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An act to add Section 69616 to the Education Code, relating to student financial aid.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The program administered pursuant to this section shall be known, as may be cited as, the Teacher Service Credit Scholarship program.

SEC. 2. Section 69616 is added to the Education Code, immediately following Section 69615.8, to read:

69616. For the purposes of the funds appropriated for the 2019–20 fiscal year in support of subdivision (h) of provision (1) of Item 6980-101-0001, all of the following apply:

(a) (1) Notwithstanding Section 69612.5, for the purposes of this section, “eligible school” means any school that has teachers holding emergency-type permits.

(2) “Priority school” means a school with a high percentage, as determined by the commission in consultation with the department, of teachers holding emergency-type permits, based on the most recent data available to the Commission on Teacher Credentialing and the department.

(3) For purposes of this section, “emergency-type permits” include, but not are limited to, any of the following:

- (A) Provisional internships.
- (B) Short-term staff permits.
- (C) Credential waivers.
- (D) Substitute permits.

(b) The provisions in subdivision (f) of Section 69613, and in Sections 69613.1, 69613.7, 69613.8, and 69615.6 shall not apply to loan forgiveness agreements entered into pursuant to this section.

(c) On or before January 1, 2020, the commission shall publish a list of priority schools.

(d) (1) (A) The commission shall enter into agreements with program participants eligible under this section for the provision of loan forgiveness payments, to the extent those agreements are supported by the funds appropriated for this purpose.

(B) The commission shall commence loan forgiveness payments to an eligible award applicant upon satisfaction of the requirements in subdivisions (a), (b), and (c) of Section 69613.2.

(2) Agreements shall only be given to applicants who agree to obtain, or who have obtained, a teaching credential in subjects for science, technology, engineering, and mathematics (STEM), career technical education in STEM areas, special education, bilingual education, or a multiple subject credential.

(3) Priority shall be given for agreements with applicants who agree to teach at a priority school in one of the subject areas identified in paragraph (2).

(e) (1) Notwithstanding Sections 69613.4 and 69613.8, the terms of a loan forgiveness agreement under this section shall be as follows, subject to the specific terms of each agreement:

(A) After a program participant has completed one school year of classroom instruction that fulfills the requirements in Section 69613.2, the commission shall provide a loan forgiveness payment of up to five thousand dollars (\$5,000).

(B) After a program participant has completed two consecutive school years of instruction, the commission shall provide a loan forgiveness payment of up to an



additional five thousand dollars (\$5,000), for a total award of up to ten thousand dollars (\$10,000).

(C) After a program participant has completed three consecutive school years of teaching service, the commission shall provide a loan forgiveness payment of up to a maximum of an additional five thousand dollars (\$5,000), for a total award of up to fifteen thousand dollars (\$15,000).

(D) After a program participant has completed four consecutive school years of teaching service, the commission shall provide a loan forgiveness payment of up to a maximum of an additional five thousand dollars (\$5,000), for a total award of up to twenty thousand dollars (\$20,000).

(2) For purposes of this subdivision, "school year" means at least 175 school days or its equivalent.

(3) An applicant who teaches on less than a full-time basis may participate in the program, but shall not be eligible for a loan forgiveness payment until that person teaches for the equivalent of a full-time school year.

(4) The deferment and redemption provisions identified in subdivisions (b), (c), and (d) of Section 69613.6 shall apply to a participant that has received a loan forgiveness agreement pursuant to this section.

(f) These funds shall be available without regard to fiscal year, and shall be provided on a one-time basis to support all four years of the estimated costs of the loan forgiveness agreements pursuant to the terms of subdivision (e).



LEGISLATIVE COUNSEL'S DIGEST

Bill No. _____
as introduced, _____.
General Subject: Student financial aid: Teacher Service Credit Scholarship program.

Existing law establishes the Assumption Program of Loans for Education, administered by the Student Aid Commission, under which any person enrolled in an eligible institution of postsecondary education, or any person who agrees to participate in a teacher trainee or teacher internship program, is eligible to enter into an agreement for loan assumption, to be redeemed pursuant to a prescribed procedure upon becoming employed as a teacher in an eligible school, if the teacher satisfies certain conditions. Existing law defines an "eligible school" as a school that serves a large population of pupils from low-income families, has 20% or more teachers holding emergency-type permits, is ranked in the lowest 2 deciles on the Academic Performance Index, or serves a rural area. The program provides additional loan assumption benefits of \$1,000 or \$2,000 per year in assumed liability, as specified, to a person who holds a credential appropriate for teaching, and who teaches, mathematics, science, or special education in schools ranked low on the Academic Performance Index, as specified.

This bill would, to the extent that funds are appropriated for the 2019–20 fiscal year for this purpose, establish the Teacher Service Credit Scholarship program, to be administered by the Student Aid Commission, to provide loan assumption benefits of up to \$20,000 over 4 years of full-time teaching to a person who, among other requirements, obtains or agrees to obtain a teaching credential for science, technology, engineering, and mathematics (STEM), career technical education in STEM areas, special education, bilingual education, or a multiple subject credential. The bill would make eligible any school that has teachers holding emergency-type permits. The bill would give priority for agreements with applicants who agree to teach at a priority school, as determined by the commission in consultation with the Department of Education, in one of the above-specified subject areas. The bill would make funds appropriated for the 2019–20 fiscal year available without regard to fiscal year, to be provided on a one-time basis for the estimated costs of this loan forgiveness program for all 4 years of the agreement.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

