

107TH CONGRESS
1ST SESSION

H. R. 1742

To make scholarships available to individuals who are outstanding secondary school graduates or exceptional certified leaders and who demonstrate a commitment to and capacity for the profession of teaching, in order to enable and encourage those individuals to pursue teaching careers in education at the preschool, elementary or secondary level or improve their teaching skills through further education, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2001

Mrs. WILSON introduced the following bill; which was referred to the
Committee on Education and the Workforce

A BILL

To make scholarships available to individuals who are outstanding secondary school graduates or exceptional certified leaders and who demonstrate a commitment to and capacity for the profession of teaching, in order to enable and encourage those individuals to pursue teaching careers in education at the preschool, elementary or secondary level or improve their teaching skills through further education, 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,*

TITLE I—TEACHING SCHOLARSHIPS

3 **SEC. 101. SHORT TITLE.**

4 This title may be cited as the “21st Century Teach-
5 ing Scholarships Act”.

6 **SEC. 102. PURPOSE; DESIGNATION.**

7 (a) **PURPOSE.**—It is the purpose of this title to make
8 available, through grants to the States, scholarships to in-
9 dividuals who are outstanding secondary school graduates
10 or exceptional certified teachers and who demonstrate a
11 commitment to and capacity for teaching, in order to en-
12 able and encourage those individuals to pursue teaching
13 careers in education at the preschool, elementary, or sec-
14 ondary level or improve their teaching skills through fur-
15 ther education.

16 (b) **DESIGNATION.**—Scholarships awarded under this
17 title shall be referred to as the “21st Century Teaching
18 Scholarships”.

19 **SEC. 103. ALLOCATION AMONG STATES.**

20 (a) **ALLOCATION.**—From the sums appropriated for
21 this title for any fiscal year, the Secretary shall allocate
22 to any State an amount based on the school-age popu-
23 lation in the State compared to the school-age population
24 in all States that apply for funds under this title.

1 (b) USE OF CENSUS DATA.—For the purpose of this
2 section, the number of persons in a State and in all States
3 shall be determined by the most recently available data
4 from the Bureau of the Census.

5 **SEC. 104. GRANT APPLICATIONS.**

6 (a) SUBMISSION OF APPLICATIONS.—The Secretary
7 is authorized to make grants to States in accordance with
8 the provisions of this title. In order to receive a grant
9 under this title, a State shall submit an application at
10 such time or times, in such manner, and containing such
11 information as the Secretary may prescribe by regulation.
12 Such application shall set forth a program of activities for
13 carrying out the purposes set forth in section 102 in such
14 detail as will enable the Secretary to determine the degree
15 to which such program will accomplish the purposes and
16 requirements of this title.

17 (b) CONTENT OF APPLICATIONS.—The Secretary
18 shall approve an application under this Act only if the
19 application—

20 (1) describes the procedures to be used by the
21 State in the selection of scholarship recipients under
22 this Act;

23 (2) designates as the State agency responsible
24 for administering the grants received under this Act
25 the State agency which administers the program

1 under subpart 4 of part A of title IV of the Higher
2 Education Act of 1965 (20 U.S.C. 1070e et seq.)
3 (relating to the leveraging educational assistance
4 partnership program), the State agency with which
5 the Secretary has an agreement under section
6 428(b) of the Higher Education Act of 1965 (20
7 U.S.C. 1078), or another appropriate State agency
8 approved by the Secretary;

9 (3) describes the outreach effort the State
10 agency intends to use to publicize the availability of
11 21st Century Teaching Scholarships to secondary
12 school students and certified teachers in the State,
13 making particular efforts to attract qualified appli-
14 cants from low-income backgrounds; ethnic and ra-
15 cial minorities; individuals with disabilities; individ-
16 uals who express a willingness or desire to teach in
17 schools having less than average academic results or
18 serving large numbers of economically disadvantaged
19 students; or women or minorities who intend to pur-
20 sue teaching careers in mathematics and science and
21 who are underrepresented in such fields;

22 (4) describes how the State will inform recipi-
23 ents, upon receipt of the award, of current and pro-
24 jected teacher shortages and surpluses within the
25 State;

1 (5) provides assurances that each recipient eli-
2 gible under section 6(b) of this Act who receives a
3 21st Century Teaching Scholarship shall enter into
4 an agreement with the State agency under which the
5 recipient shall—

6 (A) within the 10-year period after com-
7 pleting the postsecondary education for which
8 the 21st Century Teaching Scholarship was
9 awarded, teach in the State for a period of not
10 less than 2 years, on a full-time basis, for each
11 year for which full-time assistance was received
12 or 1 year for each year for which part-time as-
13 sistance was received, but not to exceed 6 years
14 for any recipient, in a public, or public charter,
15 preschool, elementary, or secondary school ex-
16 cept that, in the case of individuals who teach
17 in a shortage area established by the Secretary
18 pursuant to section 12, the requirements of this
19 subparagraph shall be reduced by one-half;

20 (B) provide the State agency evidence of
21 compliance with section 7 as required by the
22 State agency; and

23 (C) repay all or part of a 21st Century
24 Teaching Scholarship received under section 5
25 plus interest and, if applicable, reasonable col-

1 lection fees, in compliance with regulations
2 issued by the Secretary under section 8, in the
3 event that the conditions of subparagraph (A)
4 are not complied with, except as provided for
5 in section 9;

6 (6) provides that the agreement entered into
7 with recipients shall fully disclose the terms and con-
8 ditions under which assistance under this Act is pro-
9 vided and under which repayment may be required,
10 including—

11 (A) a description of the procedures re-
12 quired to be established under paragraph (7);
13 and

14 (B) a description of the appeals procedures
15 required to be established under paragraph (8)
16 under which a recipient may appeal a deter-
17 mination of noncompliance with any provision
18 under this Act;

19 (7) provides for procedures under which a re-
20 cipient of assistance received under this Act who
21 teaches for less than the period required under para-
22 graph (5)(A) will have the repayment requirements
23 reduced or eliminated consistent with the provisions
24 of sections 8 and 9;

1 (8) provides for appeals procedures under which
2 a recipient may appeal any determination of non-
3 compliance with any provision under this Act; and

4 (9) provides assurances that the selection panel
5 makes scholarship awards based solely on the selec-
6 tion criteria in section 6.

7 (c) SELECTION PROCEDURES.—The State edu-
8 cational agency, in cooperation with the State higher edu-
9 cation agency, and pursuant to scholarship selection cri-
10 teria included in section 106, shall establish procedures
11 to select 21st Century Teaching Scholarship recipients.
12 These procedures shall be intended to attract highly quali-
13 fied individuals into teaching, to ensure that these stu-
14 dents are enrolled or are accepted for enrollment in ap-
15 proved teacher education programs, and to meet the
16 present and projected needs of States in addressing teach-
17 er shortages, including—

18 (1) the demand for and supply of early child-
19 hood and elementary teachers in the State;

20 (2) the demand for and supply of secondary
21 teachers in the State;

22 (3) the demand for and supply of teachers with
23 training in specific academic disciplines in the State;

24 (4) the demand for and supply of teachers of
25 students with disabilities in the State;

1 (5) the demand for and supply of teachers for
2 limited English proficient students in the State;

3 (6) the demand for and supply of teachers for
4 preschool age children in the State; and

5 (7) the demand for and supply of teachers in
6 geographic areas of the State where there is a dem-
7 onstrated shortage of qualified teachers.

8 (d) SOLICITATION OF VIEWS ON SELECTION PROCE-
9 DURES.—In developing the selection procedures to be used
10 by the State, the State shall solicit the views of teachers,
11 the public, teacher education programs, local educational
12 agencies, private educational institutions, and other inter-
13 ested parties. Such views—

14 (1) shall be solicited by means of—

15 (A) written comments; and

16 (B) publication of proposed procedures in
17 final form for implementation; and

18 (2) may be solicited by means of—

19 (A) public hearings on the teaching needs
20 of elementary and secondary schools in the
21 State (including the number of new teachers
22 needed, the expected supply of new teachers,
23 and the shortages in the State of teachers with
24 specific preparation); or

1 (B) such other methods as the State may
2 determine to be appropriate to gather informa-
3 tion on such needs.

4 **SEC. 105. AMOUNT AND DURATION OF AND RELATION TO**
5 **OTHER ASSISTANCE.**

6 (a) LIMITATIONS ON AMOUNT AND DURATION.—
7 Subject to subsection (c) each 21st Century Teaching
8 Scholarship recipient shall receive a \$10,000 scholarship
9 for each academic year of full-time postsecondary edu-
10 cation for study in preparation to become a preschool, spe-
11 cial education, elementary, or secondary teacher or a
12 \$5,000 scholarship for each academic year of part-time
13 postsecondary education for those scholars who qualify for
14 part-time scholarships in accordance with section 107(1).
15 No individual shall receive scholarship assistance for more
16 than 5 years of full-time or part-time postsecondary edu-
17 cation, as determined by the State agency.

18 (b) CONSIDERATION OF AWARD IN OTHER PRO-
19 GRAMS.—Notwithstanding the provisions of title IV of the
20 Higher Education Act of 1965, scholarship funds awarded
21 pursuant to this title shall be considered in determining
22 eligibility for student assistance under title IV of the
23 Higher Education Act of 1965.

24 (c) ASSISTANCE NOT TO EXCEED COST OF ATTEND-
25 ANCE.—No individual shall receive an award under the

1 21st Century Teaching Scholarship established under this
2 title, in any academic year, which exceeds the cost of at-
3 tendance, as defined in section 472 of the Higher Edu-
4 cation Act of 1965 (20 U.S.C. 10871l), at the institution
5 the individual is attending. A scholarship awarded under
6 this title shall not be reduced on the basis of the student's
7 receipt of other forms of Federal student financial assist-
8 ance, but shall be taken into account in determining the
9 eligibility of the student for those other forms of Federal
10 student financial assistance.

11 **SEC. 106. SELECTION OF 21ST CENTURY TEACHING SCHOL-**
12 **ARS.**

13 (a) SELECTION BY STATEWIDE PANELS.—21st Cen-
14 tury Teaching Scholars shall be selected by a 7-member
15 statewide panel appointed by the chief State elected offi-
16 cial, acting in consultation with the State educational
17 agency, or by an existing grant agency or panel designated
18 by the chief State elected official and approved by the Sec-
19 retary. The statewide panel shall include community lead-
20 ers, business leaders, principals, teachers, parents, and,
21 after 2005, former scholarship recipients. The panel shall
22 not include elected officials with responsibility for edu-
23 cation, including State legislators, employees of State edu-
24 cation agencies or local education authorities other than

1 principals or teachers, teachers union officials, or employ-
2 ees of the chief State elected official.

3 (b) ELIGIBILITY FOR SELECTION.—To be eligible for
4 selection, an applicant shall—

5 (1) be a citizen of the United States or a per-
6 manent legal resident of the United States;

7 (2) be no less than 17 years old and no more
8 than 35 years old on September 1 of the year in
9 which they commence their scholarship;

10 (3) be a resident of the State of application or
11 a dependent of an active duty service member who
12 had a permanent duty station in the State of appli-
13 cation within the last 5 years; and

14 (4) have a high school degree or equivalent
15 thereof or have completed home schooling through
16 grade 12 by the end of the semester before begin-
17 ning the scholarship.

18 (c) CRITERIA FOR SELECTION.—Panels shall select
19 the best qualified applicants based on academic and schol-
20 arly achievement and aptitude for and commitment to the
21 profession of teaching. In making their selections, panels
22 may consider high school and college transcripts and grade
23 point averages, standardized test scores, class standing,
24 extracurricular activities, work experience, awards and
25 honors, letters of reference, the applicant's expression of

1 interest in teaching and planned program of study, as ex-
2 pressed in an essay written by the applicant, and, at the
3 discretion of the panel, interviews with the candidates. Up
4 to 35 percent of the scholarships awarded may be des-
5 ignated for applicants who commit to programs of study
6 that will address teacher shortages in the areas identified
7 by the State in accordance with section 104(c) of this title.
8 Panels shall not consider financial need, race, gender, eth-
9 nicity, religious preference, political or union affiliation,
10 college preference, or geographic distribution within the
11 State when determining the best qualified applicants.

12 (d) AVAILABILITY OF APPLICATIONS.—The State
13 educational agency shall make applications available to
14 public and private secondary schools and colleges, local
15 education authority human resource departments, and in
16 other locations convenient to potential applicants, parents,
17 and others.

18 **SEC. 107. SCHOLARSHIP CONDITIONS.**

19 Recipients of scholarship assistance under this title
20 shall continue to receive such scholarship payments only
21 during such periods that the State agency finds that the
22 recipient is—

23 (1) enrolled as a full-time student in an accred-
24 ited postsecondary institution or, if the scholar is a
25 certified teacher, a classroom teacher who is not so

1 certified and is teaching under a waiver authorized
2 in State law, or an educational assistant working
3 full-time in the classroom, enrolled as a part-time
4 student in an accredited postsecondary institution;

5 (2) pursuing a course of study leading to teach-
6 er certification or pursuing a postgraduate course of
7 study leading to a higher degree or a second bach-
8 elors degree for teachers who are already certified;
9 and

10 (3) maintaining satisfactory progress as deter-
11 mined by the postsecondary institution the recipient
12 is attending.

13 **SEC. 108. SCHOLARSHIP REPAYMENT PROVISIONS.**

14 Recipients found by the State agency to be in non-
15 compliance with the agreement entered into under section
16 104(b)(5) of this title shall be required to repay a pro rata
17 amount of the scholarship awards received, plus interest
18 (but in no event at an interest rate higher than the rate
19 applicable to loans in the applicable period under part B
20 of title IV of the Higher Education Act of 1965 (20 U.S.C.
21 1071 et seq.)) and, where applicable, reasonable collection
22 fees, on a schedule and at a rate of interest to be pre-
23 scribed by the Secretary by regulations issued pursuant
24 to this title.

1 **SEC. 109. EXCEPTIONS TO REPAYMENT PROVISIONS.**

2 (a) DEFERRAL DURING CERTAIN PERIODS.—A re-
3 cipient shall not be considered in violation of the agree-
4 ment entered into pursuant to section 104(b)(5)(C) during
5 any period in which the recipient—

6 (1) is pursuing a full-time course of study re-
7 lated to the field of teaching at an eligible institu-
8 tion;

9 (2) is serving, not in excess of 3 years, as a
10 member of the armed services of the United States;

11 (3) is temporarily totally disabled for a period
12 of time not to exceed 3 years as established by
13 sworn affidavit of a qualified physician;

14 (4) is unable to secure employment for a period
15 not to exceed 12 months by reason of the care re-
16 quired by a spouse who is disabled;

17 (5) is seeking and unable to find full-time em-
18 ployment for a single period not to exceed 12
19 months;

20 (6) is seeking and unable to find full-time em-
21 ployment as a teacher in a public or private pre-
22 school, elementary or secondary school, or education
23 program for a single period not to exceed 27
24 months; or

1 (2) that in the administration of the program
2 there is a failure to comply substantially with any
3 such provisions,
4 the Secretary shall notify such State agency that the State
5 will not be regarded as eligible to participate in the pro-
6 gram under this title until the Secretary is satisfied that
7 there is no longer any such failure to comply.

8 (c) COURT REVIEW.—

9 (1) IN GENERAL.—If any State is dissatisfied
10 with the Secretary's final action under paragraph
11 (1) or (2) of subsection (b), such State may appeal
12 to the United States court of appeals for the circuit
13 in which such State is located. The summons and
14 notice of appeal may be served at any place in the
15 United States. The Secretary shall forthwith certify
16 and file in the court the transcript of the pro-
17 ceedings and the record on which the action was
18 based.

19 (2) FINDINGS.—The findings of fact by the
20 Secretary, if supported by substantial evidence, shall
21 be conclusive; but the court, for good cause shown,
22 may remand the case to the Secretary to take fur-
23 ther evidence, and the Secretary may thereupon
24 make new or modified findings of fact and may mod-
25 ify any previous action, and shall certify to the court

1 the transcript and record of further proceedings.
2 Such new or modified findings of fact shall likewise
3 be conclusive if supported by substantial evidence.

4 (3) JURISDICTION.—The court shall have juris-
5 diction to affirm the action of the Secretary or to set
6 it aside, in whole or in part. The judgment of the
7 court shall be subject to review by the Supreme
8 Court of the United States upon certiorari or certifi-
9 cation as provided in section 1254 of title 28, United
10 States Code.

11 **SEC. 111. EVALUATION.**

12 (a) IN GENERAL.—The Secretary shall conduct, by
13 grant or contract, an independent evaluation of recipients
14 of scholarship assistance under this title, which shall sum-
15 marize and evaluate the State activities assisted under this
16 title and the performance of such recipients. The evalua-
17 tion shall assess the impact of the scholarship program
18 assisted under this title to determine whether such pro-
19 gram has brought into teaching a significant number of
20 highly able individuals who otherwise would not have en-
21 tered teaching, or retained in teaching a significant num-
22 ber of highly qualified individuals who otherwise would
23 have left teaching. The evaluation shall also assess the im-
24 pact of the scholarship on improving the quality and quali-

1 fications of teachers and the impact of the scholarships
2 on reducing teacher shortages.

3 (b) CONTENTS.—The evaluation described in sub-
4 section (a) shall include—

5 (1) a description of the characteristics, includ-
6 ing the educational preparation and achievement, of
7 recipients of scholarship assistance under this title
8 compared to similar students participating in teach-
9 er training who do not receive such scholarships;

10 (2) the rate at which such recipients success-
11 fully complete academic training and go on to teach-
12 ing careers in preschool, elementary, or secondary
13 education, compared to such rate for similar individ-
14 uals who do not receive scholarship assistance under
15 this Act;

16 (3) the extent to which it is possible to deter-
17 mine objectively that the receipt of scholarship as-
18 sistance under this Act was the primary reason for
19 an individual's choice of a teaching education and
20 career;

21 (4) the extent to which such recipients comply
22 with the provisions of this title;

23 (5) the length of time such recipients remain in
24 teaching careers, compared to similar teachers who
25 do not receive scholarships;

1 (6) the barriers to the effectiveness of the pro-
2 gram assisted under this Act;

3 (7) the cost-effectiveness of such program in
4 improving teacher quality and quantity; and

5 (8) the impact of the program on the quantity
6 and quality of applicants to colleges of education.

7 (c) **EVALUATION REPORTS.**—The Secretary shall
8 submit such interim evaluation reports to the President
9 and the Congress as may be appropriate, and shall submit
10 a final report on or before January 1, 2003.

11 (d) **FUNDING.**—The Secretary shall reserve a total of
12 not more than \$1,000,000 from the amounts appropriated
13 pursuant to the authority of section 113 in fiscal years
14 2002 through 2005 to carry out this section.

15 **SEC. 112. DEFINITIONS.**

16 For the purposes of this title:

17 (1) **SHORTAGE AREAS.**—(A) The term “short-
18 age areas” means—

19 (i) geographic areas of the State in which
20 there is a shortage of elementary and secondary
21 school teachers;

22 (ii) an area of shortage of elementary and
23 secondary school teachers in specific grade lev-
24 els and in specific academic, instructional, sub-
25 ject matter, and discipline classifications; and

1 (iii) any school that, in accordance with
2 the accountability statute of the State, is under
3 a program of corrective action for failure to
4 meet minimum State performance standards.

5 (B) Such shortage areas shall be prescribed by
6 the Secretary, in consultation with the chief State
7 school officer. In carrying out the provisions of this
8 paragraph, the Secretary shall give special consider-
9 ation to areas in which emergency certification or
10 waivers of certification of individuals in a State is
11 being used to correct teacher shortages and to
12 States which have retirement laws permitting early
13 retirement.

14 (2) SECRETARY.—The term “Secretary” means
15 the Secretary of Education.

16 (3) CERTIFIED TEACHER.—The term “certified
17 teacher” means a teacher who has obtained State
18 certification as a teacher or has passed a State
19 teacher licensing exam and holds a license to teach
20 in such State.

21 **SEC. 113. AUTHORIZATION OF APPROPRIATIONS.**

22 (a) IN GENERAL.—There are authorized to be appro-
23 priated \$260,000,000 for fiscal year 2002 and such sums
24 as may be necessary for each of the 4 succeeding fiscal
25 years to carry out this title.

1 (b) LIMITATION ON USE OF FUNDS FOR ADMINIS-
2 TRATIVE PURPOSES.—All of the funds appropriated under
3 this title shall be distributed to the States in accordance
4 with section 103. No more than 5 percent of the funds
5 appropriated under this title may be used by the State
6 for program administration.

7 **TITLE II—PROFESSIONAL**
8 **DEVELOPMENT ENHANCEMENT**

9 **SEC. 201. SHORT TITLE.**

10 This title may be cited as the “Professional Develop-
11 ment Enhancement Act”.

12 **SEC. 202. STATE ACTIVITIES.**

13 Section 2207 of the Elementary and Secondary Edu-
14 cation Act of 1965 (20 U.S.C. 6647) is amended—

15 (1) in paragraph (12), by striking “; and” and
16 inserting a semicolon;

17 (2) in paragraph (13), by striking the period
18 and inserting a semicolon; and

19 (3) by adding at the end the following:

20 “(14) carrying out programs that include sup-
21 port during the initial teaching experience, such as
22 mentoring programs that—

23 “(A) provide mentoring to beginning teach-
24 ers from veteran teachers with expertise in the

1 subject matter that the beginning teachers will
2 be teaching;

3 “(B) provide mentors time for activities
4 such as coaching, observing, and assisting the
5 teachers who are mentored; and

6 “(C) use standards or assessments for
7 guiding beginning teachers that are consistent
8 with the State’s student performance standards
9 and with the requirements for professional de-
10 velopment activities described in section
11 2210(b)(2); and

12 “(15) carrying out programs that establish, ex-
13 pand, or improve alternative routes to State certifi-
14 cation of teachers for highly qualified individuals
15 with a baccalaureate degree, including mid-career
16 professionals from other occupations, paraprofes-
17 sionals, former military personnel, and recent college
18 or university graduates with records of academic dis-
19 tinction, who demonstrate the potential to become
20 highly effective teachers.”.

21 **SEC. 203. ALTERNATIVE ROUTES.**

22 Section 2207 of the Elementary and Secondary Edu-
23 cation Act of 1965 is amended—

24 (1) by inserting “(a) ACTIVITIES.—” before
25 “Each State”; and

1 (2) by adding at the end the following:

2 “(b) COMPONENTS OF ALTERNATIVE ROUTES TO
3 STATE CERTIFICATION PROGRAMS.—To the extent appro-
4 priate, programs carried out under subsection (a)(15)
5 shall—

6 “(1) include strong academic and teaching-re-
7 lated course work that provides teachers with the
8 academic subject knowledge and teaching knowledge
9 needed to help students meet State content stand-
10 ards;

11 “(2) provide intensive field experience in the
12 form of an internship, or student teaching, under
13 the direct daily supervision of an expert, veteran
14 teacher; and

15 “(3) provide that, before entry into teaching,
16 candidates shall be fully qualified.”.

17 **SEC. 204. DEFINITIONS.**

18 Section 2402 of the Elementary and Secondary Edu-
19 cation Act of 1965 (20 U.S.C. 6702) is amended—

20 (1) by redesignating paragraphs (1) through
21 (4) as paragraphs (2), (5), (6), and (3) respectively;

22 (2) by inserting paragraph (3) (as so redesign-
23 nated) after paragraph (2);

24 (3) by inserting before paragraph (2) the fol-
25 lowing:

1 “(1) the term ‘beginning teacher’ means an ed-
2 ucator in a public school who has not yet been teach-
3 ing 3 full school years;”;

4 (4) by inserting after paragraph (3) (as so re-
5 designated) the following:

6 “(4) the term ‘mentoring program’ means a
7 program to provide professional support and devel-
8 opment, instruction, and guidance to beginning
9 teachers, not including a teacher or individual who
10 begins to work in a supervisory position;”;

11 (5) in paragraph (3) (as so redesignated), by
12 striking the period and inserting a semicolon;

13 (6) in paragraph (5) (as so redesignated), by
14 striking the semicolon at the end and inserting “;
15 and”; and

16 (7) in subparagraph (E) of paragraph (6) (as
17 so redesignated), by striking “; and” and inserting
18 a period.

19 **TITLE III—LOAN FORGIVENESS**
20 **FOR TEACHERS**

21 **SEC. 301. SHORT TITLE.**

22 This title may be cited as the “Quality Teacher Re-
23 cruitment and Retention Act”.

1 **SEC. 302. FINDINGS AND PURPOSE.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

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

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

12 (3) There is also a chronic shortage of fully cer-
13 tified special education teachers, averaging about
14 27,000 per year. While the demand is ever present,
15 institutes of higher education are graduating fewer
16 teachers qualified in special education.

17 (4) Moreover, the burdensome paperwork and
18 legal requirements are factors which lead special
19 education teachers to leave the profession. More spe-
20 cial education teachers move into the general edu-
21 cation realm than vice versa.

22 (5) High quality teachers are the first vital step
23 in ensuring students receive a high quality edu-
24 cation.

1 (6) Potentially valuable teacher candidates are
2 often lured into different careers by higher com-
3 pensation.

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

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

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

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

22 **SEC. 303. EXPANDED LOAN FORGIVENESS PROGRAM FOR**
23 **TEACHERS.**

24 (a) PROGRAM.—

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

10 (A) is a new teacher;

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

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

22 (C) satisfies the requirements of subsection
23 (d); and

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

1 (2) AWARD BASIS; PRIORITY.—

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

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

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

14 (b) LOAN REPAYMENT.—

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

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

23 (B) an additional portion of such sum (not
24 to exceed \$7,500) at the end of each of the next

1 2 consecutive complete school years of such
2 service; and

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

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

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

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

18 (d) APPLICATION FOR REPAYMENT.—

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

24 (2) YEARS OF SERVICE.—An eligible individual
25 may apply for loan repayment under this section

1 after completing the required number of years of
2 qualifying employment.

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

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

16 (B) if teaching in—

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

22 (ii) a public middle or secondary
23 school, holds a bachelor's degree and dem-
24 onstrates a high level of competency in all

1 subject areas in which he or she teaches
2 through—

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

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

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

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

1 used by a borrower who otherwise meets the requirements
2 of this section to repay—

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

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

8 (f) ADDITIONAL ELIGIBILITY PROVISIONS.—

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

11 (A) meets the requirements of subsection

12 (a)(1)(B) in any year during such service; and

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

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

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

23 (3) DEFINITION OF NEW TEACHER.—The term
24 “new teacher” means an individual who has not pre-
25 viously been employed as a teacher in an elementary

1 or secondary school prior to August 1, 2002, exclud-
2 ing employment while engaged in student teaching
3 service or comparable activity that is part of a
4 preservice education program.

5 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

6 There are authorized to be appropriated to carry out
7 this title such sums as may be necessary for fiscal year
8 2002 and for each of the 4 succeeding fiscal years.

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