

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB547**

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**Hearing Date:** Monday February 02, 2009  
**Committee On:** Education  
**Introducer:** Adams  
**One Liner:** Change the Attracting Excellence to Teaching Program Act

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

<b>Aye:</b>	7	Senators Adams, Ashford, Cornett, Giese, Haar, Howard, Sullivan
<b>Nay:</b>		
<b>Absent:</b>	1	Senator Avery
<b>Present Not Voting:</b>		

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**Proponents:**

Senator Greg Adams  
Sharon Katt  
Kandy Imes  
Jay Sears

**Representing:**

Introducer  
Nebraska Department of Education  
State Board of Education  
Nebraska State Education Assoc

**Opponents:**

**Representing:**

**Neutral:**

Jeremy Murphy

**Representing:**

Nebraska Catholic Conference

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**Summary of purpose and/or changes:**

Legislative Bill 547 would modify the Attracting Excellence to Teaching Program by allowing certificated teachers employed by accredited or approved schools access to the forgivable loan program and by restricting the program for students working toward their initial certification to students majoring in a shortage area. Participating certificated teachers would be required to major in a shortage area, a subject area in which they already have a secular teaching endorsement, or in a secular teaching area approved by their superintendent or head administrator. The maximum loans would also be increased from \$2,500 to \$3,000 per year and new participants would have to work as a teacher in Nebraska for two years following graduation before forgiveness would begin. The existing \$1 million annual allocation of lottery funding would be divided with up to \$300,000 for students working toward their initial certification and the remainder (\$700,000) for certificated teachers.

Section 79-808 would be amended by requiring the State Board of Education to include endorsement requirements in the rules, regulations, and procedures for certificates and permits to teach, provide special services, and administer. The endorsements would indicate areas of specialization on the certificates and permits. State Board rules and regulations already provide requirements for endorsements, but endorsements are not currently provided for in statute.

Section 79-8,133 would be amended by modifying the qualifications for the Attracting Excellence to Teaching Program. Eligible students would include full-time undergraduate and graduate students working toward their initial certificate to teach and full-time or part-time graduate students who are certificated teachers employed to teach in an approved or accredited school in Nebraska. Students working toward their initial certificate and applying after the effective date of

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the act would be required to major in a shortage area. Participating certificated teachers would be required to major in a shortage area, a subject area in which the individual already holds a secular teaching endorsement, or a subject area that will result in an additional secular teaching endorsement which the superintendent or head administrator believes will be beneficial to the students.

The requirements for full-time students would be reduced from 30 to 24 semester credit hours for undergraduate students or 18 semester credit hours for graduate students. Quarter credit hour requirements would be removed.

Shortage areas would mean a secular field of teaching for which there is a shortage of properly endorsed teachers as determined by the Department of Education at the time the borrower first receives funds pursuant to the act.

Teacher education program would be redefined to mean a program of study approved by the State Board of Education pursuant section 79-318(5)(g). The current definition only applies to undergraduate programs.

Section 79-8,134 would be amended by modifying the purposes of the program to focus on students who will teach in shortage areas and on improving the skills of exiting teachers through graduate education programs. The loan contract requirement to obtain employment is expanded to allow the continuation of employment as a teacher.

Section 79-8,135 would be amended by limiting the requirements for class rankings and grade point averages to students working toward their initial certificate. Currently, eligible students must have graduated in the top 25% of their high school class or have at least a 3.0 GPA at the postsecondary institution.

Requirements would be added for students applying for the first time after the effective date of the act to agree to complete the major on which the applicants eligibility is based.

The commitment to teach would take affect upon successful completion of the teacher education program for which the applicant is applying. The requirement to become certified would be expanded to include maintenance of certification.

The maximum loan amount would be increased from \$2,500 per year to \$3,000 per year. Due to the change in requirements for eligible students, the language prioritizing loans for students majoring in shortage areas would be eliminated.

Loans for students working toward their initial certification would continue to be awarded through eligible institutions, while loans for certificated teachers would be awarded through the Department of Education.

Section 79-8,136 would be amended by allowing up to \$300,000 to be distributed to eligible institutions for students working toward their initial certification. The remaining funds (\$700,000) would be distributed by the department to eligible certificated teachers. For 2009-10 to 2015-16, \$1 million of lottery funds will be transferred to the Attracting Excellence to Teaching Program Cash Fund under current law.

Section 79-8,137 would be amended by adding shortage area requirements to the contract and repayment provisions for students applying for the first time after the effective date of the act and working toward their initial certification. Requirements would also be added for certificated teacher borrowers to maintain certification and employment as a teacher. The forgiveness for borrowers who apply for the first time after the effective date of the act would be delayed until the borrower teaches for two years following graduation. Following the two year requirement, the forgiveness rate would remain one year of loan forgiveness for each year of teaching, except that if the borrower teaches in a very sparse local system or a school building in which at least 40% of the students are in poverty, the payments would be forgiven at two years of loans for each year of teaching.

Section 79-8,139 would be amended by combining and modifying the requirement for the department to submit reports. The deadline for the annual report is moved from November 15 of each year to December 31 of each even-numbered year, making it a biennial report. The Governor and the Clerk of the Legislature are added to the Education Committee as recipients of the report. The status of the program, status of the borrowers, and the impact of the program are added

to the report requirements. These requirements are currently in a one-time requirement for a report that was due to the Governor and the Clerk of the Legislature on December 31, 2005.

Section 79-8,140 would be amended by allowing the State Board of Education to adopt and promulgate rules and regulations to determine teacher shortage areas.

The measure contains an emergency clause.

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**Explanation of amendments:**

The committee amendments replace the original provisions of LB 547. The amendments add the Enhancing Excellence in Teaching Program to the Attracting Excellence to Teaching Program and rename the act as the Excellence in Teaching Act to encompass both programs. The Enhancing Excellence in Teaching Program would provide forgivable loans for graduate studies to certificated teachers who are employed to teach in approved and accredited schools in Nebraska. The Attracting Excellence to Teaching Program would also be modified to increase the maximum annual loan from \$2,500 to \$3,000 and to require new applicants to major in a shortage area and teach in Nebraska for two years before the loans may be forgiven. The Attracting Excellence to Teaching Program Cash Fund is also renamed the Excellence in Teaching Cash Fund. Up to \$100,000 of the fund could be used for administration, up to \$300,000 of the fund could be used for the Attracting Excellence to Teaching Program, and the remainder (\$600,000) would be used for the Enhancing Excellence in Teaching Program.

Section 9-812 would be amended by recognizing the changes in the names of the fund and the act in the distribution of lottery funds beginning with the 2009-10 fiscal year. The section currently provides for \$1 million of lottery funds to be allocated each year for fiscal years 2009-10 through 2015-16 to the Attracting Excellence to Teaching Program Cash Fund to fund the Attracting Excellence to Teaching Program Act. With the changes, the allocations would be made to the Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act.

Section 79-808 would be amended by requiring the State Board of Education to include endorsement requirements in the rules, regulations, and procedures for certificates and permits to teach, provide special services, and administer. The endorsements would indicate areas of specialization on the certificates and permits. State Board rules and regulations already provide requirements for endorsements, but endorsements are not currently provided for in statute.

Section 79-8,132 would be amended by renaming the Attracting Excellence to Teaching Program Act as the Excellence in Teaching Act and by adding the new provisions to the act. New language would also state that the act includes the Attracting Excellence to Teaching Program and the Enhancing Excellence in Teaching Program.

Section 79-8,133 would be amended by transferring the language that creates the Attracting Excellence to Teaching Program from section 79-8,134 and by modifying the qualifications for the Program.

Eligible students would include full-time undergraduate and graduate students working toward their initial certificate to teach. Students applying after the effective date of the act would be required to major in a shortage area.

The requirements for full-time students would be reduced from 30 to 24 semester credit hours for undergraduate students or 18 semester credit hours for graduate students. Quarter credit hour requirements would be removed.

Shortage areas would mean a secular field of teaching for which there is a shortage of properly endorsed teachers as determined by the Department of Education at the time the borrower first receives funds pursuant to the program. Majoring in a shortage area would mean pursuing a degree which will allow an individual to be properly endorsed to teach in a shortage area.

Teacher education program would be redefined to mean a program of study approved by the State Board of Education pursuant section 79-318(5)(g). The current definition only applies to undergraduate programs. In the definition of eligible institution, a reference to accreditation by the department that would no longer be necessary would be

eliminated.

Section 79-8,134 would be amended by transferring the language that creates the Attracting Excellence to Teaching Program to section 79-8,133 and by modifying the purposes of the program to focus on students who will major in shortage areas.

Section 79-8,135 would be amended by adding a requirement for students applying for the first time after the effective date of the act to agree to complete the major on which the applicants eligibility is based. The commitment to teach would take affect upon successful completion of the teacher education program for which the applicant is applying. The maximum loan amount would be increased from \$2,500 per year to \$3,000 per year. Due to the change in requirements for eligible students, the language prioritizing loans for students majoring in shortage areas would be eliminated.

Section 79-8,137 would be amended by adding requirements to the contract and repayment provisions for students applying for the first time after the effective date of the act. The loan forgiveness would be delayed until the borrower teaches full-time, with at least a portion of the time in the shortage area for which the loan was received, for two years following graduation. Following the two year requirement, the forgiveness rate would be \$3,000 of loan forgiveness for each year of teaching, except that if the borrower teaches in a very sparse local system or a school building in which at least 40% of the students are in poverty, the payments would be forgiven at a rate of \$6,000 of loans for each year of teaching. The enhanced forgiveness provisions based on students in poverty is measured on a district basis, rather than a building basis, for students who applied prior to the effective date of the act. If the borrower has to repay the loan, in addition to interest, the borrower would also have to pay actual collection costs as determined by the department. The contracts would be exempt from the bidding requirements contained in sections 73-501 to 73-509.

A new section would create the Enhancing Excellence in Teaching Program and define terms for the program. The definitions would be the same as for the Attracting Excellence to Teaching Program with a few exceptions. Eligible students would be certificated teachers employed to teach in an approved or accredited school in Nebraska enrolled in a graduate teacher education program majoring in:

1. A shortage area;
2. Curriculum and instruction;
3. A subject area in which the individual already holds a secular teaching endorsement; or
4. A subject area that will result in an additional secular teaching endorsement which the superintendent or head administrator believes will be beneficial to the students.

A definition for graduate teacher education programs would include programs of study approved by the State Board of Education which result in obtaining a graduate degree.

Another new section provides that the purposes of the Enhancing Excellence in Teaching Program are to:

1. Retain teachers in the accredited or approved public schools of Nebraska;
2. Improve the skills of existing teachers through graduate education;
3. Establish a loan contract that requires a borrower to continue employment as a teacher in Nebraska after graduation from a graduate program.

A third and fourth new section provide the requirements for the Enhancing Excellence in Teaching Program. The department would administer the program either directly or by contracting with one or more public or private entities. Eligible students would be required to agree to complete a graduate teacher education program and the major on which their eligibility is based. The students would also be required to commit to teach in an accredited or approved public or private school in Nebraska and to maintain certification. The students would then be allowed to apply annually for loans up to \$175 per credit hour for up to 5 consecutive years.

Prior to receiving the loan, students would be required to enter into a contract with the department which would require the borrower to repay the loan if the borrower is not employed as a full-time teacher teaching in an approved or accredited school in Nebraska for a time period equal to the number of years required for loan forgiveness or the borrower does not complete the requirements for graduation within 5 years. The borrower would repay the loan with interest at the rate fixed pursuant to section 45-103 accruing as of the date the contract is signed and collection costs

determined by the department. Repayment would commence within 6 months after any change in eligibility. The State Board of Education would be allowed to provide exceptions to the conditions of repayment based upon mitigating circumstances.

If the borrower completes the teacher education program and major and maintains certification and employment as a teacher in an approved or accredited school, payments would be suspended for the number of years the borrower is required to remain employed as a teacher. After the first two years following graduation, the loan would be forgiven at a rate of \$3,000 per year of teaching, except that if the borrower teaches in a very sparse local system or a building with at least 40% of the students in poverty, the loans would be forgiven at a rate of \$6,000 per year of teaching.

Section 79-8,136 would be amended by allowing the section to be renumbered and by renaming the Attracting Excellence to Teaching Program Cash Fund as the Excellence in Teaching Cash Fund. The changes would also allow up to \$100,000 to be used to administer the Act, \$300,000 to be distributed to eligible institutions for the Attracting Excellence to Teaching Program, and the remainder (\$600,000) to be distributed by the department to eligible students for the Enhancing Excellence in Teaching Program.

Section 79-8,138 would be amended by adding the Enhancing Excellence in Teaching Program to the collection provisions.

Section 79-8,139 would be amended by combining and modifying the requirement for the department to submit reports and by adding that both programs are to be included in the reports. The deadline for the annual report is moved from November 15 of each year to December 31 of each even-numbered year, making it a biennial report. The Governor and the Clerk of the Legislature are added to the Education Committee as recipients of the report. The status of the program, status of the borrowers, and the impact of the program are added to the report requirements. These requirements are currently in a one-time requirement that would be deleted for a report that was due to the Governor and the Clerk of the Legislature on December 31, 2005.

Section 79-8,140 would be amended by recognizing the change in the name of the act and by allowing the State Board of Education to adopt and promulgate rules and regulations to determine teacher shortage areas.

The measure contains an emergency clause, but sections 79-812 and 79-8,136 would become operative on July 1, 2009.

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Greg Adams, Chairperson