

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5034

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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

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## 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.*