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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 155      Session of  
2005

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INTRODUCED BY O'PAKE, KITCHEN, TARTAGLIONE, STOUT, COSTA,  
PILEGGI, STACK AND ORIE, FEBRUARY 2, 2005

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REFERRED TO EDUCATION, FEBRUARY 2, 2005

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AN ACT

1 Providing for Commonwealth support for an Urban Teacher Loan  
2 Forgiveness Program for Pennsylvania residents who graduate  
3 from institutions of higher education and who apply their  
4 degrees to teaching in urban public schools in this  
5 Commonwealth.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Urban Teacher  
10 Loan Forgiveness Act.

11 Section 2. Findings and declaration of intent.

12 The General Assembly finds and declares that:

13 (1) The number of college students planning to enter the  
14 teaching profession appears to be inadequate to meet the need  
15 for teachers in our public schools.

16 (2) Demand from industry and other opportunities attract  
17 existing and potential teachers away from the profession.

18 (3) The pool of qualified teachers, especially those in  
19 math and science, has diminished.

1           (4) Economically hard-pressed urban school districts  
2       find it difficult to attract qualified teachers from the  
3       diminished pool.

4           (5) Payment of a portion of student loans for certified  
5       teachers serves the important public purpose of encouraging  
6       new teachers to teach in economically hard-pressed areas of  
7       this Commonwealth.

8       Section 3. Definitions.

9       The following words and phrases when used in this act shall  
10      have the meanings given to them in this section unless the  
11      context clearly indicates otherwise:

12      "Agency." The Pennsylvania Higher Education Assistance  
13      Agency.

14      "Designated Commonwealth urban public school district." An  
15      eligible urban public school district which the Secretary of  
16      Education has certified as having a need for teacher loan  
17      forgiveness assistance because of difficulty in attracting  
18      qualified teachers.

19      "Eligible urban public school district." A public school  
20      district that has a population greater than 850 per square mile  
21      and either:

22           (1) more than 8% of the pupils in average daily  
23      membership are low-income pupils as defined in section  
24      2502.11 of the act of March 10, 1949 (P.L.30, No.14), known  
25      as the Public School Code of 1949; or

26           (2) the market value/income aid ratio, as referred to in  
27      section 2501(9.1) of the Public School Code of 1949, is  
28      greater than seven-tenths.

29      The term shall also apply to an intermediate unit or area  
30      vocational-technical school if the composite data for all

1 participating school districts meet the criteria specified  
2 herein.

3 "Qualified applicant." A person who meets all of the  
4 following criteria in his or her first year of full-time  
5 teaching and in subsequent years:

6 (1) Is certified by the Department of Education to  
7 teach.

8 (2) Is an applicant for the Urban Teacher Loan  
9 Forgiveness Program in the first year of full-time teaching.

10 (3) Is teaching at a Commonwealth-designated urban  
11 public school district.

12 (4) Has borrowed through and has a current outstanding  
13 balance with a Federally Insured Student Loan Program or  
14 consolidation loan program.

15 (5) Is a Pennsylvania resident.

16 "Renewal applicant." A qualified applicant who has received  
17 after the effective date of this act an award under the program  
18 in the last program year in which money was appropriated for the  
19 program.

20 "Secretary." The Secretary of Education of the Commonwealth.  
21 Section 4. Urban Teacher Loan Forgiveness Program.

22 Qualified applicants who are selected for the Urban Teacher  
23 Loan Forgiveness Program in accordance with this act shall be  
24 eligible for payment by the agency of a portion of the debt  
25 incurred by the applicant through the agency-administered  
26 Federally Insured Student Loan Programs or a consolidated loan  
27 program for the education necessary to be certified to teach in  
28 Pennsylvania.

29 Section 5. Loan forgiveness awards.

30 Recipients of the loan forgiveness awards shall be those

1 teachers who are certified by the Department of Education and  
2 who have received a satisfactory rating by the district for the  
3 academic year. Each teacher shall be required to submit such  
4 documentation of continued eligibility as the agency may  
5 require. If the qualified applicant is a full-time teacher for  
6 four consecutive academic years in the same approved  
7 Commonwealth urban public school district, the agency may  
8 forgive a qualified applicant's loan of up to \$15,000. Payments  
9 of these awards shall be made in accordance with the procedures  
10 established by the agency. Qualified applicants may receive loan  
11 forgiveness awards as follows:

12 (1) First academic year of full-time teaching in an  
13 amount up to \$2,000.

14 (2) Second academic year of full-time teaching in an  
15 amount up to \$3,000.

16 (3) Third academic year of full-time teaching in an  
17 amount up to \$4,000.

18 (4) Fourth academic year of full-time teaching in an  
19 amount up to \$6,000.

## 20 Section 6. Funding.

21 Loan forgiveness awards may be made to the extent that funds  
22 are appropriated by the General Assembly and are sufficient to  
23 cover administration of the program. Preference shall be given  
24 to renewal applicants. In the event that funding is insufficient  
25 to fully fund administration and awards to all qualified  
26 applicants, the agency shall utilize a random lottery system for  
27 determining which applicants receive loan forgiveness awards.

## 28 Section 7. Responsibility of agency.

29 It shall be the responsibility of the agency to administer  
30 the Urban Loan Forgiveness Program established by this act and

1 to adopt such regulations, policies, procedures and forms as are  
2 necessary and not inconsistent with the provisions of this act.

3 Section 8. Report to General Assembly.

4 The agency, in conjunction with the Department of Education,  
5 shall take comments, analyze data and issue a report to the  
6 General Assembly within 12 months of the effective date of this  
7 act, on the necessity, effectiveness and value of extending the  
8 Urban Teacher Loan Forgiveness Program to rural school  
9 districts.

10 Section 9. Effective date.

11 This act shall take effect immediately.