

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL 252\*

Short Title: North Carolina Teaching Fellows. (Public)

Sponsors: Senators Barefoot, Lee, Ballard (Primary Sponsors); Alexander, Britt, Chaudhuri, Clark, Curtis, Daniel, Edwards, Foushee, Horner, J. Jackson, Krawiec, Lowe, McInnis, Newton, Pate, Robinson, Sanderson, Smith-Ingram, Van Duyn, and Waddell.

Referred to: Rules and Operations of the Senate

March 15, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REESTABLISH THE NORTH CAROLINA TEACHING FELLOWS  
3 PROGRAM.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** Article 23 of Chapter 116 of the General Statutes is amended by  
6 adding a new Part to read:

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 (3) Forgivable loan. – A forgivable loan made under the Program.  
13 (4) Fund. – The North Carolina Teaching Fellows Program Fund.  
14 (5) Program. – The North Carolina Teaching Fellows Program.  
15 (6) Public school. – An elementary or secondary school located in North  
16 Carolina that is governed by a local board of education, charter school board  
17 of directors, regional school board of directors, or University of North  
18 Carolina laboratory school board of trustees.  
19 (7) STEM. – Science, technology, engineering, and mathematics.

20 **"§ 116-209.61. North Carolina Teaching Fellows Commission established; membership.**

21 (a) Commission Established. – There is established the North Carolina Teaching  
22 Fellows Commission. The Commission shall determine program and forgivable loan recipient  
23 selection criteria, selection procedures, and shall select the recipients to receive forgivable  
24 loans under the North Carolina Teaching Fellows Program in accordance with the requirements  
25 of this Part. The Director of the North Carolina Teaching Fellows Program shall appoint staff to  
26 the Commission.

27 (b) Membership. – The Commission shall consist of 14 members appointed or shall  
28 serve as ex officio members as follows:

- 29 (1) The Board of Governors of The University of North Carolina shall appoint  
30 seven members to the Commission as follows:  
31 a. Two deans of approved schools of education at postsecondary  
32 constituent institutions of The University of North Carolina.  
33 b. The president of a North Carolina community college.



- 1           c.     A teacher who graduated from an approved educator preparation  
2                 program located in the State within three years of appointment to  
3                 serve on the Commission.  
4           d.     A principal who graduated from an approved educator preparation  
5                 program located in the State.  
6           e.     A local board of education member.  
7           f.     A member to represent business and industry in North Carolina.

8           (2)    The General Assembly shall appoint two members to the Commission in  
9                 accordance with G.S. 120-121 as follows:

- 10           a.    One dean of an approved school of education at a private  
11                 postsecondary institution operating in the State upon the  
12                 recommendation of the Speaker of the House of Representatives.  
13           b.    One dean of an approved school of education at a private  
14                 postsecondary institution operating in the State upon the  
15                 recommendation of the President Pro Tempore of the Senate.

16           (3)    The following five members shall serve as ex officio members to the  
17                 Commission:

- 18           a.    The North Carolina Teacher of the Year.  
19           b.    The North Carolina Principal of the Year.  
20           c.    The North Carolina Superintendent of the Year.  
21           d.    The chair of the Board of the State Education Assistance Authority.  
22           e.    The Director of the North Carolina Teaching Fellows Program.

23           (c)    Terms of Office. – Appointments to the Commission shall be for two-year terms,  
24                 expiring on July 1 in odd-numbered years. Members serving ex officio, other than the chair of  
25                 the Board of the State Education Assistance Authority and Director of the North Carolina  
26                 Teaching Fellows Program, who have otherwise completed their term of service, shall continue  
27                 to serve on the Commission until July 1, annually.

28           (d)    Vacancies. – Except as otherwise provided, if a vacancy occurs in the membership  
29                 of the Commission, the appointing authority shall appoint another person meeting the same  
30                 qualifications to serve for the balance of the unexpired term.

31           (e)    Chair; Meetings. – The Director of the Program shall call the first meeting of the  
32                 Commission. The Commission members shall elect a chair and a vice-chair from the  
33                 membership of the Commission to serve one-year terms. The Commission shall meet regularly  
34                 at times and places deemed necessary by the chair or, in the absence of the chair, by the  
35                 vice-chair.

36           (f)    Conflict of Interest. – A member of the Commission shall abstain from voting on  
37                 the selection of an educator preparation program of a postsecondary constituent institution of  
38                 The University of North Carolina or a private postsecondary institution operating in the State  
39                 under G.S. 116-209.62(f) if the member is an officer or employee of the institution or sits as a  
40                 member of the institution's board of directors.

41           (g)    Expenses. – Commission members shall receive per diem, subsistence, and travel  
42                 allowances in accordance with G.S. 138-5 or G.S. 138-6, as appropriate.

43           **§ 116-209.62. North Carolina Teaching Fellows Program established; administration.**

44           (a)    Program. – There is established the North Carolina Teaching Fellows Program to be  
45                 administered by the General Administration of The University of North Carolina, in  
46                 conjunction with the Authority and the Commission. The purpose of the Program is to recruit,  
47                 prepare, and support students residing in or attending institutions of higher education located in  
48                 North Carolina for preparation as highly effective STEM or special education teachers in the  
49                 State's public schools. The Program shall be used to provide a forgivable loan to individuals  
50                 interested in preparing to teach in the public schools of the State in STEM or special education  
51                 licensure areas.

1        (b) Fund. – There is established the North Carolina Teaching Fellows Program Fund to  
2 be administered by the Authority, in conjunction with the General Administration of The  
3 University of North Carolina. All funds (i) appropriated to, or otherwise received by, the  
4 Program for forgivable loans; (ii) all funds received as repayment of forgivable loans; and (iii)  
5 all interest earned on these funds shall be placed in the Fund. The purpose of the Fund is to  
6 provide financial assistance to qualified students for completion of teacher education and  
7 licensure programs to fill STEM or special education licensure areas in the public schools of  
8 the State.

9        (c) Uses of Monies in the Fund. – The monies in the Fund may be used only for  
10 forgivable loans granted under the Program, administrative costs associated with the Program,  
11 including recruitment and recovery of funds advanced under the Program, and extracurricular  
12 enhancement activities of the Program. The Authority may use up to two hundred fifty  
13 thousand dollars (\$250,000) from the Fund in each fiscal year for its administrative costs, the  
14 salary of the Director of the Program, and expenses of the Commission. The Commission may  
15 use up to three hundred fifty thousand dollars (\$350,000) each fiscal year for the extracurricular  
16 enhancement activities of the Program.

17        (d) Director of the Program. – The Board of Governors of The University of North  
18 Carolina shall appoint a Director of the Program. The Director shall appoint staff to the  
19 Commission and shall be responsible for recruitment and coordination of the Program,  
20 including proactive, aggressive, and strategic recruitment of potential recipients. Recruitment  
21 activities shall include (i) targeting regions of the State with the highest teacher attrition rates  
22 and teacher recruitment challenges; (ii) actively engaging with educators, business leaders,  
23 experts in human resources, elected officials, and other community leaders throughout the  
24 State; and (iii) attracting candidates in STEM and special education licensure areas to the  
25 Program. The Authority shall provide office space and clerical support staff, as necessary, to  
26 the Director for the Program.

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

30            (1) Grade point averages.

31            (2) Performance on relevant career and college readiness assessments.

32            (3) Experience, accomplishments, and other criteria demonstrating qualities  
33 positively correlated with highly effective teachers, including excellent  
34 verbal and communication skills.

35            (4) Demonstrated commitment to serve in a STEM or special education  
36 licensure area in North Carolina public schools.

37        (f) Program Selection Criteria. – The Authority shall administer the Program in  
38 cooperation with five institutions of higher education with approved educator preparation  
39 programs selected by the Commission that represent both postsecondary constituent institutions  
40 of The University of North Carolina and private postsecondary institutions operating in the  
41 State. The Commission shall adopt stringent standards for selection of the most effective  
42 educator preparation programs, including the following:

43            (1) Demonstrates high rates of educator effectiveness on value-added models  
44 and teacher evaluations, including using performance-based, subject-specific  
45 assessment and support systems, such as edTPA or other metrics of  
46 evaluating candidate effectiveness that have predictive validity.

47            (2) Demonstrates measurable impact of prior graduates on student learning,  
48 including impact of graduates teaching in STEM or special education  
49 licensure areas.

50            (3) Demonstrates high rates of graduates passing exams required for teacher  
51 licensure.

- 1           (4)   Provides curricular and co-curricular enhancements in leadership, facilitates  
2           learning for diverse learners, and promotes community engagement,  
3           classroom management, and reflection and assessment.  
4           (5)   Requires at least a minor concentration of study in the subject area that the  
5           candidate may teach.  
6           (6)   Provides early and frequent internship or practical experiences, including the  
7           opportunity for participants to perform practicums in diverse school  
8           environments.  
9           (7)   Is approved by the State Board of Education as an educator preparation  
10          program.

11          (g)   Awards of Forgivable Loans. – The Program shall provide forgivable loans to  
12          selected students to be used at the five selected institutions for completion of a program leading  
13          to teacher licensure as follows:

- 14           (1)   North Carolina high school seniors. – Forgivable loans of up to eight  
15           thousand two hundred fifty dollars (\$8,250) per year for up to four years.  
16           (2)   Students applying for transfer to a selected educator preparation program at  
17           an institution of higher education. – Forgivable loans of up to eight thousand  
18           two hundred fifty dollars (\$8,250) per year for up to three years.  
19           (3)   Individuals currently holding a bachelor's degree seeking preparation for  
20           teacher licensure. – Forgivable loans of up to eight thousand two hundred  
21           fifty dollars (\$8,250) per year for up to two years.  
22           (4)   Students matriculating at institutions of higher education who are changing  
23           to enrollment in a selected educator preparation program. – Forgivable loans  
24           of up to eight thousand two hundred fifty dollars (\$8,250) per year for up to  
25           two years.

26          Forgivable loans may be used for tuition, fees, and the cost of books.

27          (h)   Identification of STEM and Special Education Licensure Areas. – The  
28          Superintendent of Public Instruction shall identify and provide to the Commission and the  
29          Authority a list of STEM and special education licensure areas and shall annually provide to  
30          the Commission the number of available positions in each licensure area relative to the number  
31          of current and anticipated teachers in that area of licensure. The Commission shall make the list  
32          of STEM and special education licensure areas readily available to applicants.

33          (i)   Administration of Forgivable Loan Awards. – Upon the naming of recipients of the  
34          forgivable loans by the Commission, the Commission shall transfer to the Authority its  
35          decisions. The Authority, in coordination with the Director, shall perform all of the  
36          administrative functions necessary to implement this Part, which functions shall include rule  
37          making, dissemination of information, liaison with participating institutions of higher  
38          education, implementing forgivable loan agreements, loan monitoring, loan cancelling through  
39          service and collection, determination of the acceptability of service repayment agreements,  
40          enforcing the agreements, and all other functions necessary for the execution, payment, and  
41          enforcement of promissory notes required under this Part.

42          (j)   Annual Report. – The Commission, in coordination with the Authority, shall report  
43          no later than January 1, 2019, and annually thereafter, to the Joint Legislative Education  
44          Oversight Committee regarding the following:

- 45           (1)   Forgivable loans awarded from the Fund, including the following:  
46           a.   Demographic information regarding recipients.  
47           b.   Number of recipients by institution of higher education and program.  
48           c.   Information on number of recipients by anticipated STEM and  
49           special education licensure area.  
50           (2)   Placement and repayment rates, including the following:

- a. Number of graduates who have been employed in a STEM or special education licensure area within two years of program completion.
  - b. Number of graduates who accepted employment at a low-performing school identified under G.S. 115C-105.37 as part of their years of service.
  - c. Number of graduates who have begun loan repayment and their years of service, if any, prior to beginning loan repayment.
  - d. Number of graduates employed in a STEM or special education licensure area who have received an overall rating of at least accomplished and have met expected growth on applicable standards of the teacher evaluation instrument.
  - e. Aggregate information on student growth and proficiency in courses taught by graduates who have fulfilled service requirements through employment in a STEM or special education licensure area.
- (3) Selected school outcomes by program, including the following:
- a. Turnover rate for forgivable loan graduates.
  - b. Aggregate information on student growth and proficiency in courses taught by forgivable loan graduates.
  - c. Fulfillment rate of forgivable loan graduates.

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

(a) Notes. – All forgivable loans shall be evidenced by notes made payable to the Authority that bear interest at a rate not to exceed ten percent (10%) per year as set by the Authority and beginning 90 days after completion of the program leading to teacher licensure, or 90 days after termination of the forgivable loan, whichever is earlier. The forgivable loan may be terminated upon the recipient's withdrawal from school or by the recipient's failure to meet the standards set by the Commission.

(b) Forgiveness. – The Authority shall forgive the loan and any interest accrued on the loan if, within 10 years after graduation from a program leading to teacher licensure, exclusive of any authorized deferment for extenuating circumstances, the recipient serves as a teacher in a STEM or special education licensure area, as provided in G.S. 116-209.61(h), for every year the teacher was awarded the forgivable loan, in any combination of the following:

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

The Authority shall also forgive the loan if it finds that it is impossible for the recipient to work for up to eight years, within 10 years after completion of the program leading to teacher licensure, at a North Carolina public school because of the death or permanent disability of the recipient. If the recipient repays the forgivable loan by cash payments, all indebtedness shall be repaid within eight years after completion of the program leading to teacher licensure supported by the forgivable loan. If the recipient completes a program leading to teacher licensure, payment of principal and interest shall begin no later than 27 months after the completion of the program. Should a recipient present extenuating circumstances, the Authority may extend the period to repay the loan in cash to no more than a total of 12 years."

**SECTION 1.(b)** Initial appointments to the North Carolina Teaching Fellows Commission shall be made no later than August 15, 2017. Initial appointments to the Commission shall expire July 1, 2019.

**SECTION 1.(c)** The Commission shall establish initial selection criteria for recipients and select the five institutions of higher education with approved educator

1 preparation programs at which a recipient may use a forgivable loan no later than November  
2 15, 2017, and shall make available applications to prospective students no later than December  
3 31, 2017.

4 **SECTION 1.(d)** The Superintendent of Public Instruction shall establish the list of  
5 STEM and special education licensure areas and provide that information to the Commission  
6 and Authority no later than October 1, 2017.

7 **SECTION 1.(e)** The Commission shall select recipients and award the initial  
8 forgivable loans for the 2018-2019 academic year no later than April 1, 2018.

9 **SECTION 1.(f)** There is appropriated from the General Fund to the Board of  
10 Governors of The University of North Carolina (i) for the 2017-2018 fiscal year, the sum of  
11 two hundred fifty thousand dollars (\$250,000) in nonrecurring funds to be used to implement  
12 the North Carolina Teaching Fellows Program (Program), as established by this section, and  
13 (ii) for the 2018-2019 fiscal year, the sum of six million dollars (\$6,000,000) in recurring funds  
14 to be used for the operation of the Program and for the award of forgivable loans to selected  
15 recipients beginning with the 2018-2019 academic year.

16 **SECTION 2.** G.S. 116-209.27(a) reads as rewritten:

17 "(a) The Authority shall, as of March 1, 2015, administer all outstanding scholarship  
18 loans previously awarded by the former North Carolina Teaching Fellows Commission and  
19 subject to repayment under the former Teaching Fellows ~~Program~~Program administered  
20 pursuant to Part 2 of Article 24C of Chapter 115C of the General Statutes."

21 **SECTION 3.** This act becomes effective July 1, 2017.