

106TH CONGRESS
2^D SESSION

H. R. 5034

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 22), 2000

Received; read twice and referred to the Committee on Health, Education,
Labor, and Pensions

AN ACT

To expand loan forgiveness for teachers, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Quality Teacher Re-
3 cruitment and Retention Act of 2000”.

4 **SEC. 2. FINDINGS AND PURPOSE.**

5 (a) FINDINGS.—Congress makes the following find-
6 ings:

7 (1) Over the next 10 years, a large percentage
8 of teachers will retire, leaving American classrooms,
9 particularly urban and rural classrooms, facing a se-
10 rious teacher shortage.

11 (2) The Nation will need 2,000,000 new teach-
12 ers over the next 10 years. Unfortunately, in the
13 past this need has been met by admitting some un-
14 qualified teachers to the classroom.

15 (3) There is also a chronic shortage of fully cer-
16 tified special education teachers, averaging about
17 27,000 per year. While the demand is ever present,
18 institutes of higher education are graduating fewer
19 teachers qualified in special education.

20 (4) High quality teachers are the first vital step
21 in ensuring students receive a high quality edu-
22 cation.

23 (5) Potentially valuable teacher candidates are
24 often lured into different careers by higher com-
25 pensation.

1 (6) Moreover, the burdensome paperwork and
2 legal requirements are factors which lead special
3 education teachers to leave the profession. More spe-
4 cial education teachers move into the general edu-
5 cation realm than vice versa.

6 (7) High-quality prospective teachers need to be
7 identified and recruited by presenting to them a ca-
8 reer that is respected by their peers, is financially
9 and intellectually rewarding, and contains sufficient
10 opportunities for advancement.

11 (8) Teacher loan forgiveness gives high-poverty
12 schools an effective incentive for recruiting and re-
13 taining much-needed high quality teachers.

14 (9) Loan forgiveness for high-need teachers, in-
15 cluding special education teachers, can be a critical
16 link in increasing the supply of these essential edu-
17 cators.

18 (b) PURPOSE.—The purpose of this Act is to encour-
19 age individuals to enter and continue in the teaching pro-
20 fession in order to ensure that high quality teachers are
21 recruited and retained in areas where they are most need-
22 ed so students attending school in such areas receive a
23 quality education.

1 **SEC. 3. EXPANDED LOAN FORGIVENESS PROGRAM FOR**
2 **TEACHERS.**

3 (a) PROGRAM.—

4 (1) IN GENERAL.—The Secretary of Education
5 (in this section referred to as the “Secretary”) shall
6 carry out a program of assuming the obligation to
7 repay, pursuant to subsection (c), a loan made, in-
8 sured, or guaranteed under part B of title IV of the
9 Higher Education Act of 1965 or part D of such
10 title (excluding loans made under sections 428B and
11 428C of such Act or comparable loans made under
12 part D of such title) for any borrower who—

13 (A) is a new teacher;

14 (B)(i) is employed, for 3 consecutive com-
15 plete school years, as a full-time teacher in a
16 school that qualifies under section 465(a)(2)(A)
17 of the Higher Education Act of 1965 (20
18 U.S.C. 1087ee(a)(2)(A)) for loan cancellation
19 for a recipient of a loan under part E of title
20 IV of such Act who teaches in such schools; or

21 (ii) is employed, for 3 consecutive complete
22 school years, as a full-time special education
23 teacher, or as a full-time teacher of special
24 needs children;

25 (C) satisfies the requirements of subsection
26 (d); and

1 (D) is not in default on a loan for which
2 the borrower seeks forgiveness.

3 (2) AWARD BASIS; PRIORITY.—

4 (A) AWARD BASIS.—Subject to subpara-
5 graph (B), loan repayment under this section
6 shall be on a first-come, first-serve basis and
7 subject to the availability of appropriations.

8 (B) PRIORITY.—The Secretary shall give
9 priority in providing loan repayment under this
10 section for a fiscal year to student borrowers
11 who received loan repayment under this section
12 for the preceding fiscal year.

13 (3) REGULATIONS.—The Secretary is author-
14 ized to prescribe such regulations as may be nec-
15 essary to carry out the provisions of this section.

16 (b) LOAN REPAYMENT.—

17 (1) ELIGIBLE AMOUNT.—The amount the Sec-
18 retary may repay on behalf of any individual under
19 this section shall not exceed—

20 (A) the sum of the principal amounts out-
21 standing (not to exceed \$5,000) of the individ-
22 ual's qualifying loans at the end of 3 consecu-
23 tive complete school years of service described
24 in subsection (a)(1)(B);

1 (B) an additional portion of such sum (not
2 to exceed \$7,500) at the end of each of the next
3 2 consecutive complete school years of such
4 service; and

5 (C) a total of not more than \$20,000.

6 (2) CONSTRUCTION.—Nothing in this section
7 shall be construed to authorize the refunding of any
8 repayment of a loan made under part B or D of title
9 IV of the Higher Education Act of 1965.

10 (3) INTEREST.—If a portion of a loan is repaid
11 by the Secretary under this section for any year, the
12 proportionate amount of interest on such loan which
13 accrues for such year shall be repaid by the Sec-
14 retary.

15 (c) REPAYMENT TO ELIGIBLE LENDERS.—The Sec-
16 retary shall pay to each eligible lender or holder for each
17 fiscal year an amount equal to the aggregate amount of
18 loans which are subject to repayment pursuant to this sec-
19 tion for such year.

20 (d) APPLICATION FOR REPAYMENT.—

21 (1) IN GENERAL.—Each eligible individual de-
22 siring loan repayment under this section shall sub-
23 mit a complete and accurate application to the Sec-
24 retary at such time, in such manner, and containing
25 such information as the Secretary may require.

1 (2) YEARS OF SERVICE.—An eligible individual
2 may apply for loan repayment under this section
3 after completing the required number of years of
4 qualifying employment.

5 (3) FULLY QUALIFIED TEACHERS IN PUBLIC
6 ELEMENTARY OR SECONDARY SCHOOLS.—An appli-
7 cation for loan repayment under this section shall
8 include such information as is necessary to dem-
9 onstrate that the applicant—

10 (A) if teaching in a public elementary,
11 middle, or secondary school (other than as a
12 teacher in a public charter school), has obtained
13 State certification as a teacher (including cer-
14 tification obtained through alternative routes to
15 certification) or passed the State teacher licens-
16 ing exam and holds a license to teach in such
17 State; and

18 (B) if teaching in—

19 (i) a public elementary school, holds a
20 bachelor's degree and demonstrates knowl-
21 edge and teaching skills in each of the sub-
22 ject areas in which he or she provides in-
23 struction; or

24 (ii) a public middle or secondary
25 school, holds a bachelor's degree and dem-

1 onstrates a high level of competency in all
2 subject areas in which he or she teaches
3 through—

4 (I) a high level of performance on
5 a rigorous State or local academic
6 subject areas test; or

7 (II) completion of an academic
8 major in each of the subject areas in
9 which he or she provides instruction.

10 (4) TEACHERS IN NONPROFIT PRIVATE ELE-
11 MENTARY OR SECONDARY SCHOOLS OR CHARTER
12 SCHOOLS.—In the case of an applicant who is teach-
13 ing in a nonprofit private elementary or secondary
14 school, or in a public charter school, an application
15 for loan repayment under this section shall include
16 such information as is necessary to demonstrate that
17 the applicant has knowledge and teaching skills in
18 each of the subject areas in which he or she provides
19 instruction, as certified by the chief administrative
20 officer of the school.

21 (e) TREATMENT OF CONSOLIDATION LOANS.—A loan
22 amount for a consolidation loan made under section 428C
23 of the Higher Education Act of 1965, or a Federal Direct
24 Consolidation Loan made under part D of title IV of such
25 Act, may be a qualified loan amount for the purpose of

1 this section only to the extent that such loan amount was
2 used by a borrower who otherwise meets the requirements
3 of this section to repay—

4 (1) a loan made under section 428 or 428H of
5 such Act; or

6 (2) a Federal Direct Stafford Loan, or a Fed-
7 eral Direct Unsubsidized Stafford Loan, made under
8 part D of title IV of such Act.

9 (f) ADDITIONAL ELIGIBILITY PROVISIONS.—

10 (1) CONTINUED ELIGIBILITY.—Any teacher
11 who performs service in a school that—

12 (A) meets the requirements of subsection
13 (a)(1)(B) in any year during such service; and

14 (B) in a subsequent year fails to meet the
15 requirements of such subsection,

16 may continue to teach in such school and shall be
17 eligible for loan forgiveness pursuant to subsection
18 (a).

19 (2) PREVENTION OF DOUBLE BENEFITS.—No
20 borrower may, for the same service, receive a benefit
21 under both this section and subtitle D of title I of
22 the National and Community Service Act of 1990
23 (42 U.S.C. 12571 et seq.).

24 (3) DEFINITION OF NEW TEACHER.—The term
25 “new teacher” means an individual who has not pre-

1 viously been employed as a teacher in an elementary
2 or secondary school prior to August 1, 2001, exclud-
3 ing employment while engaged in student teaching
4 service or comparable activity that is part of a
5 preservice education program.

6 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

7 There are authorized to be appropriated to carry out
8 this Act such sums as may be necessary for fiscal year
9 2001 and for each of the 4 succeeding fiscal years.

Passed the House of Representatives September 26,
2000.

Attest:

JEFF TRANDAHL,

Clerk.