

AMENDED IN SENATE MAY 30, 2000

AMENDED IN SENATE MAY 16, 2000

AMENDED IN SENATE APRIL 13, 2000

**SENATE BILL**

**No. 1505**

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**Introduced by Senator Alarcon**  
(Principal coauthor: Assembly Member Correa)

February 15, 2000

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An act to amend Sections 24216.5, 44386, 44395, 44396, 69532, 69612, 69612.5, 69613, 69613.1, 69613.5, 69613.6, 69614, 69615.4, and 69615.6 of, to amend and renumber Section 44397 of, to add *Chapter 3.36 (commencing with Section 44735) and Chapter 3.44 (commencing with Section 44751) and Chapter 3.55 (commencing with Section 44765)* to Part 25 of, to add Article 21 (commencing with Section 70000) to Chapter 2 of Part 42 of, and to repeal Sections 69613.3 and 69613.55 of, the Education Code, and to add ~~Chapter 9.5 (commencing with Section 51460) to Part 3 of Division 31 of the Health and Safety Code~~, relating to teachers, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1505, as amended, Alarcon. Teachers: recruitment and incentives.

(1) Existing law exempts a member of the State Teachers' Retirement System who is retired for service from certain limitations on the amount of compensation the member may earn for performing certain creditable activities without suffering a reduction in his or her retirement allowance if the

member is employed to mitigate the effects of teacher shortages attributable to recent class size reduction legislation affecting kindergarten and grades 1 to 3, inclusive.

This bill would instead, commencing in the 2000–01 school year, exempt a member who retired for service effective January 1, 2000, and is employed to provide direct classroom instruction to pupils in kindergarten or any of grades 1 to 12, inclusive, or to provide support to new teachers, individuals completing student teaching assignments or participating in the Preinternship Teaching Program, an alternative certification program, or the School Paraprofessional Teacher Training Program.

(2) Existing law provides incentive grant funding to school districts and county offices of education that operate or propose to operate an alternative certification program and limits the amount of a grant to \$1,500 per intern per year.

This bill would increase the maximum amount of a grant to \$2,500.

(3) Existing law establishes the National Board for Professional Teaching Standards Certification Incentive Program to provide one-time \$10,000 merit awards to teachers who are employed by school districts or charter schools, are assigned to teach in the public schools, and have attained certification from the National Board for Professional Teaching Standards.

This bill would provide an additional \$20,000 to the recipient if the teacher agrees to teaching for 4 years in a low-performing school and would define a low-performing school as one that is in the bottom half of all schools based on the Academic Performance Index.

~~(4) Existing law requires the governing board of a school district to employ for positions requiring certification qualifications only persons who possess the qualifications for those positions. Existing law authorizes the waiver of provisions governing the preparation or licensing of educators for certain purposes, including to provide a credential candidate additional time to complete a credential requirement, to allow a school district or school to implement an education reform or restructuring plan, and when deemed appropriate by the commission. Existing law authorizes the~~



~~Commission on Teacher Credentialing to issue or renew emergency teaching or specialist permits if certain conditions are met and requires the holder of an emergency permit, among other things, to participate in ongoing training, coursework, or seminars designed to prepare the individual to become a fully credentialed teacher or other educator in the subject area in which he or she is assigned to teach or serve.~~

~~This bill would establish the Teaching as a Priority Program to be administered by the Commission on Teacher Credentialing. Under the program, a school in a participating school district that has received a score of 3, 2, or 1 on the Academic Performance Index would receive \$3,000 for each fully credentialed, appropriately assigned teacher who is hired and replaces an emergency permit teacher and a fully credentialed, appropriately assigned teacher who is hired by a participating school district to teach in the low-performing school would receive \$3,000. A school that scores a 4 to 5 on the Academic Performance Index would receive a \$2,000 incentive for each fully credentialed, appropriately assigned teacher, who is hired and replaces an emergency permit teacher and a fully credentialed, appropriately assigned teacher who is hired by the school and replaces an emergency permit teacher would also receive \$2,000. The bill would require a participating school district to, demonstrate, on an annual basis, an absolute one-to-one reduction in the number of emergency permitholders for each new teacher hired under the program. A school district that fails to attain this reduction would have its revenue limit funding reduced on a one-time basis by \$4,000 for each emergency permit teacher that is in excess of the target. The bill would require all schools participating in the Teaching as a Priority Program to post, as specified, a list of all teachers employed by the school and the credentials held by those teachers.~~

~~(5) Existing law requires the establishment and operation of a resource center that collects and maintains information regarding programs that encourage or assist military personnel, upon retirement, to enter the teaching profession. Existing law establishes the California School Paraprofessional Teacher Training Program to recruit paraprofessionals to participate in a program designed to encourage them to enroll~~



in teacher training programs and to provide instructional service as teachers in the public schools. Existing law establishes the Science, Mathematics, and Technology Teacher Pipeline Program to identify, support, and assist elementary, secondary, and postsecondary students to become teachers of science, mathematics, or technology. Existing law establishes the California Center on Teaching Careers to recruit individuals into the teaching profession.

*This bill would establish the Teacher Recruitment and Retention Block Grant, to be administered by the State Department of Education, to award block grants to school districts to provide incentives to attract credentialed teachers to be employed and retained in low performing schools.*

This bill would *also* establish the Teacher Recruitment Initiative Program, to be administered by the Sacramento County Office of Education. The Sacramento County Office of Education would award, by January 1, 2001, up to 6 grants on a competitive basis to consortia to operate regional recruitment centers that would focus on recruiting teachers to low-performing schools, especially those with a teaching staff that has more than 20% emergency permitholders. The bill would require the Sacramento County Office of Education to provide statewide oversight and technical assistance for regional recruitment centers.

~~(6)~~

(5) Existing law establishes an Assumption Program of Loans for Education under which an applicant enrolled in a participating institution of postsecondary education, or an applicant who agrees to participate in a teacher trainee or teacher internship program, and who further agrees to obtain a teaching credential in subject areas that are designated as current or projected shortage areas or to provide classroom instruction in schools that serve large populations of pupils from low-income families, serve rural areas, or have a high percentage of teachers holding emergency permits, is eligible to receive a conditional warrant for loan assumption, to be redeemed pursuant to a prescribed procedure upon becoming employed as a teacher. Existing law requires an applicant to enroll in at least 10 semester units or the equivalent. Existing law sets aside 40% of the warrants for



applicants who agree to obtain teaching credentials in any subject area and to teach in schools that serve large populations of pupils from low-income families and 60% of the warrants for applicants who agree to obtain a teaching credential in a subject area that is currently or is projected to be a shortage area.

This bill would also make an applicant enrolled in a participating institution of postsecondary education or an applicant who agrees to participate in a teacher trainee or teacher internship program, and who further agrees to teach in a low-performing school, as defined, eligible for a warrant. The bill would require an applicant to be enrolled on at least a half-time basis rather than 10 semester units and would eliminate the set-asides. The bill would require the Student Aid Commission to reexamine its outreach and marketing strategies relative to the program.

~~(7)~~

(6) Existing law requires the annual distribution of 500 warrants under the Assumption Program of Loans for Education for the recruitment of out-of-state teachers.

This bill would instead authorize the distribution of warrants without reference to the number of warrants to be distributed.

~~(8)~~

(7) Existing law requires the annual distribution of a minimum of 2,000 of the warrants under the Assumption Program of Loans for Education to applicants who agree to obtain a teaching credential in mathematics or science and 50 warrants to project centers of the Science, Mathematics, and Technology Teacher Pipeline Program for participants in that program.

This bill would delete these provisions.

~~(9)~~

(8) Existing law requires the distribution for the 1999–2000 school year of a maximum 5,500 student loans for participants of the Assumption Program of Loans for Education. Notwithstanding this maximum, existing law requires the issuing of warrants in a quantity determined by the Legislature in the annual Budget Act for the assumption of student loans for applicants who agree to teach in rural schools



and schools with a high percentage of teachers holding emergency permits.

This bill would increase the maximum number of student loans to 6,500 and would require the issuing of warrants in a quantity determined by the Governor and Legislature in the annual Budget Act for the assumption of student loans regardless of the eligibility category of the applicant, but would allow a set-aside of 100 warrants for applicants who agree to teach in school districts serving rural areas.

~~(10)~~

(9) Existing law establishes Cal Grant T awards as a state educational opportunity grant program under which Cal Grant T awards are made to students who have completed a baccalaureate degree and are admitted to a program of professional teacher preparation for tuition and student fees for a maximum of one academic year of full-time attendance at a program of professional teacher preparation and the Assumption Program of Loans for Education described in paragraphs (6) to (9), inclusive, above.

This bill would require the California Student Aid Commission to report, as specified, on the number of Cal Grant T award recipients that become public school teachers.

The bill would also establish the Governor's Teaching Fellowship Program to be administered by the Chancellor's Office of the California State University and under which \$20,000 nonrenewable graduate teaching fellowships would be awarded to graduate students who agree to teach at a low-performing school for 4 years. The fellowships would be used to defer tuition and living expenses for a teacher certification program at any accredited postsecondary institution in California. The bill would establish an intersegmental review committee to review all fellowship applications.

~~(11) Existing law establishes the Homebuyer Down Payment Assistance Program to provide assistance in the amount of the applicable school facility fee on affordable housing developments.~~

~~This bill would provide up to \$10,000 in down payment assistance to a person who is currently employed as a full-time teacher in a low performing school and who holds the~~



~~appropriate credential for the subject and grade level the teacher is assigned to teach. The down payment assistance would be a deferred payment, low-interest subordinate mortgage loan in second lien position with a term not longer than the term of the first mortgage. The loan would be forgiven if the teacher meets certain conditions, among which are remaining employed at a low-performing school and maintaining the residence for which the down payment assistance was granted as the teacher's principal residence.~~

~~(12)~~

~~(10) This bill would become operative only if SB 1330 is chaptered.~~

~~(11) This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares  
2 as follows:

3 (1) California is facing a teacher shortage for the  
4 foreseeable future. It is estimated that in the next 10 years  
5 300,000 new teachers will be needed to fill vacancies  
6 caused by teacher attrition and pupil growth. The state  
7 has increased its capacity to train teachers since 1997  
8 when class size reduction exacerbated existing shortages.  
9 Yet, even with the number of teachers being trained on  
10 the rise, the number of individuals who immediately  
11 enter the classroom after being prepared is estimated to  
12 be as low as 50 percent. Left untapped, this pool of trained  
13 teachers who are not teaching represents a wasted  
14 investment of state resources. In addition, retired  
15 teachers are discouraged from reentering the profession  
16 due to postretirement earnings limitations.

17 (2) Low-performing schools with a history of having  
18 high teacher turnover and inexperienced staff need more  
19 qualified teachers to substantially improve pupil  
20 achievement. While no one approach will likely meet the  
21 challenge of attracting and retaining individuals into



1 hard to staff schools, financial incentives ought to be an  
2 important element in any effective strategy.

3 (3) Attracting qualified teachers to low-performing  
4 schools necessitates that these schools make the hiring of  
5 fully credentialed staff a high priority.

6 (4) Ultimately, school districts are responsible for  
7 setting the standard for the quality of teachers that they  
8 employ.

9 (b) It is the intent of the Legislature in enacting this  
10 act to accomplish the following:

11 (1) Provide financial incentives to attract fully  
12 credentialed teachers to teach in low-performing schools,  
13 to reduce school districts' reliance on emergency permits  
14 by rewarding schools that hire credentialed teachers in  
15 appropriate assignments. The incentives are designed  
16 both to recruit qualified teachers to hard to staff schools  
17 and to provide low-performing schools with some  
18 additional discretionary moneys.

19 (2) Dissuade school districts, even under the most  
20 difficult circumstances, from hiring teachers who hold  
21 emergency permits by holding a district accountable  
22 through a system of incentives and penalties that obliges  
23 school districts to consistently reduce the number of  
24 emergency permit teachers it employs.

25 (3) Provide incentives and support for individuals who  
26 pursue traditional and alternative routes to teacher  
27 certification through a teaching fellowship, more  
28 accessible college loan assumption, and enhanced  
29 teaching internships.

30 SEC. 2. Section 24216.5 of the Education Code is  
31 amended to read:

32 24216.5. (a) The compensation earned by a member  
33 who retired for service under this part shall be exempt  
34 from subdivisions (d), (f), and (g) of Section 24214, if all  
35 of the following conditions are met:

36 (1) The member retired for service with an effective  
37 date on or before January 1, 2000.

38 (2) The member retired for service is employed by a  
39 school district to provide any of the following:



1 (A) Direct classroom instruction to pupils enrolled in  
2 kindergarten or any grades 1 to 12, inclusive.

3 (B) Support and assessment for new teachers through  
4 the Beginning Teacher Support and Assessment program  
5 authorized by Section 44279.1.

6 (C) Support to individuals completing student  
7 teaching assignments.

8 (D) Support to individuals participating in the  
9 following programs:

10 (i) Pre-Internship Teaching Program authorized  
11 pursuant to Article 5.6 (commencing with Section 44305)  
12 of Chapter 2 of Part 25.

13 (ii) Alternative certification programs authorized  
14 pursuant to Article 11 (commencing with Section 44380)  
15 of Chapter 2 of Part 25.

16 (iii) School Paraprofessional Teacher Training  
17 Program established pursuant to Article 12 (commencing  
18 with Section 44390) of Chapter 2 of Part 25.

19 (3) All members retired for service whose  
20 employment with a school district meets the conditions  
21 specified in this section shall be treated as a distinct class  
22 of temporary employees within the existing bargaining  
23 unit whose service shall not be included in computing the  
24 service required as a prerequisite to attainment of or  
25 eligibility for classification as a permanent employee of a  
26 school district. The compensation for service performed  
27 by this class of employees shall be established in  
28 accordance with subdivision (b) of Section 24214 and  
29 agreed to in the collective bargaining agreement  
30 between the employing school district and the exclusive  
31 representative for the existing bargaining unit within  
32 which these temporary employees of the school district  
33 are treated as a distinct class.

34 (4) The employing school district submits  
35 documentation required by the system to substantiate  
36 the eligibility of the temporary employment of a member  
37 retired for service for the exemption under this  
38 subdivision.

39 (b) A school district that employs a member retired  
40 for service pursuant to this section shall maintain



1 accurate records of the retired member's compensation  
2 earned and shall report that compensation monthly to the  
3 system regardless of the method of payment or the source  
4 of funds from which the compensation is paid.

5 (c) This section shall not apply to the compensation  
6 earned for creditable service performed by a member  
7 retired for service for a community college district.

8 (d) The amendments made to this section by an act  
9 enacted in the second year of the 1999–2000 Regular  
10 Session shall apply to the 2000–01 school year and all  
11 subsequent school years.

12 (e) This section shall remain in effect only until July 1,  
13 2005, and as of that date is repealed unless a later enacted  
14 statute which is enacted before July 1, 2005, deletes or  
15 extends that date.

16 SEC. 3. Section 44386 of the Education Code is  
17 amended to read:

18 44386. (a) From funds appropriated for the purposes  
19 of this article, the Commission on Teacher Credentialing  
20 shall award incentive grants to qualifying school districts  
21 or county offices of education. Each school district or  
22 county office of education that receives a grant shall  
23 provide matching funds from any available source in an  
24 amount equal to 50 percent of the cost of the alternative  
25 certification program. Grants shall be awarded by the  
26 commission for the remaining 50 percent of the cost of the  
27 alternative certification program, but in no event shall  
28 the grant amount awarded to any school district or county  
29 office of education exceed two thousand five hundred  
30 dollars (\$2,500) per intern per year, except that the  
31 commission may require a lesser local contribution, or  
32 provide a larger grant per intern per year, in hardship  
33 cases.

34 (b) *As determined by the Commission on Teacher*  
35 *Credentialing, funds appropriated in the annual Budget*  
36 *Act for the alternative certification program may also be*  
37 *made available for expenditure on the Pre-Internship*  
38 *Teaching Program authorized pursuant to Article 5.6*  
39 *(commencing with Section 44305) of Chapter 2 of Part 25.*



1 SEC. 4. Section 44395 of the Education Code is  
2 amended to read:

3 44395. (a) The National Board for Professional  
4 Teaching Standards Certification Incentive Program is  
5 hereby established to award grants to school districts for  
6 the purpose of providing awards to teachers who are  
7 employed by school districts or charter schools, are  
8 assigned to teach in California public schools, and have  
9 attained certification from the National Board for  
10 Professional Teaching Standards. The following awards  
11 shall be granted to the extent that funds have been  
12 appropriated for this purpose in the annual Budget Act:

13 (1) A teacher attaining national board certification  
14 shall be eligible for a one-time merit award of ten  
15 thousand dollars (\$10,000), except as specified in  
16 paragraph (2).

17 (2) In addition to the award specified in subdivision  
18 (1), commencing July 1, 2000, any teacher who has  
19 attained certification from the National Board for  
20 Professional Teaching Standards is eligible to receive an  
21 award of up to twenty thousand dollars (\$20,000) if he or  
22 she agrees to teach at a low-performing school for at least  
23 four years. Teaching service before July 1, 2000, may not  
24 be counted towards satisfaction of this four-year  
25 commitment. Awards granted pursuant to this  
26 subdivision shall be disbursed in annual payments of five  
27 thousand dollars (\$5,000) over a four-year period. The  
28 annual payment shall be made upon completion of the  
29 school year, and upon approval of a district-certified  
30 application pursuant to the guidelines of subdivision (c)  
31 of Section 44396.

32 (b) The State Department of Education shall  
33 administer the awards authorized by subdivision (a), and  
34 shall develop, in consultation with the Commission on  
35 Teacher Credentialing, certification and award  
36 information, criteria, procedures, and applications, all of  
37 which shall be submitted to the State Board of Education  
38 for approval. Amendments requested by the State Board  
39 of Education to that information, criteria, procedures,  
40 and applications shall be made before the dissemination



1 of the material and the granting of any award under this  
2 article.

3 (c) The State Department of Education shall  
4 distribute the materials described in subdivision (b) to  
5 school districts. Each school district is strongly  
6 encouraged to ensure that teachers employed by the  
7 district or by charter schools affiliated with the district are  
8 informed about the program and can acquire the  
9 necessary application and information materials.

10 (d) School districts are encouraged to provide for  
11 adequate release time and support for a teacher to  
12 complete the certification process. As a condition to  
13 providing that release time and support, a school district  
14 may require that a teacher serve in a mentor teacher  
15 capacity.

16 (e) *The State Department of Education may provide*  
17 *fee assistance from funds appropriated in the annual*  
18 *Budget Act for the National Board for Professional*  
19 *Teaching Standards Certification Program to defray the*  
20 *fees of teachers seeking certification from the National*  
21 *Board for Professional Teaching Standards. The State*  
22 *Department of Education may provide fee assistance of*  
23 *up to one thousand dollars (\$1,000) for each teacher, not*  
24 *to exceed a total of two million dollars (\$2,000,000).*

25 ~~(e)~~

26 (f) For purposes of this article, the following  
27 definitions apply:

28 (1) “School district” means school district, county  
29 board of education, county superintendent of schools, a  
30 state operated program, such as a special school, or an  
31 education program providing instruction in kindergarten  
32 or any of grades 1 to 12, inclusive, that is offered by a state  
33 agency, including the California Youth Authority and the  
34 State Department of Developmental Services.

35 (2) “Low-performing school” means a school in the  
36 bottom half of all schools based on the Academic  
37 Performance Index rankings established pursuant to  
38 subdivision (a) of Section 52056. This designation shall be  
39 determined as of the date of the agreement by the  
40 teacher in paragraph (2) of subdivision (a) of this section.



1 SEC. 5. Section 44396 of the Education Code is  
2 amended to read:

3 44396. (a) (1) To the extent that funds are available  
4 for that purpose, a teacher who meets the criteria  
5 approved by the State Board of Education pursuant to  
6 subdivision (b) of Section 44395 is eligible and may apply  
7 for an award by following the procedures and instructions  
8 developed pursuant to that subdivision.

9 (2) A teacher who attained certification from the  
10 National Board for Professional Teaching Standards  
11 before the effective date of the act adding this section and  
12 who was employed by a school district or charter school  
13 and assigned to teach in a California public school on the  
14 date of certification may apply for an award authorized  
15 pursuant to this article if he or she meets all the other  
16 requirements for that award specified by this article. For  
17 awards pursuant to this subdivision, teaching service  
18 before July 1, 2000, may not be counted toward  
19 satisfaction of the teacher's four-year agreement to teach  
20 in a low-performing school.

21 (b) Teachers shall submit their applications for an  
22 award authorized by this article to the school district  
23 employing them. Teachers employed by a charter school  
24 shall submit their application through the school district  
25 granting the school's charter.

26 (c) When a school district receives an application for  
27 an award authorized by this article, it shall certify that the  
28 applicant is employed by the district or a charter school  
29 operating under a charter granted by the school district  
30 and that the applicant has met all the criteria established  
31 pursuant to subdivision (b) of Section 44395. The school  
32 district shall then submit the application to the State  
33 Department of Education for its review and approval.

34 (d) The State Department of Education shall approve  
35 applications that meet the criteria established pursuant to  
36 subdivision (b) of Section 44395. To the extent funds are  
37 available, the State Department of Education shall  
38 apportion funds to the appropriate school districts in the  
39 amount of the award authorized by Section 44395 for each  
40 approved application. The school district shall use funds



1 apportioned to it pursuant to this subdivision to provide  
2 the amount of the award authorized by subdivision (a) of  
3 Section 44395 to each teacher whose application is  
4 approved.

5 SEC. 6. Section 44397 of the Education Code is  
6 amended and renumbered to read:

7 44398. Notwithstanding any provision of law except  
8 Sections 44332.6, 44340, 44346.1, and 44830.1, a teacher  
9 who is licensed to teach in a state other than California  
10 and who is certified by the National Board for  
11 Professional Teaching Standards shall be issued a clear  
12 teaching credential authorizing the teacher to teach in  
13 the subject area in which the teacher has received  
14 national certification.

15 SEC. 7. Chapter 3.36 (commencing with Section  
16 44735) is added to Part 25 of the Education Code, to read:

17

18 *CHAPTER 3.36. TEACHER RECRUITMENT AND*  
19 *RETENTION BLOCK GRANT*

20

21 *44735. The Teacher Recruitment and Retention*  
22 *Block Grant is hereby created to be administered by the*  
23 *State Department of Education with the approval of the*  
24 *State Board of Education. The State Department of*  
25 *Education shall award block grants to school districts on*  
26 *a competitive basis to provide incentives to attract*  
27 *credentialed teachers to be employed and retained in low*  
28 *performing schools.*

29 *(a) Block grant funds may be used at the discretion of*  
30 *a school district for teacher recruitment and retention*  
31 *incentives with the target of reducing the number of*  
32 *teachers on emergency permits. Incentives shall only be*  
33 *used to hire and retain credentialed teachers. Teacher*  
34 *recruitment and retention incentives may include, but*  
35 *are not limited to, all of the following:*

36 *(1) Signing bonuses.*

37 *(2) Improved work conditions.*

38 *(3) Teacher compensation.*

39 *(4) Housing subsidies.*

40 *(5) A longer school year.*



1 (b) Funding shall be allocated to school districts on a  
 2 per pupil basis for pupils enrolled in schools ranked in the  
 3 bottom half of the academic performance index pursuant  
 4 to Article 2 (commencing with Section 52051) of Chapter  
 5 6.1. Within the bottom half of the academic performance  
 6 index, schools ranked in deciles 1, 2, and 3 shall receive  
 7 1½ times the funding per pupil of schools ranked in  
 8 deciles 4 and 5. No less than the amount of funding  
 9 generated by pupils in schools ranked in deciles 1, 2, and  
 10 3 shall be expended in those schools.

11 (c) School districts shall apply to the Department of  
 12 Education on behalf of their schools. The district  
 13 application shall contain information that is specific to  
 14 each school. Applications shall contain baseline  
 15 information on the number of teachers with waivers or  
 16 emergency credentials at each school in accordance with  
 17 subdivision (a).

18 (d) School districts that participate in the program  
 19 established in this section shall be encouraged to  
 20 participate in consortia operated regional recruitment  
 21 centers pursuant to Section 44751.

22 (e) Funds appropriated for the purposes of this  
 23 chapter shall supplement, and not supplant, existing  
 24 efforts to recruit and retain fully credentialed teachers in  
 25 the school district.

26 (f) The State Board of Education shall submit and  
 27 evaluation of the program created by this chapter to the  
 28 Legislature by January 1, 2004.

29 SEC. 8. Chapter 3.44 (commencing with Section  
 30 44751) is added to Part 25 of the Education Code, to read:

31

32 CHAPTER 3.44. TEACHER RECRUITMENT INCENTIVE  
 33 PROGRAM

34

35 44751. (a) The Teacher Recruitment Incentive  
 36 Program is hereby created, to be administered by the  
 37 Sacramento County Office of Education. The  
 38 Superintendent of Public Instruction shall allocate funds  
 39 appropriated for the purpose of this program to the  
 40 Sacramento County Office of Education, which shall



1 allocate those funds as specified in Section 44751.5. *The*  
2 *Superintendent of Public Instruction may allocate up to*  
3 *6 percent of the program funds to the Sacramento County*  
4 *Office of Education for the costs of administering the*  
5 *program.*

6 (b) For purposes of this chapter, the following terms  
7 have the following meanings:

8 (1) “Low-performing school” means a school in the  
9 bottom half of the Academic Performance Index rankings  
10 established pursuant to subdivision (a) of Section 52052.

11 (2) “Regional teacher recruitment center” means an  
12 entity operated by a consortium ~~that may include school~~  
13 ~~districts, county offices of education, colleges,~~  
14 ~~universities, or other public education entities in the~~  
15 ~~region to be served.~~ *of school districts that may also*  
16 *include county offices of education, colleges, universities,*  
17 *or other community-based organizations.*

18 44751.5. The Sacramento County Office of Education  
19 shall award, by January 1, 2001, six grants on a competitive  
20 basis to establish regional teacher recruitment centers.  
21 One region shall serve northern California. Two regions  
22 shall serve the Los Angeles area. One region shall serve  
23 the Central Valley. One region shall serve the Inland  
24 Empire. One region shall serve San Diego and Imperial  
25 Counties.

26 44752. Criteria for awarding the grants shall be  
27 established by the Sacramento County Office of  
28 Education, but shall include, at a minimum, all of the  
29 following:

30 (a) A plan for collaboration among the consortium  
31 members.

32 (b) A recruitment plan of highly effective recruitment  
33 strategies.

34 (c) A focus on recruiting teachers to low-performing  
35 schools, especially those with a teaching staff that has  
36 more than 20-percent emergency permit teachers.

37 (d) *Active participation in planning and*  
38 *implementation by school district administrators*  
39 *responsible for certificated personnel.*



1 44752.5. (a) The amount of an award shall be based  
2 on the number of teachers a regional teacher recruitment  
3 center commits to recruit and shall be no more than  
4 seven hundred dollars (\$700) per recruited teacher. The  
5 Sacramento County Office of Education shall determine  
6 the allocation of grants awards and whether funds should  
7 be provided with a startup grant and then a  
8 reimbursement for teachers recruited, or some other  
9 manner.

10 (b) If the number of teachers needed to be recruited  
11 would result in allocation of funds in excess of available  
12 funding, the regional teacher recruitment centers shall  
13 be allocated funds based on a proration of the number of  
14 teachers needed so as not to exceed available funding.

15 44753. The Sacramento County Office of Education  
16 shall provide statewide oversight and technical assistance  
17 for the regional teacher recruitment centers and perform  
18 the following responsibilities:

19 (a) Provide advice to the CalTeach program within  
20 the California State University system regarding the  
21 regional media campaign for recruiting teachers.

22 (b) Consult with the Commission on Teacher  
23 Credentialing on delivering technical assistance in  
24 credentials counseling through the regional teacher  
25 recruitment centers.

26 (c) Develop, publish, and distribute a guide of all  
27 available state-level incentives to attract and retain  
28 teachers.

29 (d) Report teacher placement data to the appropriate  
30 fiscal and policy committees of the Legislature, the Office  
31 of the Secretary for Education, the Department of  
32 Finance, the Legislative Analyst's Office, and the  
33 Commission on Teacher Credentialing.

34 44753.5. Regional teacher recruitment centers shall  
35 perform the following duties:

36 (a) Employ full-time recruiters to recruit teachers and  
37 provide credential and career counseling to prospective  
38 teachers.

39 (b) Make available information on available  
40 state-funded incentives to potential teachers.



1 (c) Conduct college campus and community-based  
2 information sessions on job opportunities in teaching.

3 (d) Provide outreach to potential teachers using  
4 electronic, print, radio, and other forms of advertising.

5 (e) Screen and distribute applications of prospective  
6 teachers to participating schools.

7 (f) Schedule interviews between prospective teachers  
8 and school administrators.

9 (g) Refer candidates to teacher preparation and  
10 alternative certification programs.

11 (h) Coordinate with the County Office Fiscal Crisis  
12 and Management Assistance Team established pursuant  
13 to Section 42127.8 on the provision of technical assistance  
14 to school districts in methods to streamline the hiring  
15 process.

16 (i) Report regional recruitment data to the  
17 Sacramento County Office of Education as specified in  
18 the grant award.

19 44754. School districts, county offices of education,  
20 colleges, universities, and ~~other public education entities~~  
21 *community-based organizations* participating in the  
22 Teacher Recruitment Incentive Program are  
23 encouraged to include in their submitted plans a financial  
24 commitment to teacher recruitment.

25 44754.5. *The Sacramento County Office of Education*  
26 *shall enter into a contract for an evaluation of the Teacher*  
27 *Recruitment Incentive Program created pursuant to this*  
28 *chapter and report the findings of this outside evaluation*  
29 *to the Legislature by January 1, 2004.*

30 ~~SEC. 8. Chapter 3.55 (commencing with Section~~  
31 ~~44765) is added to Part 25 of the Education Code, to read:~~

32

33 ~~CHAPTER 3.55. TEACHING AS A PRIORITY PROGRAM~~

34

35 ~~44765. The Teaching As A Priority Program is hereby~~  
36 ~~established, and shall be administered by the Commission~~  
37 ~~on Teacher Credentialing. Beginning in the 2000-01 fiscal~~  
38 ~~year, school districts and county offices of education with~~  
39 ~~low-performing schools are eligible to participate, on a~~  
40 ~~voluntary basis, in the Teaching As A Priority Program.~~



1 ~~44765.1. For purposes of this chapter, the following~~  
2 ~~terms have the following meanings:~~

3 ~~(a) “Appropriately assigned teacher” means a~~  
4 ~~certificated person as defined in Section 44006 whose~~  
5 ~~teaching assignment is consistent with the authorization~~  
6 ~~of the credential.~~

7 ~~(b) “Credentialed teacher” means a person who holds~~  
8 ~~a multiple or single subject teaching credential as defined~~  
9 ~~in Section 44259, a special education instructional~~  
10 ~~credential pursuant to Section 44265, or an equivalent~~  
11 ~~credential issued prior to 1975.~~

12 ~~(c) “Low-performing school” means a school in the~~  
13 ~~bottom half of the Academic Performance Index rankings~~  
14 ~~established pursuant to subdivision (a) of Section 52056.~~

15 ~~44765.5. A school district or county office of education~~  
16 ~~with low-performing schools may apply to participate in~~  
17 ~~the Teaching as a Priority Program. Participation~~  
18 ~~includes schoolsite incentives for hiring credentialed,~~  
19 ~~appropriately assigned teachers and for reducing the~~  
20 ~~number of emergency permit teachers and also includes~~  
21 ~~required districtwide reductions in the percentage of~~  
22 ~~emergency permit teachers within specified timelines in~~  
23 ~~order to maintain incentive funding.~~

24 ~~44765.7. (a) A low-performing school within a~~  
25 ~~participating school district shall receive incentives in the~~  
26 ~~following manner:~~

27 ~~(1) A three-thousand-dollar (\$3,000) incentive shall be~~  
28 ~~provided to a school that has received a score of 3, 2, or~~  
29 ~~1 on the Academic Performance Index as defined in~~  
30 ~~Section 52052 for each fully credentialed, appropriately~~  
31 ~~assigned teacher who is hired and replaces a teacher who~~  
32 ~~holds an emergency permit. A school that scores a 4 to 5~~  
33 ~~on the Academic Performance Index shall receive a~~  
34 ~~two-thousand-dollar (\$2,000) incentive for each fully~~  
35 ~~credentialed, appropriately assigned teacher who is hired~~  
36 ~~and replaces a teacher who holds an emergency permit.~~  
37 ~~Funds received pursuant to this paragraph shall be~~  
38 ~~expended at the discretion of the schoolsite for a one-time~~  
39 ~~purpose to increase the school’s ability to attract and~~



1 ~~retain teachers, but shall not be used for any form of~~  
2 ~~teacher compensation.~~  
3 ~~(2) A three-thousand-dollar (\$3,000) incentive shall be~~  
4 ~~provided to each fully credentialed, appropriately~~  
5 ~~assigned teacher who is hired by a participating school~~  
6 ~~district and replaces a teacher who holds an emergency~~  
7 ~~permit to teach in a school that has received a score of 3,~~  
8 ~~2, or 1 on the Academic Performance Index as defined in~~  
9 ~~Section 52052. Each fully credentialed, appropriately~~  
10 ~~assigned teacher who is hired by a participating school~~  
11 ~~district and replaces a teacher who holds an emergency~~  
12 ~~permit to teach in a school that scores a 4 to 5 on the~~  
13 ~~Academic Performance Index shall receive a~~  
14 ~~two-thousand-dollar (\$2,000) incentive. An incentive~~  
15 ~~received pursuant to this paragraph shall be used by the~~  
16 ~~teacher for one-time expenditures for his or her~~  
17 ~~classroom. These funds shall not be used for any other~~  
18 ~~form of teacher compensation.~~  
19 ~~(b) A credentialed teacher employed in a school that~~  
20 ~~is not low performing at the time the act adding this~~  
21 ~~section is enacted is eligible for incentives if he or she~~  
22 ~~elects to transfer and become employed in a~~  
23 ~~low-performing school.~~  
24 ~~(c) A credentialed teacher is not eligible for the~~  
25 ~~incentives for changing employment between~~  
26 ~~low-performing schools.~~  
27 ~~(d) A emergency permit teacher employed to teach at~~  
28 ~~a low-performing school who earns a teaching credential~~  
29 ~~is eligible for incentives.~~  
30 ~~44766. (a) School districts that participate in the~~  
31 ~~Teaching as a Priority Program shall demonstrate, on an~~  
32 ~~annual basis, an absolute one to one reduction in the~~  
33 ~~number of emergency permitholders for each new~~  
34 ~~teacher hired under the program. A school district that is~~  
35 ~~not able to attain the reduction in emergency permit~~  
36 ~~teachers in the timeline designated shall have its revenue~~  
37 ~~limit funding reduced on a one-time basis by four~~  
38 ~~thousand dollars (\$4,000) per emergency permit teacher~~  
39 ~~in excess of the target, not to exceed the amount of~~  
40 ~~incentive that has been received for that period.~~



1 ~~(b) The Commission on Teacher Credentialing shall~~  
2 ~~assess a school district's progress towards its target each~~  
3 ~~fiscal year. If a participating school district fails to meet~~  
4 ~~the target, the commission shall report to the Controller~~  
5 ~~the amount of funds to be collected from the school~~  
6 ~~district. The Controller shall withhold from the school~~  
7 ~~district's next principal apportionment the amount~~  
8 ~~reported by the Commission on Teacher Credentialing.~~

9 ~~(c) All schools participating in the Teaching as a~~  
10 ~~Priority Program shall post in the main office of the school~~  
11 ~~or other publicly accessible area the names of all teachers~~  
12 ~~employed by the school and the credentials held by those~~  
13 ~~teachers.~~

14 SEC. 9. Section 69532 of the Education Code is  
15 amended to read:

16 69532. Cal Grant Program awards shall be known as  
17 "Cal Grant A awards," "Cal Grant B awards," "Cal Grant  
18 C awards," and Cal Grant T awards." The maximum  
19 award in each category shall be determined in the annual  
20 Budget Act.

21 (a) Cal Grant A awards shall be used only for tuition  
22 and student fees in an instructional program of no less  
23 than two academic years. Commencing as soon as  
24 feasible, but no later than the award cycle that provides  
25 awards for the 1999–2000 academic year, the eligibility  
26 criteria for first-time Cal Grant award recipients who are  
27 community college students and transfer to a four-year  
28 college or university shall be no more stringent than the  
29 eligibility criteria for other first-time Cal Grant award  
30 recipients attending a four-year college or university.

31 (b) Cal Grant B awards shall be used only for tuition,  
32 student fees, and subsistence costs in an instructional  
33 program of no less than one academic year. Subsistence  
34 costs are living expenses, transportation, supplies, and  
35 books. Commencing as soon as feasible, but no later than  
36 the award cycle that provides awards for the 1999–2000  
37 academic year, the eligibility criteria for first-time Cal  
38 Grant award recipients who are community college  
39 students and transfer to a four-year college or university  
40 shall be no more stringent than the eligibility criteria for



1 other first-time Cal Grant award recipients attending a  
2 four-year college or university.

3 (c) Cal Grant C awards shall be used only for  
4 occupational or technical training in a course of no less  
5 than four months. There shall be a minimum of 1,570 new  
6 Cal Grant C awards each year.

7 (d) Cal Grant T awards shall be used only for tuition  
8 and student fees for a maximum of one academic year of  
9 full-time attendance in a program of professional  
10 preparation that has been approved by the Commission  
11 on Teacher Credentialing. There shall be a minimum of  
12 3,000 new Cal Grant T awards each year. As a condition  
13 of receiving a Cal Grant T award, a recipient shall teach  
14 for one year in a low-performing school as defined in  
15 subdivision (c) of Section 44765 for each two thousand  
16 dollar (\$2,000) incentive provided pursuant to Section  
17 ~~44765.7~~, 69532 *through the Cal Grant T Program*, for a  
18 period not to exceed four years. Any recipient who fails  
19 to meet his or her teaching obligation shall repay the Cal  
20 Grant T award.

21 (e) The California Student Aid Commission shall  
22 evaluate the Cal Grant T Award program from its  
23 inception to determine, of the total number of recipients,  
24 the number of recipients who become employed as  
25 public school teachers. This evaluation shall be reported  
26 on an annual basis to the Governor and the Legislature  
27 beginning July 1, 2001.

28 SEC. 10. Section 69612 of the Education Code is  
29 amended to read:

30 69612. (a) (1) The Legislature hereby recognizes  
31 that there is a growing shortage of high-quality classroom  
32 teachers, and that there is a need for qualified teachers  
33 throughout California. The Legislature finds one of the  
34 most important elements in a pupil's success at learning  
35 is the quality of the teacher. The teacher shortage is most  
36 serious in particular subject areas, partly due to the  
37 shortage of students in these fields who enter the teaching  
38 profession. The Legislature also recognizes that many  
39 school districts have difficulty recruiting and retaining  
40 high-quality teachers for low-performing schools, for



1 pupils with special needs, for schools serving rural areas  
2 or large populations of pupils from low-income and  
3 linguistic minority families, and schools with a high  
4 percentage of teachers holding emergency permits.

5 (2) The Legislature finds that the rising costs of higher  
6 education, coupled with a shift in available financial aid  
7 from scholarships and grants to loans, make loan  
8 repayment options an important consideration in a  
9 student's decision to pursue a postsecondary education.  
10 The availability of financial aid and loan repayment  
11 assistance are important considerations for many  
12 students, especially economically disadvantaged  
13 students, in making their educational decisions.

14 (b) It is the intent of the Legislature that the  
15 Assumption Program of Loans for Education be designed  
16 to encourage persons to enter into the teaching  
17 profession in designated subject matter shortage areas  
18 and in schools serving large populations of pupils from  
19 low-income families, schools serving rural areas, schools  
20 with a high percentage of teachers holding emergency  
21 permits, or schools with any or all of these characteristics.  
22 It is further the intent of the Legislature in enacting this  
23 article to do all of the following:

24 (1) Provide outstanding postsecondary students,  
25 particularly economically disadvantaged students, with  
26 the assurance of financial assistance to encourage them to  
27 complete postsecondary education programs leading to  
28 teaching credentials, and to seek employment as  
29 teachers.

30 (2) Provide persons who agree to become teacher  
31 trainees or teacher interns in a subject matter shortage  
32 area with the assurance of financial assistance to  
33 encourage them to complete the additional coursework  
34 necessary to obtain a teaching credential.

35 (3) Identify subject matter areas or schools in which  
36 there are shortages of fully credentialed teachers and  
37 provide incentives for persons to obtain teaching  
38 credentials and seek teaching positions in those areas.

39 (4) Identify schools serving rural areas, schools serving  
40 large populations of students from low-income families,



1 or both, and schools with a high percentage of teachers  
2 holding emergency permits, and provide incentives for  
3 persons to obtain teaching credentials and seek teaching  
4 positions in those schools.

5 (5) Identify low-performing schools and provide  
6 incentives for persons to obtain teaching credentials and  
7 seek teaching positions in those schools. For the purpose  
8 of this article, “low-performing school” means a school in  
9 the bottom half of the Academic Performance Index  
10 rankings established pursuant to subdivision (a) of  
11 Section 52056 at the time that a teacher is hired.

12 SEC. 11. Section 69612.5 of the Education Code is  
13 amended to read:

14 69612.5. Commencing with the 2000–01 school year,  
15 all persons eligible to receive conditional warrants for  
16 loan assumptions pursuant to this article shall be persons  
17 who need to complete training or coursework in order to  
18 be fully credentialed and who agree to obtain a credential  
19 and teach in a designated subject matter shortage area or  
20 in a school that, at the time that the teacher is hired, meets  
21 any of the following criteria:

22 (a) Serves a large population of pupils from  
23 low-income families.

24 (b) Has a high percentage of teachers holding  
25 emergency permits.

26 (c) Is a low-performing school.

27 SEC. 12. Section 69613 of the Education Code is  
28 amended to read:

29 69613. (a) Any person enrolled in an institution of  
30 postsecondary education participating in the loan  
31 assumption program set forth in this article, or any person  
32 who agrees to participate in a teacher trainee or teacher  
33 internship program, may be eligible to receive a  
34 conditional warrant for loan assumption, to be redeemed  
35 pursuant to Section 69613.2 upon becoming employed as  
36 a teacher. In order to be eligible to receive a loan  
37 assumption warrant, an applicant shall satisfy all of the  
38 conditions specified in either subdivision (b) or (c).

39 (b) (1) The applicant has completed at least 60  
40 semester units, or the equivalent, and is enrolled in an



1 academic program leading to a baccalaureate degree at  
2 a participating institution, or has been admitted to a  
3 program of professional preparation that has been  
4 approved by the Commission on Teacher Credentialing.

5 (2) The applicant is currently enrolled, or has been  
6 admitted to a program in which he or she will be enrolled,  
7 on at least a half-time basis, as determined by the  
8 participating institution. The applicant shall agree to  
9 maintain at least half-time enrollment and to maintain  
10 satisfactory academic progress.

11 (3) The applicant has been judged by his or her  
12 postsecondary institution to have outstanding ability on  
13 the basis of criteria that may include, but need not be  
14 limited to, any of the following:

15 (A) Grade point average.

16 (B) Test scores.

17 (C) Faculty evaluations.

18 (D) Interviews.

19 (E) Other recommendations.

20 (4) In order to meet the costs associated with  
21 obtaining a baccalaureate degree, or a California  
22 teaching credential, the applicant has received, or is  
23 approved to receive, a loan under one or more of the  
24 following designated loan programs:

25 (A) The Federal Family Education Loan Program (20  
26 U.S.C. Sec. 1071 et seq.).

27 (B) Any loan program approved by the Student Aid  
28 Commission.

29 (5) The applicant has agreed to teach in a public school  
30 in this state for at least four consecutive academic years  
31 after obtaining a teaching credential.

32 (c) (1) The applicant holds a baccalaureate degree  
33 and agrees to participate in a teacher trainee program or  
34 teacher internship program, or is a person who will  
35 continue to be employed full time in a field other than  
36 teaching while completing the necessary coursework for  
37 a teaching credential, or is a noncredentialed teaching  
38 paraprofessional, as described in Section 44323, who will  
39 continue to serve as a teaching paraprofessional while



1 completing the necessary coursework for a California  
2 teaching credential.

3 (2) (A) The applicant is enrolled in, or has been  
4 admitted to, a participating institution and agrees to  
5 maintain satisfactory academic progress in an academic  
6 program leading to a baccalaureate degree or in a  
7 program of professional preparation that has been  
8 approved by the Commission on Teacher Credentialing,  
9 and the applicant satisfies the conditions specified in  
10 paragraphs (3), (4), and (5) of subdivision (b).

11 (B) No applicant who has completed fewer than 60  
12 units, or the equivalent, shall be eligible under this  
13 subdivision to participate in the loan assumption program  
14 set forth in this article.

15 (d) The warrants distributed each year pursuant to  
16 subdivisions (b) and (c) at each participating institution  
17 shall be awarded by that institution to applicants who  
18 meet the criteria specified in Section 69612.5 and agree to  
19 teach in a designated shortage area or any of the types of  
20 schools that meet the criteria listed in that section. The  
21 warrant shall remain valid even if the subject area under  
22 which an applicant became eligible for a warrant ceases  
23 to be a designated shortage field by the time the applicant  
24 becomes a teacher.

25 (e) A person participating in the program pursuant to  
26 this section shall not receive more than one warrant.

27 (f) The Student Aid Commission shall adopt rules and  
28 regulations regarding the reallocation of warrants where  
29 a participating institution is unable to utilize its allocated  
30 warrants or is unable to distribute them within a  
31 reasonable period of time.

32 SEC. 13. Section 69613.1 of the Education Code is  
33 amended to read:

34 69613.1. The Superintendent of Public Instruction  
35 shall furnish the Student Aid Commission with all of the  
36 following:

37 (a) Commencing January 1, 1990, and every January 1  
38 thereafter, a list of teaching fields that have the most  
39 critical shortage of teachers. The superintendent shall



1 review this list annually and revise the list as he or she  
2 deems necessary.

3 (b) A list of schools that serve a large population of  
4 pupils from low-income families, as designated for  
5 purposes of the Perkins Loan Program, or according to  
6 other standards the superintendent deems appropriate.

7 (c) Commencing January 31, ~~2000~~ 2001, and every  
8 January 1, thereafter, a list of schools with a high  
9 percentage of teachers holding emergency permits. The  
10 list shall be established according to criteria determined  
11 by the Superintendent of Public Instruction.

12 (d) Commencing January 31, 2000, and every January  
13 1, thereafter, a list of schools serving rural areas. The list  
14 shall be established according to standards deemed  
15 appropriate by the Superintendent of Public Instruction.

16 (e) Commencing January 31, 2001, and every January  
17 1, thereafter, a list of low-performing schools.

18 SEC. 14. Section 69613.3 of the Education Code is  
19 repealed.

20 SEC. 15. Section 69613.5 of the Education Code is  
21 amended to read:

22 69613.5. (a) Notwithstanding Sections 69612.5 and  
23 69614, for the purposes of the recruitment of teachers  
24 from outside California, the commission may distribute  
25 warrants to school districts to be awarded to out-of-state  
26 teachers who fulfill the terms of Section 69613.4. A  
27 teacher who receives a warrant pursuant to this  
28 subdivision shall hold a valid teaching credential, in the  
29 subject area of the California teaching position, from the  
30 state in which he or she resides.

31 (b) The commission shall adopt rules and regulations  
32 regarding the allocation of warrants to school districts  
33 pursuant to this section.

34 SEC. 16. Section 69613.55 of the Education Code is  
35 repealed.

36 SEC. 17. Section 69613.6 of the Education Code is  
37 amended to read:

38 69613.6. (a) Except as provided in subdivision (b), if  
39 a program participant fails to complete a minimum of  
40 four consecutive school years of classroom instruction as



1 required by this article, under the terms of the agreement  
2 pursuant to paragraph (5) of subdivision (b) of Section  
3 69613, the participant shall assume full liability for all  
4 student loan obligations remaining after the commission's  
5 assumption of loan liability for the last year of qualifying  
6 teaching service pursuant to Section 69613.

7 (b) Notwithstanding subdivision (a), if a program  
8 participant becomes unable to complete one of the four  
9 consecutive years of teaching service due to serious  
10 illness, pregnancy, or other natural causes, the participant  
11 shall receive a deferral of the resumption of full liability  
12 for the loan for a period not to exceed one calendar year.

13 SEC. 18. Section 69614 of the Education Code is  
14 amended to read:

15 69614. (a) The Student Aid Commission shall  
16 distribute program information and student applications  
17 to participate in the loan assumption program to all *school*  
18 *districts and county offices of education operating a*  
19 *district intern program pursuant to Section 44381 and*  
20 postsecondary institutions eligible to participate in state  
21 and federal financial aid programs and having a program  
22 of professional preparation that has been approved by the  
23 Commission on Teacher Credentialing. Each eligible  
24 institution shall receive at least one application, and the  
25 remainder shall be distributed to eligible institutions  
26 proportionate to the number of teaching candidates from  
27 each institution who were fully credentialed during the  
28 previous year. In addition, the Student Aid Commission  
29 shall reexamine its outreach and marketing strategies to  
30 inform both potential undergraduates and persons  
31 employed outside of academia about the availability and  
32 benefits of the loan assumption program. To this end, the  
33 commission shall enlist the advice and support of the  
34 California Center on Teaching Careers, the University of  
35 California, the California State University, the  
36 Association of Independent California Colleges and  
37 Universities, and private employers and their associations  
38 throughout the state.

39 (b) Each participating institution shall sign an  
40 institutional agreement with the commission, certifying



1 its intent to administer the loan assumption program  
2 according to all applicable published rules, regulations,  
3 and guidelines, and to make special efforts to notify  
4 students regarding the availability of the program,  
5 particularly economically disadvantaged students.

6 (c) To the extent feasible, each participating  
7 institution shall coordinate the loan assumption program  
8 with other existing programs designed to recruit or  
9 encourage students to enter the teaching profession.  
10 These programs may include, but need not be limited to,  
11 student internships in school districts, courses that  
12 provide early exploratory or field work experience in  
13 elementary or secondary schools, and work-study  
14 employment in elementary or secondary schools.

15 SEC. 19. Section 69615.4 of the Education Code is  
16 amended to read:

17 69615.4. The commission shall report annually to the  
18 Legislature regarding all of the following, on the basis of  
19 sex, age, and ethnicity:

20 (a) The total number of warrants awarded.

21 (b) The number of warrants allocated each to juniors,  
22 seniors, students enrolled in teacher training programs,  
23 and persons who agree to enroll in teacher trainee  
24 programs or teacher internship programs.

25 (c) The number of warrants awarded to applicants  
26 who pursue a credential in a subject matter shortage area.

27 (d) The number of warrants awarded to applicants  
28 who agree to teach in schools with a high ratio of pupils  
29 from low-income families and low-performing schools.

30 (e) The number of warrants awarded to applicants  
31 who agree to teach in schools serving rural areas.

32 (f) The number of warrants awarded to applicants  
33 who agree to teach in schools with a high percentage of  
34 teachers holding emergency permits.

35 (g) The number of warrants that are redeemed by the  
36 initial recipients.

37 SEC. 20. Section 69615.6 of the Education Code is  
38 amended to read:

39 69615.6. (a) Beginning no later than the 1986–87  
40 school year, and each school year thereafter up to and



1 including the 1997–98 school year, the commission shall  
2 issue warrants for the assumption of up to 500 student  
3 loans for program participants eligible under this article.

4 (b) For the 1998–99 school year, the commission shall  
5 issue warrants for the assumption of up to 4,500 student  
6 loans for program participants eligible under this article.

7 (c) For the 1999–2000 school year the commission shall  
8 issue warrants for the assumption of up to 5,500 student  
9 loans for program participants eligible under this article.

10 (d) Commencing with the 2000–01 school year, and  
11 each school year thereafter, the following shall apply:

12 (1) The commission shall issue warrants for the  
13 assumption of up to 6,500 student loans for program  
14 participants eligible under this article.

15 (2) Notwithstanding the limitation of 6,500 warrants  
16 set forth in paragraph (1), the commission shall issue  
17 warrants in a quantity determined by the Governor and  
18 the Legislature in the annual Budget Act for the  
19 assumption of student loans.

20 (3) Notwithstanding Sections 69613.5 and 69614, up to  
21 100 of the 6,500 warrants issued pursuant to this  
22 subdivision may be issued for the assumption of student  
23 loans for applicants who agree to teach in school districts  
24 serving rural areas.

25 (e) The issuance of warrants shall be subject to  
26 funding to be provided in the Budget Act for each fiscal  
27 year.

28 SEC. 21. Article 21 (commencing with Section 70000)  
29 is added to Chapter 2 of Part 42 of the Education Code,  
30 to read:

31

32 Article 21. Governor’s Teaching Fellowships

33

34 70000. (a) The Governor’s Teaching Fellowships  
35 Program is hereby established to be administered by the  
36 Chancellor’s Office of the California State University. The  
37 chancellor’s office shall collaborate with the University of  
38 California, the California Community Colleges, the  
39 Association of Independent California Colleges and  
40 Universities, the State Department of Education, and the



1 Commission on Teacher Credentialing to ensure that  
2 access to the fellowships is available to students in a  
3 variety of teaching preparation programs.

4 (b) In January 2001, 250 nonrenewable graduate  
5 teaching fellowships in the amount of twenty thousand  
6 dollars (\$20,000) each shall be awarded, with funds  
7 disbursed half in January 2001 and half in September 2001.

8 (c) Beginning in the 2001–02 fiscal year, 1,000  
9 nonrenewable, graduate teaching fellowships in the  
10 amount of twenty thousand dollars (\$20,000) each shall be  
11 awarded annually.

12 (d) The fellowship award may be used to defer tuition  
13 for a teacher certification program at any accredited  
14 postsecondary institution in California and for living  
15 expenses while enrolled in that program.

16 70001. (a) The Chancellor’s Office of the California  
17 State University shall have the following duties:

18 (1) Developing an application process that establishes  
19 a merit-based fellowship program for graduate students  
20 who agree to teach at a low-performing school for four  
21 years.

22 (2) Establishing a broad and effective outreach effort  
23 to promote the availability and the merits of the  
24 fellowship program.

25 (3) Conducting the selection process for fellowship  
26 applicants.

27 (4) Collaborating with the Commission on Teacher  
28 Credentialing to develop and implement a system for  
29 monitoring program participants through the  
30 completion of their four-year teaching obligation.

31 (5) Determining the criteria for selecting teaching  
32 fellowship candidates. The criteria shall include, at a  
33 minimum, all of the following:

34 (A) Previous academic and employment record.

35 (B) A demonstrated commitment to serve in a  
36 low-performing school.

37 (C) Faculty and employer evaluations.

38 (D) Interviews.

39 (E) Letters of recommendation.



1 (b) For the purposes of this article, a “low-performing  
2 school” is a school in the bottom half of the Academic  
3 Performance Index rankings established pursuant to  
4 subdivision (a) of Section 52056. If a school meets this  
5 criteria at the time a teacher is hired, continued  
6 employment of the teacher at that school fulfills the  
7 commitment made by the teacher, even if the school  
8 improves its rank on the Academic Performance Index.

9 70002. An intersegmental review committee is  
10 hereby established to review all applications for the  
11 Governor’s Teaching Fellowships. The committee shall  
12 recommend teaching fellowship candidates to the  
13 Chancellor’s Office of the California State University. The  
14 committee shall consist of 12 members, appointed by the  
15 Governor to a term of four years, based on  
16 recommendations as follows:

17 (a) The Chancellor of the California State University  
18 shall recommend six members. Two shall be faculty  
19 members. One shall be an administrator from higher  
20 education. One shall be an administrator from a school  
21 maintaining kindergarten or any of grades 1 to 12,  
22 inclusive. Two shall be teachers from schools maintaining  
23 kindergarten or any of grades 1 to 12, inclusive.

24 (b) The President of the University of California shall  
25 recommend three members. One shall be a faculty  
26 member. One shall be an administrator from either  
27 higher education or schools maintaining kindergarten or  
28 any of grades 1 to 12, inclusive. One shall be an  
29 elementary or secondary teacher.

30 (c) The Chair of the Association of Independent  
31 California Colleges and Universities shall recommend  
32 three members. One shall be a faculty member. One shall  
33 be an administrator from either higher education or  
34 schools maintaining kindergarten or any of grades 1 to 12,  
35 inclusive. One shall be an elementary or secondary  
36 teacher.

37 70003. (a) A fellowship recipient shall agree to teach  
38 in a low-performing school for four years and shall have  
39 four years, upon completion of his or her preparation  
40 program, to meet that obligation. Except as provided in



1 subdivision (c), a fellowship recipient shall agree to repay  
2 the state five thousand dollars (\$5,000) annually for each  
3 year the recipient fails to complete either the teacher  
4 preparation program or the required teaching service, up  
5 to full repayment of twenty thousand dollars (\$20,000).

6 (b) Nonperformance of the commitment to teach in a  
7 low-performing school for four years shall be certified by  
8 the Commission on Teacher Credentialing to the  
9 chancellor’s office.

10 (c) Any exceptions to the requirement for repayment  
11 shall be defined by the chancellor’s office.

12 70004. The Trustees of the California State University  
13 shall provide an annual report, for each higher education  
14 institution, on the number of fellows receiving funding,  
15 the number of fellows completing programs, and the  
16 place of employment for each candidate.

17 70005. (a) The Chancellor’s Office of the California  
18 State University shall adopt any rules and regulations it  
19 deems necessary for the administration of this section and  
20 the recovery of funds it determines are owed to the state.  
21 The rules and regulations adopted by the chancellor’s  
22 office pursuant to this section shall also include a  
23 provision authorizing the chancellor’s office to seek a civil  
24 penalty on a recipient of funds under this program, in an  
25 amount not to exceed five thousand dollars (\$5,000) per  
26 year for each year that the recipient of funds is  
27 determined by the Commission on Teacher  
28 Credentialing to have failed to fulfill his or her obligation  
29 to teach in a low-performing school.

30 (b) Any moneys derived from the assessment of  
31 penalties pursuant to this section shall be deposited into  
32 the General Fund.

33 ~~SEC. 22. Chapter 9.5 (commencing with Section~~  
34 ~~51460) is added to Part 3 of Division 31 of the Health and~~  
35 ~~Safety Code, to read:~~

36

37 ~~CHAPTER 9.5. NEIGHBORHOOD TEACHERS PROGRAM~~

38

39 ~~51460. (a) It is the intent of the Legislature that an~~  
40 ~~affordable homebuyer housing down payment assistance~~



1 ~~program be implemented to address the needs associated~~  
2 ~~with recruiting and retaining public school teachers in~~  
3 ~~the state.~~

4 ~~(b) The Department of Housing and Community~~  
5 ~~Development shall contract with the California Housing~~  
6 ~~Finance Agency for the administration of the program~~  
7 ~~established by this chapter. The California Housing~~  
8 ~~Finance Agency shall administer these programs and~~  
9 ~~allocate funds in accordance with that agency's authority~~  
10 ~~as set forth in Part 3 (commencing with Section 50900) of~~  
11 ~~Division 31.~~

12 ~~51461. For the purposes of this chapter, the following~~  
13 ~~terms have the following definitions:~~

14 ~~(a) "Low-performing school" means a public school in~~  
15 ~~the bottom half of the Academic Performance Index~~  
16 ~~rankings established pursuant to subdivision (a) of~~  
17 ~~Section 52056 of the Education Code. This designation~~  
18 ~~shall be determined as of the date of the application for~~  
19 ~~a loan pursuant to this chapter.~~

20 ~~(b) "Teacher" means a person who is currently~~  
21 ~~employed as a full-time teacher in a low-performing~~  
22 ~~school and who holds the appropriate credential for the~~  
23 ~~subject and grade level the teacher is assigned to teach.~~

24 ~~(c) "Termination of employment" means the~~  
25 ~~borrower is no longer meeting, for whatever reason, each~~  
26 ~~of the elements of the definition of "teacher" at any time~~  
27 ~~during the first five years immediately following the date~~  
28 ~~of recordation of the subordinate mortgage loan deed of~~  
29 ~~trust. However, a termination of employment does not~~  
30 ~~occur if the borrower is still employed at the same school~~  
31 ~~as at the time of recordation of the subordinate mortgage~~  
32 ~~loan and the school is no longer a low-performing school~~  
33 ~~or if the borrower accepts a teaching position at another~~  
34 ~~public school and the teacher's departure from the~~  
35 ~~low-performing school was involuntary. The agency may~~  
36 ~~establish guidelines for consideration of hardship cases in~~  
37 ~~which it may waive this five-year continuous~~  
38 ~~employment requirement.~~

39 ~~51462. (a) The agency shall administer a~~  
40 ~~Neighborhood Teachers Program in accordance with this~~



1 ~~chapter for the purpose of providing down payment~~  
2 ~~assistance to teachers for the purchase of a residence~~  
3 ~~located in this state. The agency may originate and~~  
4 ~~service loans and establish, by board resolution,~~  
5 ~~guidelines for administration and implementation of this~~  
6 ~~program.~~

7 ~~(b) Down payment assistance shall be in the form of~~  
8 ~~a deferred payment, low-interest subordinate mortgage~~  
9 ~~loan in second lien position and with a term not longer~~  
10 ~~than the term of the first mortgage loan. Notwithstanding~~  
11 ~~this section and subdivision (b) of Section 51463, the~~  
12 ~~subordinate mortgage loan may be in a lower than second~~  
13 ~~position only so long as the liens to which the subordinate~~  
14 ~~mortgage loan is junior are California Housing Finance~~  
15 ~~Agency mortgage liens. Interest on this subordinate~~  
16 ~~mortgage loan shall accrue at a rate determined by the~~  
17 ~~agency. The maximum down payment assistance to any~~  
18 ~~borrower provided shall not exceed ten thousand dollars~~  
19 ~~(\$10,000).~~

20 ~~(c) All allocations and repayments shall be used for the~~  
21 ~~purposes of this program, including administrative costs.~~

22 ~~51463. (a) To qualify for a loan under this chapter,~~  
23 ~~the borrower and the residence being financed shall meet~~  
24 ~~the following criteria at the time the assistance is~~  
25 ~~provided:~~

26 ~~(1) The borrower shall be a teacher as defined in~~  
27 ~~subdivision (b) of Section 51460.~~

28 ~~(2) The residence financed shall be intended to be the~~  
29 ~~borrower's primary residence.~~

30 ~~(3) The residence being financed shall be a~~  
31 ~~single family residence, condominium, or manufactured~~  
32 ~~housing located within the State of California.~~

33 ~~(b) The borrower's obligation to repay the assistance~~  
34 ~~received pursuant to this chapter shall be evidenced by~~  
35 ~~a lien subordinate in priority only to the borrower's first~~  
36 ~~mortgage lien.~~

37 ~~51464. (a) To qualify for forgiveness for repayment~~  
38 ~~of the assistance provided under this chapter, a teacher~~  
39 ~~shall meet the following continued eligibility~~  
40 ~~requirements on a continuous basis for five years~~



1 following the date of recordation of the lien or deed of  
2 trust evidencing this assistance:

3 (1) The borrower shall continuously occupy the  
4 residence being purchased and financed under this  
5 chapter as his or her principal residence.

6 (2) The borrower may not have a termination of  
7 employment, as defined in subdivision (e) of Section  
8 51461.

9 (b) If the borrower meets the continued eligibility  
10 requirements of subdivision (a) for the full five-year  
11 continued eligibility period, repayment of the assistance  
12 shall be forgiven and considered a grant so long as the  
13 borrower produces documentation sufficient to the  
14 agency's satisfaction that the continued eligibility  
15 requirements of occupancy and employment have been  
16 met during that five-year period.

17 (e) Repayment of the principal and accrued interest  
18 shall be due and payable at the earlier of the following  
19 events:

20 (1) Transfer of title.

21 (2) Sale of the residence.

22 (3) Payoff of the first mortgage loan.

23 (d) The agency may agree to subordinate its lien if  
24 there is a refinancing of the borrower's first mortgage lien  
25 at any time during the first five-year continued eligibility  
26 period if the following conditions are met:

27 (1) The borrower has been occupying, and intends to  
28 continuously occupy, the residence as his or her principal  
29 residence.

30 (2) There has not been a termination of employment.

31 The agency shall require immediate repayment of  
32 amounts then owed if there is a refinancing of the first  
33 mortgage and these conditions are not met or if there is  
34 a refinancing that occurs after the five-year continued  
35 eligibility period.

36 (e) In the event of termination of employment by the  
37 borrower or the borrower's failure to continuously  
38 occupy the financed residence as his or her principal  
39 residence during the first five years following recordation  
40 of the subordinate mortgage loan deed of trust, the



1 ~~borrower shall be obligated to repay to the agency, in~~  
2 ~~addition to other amounts due on the loan, the pro rata~~  
3 ~~amount of principal and accrued interest on the loan~~  
4 ~~which directly relates to the period of time within that~~  
5 ~~five-year period in which the borrower failed to satisfy~~  
6 ~~each of requirements set forth in subdivision (a).~~

7 ~~(f) To qualify for any forgiveness of repayment of the~~  
8 ~~loan, the borrower shall produce documentation to the~~  
9 ~~agency's satisfaction that all of the conditions specified in~~  
10 ~~subdivision (a) have been met for the period for which~~  
11 ~~the forgiveness of the loan is sought.~~

12 ~~51465. The agency shall have all of the powers~~  
13 ~~conferred upon it by Part 3 (commencing with Section~~  
14 ~~50900) of Division 31 of the Health and Safety Code in~~  
15 ~~administering this chapter.~~

16 *SEC. 22. This act shall become operative only if*  
17 *Senate Bill 1330 of the 1999-2000 Regular Session is*  
18 *chaptered.*

19 SEC. 23. This act is an urgency statute necessary for  
20 the immediate preservation of the public peace, health,  
21 or safety within the meaning of Article IV of the  
22 Constitution and shall go into immediate effect. The facts  
23 constituting the necessity are:

24 In order to implement the Budget Act of 2000 with  
25 respect to the public schools and institutions of higher  
26 education, it is necessary that this act take effect  
27 immediately.

