

**ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015**  
**COMMITTEE STATEMENT**  
**LB527**

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**Hearing Date:** Monday March 16, 2015  
**Committee On:** Education  
**Introducer:** Sullivan  
**One Liner:** Change provisions relating to teachers' loan programs

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**Roll Call Vote - Final Committee Action:**  
Indefinitely postponed

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**Vote Results:**

<b>Aye:</b>	7	Senators Sullivan, Pansing Brooks, Morfeld, Kolowski, Groene, Cook, Baker
<b>Nay:</b>	1	Senator Schnoor
<b>Absent:</b>		
<b>Present Not Voting:</b>		

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**Verbal Testimony:**

**Proponents:**

Senator Kate Sullivan  
Brian Halstead  
  
Jay Sears

**Representing:**

Introducer  
Nebraska State Board of Education and Nebraska Department of Education  
Nebraska State Education Association

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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

Legislative Bill 527 would amend provisions of the two programs under the Excellence in Teaching Act. The Attracting Excellence to Teaching Program provides forgivable loans to students who are working toward their initial teaching certificate. The Enhancing Excellence in Teaching Program provides forgivable loans to certificated teachers who are seeking qualifying graduate degrees. The changes in the proposal would remove required contract language giving notice that funding for the programs terminates on June 30, 2016. The terms for loan forgiveness would also be modified for loans given on or after July 1, 2016. The new terms would allow the forgiveness to begin earlier and, for the Enhancing Excellence loans, would change the amount that would be forgiven each year. The maximum loan amount for the Enhancing Excellence loans would also be increased. Provisions are also added to distribute funds above the current \$1.2 million maximum between the two programs. Terminology in the purposes for the programs would also be clarified.

Sections 79-8,134 would be amended by clarifying the purpose of the Attracting Excellence to Teaching Program with regard to the retention of resident students and graduates as teachers in the state. The current provisions express a purpose of retaining the students and graduates as teachers in the accredited or approved public and private schools of Nebraska. Teaching in educational service units would be added and technical corrections would be made to language regarding public schools.

Section 79-8,137 would be amended by eliminating a requirement that contracts pursuant to the Attracting Excellence to

Teaching Program provide notice that funding for loans pursuant to the Program terminates on June 30, 2016. In addition, the terms for loan forgiveness would be modified for funds received on or after July 1, 2016. Loan forgiveness would begin after the first year of teaching after the relevant graduation, instead of after the first two years.

Sections 79-8,137.02 would be amended by clarifying the purpose of the Enhancing Excellence in Teaching Program with regard to the retention of teachers in the state. The current provisions express a purpose of retaining teachers in the accredited or approved public and private schools of Nebraska. Teaching in educational service units would be added and technical corrections would be made to language regarding public schools.

Section 79-8,137.03 would be amended by increasing the maximum loan amount for the Enhancing Excellence in Teaching Program from \$175 per credit hour to \$250.

Section 79-8,137.04 would be amended by eliminating a requirement that contracts pursuant to the Enhancing Excellence in Teaching Program provide notice that funding for loans pursuant to the Program terminates on June 30, 2016. In addition, the terms for loan forgiveness would be modified for funds received on or after July 1, 2016. Loan forgiveness would begin after the first year of teaching after the relevant graduation, instead of after the first two years. The amount that would generally be forgiven each year would be reduced from \$3,000 to \$1,500. For those qualifying for accelerated loan forgiveness, the amount that would be forgiven would be reduced from \$6,000 to \$1,500 for the first year and to \$3,000 for subsequent years.

Section 79-8,137.05 would be amended by revising the allocation of the Excellence in Teaching Cash Fund. The first \$400,000 would continue to be allocated to the Attracting Excellence to Teaching Program. The Enhancing Excellence in Teaching Program would then receive up to \$800,000, instead of the entirety of the remaining funds. Any funds available in excess of \$1,200,000 would be distributed evenly between the two programs. Obsolete language would be eliminated.

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Kate Sullivan, Chairperson