

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS65208-LH-172 (3/7)

Short Title: Enhance Prospective Teacher Scholarships. (Public)

Sponsors: Senator Swindell.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENHANCE ACCESSIBILITY TO SCHOLARSHIP LOAN FUNDS FOR TEACHERS, GUIDANCE COUNSELORS, AND COACHES BY CONSOLIDATING THE FUTURE TEACHERS OF NORTH CAROLINA SCHOLARSHIP LOAN FUND AND THE PHYSICAL EDUCATION – COACHING SCHOLARSHIP LOAN FUND WITH THE PROSPECTIVE TEACHERS SCHOLARSHIP LOAN FUND.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 116-209.33 reads as rewritten:

"§ 116-209.33. Scholarship Loan Fund for Prospective Teachers.

(a) There is established a revolving fund known as the "Scholarship Loan Fund for Prospective Teachers". The purpose of the Fund is to provide scholarship loans to qualified ~~individuals-students~~ who are pursuing college degrees or licensure to become ~~teachers-teachers~~ or guidance counselors in the North Carolina public schools and encourage some of those individuals to become coaches or assistant coaches. Scholarship loans shall be available only to students who are enrolled, or accepted for enrollment, in institutions of higher education located in this State that offer programs that prepare students to teach in the public schools or, in the case of scholarship loans for guidance counselors, that offer graduate degrees in counselor education. The State Education Assistance Authority shall administer the Fund.

(b) The State Education Assistance Authority, in consultation with the ~~State Board of Education,~~ Board of Governors of The University of North Carolina and the State Board of Community Colleges, shall develop criteria for awarding scholarship loans from the Fund. These criteria shall include:

(1) Measures of academic performance including grade point averages, scores on standardized ~~tests,~~ tests as appropriate, class rank, and

1 recommendations of guidance counselors and ~~principals~~principals or
2 faculty and college administrators.

3 (2) North Carolina residency. – For purposes of this section, residency
4 shall be determined by the same standard as residency for tuition
5 purposes pursuant to G.S. 116-143.1.

6 (3) The geographic areas or subjects of instruction in which the demand
7 for teachers is ~~greatest~~greatest, including math, science, special
8 education, and English as a Second Language.

9 (4) ~~To the extent practical, an equal number of scholarships shall be~~
10 ~~awarded in each of the State's Congressional Districts.~~

11 (5)(4) Any additional criteria that the State Education Assistance Authority
12 considers necessary to administer the Fund effectively, including the
13 following:

14 a. Consideration of the appropriate numbers of minority applicants
15 and applicants from diverse socioeconomic backgrounds to
16 receive scholarships pursuant to this section.

17 b. Consideration of the commitment an individual applying to
18 receive funds demonstrates to the profession of teaching.

19 (c) The State Education Assistance Authority shall earmark each year up to 25
20 scholarship loans under this section for new awards to students enrolled in teacher
21 preparation programs that demonstrate a commitment to the profession of coaching. The
22 State Education Assistance Authority may earmark each year up to twenty percent
23 (20%) of the funds available for scholarship loans under this section for awards to
24 applicants for the Teacher Assistant Scholarship Fund established in G.S. 116-209.35."

25 **SECTION 2.** G.S. 116-209.34 reads as rewritten:

26 "**§ 116-209.34. Fund administered by State Education Assistance Authority;**
27 **rule-making authority.**

28 (a) The State Education Assistance Authority shall establish the terms and
29 conditions for the scholarship loans consistent with the following:

30 (1) ~~The Each scholarship loan amount shall be not exceed more than four~~
31 ~~thousand dollars (\$4,000)~~six thousand five hundred dollars (\$6,500)
32 per academic school year for a maximum period of four academic
33 years for applicants who are pursuing a college degree to become a
34 teacher.years.

35 (2) All scholarship loans shall be evidenced by notes made payable to the
36 Authority that bear interest at the rate ~~of~~set by the Authority not to
37 exceed ten percent (10%) per year, beginning September 190 days
38 after graduation, or immediately after termination of the scholarship
39 loan, whichever is earlier.

40 (3) A scholarship loan shall be terminated upon the recipient's
41 withdrawing from school or a finding by the Authority that the
42 recipient fails to meet the standards set by the Authority. All
43 terminated scholarships shall be regarded as vacant and subject to
44 being awarded to other eligible persons.

1 (4) The Authority shall forgive a four-year loan if, within seven years after
2 graduation, exclusive of any deferment authorized by the Authority on
3 the basis of extenuating circumstances, the recipient teaches for four
4 years at a North Carolina public school or at a school operated by the
5 United States government in North Carolina. The Authority shall also
6 forgive a four-year loan if, within seven years after graduation,
7 exclusive of any deferment authorized by the Authority on the basis of
8 extenuating circumstances, the recipient teaches for three consecutive
9 years, or for three years interrupted only by an approved leave of
10 absence, at a North Carolina public school that is in a low-performing
11 school system or a school system on warning status at the time the
12 recipient accepts employment with the local school administrative unit.
13 For loans of less than four years, the Authority shall forgive one year
14 for each year the recipient teaches, within four years of graduation,
15 exclusive of any deferment authorized by the Authority on the basis of
16 extenuating circumstances, at a North Carolina public school or a
17 school operated by the United States government in North Carolina.

18 (5) The Authority may forgive or reduce any loan payment if the
19 Authority considers that extenuating circumstances exist that would
20 make teaching or repayment impossible.

21 (6) The Authority shall ensure that all repayments, including the accrued
22 interest, are placed in the Fund.

23 (b) The State Education Assistance ~~Authority, in consultation with the State~~
24 ~~Board of Education,~~ Authority shall adopt rules to implement G.S. 116-209.33,
25 116-209.34, and 116-209.35.

26 (c) The State Education Assistance Authority shall: (i) prepare a clear written
27 explanation of the Scholarship Loan Fund for Prospective Teachers and the information
28 regarding the availability and criteria for awarding the scholarships; and (ii) provide that
29 information to the appropriate counselors in each local school system and appropriate
30 administrators in the institutions of higher education in the State and shall charge those
31 counselors and administrators to inform students about the scholarships and to
32 encourage them to apply for the scholarships."

33 **SECTION 3.** G.S. 116-209.36 and G.S. 116-209.38 are repealed effective
34 July 1, 2008.

35 **SECTION 4.** This act becomes effective January 1, 2008, and applies to all
36 scholarship loans awarded for academic years beginning after July 1, 2008.