

107TH CONGRESS
1ST SESSION

H. R. 650

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

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2001

Mr. GRAHAM (for himself, Mr. DEMINT, Mr. BURR of North Carolina, Mr. HILLEARY, Mr. SPENCE, Mr. FLETCHER, Mrs. EMERSON, Mr. FROST, Mr. GREEN of Texas, Mr. HASTINGS of Washington, and Mr. McKEON) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Quality Teacher Re-
5 cruitment and Retention Act”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

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

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

9 (3) There is also a chronic shortage of fully cer-
10 tified special education teachers, averaging about
11 27,000 per year. While the demand is ever present,
12 institutes of higher education are graduating fewer
13 teachers qualified in special education.

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

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

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

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

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

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

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

19 **SEC. 3. EXPANDED LOAN FORGIVENESS PROGRAM FOR**
20 **TEACHERS.**

21 (a) PROGRAM.—

22 (1) IN GENERAL.—The Secretary of Education
23 (in this section referred to as the “Secretary”) shall
24 carry out a program of assuming the obligation to
25 repay, pursuant to subsection (c), a loan made, in-

1 sured, or guaranteed under part B of title IV of the
2 Higher Education Act of 1965 or part D of such
3 title (excluding loans made under sections 428B and
4 428C of such Act or comparable loans made under
5 part D of such title) for any borrower who—

6 (A) is a new teacher;

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

14 (ii) is employed, for 3 consecutive complete
15 school years, as a full-time special education
16 teacher, or as a full-time teacher of special
17 needs children;

18 (C) satisfies the requirements of subsection
19 (d); and

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

22 (2) AWARD BASIS; PRIORITY.—

23 (A) AWARD BASIS.—Subject to subpara-
24 graph (B), loan repayment under this section

1 shall be on a first-come, first-serve basis and
2 subject to the availability of appropriations.

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

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

11 (b) LOAN REPAYMENT.—

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

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

20 (B) an additional portion of such sum (not
21 to exceed \$7,500) at the end of each of the next
22 2 consecutive complete school years of such
23 service; and

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

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

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

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

15 (d) APPLICATION FOR REPAYMENT.—

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

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

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

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

14 (B) if teaching in—

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

20 (ii) a public middle or secondary
21 school, holds a bachelor's degree and dem-
22 onstrates a high level of competency in all
23 subject areas in which he or she teaches
24 through—

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

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

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

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

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

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

6 (f) ADDITIONAL ELIGIBILITY PROVISIONS.—

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

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

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

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

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

21 (3) DEFINITION OF NEW TEACHER.—The term
22 “new teacher” means an individual who has not pre-
23 viously been employed as a teacher in an elementary
24 or secondary school prior to August 1, 2001, exclud-
25 ing employment while engaged in student teaching

1 service or comparable activity that is part of a
2 preservice education program.

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

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

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