

Introduced by

1 A BILL for an Act to amend and reenact section 15-10-38 of the North Dakota Century Code,  
2 relating to the teacher shortage loan forgiveness program.

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

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

6 **15-10-38. Loans - Teacher shortages - Loan forgiveness.**

- 7 1. The state board of higher education shall administer a student loan forgiveness  
8 program for individuals teaching at grade levels or in content areas identified as  
9 having a teacher shortage. The board shall adopt rules to implement the program.
- 10 2. The superintendent of public instruction shall annually identify the grade levels and  
11 content areas in which a teacher shortage exists.
- 12 3. To be eligible for loan forgiveness under this section, an individual:
- 13 a. Must have been admitted as a full-time student in a teacher preparation program,  
14 ~~with the declared intention~~ or hold qualifying endorsements or credentials to  
15 teach at a grade level or in a content area identified by the superintendent of  
16 public instruction as one in which a teacher shortage exists; ~~and~~
- 17 b. Must have ~~obtained~~ a student loan with the Bank of North Dakota or other  
18 participating lender; and
- 19 c. Must hold a current North Dakota educator's license.
- 20 4. An individual may receive up to one thousand five hundred dollars per year and a  
21 maximum of ~~five~~six thousand dollars, or a lesser amount established by rule adopted  
22 by the state board of higher education under this section.
- 23 5. The board shall consider all applications under this section in chronological order.

- 1           6.    Upon notification that the individual has completed or will complete a full year of  
2           teaching in a school district or nonpublic school in this state at a grade level or in a  
3           content area identified by the superintendent of public instruction as one in which a  
4           teacher shortage exists, the board shall distribute funds directly to the Bank of North  
5           Dakota to repay outstanding loan principal balances for eligible applicants.
- 6           7.    An individual may not receive a loan forgiveness award under this section if the  
7           individual is receiving a loan forgiveness award under section 15-10-37 during the  
8           same application year.

**NOTE:** The bill draft increases the amount of the teacher shortage loan forgiveness program to \$1,500 per year, and a lifetime maximum of \$6,000, which is the same award level as the technology occupations loan forgiveness program. The legislative appropriations for the teacher shortage and technology occupations loan forgiveness programs are both contained in the education incentive line item in the North Dakota University System office budget. Therefore, the State Board of Higher Education has the authority to adjust funding between the programs as needed subject to the availability of funds. The bill draft also clarifies that a student is not eligible to receive a teacher shortage loan forgiveness award if the student is receiving an award under the technology occupations loan forgiveness program.