

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 400

Short Title: Modify Teaching Fellows/CC Requirement. (Public)

Sponsors: Senator Burgin (Primary Sponsor).

Referred to: Rules and Operations of the Senate

April 1, 2019

A BILL TO BE ENTITLED

1
2 AN ACT TO MODIFY THE NORTH CAROLINA TEACHING FELLOWS PROGRAM TO
3 ALLOW STUDENTS TO PURSUE ANY AREA OF TEACHING LICENSURE TO BE
4 ELIGIBLE FOR THE PROGRAM, EXPAND THE PARTICIPATING INSTITUTIONS OF
5 HIGHER EDUCATION TO INCLUDE COMMUNITY COLLEGES AND ALL
6 CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA
7 WITH EDUCATOR PREPARATION PROGRAMS, AND TO REQUIRE THAT A
8 STUDENT RECEIVING FORGIVABLE LOANS FOR MORE THAN FOUR
9 SEMESTERS USE THOSE FORGIVABLE LOANS AT A COMMUNITY COLLEGE TO
10 EARN CREDIT TRANSFERABLE TO THE EDUCATOR PREPARATION PROGRAM.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** Part 3 of Article 23 of Chapter 116 of the General Statutes reads as
13 rewritten:

"Part 3. North Carolina Teaching Fellows Program.

15 **"§ 116-209.60. Definitions.**

16 The following definitions apply in this Part:

- 17 (1) Commission. – The North Carolina Teaching Fellows Commission.
18 (2) Director. – The Director of the North Carolina Teaching Fellows Program.
19 (3) Forgivable loan. – A forgivable loan made under the Program.
20 (4) Program. – The North Carolina Teaching Fellows Program.
21 (5) Public school. – An elementary or secondary school located in North Carolina
22 that is governed by a local board of education, charter school board of
23 directors, regional school board of directors, or University of North Carolina
24 laboratory school board of trustees.
25 (6) ~~STEM. – Science, technology, engineering, and mathematics.~~
26 (7) Trust Fund. – The North Carolina Teaching Fellows Program Trust Fund.

27 ...

28 **"§ 116-209.62. North Carolina Teaching Fellows Program established; administration.**

29 (a) Program. – There is established the North Carolina Teaching Fellows Program to be
30 administered by the System Office of The University of North Carolina, in conjunction with the
31 Authority and the Commission. The purpose of the Program is to recruit, prepare, and support
32 students residing in or attending institutions of higher education located in North Carolina for
33 preparation as highly effective ~~STEM or special education~~ teachers in the State's public schools.
34 The Program shall be used to provide a forgivable loan to individuals interested in preparing to
35 teach in the public schools of the ~~State in STEM or special education licensure areas.~~ State.



1 (b) Trust Fund. – There is established the North Carolina Teaching Fellows Program
2 Trust Fund to be administered by the Authority, in conjunction with the System Office of The
3 University of North Carolina. All funds (i) appropriated to, or otherwise received by, the Program
4 for forgivable loans and other Program purposes, (ii) received as repayment of forgivable loans,
5 and (iii) earned as interest on these funds shall be placed in the Trust Fund. The purpose of the
6 Trust Fund is to provide financial assistance to qualified students for completion of teacher
7 education and licensure programs to ~~fill STEM or special education licensure areas~~ teach in the
8 public schools of the State.

9 (c) Uses of Monies in the Trust Fund. – The monies in the Trust Fund may be used only
10 for (i) forgivable loans granted under the Program, (ii) administrative costs associated with the
11 Program, including recruitment and recovery of funds advanced under the Program, (iii)
12 mentoring and coaching support to forgivable loan recipients, and (iv) extracurricular
13 enhancement activities of the Program in accordance with the following:

- 14 (1) The Authority shall transfer the greater of six hundred thousand dollars
15 (\$600,000) or ten percent (10%) of the available funds from the Trust Fund to
16 the ~~General Administration System Office~~ System Office of The University of North
17 Carolina at the beginning of each fiscal year for the Program's administrative
18 costs, the salary of the Director of the Program and other Program staff,
19 expenses of the Commission, and to provide the Commission with funds to
20 use for the extracurricular enhancement activities of the Program.
- 21 (2) The Authority may use the greater of two hundred fifty thousand dollars
22 (\$250,000) or four percent (4%) of the funds appropriated to the Trust Fund
23 each fiscal year for administrative costs associated with the Program.
- 24 (3) The Authority shall provide the Commission with up to six hundred thousand
25 dollars (\$600,000) from the Trust Fund in each fiscal year for the Commission
26 to provide mentoring and coaching support to forgivable loan recipients
27 through the North Carolina New Teacher Support Program as follows:
 - 28 a. Up to two thousand dollars (\$2,000) for each Program recipient
29 serving as a teacher in a North Carolina public school identified as
30 low-performing under G.S. 115C-105.37.
 - 31 b. Up to one thousand dollars (\$1,000) for each Program recipient
32 serving as a teacher in a North Carolina public school not identified as
33 low-performing under G.S. 115C-105.37.

34 (d) Director of the Program. – The Board of Governors of The University of North
35 Carolina shall appoint a Director of the Program. The Director shall appoint staff to the
36 Commission and shall be responsible for recruitment and coordination of the Program, including
37 proactive, aggressive, and strategic recruitment of potential recipients. Recruitment activities
38 shall include (i) targeting regions of the State with the highest teacher attrition rates and teacher
39 recruitment challenges, (ii) actively engaging with educators, business leaders, experts in human
40 resources, elected officials, and other community leaders throughout the State, and (iii) attracting
41 candidates ~~in STEM and special education licensure areas~~ to the Program. The Director shall
42 report to the President of The University of North Carolina. The Authority shall provide office
43 space and clerical support staff, as necessary, to the Director for the Program.

44 (e) Student Selection Criteria for Forgivable Loans. – The Commission shall adopt
45 stringent standards for awarding forgivable loans based on multiple measures to ensure that only
46 the strongest applicants receive them, including the following:

- 47 (1) Grade point averages.
- 48 (2) Performance on relevant career and college readiness assessments.
- 49 (3) Experience, accomplishments, and other criteria demonstrating qualities
50 positively correlated with highly effective teachers, including excellent verbal
51 and communication skills.

- 1 (4) Demonstrated commitment to serve in a ~~STEM or special education licensure~~
2 ~~area in North Carolina public schools.~~
- 3 (5) If applicable, commitment to attend a community college to earn credits to
4 transfer to an educator preparation program for completion of a program
5 leading to initial teacher licensure.
- 6 (f) Program Selection Criteria. – The Authority shall administer the Program in
7 cooperation with ~~five community colleges and all of the constituent institutions of higher~~
8 ~~education~~ The University of North Carolina with approved educator preparation ~~programs~~
9 ~~selected by the programs. The Commission that represent both postsecondary constituent~~
10 ~~institutions of The University of North Carolina and may also select private postsecondary~~
11 institutions operating in the State. ~~The Commission shall adopt~~ State that meet stringent standards
12 for selection of the most effective educator preparation programs, including the following:
- 13 (1) Demonstrates high rates of educator effectiveness on value-added models and
14 teacher evaluations, including using performance-based, subject-specific
15 assessment and support systems, such as edTPA or other metrics of evaluating
16 candidate effectiveness that have predictive validity.
- 17 (2) Demonstrates measurable impact of prior graduates on student ~~learning,~~
18 ~~including impact of graduates teaching in STEM or special education~~
19 ~~licensure areas.~~ learning.
- 20 (3) Demonstrates high rates of graduates passing exams required for teacher
21 licensure.
- 22 (4) Provides curricular and co-curricular enhancements in leadership, facilitates
23 learning for diverse learners, and promotes community engagement,
24 classroom management, and reflection and assessment.
- 25 (5) Requires at least a minor concentration of study in the subject area that the
26 candidate may teach.
- 27 (6) Provides early and frequent internship or practical experiences, including the
28 opportunity for participants to perform practicums in diverse school
29 environments.
- 30 (7) Is approved by the State Board of Education as an educator preparation
31 program.
- 32 (g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected
33 students to be used at community colleges, the five constituent institutions, and any other selected
34 institutions for completion of a program leading to initial teacher licensure as follows:
- 35 (1) North Carolina high school seniors. – Forgivable loans of up to four thousand
36 one hundred twenty-five dollars (\$4,125) per semester for up to eight
37 semesters. The student shall only be awarded forgivable loans for the first four
38 semesters to attend a community college to earn credits that will transfer to an
39 educator preparation program at an institution of higher education for
40 completion of the program leading to initial teacher licensure for the
41 remaining four semesters.
- 42 (2) Students applying for transfer to a ~~selected an~~ educator preparation program
43 at an institution of higher education. – Forgivable loans of up to four thousand
44 one hundred twenty-five dollars (\$4,125) per semester for up to six semesters.
45 The student shall only be awarded forgivable loans for the first two semesters
46 to attend a community college to earn credits that will transfer to an educator
47 preparation program at an institution of higher education for completion of the
48 program leading to initial teacher licensure for the remaining four semesters.
- 49 (3) Individuals currently holding a bachelor's degree seeking preparation for
50 teacher licensure. – Forgivable loans of up to four thousand one hundred
51 twenty-five dollars (\$4,125) per semester for up to four semesters.

- 1 (4) Students matriculating at institutions of higher education who are changing to
2 enrollment in ~~a selected~~ an educator preparation program. – Forgivable loans
3 of up to four thousand one hundred twenty-five dollars (\$4,125) per semester
4 for up to four semesters.

5 Forgivable loans may be used for tuition, fees, the cost of books, and expenses related to
6 obtaining licensure.

7 ~~(h) Identification of STEM and Special Education Licensure Areas. – The Superintendent
8 of Public Instruction shall identify and provide to the Commission and the Authority a list of
9 STEM and special education licensure areas and shall annually provide to the Commission the
10 number of available positions in each licensure area relative to the number of current and
11 anticipated teachers in that area of licensure. The Commission shall make the list of STEM and
12 special education licensure areas readily available to applicants.~~

13 (i) Administration of Forgivable Loan Awards. – Upon the naming of recipients of the
14 forgivable loans by the Commission, the Commission shall transfer to the Authority its decisions.
15 The Authority, in coordination with the Director, shall perform all of the administrative functions
16 necessary to implement this Part, which functions shall include rule making, disseminating
17 information, acting as a liaison with participating institutions of higher education, implementing
18 forgivable loan agreements, loan monitoring, loan cancelling through service and collection,
19 determining the acceptability of service repayment agreements, enforcing the agreements, and
20 all other functions necessary for the execution, payment, and enforcement of promissory notes
21 required under this Part.

22 (j) Annual Report. – The Commission, in coordination with the Authority, the
23 Department of Public Instruction, the State Board of Community Colleges, and the ~~selected~~
24 educator education programs participating in the Program shall report no later than January 1,
25 2019, and annually thereafter, to the Joint Legislative Education Oversight Committee regarding
26 the following:

- 27 (1) Forgivable loans awarded from the Trust Fund, including the following:
28 a. Demographic information regarding recipients.
29 b. Number of recipients by institution of higher education and
30 program-program, including how many recipients used forgivable
31 loans to attend a community college to earn credit to be transferred to
32 an educator preparation program.
33 ~~c. Information on number of recipients by anticipated STEM and special~~
34 ~~education licensure area.~~
- 35 (2) Placement and repayment rates, including the following:
36 a. Number of graduates who have been employed ~~in a STEM or special~~
37 ~~education licensure area~~ within two years of program completion.
38 b. Number of graduates who accepted employment at a low-performing
39 school identified under G.S. 115C-105.37 as part of their years of
40 service.
41 c. Number of graduates who have elected to do loan repayment and their
42 years of service, if any, prior to beginning loan repayment.
43 d. Number of graduates employed ~~in a STEM or special education~~
44 ~~licensure area~~ who have received an overall rating of at least
45 accomplished and have met expected growth on applicable standards
46 of the teacher evaluation instrument.
47 e. Aggregate information on student growth and proficiency in courses
48 taught by graduates who have fulfilled service ~~requirements through~~
49 ~~employment in a STEM or special education licensure~~
50 ~~area requirements.~~

- 1 (2a) Mentoring and coaching support through the North Carolina New Teacher
2 Support Program, including the following:
3 a. Number of forgivable loan recipients who received mentoring and
4 coaching support when employed at a low-performing school
5 identified under G.S. 115C-105.37.
6 b. Number of forgivable loan recipients who received mentoring and
7 coaching support when employed at a school not identified as
8 low-performing under G.S. 115C-105.37.
- 9 (3) Selected school outcomes by program, including the following:
10 a. Turnover rate for forgivable loan graduates, including the turnover rate
11 for graduates who also received mentoring and coaching support
12 through the North Carolina New Teacher Support Program.
13 b. Aggregate information on student growth and proficiency as provided
14 annually by the State Board of Education to the Commission in courses
15 taught by forgivable loan graduates.
16 c. Fulfillment rate of forgivable loan graduates.

17 **"§ 116-209.63. Terms of forgivable loans; receipt and disbursement of funds.**

18 (a) Notes. – All forgivable loans shall be evidenced by notes made payable to the
19 Authority that bear interest at a rate not to exceed ten percent (10%) per year as set by the
20 Authority and beginning on the first day of September after the completion of the program
21 leading to teacher licensure or 90 days after graduation, whichever is later. If a forgivable loan is
22 terminated, the note shall be made payable to the Authority 90 days after termination of the
23 forgivable loan. The forgivable loan may be terminated upon the recipient's withdrawal from the
24 Program or by the recipient's failure to meet the standards set by the Commission.

25 (b) Forgiveness. – The Authority shall forgive the loan and any interest accrued on the
26 loan if, within 10 years after graduation from a program leading to teacher licensure, exclusive
27 of any authorized deferment for extenuating circumstances, the recipient serves as a teacher ~~in a~~
28 ~~STEM or special education licensure area, as provided in G.S. 116-209.62(h),~~ for every year the
29 teacher was awarded the forgivable loan, in any combination of the following:

- 30 (1) One year at a North Carolina public school identified as low-performing under
31 G.S. 115C-105.37 at the time the teacher accepts employment at the school
32 or, if the teacher changes employment during this period, at another school
33 identified as low-performing.
34 (2) Two years at a North Carolina public school not identified as low-performing
35 under G.S. 115C-105.37.

36 The Authority shall also forgive the loan if it finds that it is impossible for the recipient to
37 work for up to eight years, within 10 years after completion of the program leading to teacher
38 licensure, at a North Carolina public school because of the death or permanent disability of the
39 recipient. If the recipient repays the forgivable loan by cash payments, all indebtedness shall be
40 repaid within 10 years after completion of the program leading to teacher licensure supported by
41 the forgivable loan. If the recipient completes a program leading to teacher licensure, payment
42 of principal and interest shall begin no later than the first day of September after the completion
43 of the program. Should a recipient present extenuating circumstances, the Authority may extend
44 the period to repay the loan in cash to no more than a total of 12 years."

45 **SECTION 2.** This act becomes effective July 1, 2019, and applies to the award of
46 forgivable loans to a new cohort beginning with the 2020-2021 academic year.