instructional services fields, and 60% of all public schools in SC.

## **RECOMMENDATIONS FROM LAST YEAR'S REPORT**

### **Data Collection and Quality**

- Streamline and simplify the TLP application process, and the EIA Annual Program Report format

### **Loan Forgiveness**

- To support TLAC's expressed interest in eliminating the critical needs cancellation requirement, re-evaluate the cost/benefit of administering critical needs.
- Review and assess parity with provisions of other loan forgiveness available to EPP students, including cancellation rate.

## **FINDINGS FROM LAST YEAR'S REPORT**

### **Loan Application and Eligibility**

- The TLP 1 approval rate has increased since 2020-21 when the SLC resumed use of the Revolving Loan Fund to cover approved applications exceeding the EIA appropriation.
- Type 1 and Type 2 loan applications are primarily paper-based, labor-intensive and must go through several hands for approval.

### **TLAC Program Goals**

- Using the most recent data available, Goals 1 and 2 were not met. No data was available to evaluate status of Goal 3.

## **RECOMMENDATIONS FROM LAST YEAR'S REPORT**

### **Loan Application and Eligibility**

- Review/streamline/update content of both applications (Type 1/Type 2, and PACE/Type 3): Consider modifying loan provisions to add allowances for using TLP funds for summer school; consider not limiting Type 3 to PACE participants.; explore cost/benefit of options for using an online application system.
- Conform PACE application with SDE PACE Guidelines (TLP PACE application requires borrower to teach full-time, SDE PACE Guidelines allow full or part-time teaching in the qualifying content area.)
- Follow up with TLP borrowers who drop out of the program

### **TLAC Programs Goals**

- Update program goals related to loan recipients pursuant to recommendations, with clearly-defined, measurable goals.
- Establish goals at the EPP level aligned with TLP goals, with special focus on the larger institutions that have experienced significant 10-year decline in EPP enrollment (e.g., Francis Marion, SCSU, USC-Upstate, and Winthrop)

## FINDINGS FROM LAST YEAR'S REPORT

### Teacher Pipeline

- The percentage of Alternative certification program new hires and of international teacher new hires were the only sources with increased percentages from the previous year.
- The percentage of African American Type 1 and Type 2 loan recipients decreased to 8.9% from 10.9% the previous year, both of which are lower than SC-TEACHER SC Workforce Report percentage for both years.
- The percentage of TLP applications from Males (19.2%) was only slightly less than the SC-TEACHER SC Workforce Report for SC (19.6%), but noticeably less than the 23% of males in the 2020-21 national educator workforce in the SC-TEACHER Workforce Report.
- Teacher Cadets continue to be a significant source of TLP Type 1 recipients, comprising 51% of 2022-23 recipients.

## RECOMMENDATIONS FROM LAST YEAR'S REPORT

### Teacher Pipeline

- Increase focus on early teacher pipeline initiatives (ProTeam, Teacher Cadets, Bridge programs, Call Me Mister, etc.)
- Rethink/reorganize Teacher Recruitment initiatives to clarify intent, identify and establish best practices and effective pipelines, establish common metrics and reporting requirements (preferably not self-reported) to be used for measurable results.
- Develop a cohesive, statewide, and district-level teacher recruitment strategy with specific goals and expectations for each component of the teacher pipeline.

# TLAC Feedback

**Commitment:** The Teacher Loan Advisory Committee remains committed to supporting educators, streamlining processes, and fostering a strong educational workforce across South Carolina

## **Goal 1: Streamline the SC Teacher Loan Application Process**

Objective: Offer a virtual application option while allowing institutions to continue paper processes if desired.

Options: Invest in an online application system and school portal; allow institutions to certify applicants before sending them to the SC Student Loan Corporation for processing

## **Goal 2: Develop and Promote a Marketing Toolkit**

Objective: Positively promote education careers to students through comprehensive marketing efforts.

Action Steps: update and grow how we market; more concise and intentional; create a marketing toolkit; target both high school and higher ed. Institutions

## **Goal 3: Retain Educators**

Objective: Create a refinance program enabling current educators to repay loans through years of service using revolving funds.

Action Steps: Establish a one-time refinance opportunity through the SC Student Loan Corporation; explore the feasibility of recurring funds to support a long-term refinance program

# Options for Subcommittee Consideration

## Overall and Governance

- Continue the program “as is,” and direct/authorize the TLAC to address specific, strategic actionable recommendations needed to reposition TLP as a more viable financial aid program that fills a teacher pipeline need not being met
- Continue the program with modified governance: Amend program governance to revise, clarify, and strengthen the role, responsibilities, leadership, and composition of the Teacher Loan Advisory Committee &/or the Student Loan Corporation.
- Transition to a state entity with the full governing authority and resources necessary to identify and address strategic changes needed for all program functions, to include reinventing/redesigning the program as a key component of a South Carolina Education Pathway model, and market it accordingly.
- Designate a strategic committee to perform a comprehensive review of existing statute, provisos, and regulations and document proposed corrections, updates, and clarifications. Require a proposal aligned with Teacher Pipeline Findings and Recommendations for long-term strategic use of RLF or other funds directed at initiatives for recruiting high school students into the teaching profession.

# Options for Subcommittee Consideration

## Funding and Loan Forgiveness

- Place TLP under an entity where it is appropriate to be included in the financial statement of a state entity: explore viability of restoring inclusion of TLP to the SLC Consolidated Statement of Financial Position (for continuity and transparency); request SLC to provide externally audited TLP and RLP fund balances for 2023, 2024, and 2025.
- Re-evaluate the current model and definitions used for determining critical subject and geographic areas used for loan forgiveness, considering parity with Teaching Fellows and LIFE/Palmetto Fellows Enhancements and the impact of changing the policy on current and past TLP recipients
- Incentivize retention by accelerating the loan forgiveness rate (e.g., 10/10/20/20/40% vs. 20%/year).

# Options for Subcommittee Consideration

## Loan Application and Eligibility

- Review and compare TLP, Teaching Fellows, and LIFE/Palmetto Fellows promissory notes, identify best practices for common components of terms and conditions, and update forms accordingly.
- Remove statement from the Type 1/Type 2 application emphasizing “Due to limited state funding, meeting all criteria and deadlines does not ensure your receipt of a SC Teachers/ Career Changers Loan”, and from the Type 3 application “IMPORTANT: STATE FUNDING IS LIMITED SO PLEASE APPLY EARLY”, since loan demand does not currently exceed available funds.
- Develop and implement a streamlined and online TLP application process, with a one-stop portal for EPP candidate to seek financial aid. Explore viability of using existing vendors used by other SC entities for online scholarship management platforms (or the Common Application platform)
- Amend SC Code 59-26-30(A)(8) regarding loans for Career Changers to expand eligibility to other alternative teacher certification programs besides just PACE, pursuant to parameters agreeable with SDE.
- Amend regulations, application/promissory note, website information, guidelines, and any other forms to conform to any changes

# Options for Subcommittee Consideration

## TLAC Program Goals

- Request a proviso directing TLAC to develop new goals in conforming with recommendations from the EOC.
- With input and support from CHE, develop a common road map for EPPs to follow in retention of EPP enrollees, leveraging available financial aid to graduate with minimal debt.
- Identify a common set of data (with specifically-defined definitions) to be collected for TLP, Teaching Fellows, and LIFE/ Palmetto Fellows and used for measuring new TLP goals, and as input for the TLP Report – to include all phases of the teacher pipeline



# Options for Subcommittee Consideration

## Teacher Pipeline

- Revisit 2022-23 TLP report recommendations to: develop a cohesive, statewide, and district-level teacher recruitment strategy with specific goals and expectations for each component of the teacher pipeline
- Establish a collaborative effort with SCDE, CHE, and CERRA to establish a process and expectations for elevating Teacher Cadets at the high school/career center, district, and state level.
- Compare FAFSA, Teaching Fellows, HOPE, LIFE, and Palmetto Fellows (including recent associated Enhancement) applications, processes, and timelines to that of TLP; identify and implement best practices for TLP.
- Increase focus on all Alternative Certification programs: SDE to establish parameters and criteria patterned after PACE for other programs to qualify for TLP besides just PACE. (The number of PACE Type 3 recipients increased 19% from 2022-23).

# **Discussion and Questions**

# Executive Director Update

*Dana Yow, EOC Executive Director*



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# **EOC/State Board of Education Joint Retreat**

## **Proposed Purposes**

- Assessment  
Review/Approval Process (UGA)
- "Moonshot Goal" Status

## **Dates for Consideration**

- February 2, 2026
- February 6, 2026
- February 20, 2026
- February 23, 2026

**School Report Card Release: Monday, October 13, 2025**

# Adjournment



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