

HOUSE BILL NO. 1249

Introduced by

Representatives Monson, R. Kelsch, Nelson

Senators Robinson, Wanzek

1 A BILL for an Act to create and enact a new section to chapter 15.1-13 of the North Dakota
2 Century Code, relating to loan forgiveness for teachers; and to amend and reenact section
3 15-10-38 of the North Dakota Century Code, relating to loan forgiveness for teachers.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 15-10-38 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-10-38. Loans - Teacher shortages - Loan forgiveness.**

- 8 1. The state board of higher education shall administer a student loan forgiveness
9 program for individuals teaching at grade levels or in content areas identified as
10 having a teacher shortage. The board shall adopt rules to implement the program.
- 11 2. The superintendent of public instruction shall annually identify the grade levels and
12 content areas in which a teacher shortage exists.
- 13 3. To be eligible for loan forgiveness under this section, an individual:
- 14 a. Must have been admitted as a full-time student in a teacher preparation
15 program, with the declared intention to teach at a grade level or in a content
16 area identified by the superintendent of public instruction as one in which a
17 teacher shortage exists; and
- 18 b. Must have obtained a student loan.
- 19 4. An individual may receive up to one thousand dollars per year and a maximum of
20 five thousand dollars, or a lesser amount established by rule adopted by the state
21 board of higher education under this section.
- 22 5. The board shall consider all applications under this section in chronological order,
23 except that the board may not accept any applications for loan forgiveness under
24 this section after the effective date of this Act.

6. Upon notification that the individual has completed a full year of teaching in a school district or nonpublic school in this state at a grade level or in a content area identified by the superintendent of public instruction as one in which a teacher shortage exists, the board shall distribute funds directly to the Bank of North Dakota to repay outstanding loan principal balances for eligible applicants.

SECTION 2. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teacher shortages - Loan forgiveness.

1. The education standards and practices board shall administer a student loan forgiveness program for individuals teaching at grade levels or in content areas identified by the board as having a teacher shortage.
2. To be eligible for loan forgiveness under this section, an individual:
 - a. Must have graduated from an approved teacher preparation program in this state, after the effective date of this Act; and
 - b. Must have obtained a student loan.
3. For each year of teaching that an individual completes at a grade level or in a content area identified by the education standards and practices board as having a teacher shortage, the state board of higher education shall forward to the Bank of North Dakota, on behalf of the individual, an amount equal to the lesser of ten percent of the individual's outstanding loan principal balance or two thousand dollars.
4. In addition to any other payment authorized by this section, if an individual teaches in a school district having fewer than five thousand students in average daily membership in grades one through twelve, for each year that the individual teaches at a grade level or in a content area identified by the education standards and practices board as having a teacher shortage, the board shall forward to the Bank of North Dakota, on behalf of the individual, an amount equal to the lesser of five percent of the individual's outstanding loan principal balance or one thousand dollars.
5. The state board of higher education shall determine the recipients of loan forgiveness based on the chronological order in which applications are received.

- 1 6. An individual may participate in this program for no more than five consecutive
2 years.