

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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HOUSE BILL 1045

Short Title: Enhance Teacher Pipeline/Increase TF Program. (Public)

Sponsors: Representatives Ball, Elmore, Prather, and Pierce (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 7, 2024

A BILL TO BE ENTITLED
AN ACT TO EXPAND AND ENHANCE THE NORTH CAROLINA TEACHING FELLOWS
PROGRAM.

Whereas, the pursuit of teaching is the pursuit of excellence, and excellent teachers are not just born, they are developed, equipped, trained, and valued; and

Whereas, all students in North Carolina deserve to be taught by excellent teachers;
and

Whereas, the North Carolina Teaching Fellows Program has an important legacy in North Carolina, providing the best and brightest students the opportunity to have a place of influence and distinction by elevating them to a vital role – the role of a teacher; and

Whereas, based on the sorely inadequate and regularly declining enrollment in teacher preparation programs and an accelerating teacher turnover rate, North Carolina is facing an overwhelming teacher shortage across the State, especially in rural counties; and

Whereas, the teacher shortage is a growing crisis for our entire educational system as well as the future of our State; and

Whereas, to solve this problem and provide stable, talented, motivated, and excellent teachers in our classrooms, we need to continue to rebuild the North Carolina Teaching Fellows Program; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1.(a) Part 3 of Article 23 of Chapter 116 of the General Statutes reads as rewritten:

"Part 3. North Carolina Teaching Fellows Program.

"§ 116-209.60. Definitions.

The following definitions apply in this Part:

- (1) Commission. – The North Carolina Teaching Fellows Commission.
- (2) Director. – The Director of the North Carolina Teaching Fellows Program.
- (3) Forgivable loan. – A forgivable loan made under the Program.
- (4) Program. – The North Carolina Teaching Fellows Program.
- (5) Public school. – An elementary or secondary school located in North Carolina that is governed by a local board of education, charter school board of directors, regional school board of directors, or University of North Carolina laboratory school board of trustees.

~~(5a) Qualifying licensure area. — A teacher licensure area in one of the following subjects:~~

~~a. Either of the following, as identified pursuant to G.S. 116-209.62(h):~~



- 1 1. ~~Special education.~~
- 2 2. ~~STEM.~~
- 3 b. ~~Elementary education (K-6).~~
- 4 (5b) Qualifying teacher. – A teacher in a North Carolina public school who meets
- 5 the following criteria:
- 6 a. Received a forgivable loan under the Program.
- 7 b. Graduated within 10 years from an educator preparation program
- 8 leading to teacher licensure, excluding any authorized deferment for
- 9 extenuating circumstances.
- 10 (6) ~~STEM. — Science, technology, engineering, and mathematics.~~
- 11 (7) Trust Fund. – The North Carolina Teaching Fellows Program Trust Fund.

12 ...

13 **"§ 116-209.62. North Carolina Teaching Fellows Program established; administration.**

14 (a) Program. – There is established the North Carolina Teaching Fellows Program to be
15 administered by the System Office of The University of North Carolina, in conjunction with the
16 Authority and the Commission. The purpose of the Program is to recruit, prepare, and support
17 students residing in or attending institutions of higher education located in North Carolina for
18 preparation as highly effective teachers ~~in qualifying licensure areas~~ in the State's public schools.
19 The Program shall be used to provide a forgivable loan to individuals interested in preparing to
20 teach in the public schools of the ~~State in qualifying licensure areas.~~ State.

21 (b) Trust Fund. – There is established the North Carolina Teaching Fellows Program
22 Trust Fund to be administered by the Authority, in conjunction with the System Office of The
23 University of North Carolina. All funds (i) appropriated to, or otherwise received by, the Program
24 for forgivable loans and other Program purposes, (ii) received as repayment of forgivable loans,
25 and (iii) earned as interest on these funds shall be placed in the Trust Fund. The purpose of the
26 Trust Fund is to provide financial assistance to qualified students for completion of teacher
27 education and licensure programs to ~~fill qualifying licensure areas~~ teach in the public schools of
28 the State.

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

34 (1) The Authority shall transfer the ~~greater of six hundred thousand dollars~~
35 ~~(\$600,000) or ten percent (10%) following amounts~~ of the available funds
36 from the Trust Fund to the General Administration of The University of North
37 Carolina System Office at the beginning of each fiscal ~~year~~ year:

38 a. ~~The greater of six hundred thousand dollars (\$600,000) or ten percent~~
39 ~~(10%) for the Program's administrative costs, the salary of the Director~~
40 ~~of the Program and other Program staff, expenses of the Commission,~~
41 ~~and to provide the Commission with funds to use for the~~
42 ~~extracurricular enhancement activities of the Program and expenses of~~
43 ~~the Commission.~~
The greater of six hundred thousand dollars (\$600,000) or ten percent (10%) for the Program's administrative costs, the salary of the Director of the Program and other Program staff, expenses of the Commission, and to provide the Commission with funds to use for the extracurricular enhancement activities of the Program and expenses of the Commission.

44 b. ~~The sum of up to six hundred thousand dollars (\$600,000) for~~
45 ~~extracurricular enhancement activities of the Program, including (i)~~
46 ~~summer programs to maintain year-round connections and (ii) alumni~~
47 ~~programs to foster continued engagement after graduation. These~~
48 ~~activities should be geared to instilling a strong motivation not only to~~
49 ~~remain in teaching but to provide leadership for tomorrow's schools.~~
The sum of up to six hundred thousand dollars (\$600,000) for extracurricular enhancement activities of the Program, including (i) summer programs to maintain year-round connections and (ii) alumni programs to foster continued engagement after graduation. These activities should be geared to instilling a strong motivation not only to remain in teaching but to provide leadership for tomorrow's schools.

- 1 c. The sum of up to five hundred thousand dollars (\$500,000) for the
2 Director of the Program to implement the recruitment activities
3 identified in subsection (d) of this section.
- 4 (2) The Authority may use the greater of two hundred fifty thousand dollars
5 (\$250,000) or four percent (4%) of the funds appropriated to the Trust Fund
6 each fiscal year for administrative costs associated with the Program.
- 7 (3) The Authority shall provide the Commission with up to six hundred thousand
8 dollars (\$600,000) from the Trust Fund in each fiscal year for the Commission
9 to provide mentoring and coaching support to forgivable loan recipients
10 through the North Carolina New Teacher Support Program in an amount of
11 up to two thousand two hundred dollars (\$2,200) for each Program recipient.
12 Funds shall be prioritized for teachers serving in North Carolina public
13 schools identified as low-performing under G.S. 115C-105.37.
- 14 (d) Director of the Program. – The Board of Governors of The University of North
15 Carolina shall appoint a Director of the Program. The Director shall appoint staff to the
16 Commission and shall be responsible for recruitment and coordination of the Program, including
17 proactive, aggressive, and strategic recruitment of potential recipients. Recruitment activities
18 shall include (i) targeting regions of the State with the highest teacher attrition rates and teacher
19 recruitment challenges, (ii) actively engaging with educators, business leaders, experts in human
20 resources, elected officials, and other community leaders throughout the State, and (iii) attracting
21 candidates ~~in qualifying licensure areas~~ to the Program. The Director shall report to the President
22 of The University of North Carolina. The Authority shall provide office space and clerical
23 support staff, as necessary, to the Director for the Program.
- 24 (e) Student Selection Criteria for Forgivable Loans. – The Commission shall adopt
25 stringent standards for awarding forgivable loans based on multiple measures to ensure that only
26 the strongest applicants receive them, including the following:
- 27 (1) Grade point averages.
- 28 (2) Performance on relevant career and college readiness assessments.
- 29 (3) Experience, accomplishments, and other criteria demonstrating qualities
30 positively correlated with highly effective teachers, including excellent verbal
31 and communication skills.
- 32 (4) Demonstrated commitment to serve in ~~a qualifying licensure area in~~ North
33 Carolina public schools.
- 34 (f) Program Selection Criteria. – The Authority shall administer the Program in
35 cooperation with ~~up to 10 institutions of higher education with approved educator preparation~~
36 ~~programs selected by the Commission that represent a diverse selection of both postsecondary~~
37 ~~constituent institutions of The University of North Carolina and private postsecondary~~
38 ~~institutions operating in the State. The Commission shall adopt stringent standards for selection~~
39 ~~of the most effective educator preparation programs, including the following:~~
- 40 (1) ~~Demonstrates high rates of educator effectiveness on value-added models and~~
41 ~~teacher evaluations, including using performance-based, subject-specific~~
42 ~~assessment and support systems, such as edTPA or other metrics of evaluating~~
43 ~~candidate effectiveness that have predictive validity.~~
- 44 (2) ~~Demonstrates measurable impact of prior graduates on student learning,~~
45 ~~including impact of graduates teaching in qualifying licensure areas.~~
- 46 (3) ~~Demonstrates high rates of graduates passing exams required for teacher~~
47 ~~licensure.~~
- 48 (4) ~~Provides curricular and co-curricular enhancements in leadership, facilitates~~
49 ~~learning for diverse learners, and promotes community engagement,~~
50 ~~classroom management, and reflection and assessment.~~

- 1 (5) ~~Requires at least a minor concentration of study in the subject area that the~~
2 ~~candidate may teach.~~
- 3 (6) ~~Provides early and frequent internship or practical experiences, including the~~
4 ~~opportunity for participants to perform practicums in diverse school~~
5 ~~environments.~~
- 6 (7) ~~Is approved by the State Board of Education as an educator preparation~~
7 ~~program.~~
- 8 (8) ~~For an educator preparation program enrolling loan recipients in a program of~~
9 ~~study leading to licensure in elementary education (K-6), provides training~~
10 ~~that is aligned with the Science of Reading in accordance with~~
11 ~~G.S. 115C-269.20. The Commission shall contract with a third party entity to~~
12 ~~biennially evaluate whether a program identified in this subdivision is~~
13 ~~providing training that is aligned with the Science of Reading.~~

14 any institution of higher education with an approved educator preparation program. An
15 educator preparation program enrolling loan recipients in a program of study that leads to
16 licensure in elementary education (K-6) shall provide training that is aligned with the Science of
17 Reading in accordance with G.S. 115C-269.20. The Commission shall contract with a third-party
18 entity to biennially evaluate whether a program identified in this subdivision is providing training
19 that is aligned with the Science of Reading.

20 (g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected
21 students ~~to be used at up to 10 selected institutions for completion of a program leading to initial~~
22 teacher licensure as follows:

- 23 (1) ~~North Carolina high school seniors. – Forgivable loans of up to five thousand~~
24 ~~dollars (\$5,000) per semester for up to eight semesters.~~ twelve thousand dollars
25 (\$12,000) per year for up to four years.
- 26 (2) ~~Students applying for transfer to a selected educator preparation program at~~
27 ~~an institution of higher education. – Forgivable loans of up to five thousand~~
28 ~~dollars (\$5,000) per semester for up to six semesters.~~ twelve thousand dollars
29 (\$12,000) per year for up to four years.
- 30 (3) ~~Individuals currently holding a bachelor's degree seeking preparation for~~
31 ~~teacher licensure. – Forgivable loans of up to five thousand dollars (\$5,000)~~
32 ~~per semester for up to four semesters.~~ twelve thousand dollars (\$12,000) per
33 year for up to two years.
- 34 (4) ~~Students matriculating at institutions of higher education who are changing to~~
35 ~~an approved program of study at a selected educator preparation program. –~~
36 ~~Forgivable loans of up to five thousand dollars (\$5,000) per semester for up~~
37 ~~to four semesters.~~ twelve thousand dollars (\$12,000) per year for up to four
38 years.

39 Forgivable loans may be used for tuition, fees, the cost of books, room and board, and any
40 other education expenses related to obtaining licensure.

41 ~~(h) Identification of STEM and Special Education Licensure Areas. – The Superintendent~~
42 ~~of Public Instruction shall identify and provide to the Commission and the Authority a list of~~
43 ~~STEM and special education licensure areas and shall annually provide to the Commission the~~
44 ~~number of available positions in each qualifying licensure area relative to the number of current~~
45 ~~and anticipated teachers in that area of licensure. The Commission shall make the list of STEM~~
46 ~~and special education licensure areas readily available to applicants.~~

47 ...

48 (j) Annual Report. – The Commission, in coordination with the Authority, the
49 Department of Public Instruction, each constituent institution of The University of North
50 Carolina, and the selected private educator education programs participating in the Program shall

1 report no later than January 1, 2019, and annually thereafter, to the Joint Legislative Education
2 Oversight Committee regarding the following:

- 3 (1) Forgivable loans awarded from the Trust Fund, including the following:
- 4 a. Demographic information regarding recipients.
 - 5 b. Number of recipients by institution of higher education and program.
 - 6 c. Information on number of recipients by anticipated ~~qualifying~~
7 licensure area.
- 8 (2) Placement and repayment rates, including the following:
- 9 a. Number of graduates who have been employed ~~in a qualifying~~
10 ~~licensure area as a public school teacher in North Carolina~~ within
11 two years of program completion.
 - 12 b. Number of graduates who accepted employment at a low-performing
13 school identified under G.S. 115C-105.37 as part of their years of
14 service.
 - 15 c. Number of graduates who have elected to do loan repayment and their
16 years of service, if any, prior to beginning loan repayment.
 - 17 d. Number of graduates employed in a ~~qualifying licensure area~~ North
18 Carolina public school who have received an overall rating of at least
19 accomplished and have met expected growth on applicable standards
20 of the teacher evaluation instrument.
 - 21 e. Aggregate information on student growth and proficiency in courses
22 taught by graduates who have fulfilled service requirements through
23 employment in a ~~qualifying licensure area~~ North Carolina public
24 school.

25

26 **"§ 116-209.63. Terms of forgivable loans; receipt and disbursement of funds.**

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

34 (b) Forgiveness. – For every year a qualifying teacher remains a qualifying teacher, the
35 Authority shall forgive the loan amount received over one year of enrollment in an educator
36 preparation program and any interest accrued on that amount.

37 The Authority shall also forgive the loan if it finds that it is impossible for the recipient to
38 work for up to ~~eight~~ four years, within 10 years after completion of the program leading to teacher
39 licensure, at a North Carolina public school because of the death or permanent disability of the
40 recipient. If the recipient repays the forgivable loan by cash payments, all indebtedness shall be
41 repaid within 10 years after completion of the program leading to teacher licensure supported by
42 the forgivable loan. If the recipient completes a program leading to teacher licensure, payment
43 of principal and interest shall begin no later than the first day of September after the completion
44 of the program. Should a recipient present extenuating circumstances, the Authority may extend
45 the period to repay the loan in cash to no more than a total of 12 years."

46 **SECTION 1.(b)** Notwithstanding Section 8A.4(c) of S.L. 2023-134, the State
47 Education Assistance Authority shall forgive any loan that is outstanding for any person under
48 the Teaching Fellows Program and any interest accrued on that loan, if the person meets the
49 criteria for forgiveness provided in G.S. 116-209.63(b), as amended by Section 8A.4(a) of S.L.
50 2023-134 and subsection (a) of this section.

1 **SECTION 2.** This act becomes effective July 1, 2024. Except as provided in
2 subsection (b) of Section 1 in this act, subsection (a) of Section 1 of this act applies to applications
3 for the award of funds beginning in the 2024-2025 academic year.