

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

H.B. 978  
Apr 25, 2019  
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH40418-MKa-187

Short Title: NC Teaching Fellows Enhancements/Funds. (Public)

Sponsors: Representatives Ball, Quick, Russell, and K. Smith (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND AND ENRICH THE NORTH CAROLINA TEACHING FELLOWS  
3 PROGRAM BY FOCUSING ON THE GREATEST NEEDS OF THE PUBLIC SCHOOLS.  
4 The General Assembly of North Carolina enacts:

5 SECTION 1. Part 3 of Article 23 of Chapter 116 of the General Statutes reads as  
6 rewritten:

7 "Part 3. North Carolina Teaching Fellows Program.

8 "§ 116-209.60. Definitions.

9 The following definitions apply in this Part:

- 10 (1) Commission. – The North Carolina Teaching Fellows Commission.  
11 (2) Director. – The Director of the North Carolina Teaching Fellows Program.  
12 (2a) ELA. – English language arts.  
13 (2b) Elementary education. – Education of kindergarten through sixth grade  
14 students.  
15 (3) Forgivable loan. – A forgivable loan made under the Program.  
16 (3a) Hard-to-staff subject area. – A teacher licensure subject area identified as  
17 hard-to-staff in the annual report published by the State Board of Education  
18 on the state of the teaching profession in North Carolina pursuant to  
19 G.S. 115C-299.5.  
20 (4) Program. – The North Carolina Teaching Fellows Program.  
21 (5) Public school. – An elementary or secondary school located in North Carolina  
22 that is governed by a local board of education, charter school board of  
23 directors, regional school board of directors, or University of North Carolina  
24 laboratory school board of trustees.  
25 (6) STEM. – Science, technology, engineering, and mathematics.  
26 (7) Trust Fund. – The North Carolina Teaching Fellows Program Trust Fund.

27 ...  
28 "§ 116-209.62. North Carolina Teaching Fellows Program established; administration.

29 (a) Program. – There is established the North Carolina Teaching Fellows Program to be  
30 administered by the System Office of The University of North Carolina, in conjunction with the  
31 Authority and the Commission. The purpose of the Program is to recruit, prepare, and support  
32 students residing in or attending institutions of higher education located in North Carolina for  
33 preparation as highly effective ~~STEM or special education~~ teachers teaching in STEM, special  
34 education, elementary education, ELA, and other hard-to-staff subject areas in the State's public  
35 schools. The Program shall be used to provide a forgivable loan to individuals interested in



1 preparing to teach in the public schools of the State in ~~STEM or special education~~ those licensure  
2 subject areas.

3 (b) Trust Fund. – There is established the North Carolina Teaching Fellows Program  
4 Trust Fund to be administered by the Authority, in conjunction with the System Office of The  
5 University of North Carolina. All funds (i) appropriated to, or otherwise received by, the Program  
6 for forgivable loans and other Program purposes, (ii) received as repayment of forgivable loans,  
7 and (iii) earned as interest on these funds shall be placed in the Trust Fund. The purpose of the  
8 Trust Fund is to provide financial assistance to qualified students for completion of teacher  
9 education and licensure programs to fill ~~STEM or special education~~ STEM, special education,  
10 elementary education, ELA, and other hard-to-staff subject licensure areas in the public schools  
11 of the State.

12 (c) Uses of Monies in the Trust Fund. – The monies in the Trust Fund may be used only  
13 for (i) forgivable loans granted under the Program, (ii) administrative costs associated with the  
14 Program, including recruitment and recovery of funds advanced under the Program, (iii)  
15 mentoring and coaching support to forgivable loan recipients, and (iv) extracurricular  
16 enhancement activities of the Program in accordance with the following:

17 (1) The Authority shall transfer the greater of six hundred thousand dollars  
18 (\$600,000) or ten percent (10%) of the available funds from the Trust Fund to  
19 the ~~General Administration of The~~ University of North Carolina System  
20 Office at the beginning of each fiscal year for the Program's administrative  
21 costs, the salary of the Director of the Program and other Program staff,  
22 expenses of the Commission, and to provide the Commission with funds to  
23 use for the extracurricular enhancement activities of the Program.

24 (2) The Authority may use the greater of two hundred fifty thousand dollars  
25 (\$250,000) or four percent (4%) of the funds appropriated to the Trust Fund  
26 each fiscal year for administrative costs associated with the Program.

27 (3) The Authority shall provide the Commission with up to six hundred thousand  
28 dollars (\$600,000) from the Trust Fund in each fiscal year for the Commission  
29 to provide mentoring and coaching support to forgivable loan recipients  
30 through the North Carolina New Teacher Support Program ~~as follows:~~

31 a. ~~Up in an amount of up to two thousand two hundred dollars (\$2,000)-(\$2,200)~~  
32 for each Program recipient serving as a teacher in a North Carolina public  
33 school identified as low performing under G.S. 115C-105.37.

34 b. ~~Up to one thousand dollars (\$1,000) for each Program recipient serving as a~~  
35 ~~teacher in a North Carolina public school not identified as low performing~~  
36 ~~under G.S. 115C-105.37; school.~~

37 (d) Director of the Program. – The Board of Governors of The University of North  
38 Carolina shall appoint a Director of the Program. The Director shall appoint staff to the  
39 Commission and shall be responsible for recruitment and coordination of the Program, including  
40 proactive, aggressive, and strategic recruitment of potential recipients. Recruitment activities  
41 shall include (i) targeting regions of the State with the highest teacher attrition rates and teacher  
42 recruitment ~~challenges, challenges as identified in the annual report published by the State Board~~  
43 of Education pursuant to G.S. 115C-299.5, (ii) actively engaging with educators, business  
44 leaders, experts in human resources, elected officials, and other community leaders throughout  
45 the State, and (iii) attracting candidates in ~~STEM and special education~~ STEM, special education,  
46 elementary education, ELA, and other hard-to-staff subject licensure areas ~~areas, particularly~~  
47 students of color and male students, to the Program. The Director shall report to the President of  
48 The University of North Carolina. The Authority shall provide office space and clerical support  
49 staff, as necessary, to the Director for the Program.

1 (e) Student Selection Criteria for Forgivable Loans. – The Commission shall adopt  
2 stringent standards for awarding forgivable loans based on multiple measures to ensure that only  
3 the strongest applicants receive them, including the following:

- 4 (1) Grade point averages.
- 5 (2) Performance on relevant career and college readiness assessments.
- 6 (3) Experience, accomplishments, and other criteria demonstrating qualities  
7 positively correlated with highly effective teachers, including excellent verbal  
8 and communication skills.
- 9 (4) Demonstrated commitment to serve in a ~~STEM or special education~~ STEM,  
10 special education, elementary education, ELA, or other hard-to-staff subject  
11 licensure area in North Carolina public schools.

12 (f) Program Selection Criteria. – The Authority shall administer the Program in  
13 cooperation with North Carolina Agricultural and Technical State University, Appalachian State  
14 University, and East Carolina University and five other institutions of higher education with  
15 approved educator preparation programs selected by the Commission that represent both  
16 postsecondary constituent institutions of The University of North Carolina and private  
17 postsecondary institutions operating in the State. All of the participating institutions of higher  
18 education shall provide more clinical classroom experiences for second and third year  
19 participants in the Program and coursework or experiential learning that focuses on cultural  
20 diversity than are offered at other educator preparation programs in the State. The Commission  
21 shall also adopt stringent standards for selection of the five other institutions participating in the  
22 Program to ensure selection of the most effective educator preparation programs, including the  
23 following:

- 24 (1) Demonstrates high rates of educator effectiveness on value-added models and  
25 teacher evaluations, including using performance-based, subject-specific  
26 assessment and support systems, such as edTPA or other metrics of evaluating  
27 candidate effectiveness that have predictive validity.
- 28 (2) Demonstrates measurable impact of prior graduates on student learning,  
29 including impact of graduates teaching in ~~STEM or special education~~ STEM,  
30 special education, elementary education, ELA, and other hard-to-staff subject  
31 licensure areas.
- 32 (3) Demonstrates high rates of graduates passing exams required for teacher  
33 licensure.
- 34 (4) Provides curricular and co-curricular enhancements in leadership, facilitates  
35 learning for diverse learners, and promotes community engagement,  
36 classroom management, and reflection and assessment.
- 37 (5) Requires at least a minor concentration of study in the subject area that the  
38 candidate may teach.
- 39 (6) Provides early and frequent internship or practical experiences, including the  
40 opportunity for participants to perform practicums in diverse school  
41 environments.
- 42 (7) Is approved by the State Board of Education as an educator preparation  
43 program.

44 (g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected  
45 students to be used at the ~~five selected participating~~ participating institutions for completion of a program  
46 leading to initial teacher licensure as follows:

- 47 (1) North Carolina high school seniors. – Forgivable loans of up to four thousand  
48 one hundred twenty-five dollars (\$4,125) per semester for up to eight  
49 semesters.
- 50 (2) Students applying for transfer to a ~~selected participating~~ educator preparation  
51 program at an institution of higher education. – Forgivable loans of up to four

1 thousand one hundred twenty-five dollars (\$4,125) per semester for up to six  
2 semesters.

3 (3) Individuals currently holding a bachelor's degree seeking preparation for  
4 teacher licensure. – Forgivable loans of up to four thousand one hundred  
5 twenty-five dollars (\$4,125) per semester for up to four semesters.

6 (4) Students matriculating at institutions of higher education who are changing to  
7 ~~enrollment in a selected~~ an approved program of study at a participating  
8 educator preparation program. – Forgivable loans of up to four thousand one  
9 hundred twenty-five dollars (\$4,125) per semester for up to four semesters.

10 Forgivable loans may be used for tuition, fees, the cost of books, and expenses related to  
11 obtaining licensure.

12 (h) ~~Identification of STEM and Special Education~~ STEM, Special Education, Elementary  
13 Education, ELA, and Hard-to-Staff Subject Licensure Areas. – The Superintendent of Public  
14 Instruction shall identify and provide to the Commission and the Authority a list of ~~STEM and~~  
15 ~~special education~~ STEM, special education, elementary education, ELA, and other hard-to-staff  
16 subject licensure areas and shall annually provide to the Commission the number of available  
17 positions in each licensure area relative to the number of current and anticipated teachers in that  
18 area of licensure. The Commission shall make the list of ~~STEM and special education~~ STEM,  
19 special education, elementary education, ELA, and other hard-to-staff subject licensure areas  
20 readily available to applicants.

21 (i) Administration of Forgivable Loan Awards. – Upon the naming of recipients of the  
22 forgivable loans by the Commission, the Commission shall transfer to the Authority its decisions.  
23 The Authority, in coordination with the Director, shall perform all of the administrative functions  
24 necessary to implement this Part, which functions shall include rule making, disseminating  
25 information, acting as a liaison with participating institutions of higher education, implementing  
26 forgivable loan agreements, loan monitoring, loan cancelling through service and collection,  
27 determining the acceptability of service repayment agreements, enforcing the agreements, and  
28 all other functions necessary for the execution, payment, and enforcement of promissory notes  
29 required under this Part.

30 (i1) New Teacher Support Program. – Upon graduation from a participating educator  
31 preparation program, forgivable loan recipients shall be invited to participate in the North  
32 Carolina New Teacher Support Program at no cost to the recipient or the local school  
33 administrative unit in which the recipient is employed.

34 (j) Annual Report. – The Commission, in coordination with the Authority, the  
35 Department of Public Instruction, and the ~~selected~~ educator education programs participating in  
36 the Program shall report no later than January 1, 2019, and annually thereafter, to the Joint  
37 Legislative Education Oversight Committee regarding the following:

38 (1) Forgivable loans awarded from the Trust Fund, including the following:

- 39 a. Demographic information regarding recipients.  
40 b. Number of recipients by institution of higher education and program.  
41 c. Information on number of recipients by anticipated ~~STEM and special~~  
42 ~~education~~ STEM, special education, elementary education, ELA, and  
43 other hard-to-staff subject licensure area.

44 (2) Placement and repayment rates, including the following:

- 45 a. Number of graduates who have been employed in a ~~STEM or special~~  
46 ~~education~~ STEM, special education, elementary education, ELA, and  
47 other hard-to-staff subject licensure area within two years of program  
48 completion.  
49 b. Number of graduates who accepted employment at a low-performing  
50 school identified under G.S. 115C-105.37 as part of their years of  
51 service.

- 1 c. Number of graduates who have elected to do loan repayment and their  
2 years of service, if any, prior to beginning loan repayment.
- 3 d. Number of graduates employed in a ~~STEM or special education~~  
4 STEM, special education, elementary education, ELA, and other  
5 hard-to-staff subject licensure area who have received an overall rating  
6 of at least accomplished and have met expected growth on applicable  
7 standards of the teacher evaluation instrument.
- 8 e. Aggregate information on student growth and proficiency in courses  
9 taught by graduates who have fulfilled service requirements through  
10 employment in a ~~STEM or special education~~ STEM, special  
11 education, elementary education, ELA, and other hard-to-staff subject  
12 licensure area.
- 13 (2a) Mentoring and coaching support through the North Carolina New Teacher  
14 Support Program, including the following:
- 15 a. Number of forgivable loan recipients who received mentoring and  
16 coaching support when employed at a low-performing school  
17 identified under G.S. 115C-105.37.
- 18 b. Number of forgivable loan recipients who received mentoring and  
19 coaching support when employed at a school not identified as  
20 low-performing under G.S. 115C-105.37.
- 21 (3) Selected school outcomes by program, including the following:
- 22 a. Turnover rate for forgivable loan graduates, including the turnover rate  
23 for graduates who also received mentoring and coaching support  
24 through the North Carolina New Teacher Support Program.
- 25 b. Aggregate information on student growth and proficiency as provided  
26 annually by the State Board of Education to the Commission in courses  
27 taught by forgivable loan graduates.
- 28 c. Fulfillment rate of forgivable loan graduates.

29 **"§ 116-209.63. Terms of forgivable loans; receipt and disbursement of funds.**

30 (a) Notes. – All forgivable loans shall be evidenced by notes made payable to the  
31 Authority that bear interest at a rate not to exceed ten percent (10%) per year as set by the  
32 Authority and beginning on the first day of September after the completion of the program  
33 leading to teacher licensure or 90 days after graduation, whichever is later. If a forgivable loan is  
34 terminated, the note shall be made payable to the Authority 90 days after termination of the  
35 forgivable loan. The forgivable loan may be terminated upon the recipient's withdrawal from the  
36 Program or by the recipient's failure to meet the standards set by the Commission.

37 (b) Forgiveness. – The Authority shall forgive the loan and any interest accrued on the  
38 loan if, within 10 years after graduation from a program leading to teacher licensure, exclusive  
39 of any authorized deferment for extenuating circumstances, the recipient serves as a teacher in a  
40 ~~STEM or special education~~ STEM, special education, elementary education, ELA, or other  
41 hard-to-staff subject licensure area, as provided in G.S. 116-209.62(h), for every year the teacher  
42 was awarded the forgivable loan, in any combination of the following:

- 43 (1) ~~One year~~ Six months at a North Carolina public school identified as  
44 low-performing under G.S. 115C-105.37 at the time the teacher accepts  
45 employment at the school or, if the teacher changes employment during this  
46 period, at another school identified as low-performing.
- 47 (2) ~~Two years~~ One year at a North Carolina public school not identified as  
48 low-performing under G.S. 115C-105.37.

49 The Authority shall also forgive the loan if it finds that it is impossible for the recipient to  
50 work for up to eight years, within 10 years after completion of the program leading to teacher  
51 licensure, at a North Carolina public school because of the death or permanent disability of the

1 recipient. If the recipient repays the forgivable loan by cash payments, all indebtedness shall be  
2 repaid within 10 years after completion of the program leading to teacher licensure supported by  
3 the forgivable loan. If the recipient completes a program leading to teacher licensure, payment  
4 of principal and interest shall begin no later than the first day of September after the completion  
5 of the program. Should a recipient present extenuating circumstances, the Authority may extend  
6 the period to repay the loan in cash to no more than a total of 12 years."

7 **SECTION 2.** The Superintendent of Public Instruction shall establish the initial list  
8 of elementary education, ELA, and other hard-to-staff subject licensure areas and provide that  
9 information, as well as the number of available positions in elementary education, ELA, and  
10 other hard-to-staff subject licensure areas to the Commission by October 1, 2019.

11 **SECTION 3.** The North Carolina Teaching Fellows Commission shall select and  
12 award forgivable loans for the initial recipients for the elementary education, ELA, or other  
13 hard-to-staff subject licensure areas by April 1, 2020, for the 2020-2021 academic year.

14 **SECTION 4.** There is appropriated from the General Fund to the North Carolina  
15 Teaching Fellows Program Trust Fund established under G.S. 116-209.62, as amended by this  
16 act, the sum of one million six hundred fifty thousand dollars (\$1,650,000) in additional recurring  
17 funds for the 2019-2020 fiscal year to provide for 50 additional cohort slots for forgivable loans  
18 under Part 3 of Article 23 of Chapter 116 of the General Statutes, as amended by this act,  
19 beginning with the 2020-2021 academic year.

20 **SECTION 5.** This act becomes effective July 1, 2019, and applies to the  
21 administration of the NC Teaching Fellows Program on or after that date.