

AMENDED IN SENATE APRIL 13, 2000

SENATE BILL

No. 1505

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

February 15, 2000

An act to amend Sections 24216.5, 44386, 44395, 44396, 69532, ~~69535, 69535.1,~~ 69612, 69612.5, 69613, 69613.1, 69613.5, 69613.6, 69614, 69615.4, and 69615.6 of, to amend, add, and renumber Section 44397 of, to add 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 ~~69540, 69613.3,~~ 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. The bill would require the Commission on Teacher Credentialing to adopt rules and regulations for the enforcement of the agreement to teach for 4 years in a low-performing school and to recover funds owed to the state for failure to honor that agreement.

(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 low-performing school in a participating school district *or a school that is ranked in the bottom 30th percentile or below of the Academic Performance Index* would receive ~~\$2,000~~ \$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 ~~a~~ the low-performing school would receive ~~\$2,000~~ \$3,000. *The bill would additionally require that a school ranked in the 40th to 50th percentile, inclusive, of 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 ~~attain a districtwide reduction in the percentage of emergency permit teachers employed, followed by further reductions in the percentage of emergency permit teachers employed in each of the remaining 3 years of program participation,~~ demonstrate, on an annual basis, an absolute one-to-one reduction in the number of emergency permit holders 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 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 56 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 permit holders. The bill would require the Sacramento County Office of Education to provide statewide oversight and technical assistance for regional recruitment centers.

~~(6) Existing law establishes the Cal Grant Program 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 program of profession teacher preparation.~~

~~This bill would eliminate the Cal Grant T award.~~

~~(7) 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.

~~(8)~~

(7) 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.

~~(9)~~

(8) Existing law requires the annual distribution of a minimum of 2,000 of the warrants under the Assumption Program of Loans for Education Program 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.

~~(10)–~~

(9) 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 Program. 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.

~~(11)–~~

~~(10) Existing law establishes the Cal Grant T Program described in paragraph (6) above 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 (7) (6) to (11) (9), inclusive, above.~~

~~This~~

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

~~(12)–~~

(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.

~~(13)–~~

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

Vote: $\frac{2}{3}$. 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.

1 Yet, even with the number of teachers being trained on
2 the rise, the number of individuals who immediately
3 enter the classroom after being prepared is estimated to
4 be as low as 50 percent. Left untapped, this pool of trained
5 teachers who are not teaching represents a wasted
6 investment of state resources. In addition, retired
7 teachers are discouraged from reentering the profession
8 due to postretirement earnings limitations.

9 (2) Low-performing schools with a history of having
10 high teacher turnover and inexperienced staff need more
11 qualified teachers to substantially improve pupil
12 achievement. While no one approach will likely meet the
13 challenge of attracting and retaining individuals into
14 hard to staff schools, financial incentives ought to be an
15 important element in any effective strategy.

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

19 (4) Ultimately, school districts are responsible for
20 setting the standard for the quality of teachers that they
21 employ.

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

24 (1) Provide financial incentives to attract fully
25 credentialed teachers to teach in low-performing schools,
26 to reduce school districts' reliance on emergency permits
27 by rewarding schools that hire credentialed teachers in
28 appropriate assignments. The incentives are designed
29 both to recruit qualified teachers to hard to staff schools
30 and to provide low-performing schools with some
31 additional discretionary moneys.

32 (2) Dissuade school districts, even under the most
33 difficult circumstances, from hiring teachers who hold
34 emergency permits by holding a district accountable
35 through a system of incentives and penalties that obliges
36 school districts to consistently reduce the number of
37 emergency permit teachers it employs.

38 (3) Provide incentives and support for individuals who
39 pursue traditional and alternative routes to teacher
40 certification through a teaching fellowship, more

1 accessible college loan assumption, and enhanced
2 teaching internships.

3 SEC. 2. Section 24216.5 of the Education Code is
4 amended to read:

5 24216.5. (a) The compensation earned by a member
6 who retired for service under this part shall be exempt
7 from subdivisions (d), (f), and (g) of Section 24214, if all
8 of the following conditions are met:

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

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

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

15 (B) Support and assessment for new teachers through
16 the Beginning Teacher Support and Assessment program
17 authorized by Section 44279.1.

18 (C) Support to individuals completing student
19 teaching assignments.

20 (D) Support to individuals participating in the
21 following programs:

22 (i) Pre-Internship Teaching Program authorized
23 pursuant to Article 5.6 (commencing with Section 44305)
24 of Chapter 2 of Part 25.

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

28 (iii) School Paraprofessional Teacher Training
29 Program established pursuant to Article 12 (commencing
30 with Section 44390) of Chapter 2 of Part 25.

31 (3) All members retired for service whose
32 employment with a school district meets the conditions
33 specified in this section shall be treated as a distinct class
34 of temporary employees within the existing bargaining
35 unit whose service shall not be included in computing the
36 service required as a prerequisite to attainment of or
37 eligibility for classification as a permanent employee of a
38 school district. The compensation for service performed
39 by this class of employees shall be established in
40 accordance with subdivision (b) of Section 24214 and

1 agreed to in the collective bargaining agreement
2 between the employing school district and the exclusive
3 representative for the existing bargaining unit within
4 which these temporary employees of the school district
5 are treated as a distinct class.

6 (4) The employing school district submits
7 documentation required by the system to substantiate
8 the eligibility of the temporary employment of a member
9 retired for service for the exemption under this
10 subdivision.

11 (b) A school district that employs a member retired
12 for service pursuant to this section shall maintain
13 accurate records of the retired member's compensation
14 earned and shall report that compensation monthly to the
15 system regardless of the method of payment or the source
16 of funds from which the compensation is paid.

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

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

24 (e) This section shall remain in effect only until July 1,
25 2005, and as of that date is repealed unless a later enacted
26 statute which is enacted before July 1, 2005, deletes or
27 extends that date.

28 SEC. 3. Section 44386 of the Education Code is
29 amended to read:

30 44386. From funds appropriated for the purposes of
31 this article, the Commission on Teacher Credentialing
32 shall award incentive grants to qualifying school districts
33 or county offices of education. Each school district or
34 county office of education that receives a grant shall
35 provide matching funds from any available source in an
36 amount equal to 50 percent of the cost of the alternative
37 certification program. Grants shall be awarded by the
38 commission for the remaining 50 percent of the cost of the
39 alternative certification program, but in no event shall
40 the grant amount awarded to any school district or county

1 office of education exceed two thousand five hundred
2 dollars (\$2,500) per intern per year, except that the
3 commission may require a lesser local contribution, or
4 provide a larger grant per intern per year, in hardship
5 cases.

6 SEC. 4. Section 44395 of the Education Code is
7 amended to read:

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

18 (1) A teacher attaining National Board certification
19 shall be eligible for a one-time merit award of ten
20 thousand dollars (\$10,000), except as specified in
21 paragraph (2).

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

38 (b) The State Department of Education shall
39 administer the awards authorized by subdivision (a), and
40 shall develop, in consultation with the Commission on

1 Teacher Credentialing, certification and award
2 information, criteria, procedures, and applications, all of
3 which shall be submitted to the State Board of Education
4 for approval. Amendments requested by the State Board
5 of Education to that information, criteria, procedures,
6 and applications shall be made before the dissemination
7 of the material and the granting of any award under this
8 article.

9 (c) The State Department of Education shall
10 distribute the materials described in subdivision (b) to
11 school districts. Each school district is strongly
12 encouraged to ensure that teachers employed by the
13 district or by charter schools affiliated with the district are
14 informed about the program and can acquire the
15 necessary application and information materials.

16 (d) School districts are encouraged to provide for
17 adequate release time and support for a teacher to
18 complete the certification process. As a condition to
19 providing that release time and support, a school district
20 may require that a teacher serve in a mentor teacher
21 capacity.

22 (e) For purposes of this article, the following
23 definitions apply:

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

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

37 SEC. 5. Section 44396 of the Education Code is
38 amended to read:

39 44396. (a) (1) To the extent that funds are available
40 for that purpose, a teacher who meets the criteria

1 approved by the State Board of Education pursuant to
2 subdivision (b) of Section 44395 is eligible and may apply
3 for an award by following the procedures and instructions
4 developed pursuant to that subdivision.

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

17 (b) Teachers shall submit their applications for an
18 award authorized by this article to the school district
19 employing them. Teachers employed by a charter school
20 shall submit their application through the school district
21 granting the school's charter.

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

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

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

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

SEC. 7. Section 44397 is added to the Education Code, to read:

44397. (a) The Commission on Teacher Credentialing shall adopt any rules and regulations it deems necessary for the enforcement of the agreement made pursuant to this article and the recovery of any funds it determines are owed to the state. The rules and regulations adopted by the commission pursuant to this section shall also include a provision authorizing the commission to impose a civil penalty on a recipient of funds pursuant to this article, in an amount not to exceed five thousand dollars (\$5,000) per year for each year or portion thereof that the recipient of funds is determined by the commission to have failed to fulfill his or her commitment to teach in a low-performing school pursuant to Section 44395.

(b) Any moneys recovered pursuant to this section shall be deposited into the General Fund.

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

CHAPTER 3.44. TEACHER RECRUITMENT INCENTIVE
PROGRAM

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

1 Sacramento County Office of Education, which shall
2 allocate those funds as specified in Section 44751.5.

3 (b) For purposes of this chapter, the following terms
4 have the following meanings:

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

8 (2) “Regional teacher recruitment center” means an
9 entity operated by a consortium that may include school
10 districts, county offices of education, colleges,
11 universities, or other public education entities in the
12 region to be served.

13 44751.5. The Sacramento County Office of Education
14 shall award, by January 1, 2001, ~~five~~ six grants on a
15 competitive basis to establish regional teacher
16 recruitment centers. One region shall serve northern
17 California. Two regions shall serve Los Angeles. One
18 region shall serve the Central Valley. One region shall
19 ~~include the Inland Empire. The Sacramento County~~
20 ~~Office of Education may serve as the regional~~
21 ~~recruitment center for northern California, but may~~
22 ~~choose to award its grant to another northern California~~
23 ~~grant applicant through the competitive process. serve~~
24 ~~the Inland Empire. One region shall serve San Diego and~~
25 ~~Imperial.~~

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 44752.5. (a) The amount of an award shall be based
38 on the number of teachers a regional teacher recruitment
39 center commits to recruit and shall be no more than
40 seven hundred dollars (\$700) per recruited teacher. The

1 Sacramento County Office of Education shall determine
2 the allocation of grants awards and whether funds should
3 be provided with a start-up grant and then a
4 reimbursement for teachers recruited, or some other
5 manner.

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

11 44753. The Sacramento County Office of Education
12 shall provide statewide oversight and technical assistance
13 for the regional teacher recruitment centers and perform
14 the following responsibilities:

15 (a) Provide advice to the CalTeach program within
16 the California State University system regarding the
17 regional media campaign for recruiting teachers.

18 (b) Consult with the Commission on Teacher
19 Credentialing on delivering technical assistance in
20 credentials counseling through the regional teacher
21 recruitment centers.

22 (c) Develop, publish, and distribute a guide of all
23 available state-level incentives to attract and retain
24 teachers.

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

30 44753.5. Regional teacher recruitment centers shall
31 perform the following duties:

32 (a) Employ full-time recruiters to recruit teachers and
33 provide credential and career counseling to prospective
34 teachers.

35 (b) Make available information on available
36 state-funded incentives to potential teachers.

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

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



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

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

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

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

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

44754. School districts, county offices of education, colleges, universities, and other public education entities participating in the Teacher Recruitment Incentive Program are encouraged to include in their submitted plans a financial commitment to teacher recruitment.

SEC. 9. Chapter 3.55 (commencing with Section 44765) is added to Part 25 of the Education Code, to read:

CHAPTER 3.55. TEACHING AS A PRIORITY PROGRAM

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

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

~~(a) “Appropriately assigned teacher” means a credentialed teacher assigned to teach only in the subject area of his or her credential.~~

~~(b) “Credentialed teacher” means an individual holding at a minimum a preliminary teaching credential.~~

(a) “Appropriately assigned teacher” is a certificated person as defined in Section 44006 whose teaching

1 assignment is consistent with the authorization of the
2 credential.

3 (b) “Credentialed teacher” is a person who holds a
4 multiple or single subject teaching credential as defined
5 in Section 44259, a special education instructional
6 credential pursuant to Section 44265, or an equivalent
7 credential issued prior to 1975.

8 (c) “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 52056.

11 44765.5. A school district or county office of education
12 with low-performing schools may apply to participate in
13 the Teaching as a Priority Program. Participation
14 includes schoolsite incentives for hiring credentialed,
15 appropriately assigned teachers and for reducing the
16 number of emergency permit teachers and also includes
17 required districtwide reductions in the percentage of
18 emergency permit teachers within specified timelines in
19 order to maintain incentive funding.

20 44765.7. (a) A low-performing school within a
21 participating school district shall receive incentives in the
22 following manner:

23 ~~(1) A two thousand dollar (\$2,000) incentive shall be~~
24 ~~provided to each fully credentialed, appropriately~~
25 ~~assigned teacher who is hired by a participating school~~
26 ~~district to teach in a low-performing school. This~~
27 ~~incentive is to be used by the teacher for one-time~~
28 ~~expenditures for his or her classroom. These funds shall~~
29 ~~not be used for any form of teacher compensation.~~

30 ~~(2) A two thousand dollar (\$2,000) incentive shall be~~
31 ~~provided to the low-performing school for each fully~~
32 ~~credentialed, appropriately assigned teacher who is hired~~
33 ~~and replaces an emergency permit teacher. These funds~~
34 ~~shall be expended at the discretion of the schoolsite for a~~
35 ~~one-time purpose to increase the school’s ability to attract~~
36 ~~and retain teachers, but shall not be used for any form of~~
37 ~~teacher compensation.~~

38 *(1) A three thousand dollar (\$3,000) incentive shall be*
39 *provided to a school that is ranked in the bottom 30th*
40 *percentile or below of the Academic Performance Index*

1 as defined in Section 52052 for each fully credentialed,
2 appropriately assigned teacher who is hired and replaces
3 a teacher who holds an emergency permit. A school that
4 is ranked in the 40th to the 50th percentile, inclusive, by
5 the Academic Performance Index shall receive a two
6 thousand dollar (\$2,000) incentive for each fully
7 credentialed, appropriately assigned teacher who is hired
8 and replaces a teacher who holds an emergency permit.
9 These funds shall be expended at the discretion of the
10 schoolsite for a one-time purpose to increase the school's
11 ability to attract and retain teachers, but shall not be used
12 for any form of teacher compensation.

13 (2) A three thousand dollar (\$3,000) incentive shall be
14 provided to each fully credentialed, appropriately
15 assigned teacher who is hired by a participating school
16 district and replaces a teacher who holds an emergency
17 permit to teach in a school that is ranked in the bottom
18 30th percentile or below of the Academic Performance
19 Index as defined in Section 52052. Each fully
20 credentialed, appropriately assigned teacher who is hired
21 by a participating school district and replaces a teacher
22 who holds an emergency permit to teach in a school that
23 is ranked in the 40th to the 50th percentile, inclusive, by
24 the Academic Performance Index shall receive a two
25 thousand dollar (\$2,000) incentive. This incentive shall be
26 used by the teacher for one-time expenditures for his or
27 her classroom. These funds shall not be used for any other
28 form of teacher compensation.

29 (b) A credentialed teacher employed in a school that
30 is not low performing at the time the act adding this
31 section is enacted is eligible for incentives if he or she
32 elects to transfer and become employed in a
33 low-performing school.

34 (c) A credentialed teacher is not eligible for the
35 incentives for changing employment between
36 low-performing schools.

37 (d) A emergency permit teacher employed to teach at
38 a low-performing school who earns a teaching credential
39 is eligible for incentives.

~~44766. (a) In the first two years of program participation, a school district shall attain a cumulative districtwide reduction in the percentage of emergency permit teachers employed, followed by further reductions in the percentage of emergency permit teachers employed in each of the remaining three years of program participation. A school district that is not able~~

44766. (a) School districts that participate in the Teaching as a Priority Program shall demonstrate, on an annual basis, an absolute one to one reduction in the number of emergency permit holders for each new teacher hired under the program. A school district that is not able to attain the reduction in emergency permit teachers in the timeline designated shall have its revenue limit funding reduced on a one-time basis by four thousand dollars (\$4,000) per emergency permit teacher in excess of the target, not to exceed the amount of incentive that has been received for that period.

(b) The Commission on Teacher Credentialing shall assess a school district's progress towards its target ~~during the first two-year period and each fiscal year thereafter.~~ each fiscal year. If a participating school district fails to meet the target, the commission shall report to the Controller the amount of funds to be collected from the school district. The Controller shall withhold from the school district's next principal apportionment the amount reported by the Commission on Teacher Credentialing.

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

SEC. 10. Section 69532 of the Education Code is amended to read:

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

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

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

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

~~SEC. 11. Section 69535 of the Education Code is amended to read:~~

~~69535. (a) Cal Grant Program awards shall be based upon the financial need of the applicant. The level of financial need of each applicant shall be determined by the commission pursuant to Article 1.5 (commencing with Section 69503).~~

~~(b) For the applicants so qualifying, academic criteria or criteria related to past performances shall be utilized as the criteria in determining eligibility for grants.~~

~~(c) All Cal Grant Program award recipients shall be residents of California, as determined by the commission pursuant to Part 41 (commencing with Section 68000); and shall remain eligible only if they are in attendance~~

~~1 and making satisfactory progress through the~~
~~2 instructional programs, as determined by the~~
~~3 commission.~~

~~4 (d) Part-time students shall not be discriminated~~
~~5 against in the selection of Cal Grant Program award~~
~~6 recipients, and awards to part-time students shall be~~
~~7 roughly proportional to the time spent in the~~
~~8 instructional program, as determined by the commission.~~
~~9 First-time Cal Grant Program award recipients who are~~
~~10 part-time students shall be eligible for a full-time renewal~~
~~11 award.~~

~~12 (e) Cal Grant Program awards shall be awarded~~
~~13 without regard to race, religion, creed, sex, or age.~~

~~14 (f) No applicant shall receive more than one type of~~
~~15 Cal Grant Program award concurrently. Except as~~
~~16 provided in subdivision (b) of Section 69535.1, no~~
~~17 applicant shall:~~

~~18 (1) Receive one or a combination of Cal Grant~~
~~19 Program awards in excess of a total of four years of~~
~~20 full-time attendance in an undergraduate program.~~

~~21 (2) Have obtained a baccalaureate degree prior to~~
~~22 receiving a Cal Grant Program award.~~

~~23 (g) Cal Grant Program awards may only be used for~~
~~24 educational expenses of a program of study leading~~
~~25 directly to an undergraduate degree or certificate, or for~~
~~26 expenses of undergraduate coursework in a program of~~
~~27 study leading directly to a first professional degree, but~~
~~28 for which no baccalaureate degree is awarded.~~

~~29 (h) Commencing in 1999, the commission shall, for~~
~~30 students who accelerate college attendance, increase the~~
~~31 amount of award proportional to the period of additional~~
~~32 attendance resulting from attendance in classes that~~
~~33 fulfill requirements or electives for graduation during~~
~~34 summer terms, sessions, or quarters. In the aggregate, the~~
~~35 total amount a student may receive in a four-year period~~
~~36 may not be increased as a result of accelerating his or her~~
~~37 progress to a degree by attending summer terms, sessions,~~
~~38 or quarters.~~

~~39 (i) The commission shall notify Cal Grant award~~
~~40 recipients of the availability of funding for the summer~~

~~term, session, or quarter through prominent notice in financial aid award letters, materials, guides, electronic information, and other means that may include, but not be limited to, surveys, newspaper articles, or attachments to communications from the commission and any other published documents.~~

~~(j) The commission may provide by appropriate rules and regulations for reports, accounting, and statements from the award winner and college or university of attendance pertaining to the use or application of the award as the commission may deem proper.~~

~~(k) The commission may establish Cal Grant Program awards in one hundred dollar (\$100) increments.~~

~~(l) A Cal Grant Program award may be utilized only at the following institutions or programs:~~

~~(1) Any California private or independent postsecondary educational institution or program that participates in two of the three federal campus-based student aid programs and whose students participate in the Pell Grant program.~~

~~(2) Any nonprofit regionally accredited institution headquartered and operating in California that certifies to the commission that 10 percent of the institution's operating budget, as demonstrated in an audited financial statement, is expended for the purposes of institutionally funded student financial aid in the form of grants and that demonstrates to the commission that it has the administrative capacity to administer the funds.~~

~~(3) Any California public postsecondary educational institution or program.~~

~~SEC. 12. Section 69535.1 of the Education Code is amended to read:~~

~~69535.1. (a) Cal Grant A awards and Cal Grant B awards may be renewed for a total of four years of full-time attendance in an undergraduate program provided that financial need continues to exist. Commencing with the 1989-90 academic year, the total number of years of eligibility for grants pursuant to this section shall be based on the student's educational level in his or her course of study as designated by the~~

1 ~~institution of attendance when the recipient initially~~
2 ~~receives payment for a grant.~~

3 ~~(b) For a student enrolled in an institutionally~~
4 ~~prescribed five year undergraduate program, Cal Grant~~
5 ~~A awards and Cal Grant B awards may be renewed for a~~
6 ~~total of five years of full-time attendance, provided that~~
7 ~~financial need continues to exist.~~

8 ~~SEC. 13. Section 69540 of the Education Code is~~
9 ~~repealed.~~

10 ~~SEC. 14.—~~

11 ~~(d) Cal Grant T awards shall be used only for tuition~~
12 ~~and student fees for a maximum of one academic year of~~
13 ~~full-time attendance in a program of professional~~
14 ~~preparation that has been approved by the Commission~~
15 ~~on Teacher Credentialing. There shall be a minimum of~~
16 ~~3,000 new Cal Grant T awards each year. As a condition~~
17 ~~of receiving a Cal Grant T award, a recipient shall teach~~
18 ~~for one year in a low-performing school as defined in~~
19 ~~subdivision (c) of Section 44765 for each two thousand~~
20 ~~dollar (\$2,000) incentive provided pursuant to Section~~
21 ~~44765.7, for a period not to exceed four years. Any~~
22 ~~recipient who fails to meet his or her teaching obligation~~
23 ~~shall repay the Cal Grant T award.~~

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

31 ~~SEC. 11. Section 69612 of the Education Code is~~
32 ~~amended to read:~~

33 ~~69612. (a) (1) The Legislature hereby recognizes~~
34 ~~that there is a growing shortage of high-quality classroom~~
35 ~~teachers, and that there is a need for qualified teachers~~
36 ~~throughout California. The Legislature finds one of the~~
37 ~~most important elements in a pupil's success at learning~~
38 ~~is the quality of the teacher. The teacher shortage is most~~
39 ~~serious in particular subject areas, partly due to the~~
40 ~~shortage of students in these fields who enter the teaching~~

1 profession. The Legislature also recognizes that many
2 school districts have difficulty recruiting and retaining
3 high-quality teachers for low-performing schools, for
4 pupils with special needs, for schools serving rural areas
5 or large populations of pupils from low-income and
6 linguistic minority families, and schools with a high
7 percentage of teachers holding emergency permits.

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

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

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

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

38 (3) Identify subject matter areas or schools in which
39 there are shortages of fully credentialed teachers and

1 provide incentives for persons to obtain teaching
2 credentials and seek teaching positions in those areas.

3 (4) Identify schools serving rural areas, schools serving
4 large populations of students from low-income families,
5 or both, and schools with a high percentage of teachers
6 holding emergency permits, and provide incentives for
7 persons to obtain teaching credentials and seek teaching
8 positions in those schools.

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

16 ~~SEC. 15.—~~

17 *SEC. 12.* Section 69612.5 of the Education Code is
18 amended to read:

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

27 (a) Serves a large population of pupils from
28 low-income families.

29 (b) Has a high percentage of teachers holding
30 emergency permits.

31 (c) Is a low-performing school.

32 ~~SEC. 16.—~~

33 *SEC. 13.* Section 69613 of the Education Code is
34 amended to read:

35 69613. (a) Any person enrolled in an institution of
36 postsecondary education participating in the loan
37 assumption program set forth in this article, or any person
38 who agrees to participate in a teacher trainee or teacher
39 internship program, may be eligible to receive a
40 conditional warrant for loan assumption, to be redeemed

pursuant to Section 69613.2 upon becoming employed as a teacher. In order to be eligible to receive a loan assumption warrant, an applicant shall satisfy all of the conditions specified in either subdivision (b) or (c).

(b) (1) The applicant has completed at least 60 semester units, or the equivalent, and is enrolled in an academic program leading to a baccalaureate degree at a participating institution, or has been admitted to a program of professional preparation that has been approved by the Commission on Teacher Credentialing.

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

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

- (A) Grade point average.
- (B) Test scores.
- (C) Faculty evaluations.
- (D) Interviews.
- (E) Other recommendations.

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

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

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

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

(c) (1) The applicant holds a baccalaureate degree and agrees to participate in a teacher trainee program or teacher internship program, or is a person who will

1 continue to be employed full time in a field other than
2 teaching while completing the necessary coursework for
3 a teaching credential, or is a noncredentialed teaching
4 paraprofessional, as described in Section 44323, who will
5 continue to serve as a teaching paraprofessional while
6 completing the necessary coursework for a California
7 teaching credential.

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

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

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

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

33 (f) The Student Aid Commission shall adopt rules and
34 regulations regarding the reallocation of warrants where
35 a participating institution is unable to utilize its allocated
36 warrants or is unable to distribute them within a
37 reasonable period of time.

38 ~~SEC. 17.—~~

39 SEC. 14. Section 69613.1 of the Education Code is
40 amended to read:

1 69613.1. The Superintendent of Public Instruction
2 shall furnish the Student Aid Commission with all of the
3 following:

4 (a) Commencing January 1, 1990, and every January 1
5 thereafter, a list of teaching fields that have the most
6 critical shortage of teachers. The superintendent shall
7 review this list annually and revise the list as he or she
8 deems necessary.

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

13 (c) Commencing January 31, 2000, and every January
14 1, thereafter, a list of schools with a high percentage of
15 teachers holding emergency permits. The list shall be
16 established according to criteria determined by the
17 Superintendent of Public Instruction.

18 (d) Commencing January 31, 2000, and every January
19 1, thereafter, a list of schools serving rural areas. The list
20 shall be established according to standards deemed
21 appropriate by the Superintendent of Public Instruction.

22 (e) Commencing January 31, ~~2000~~ 2001, and every
23 January 1, thereafter, a list of low-performing schools.

24 ~~SEC. 18.—~~

25 *SEC. 15.* Section 69613.3 of the Education Code is
26 repealed.

27 ~~SEC. 19.—~~

28 *SEC. 16.* Section 69613.5 of the Education Code is
29 amended to read:

30 69613.5. (a) Notwithstanding Sections 69612.5 and
31 69614, for the purposes of the recruitment of teachers
32 from outside California, the commission may distribute
33 warrants to school districts to be awarded to out-of-state
34 teachers who fulfill the terms of Section 69613.4. A
35 teacher who receives a warrant pursuant to this
36 subdivision shall hold a valid teaching credential, in the
37 subject area of the California teaching position, from the
38 state in which he or she resides.

1 (b) The commission shall adopt rules and regulations
2 regarding the allocation of warrants to school districts
3 pursuant to this section.

4 ~~SEC. 20.—~~

5 *SEC. 17.* Section 69613.55 of the Education Code is
6 repealed.

7 ~~SEC. 21.—~~

8 *SEC. 18.* Section 69613.6 of the Education Code is
9 amended to read:

10 69613.6. (a) Except as provided in subdivision (b), if
11 a program participant fails to complete a minimum of
12 four consecutive school years of classroom instruction as
13 required by this article, under the terms of the agreement
14 pursuant to paragraph (5) of subdivision (b) of Section
15 69613, the participant shall assume full liability for all
16 student loan obligations remaining after the commission's
17 assumption of loan liability for the last year of qualifying
18 teaching service pursuant to Section 69613.

19 (b) Notwithstanding subdivision (a), if a program
20 participant becomes unable to complete one of the four
21 consecutive years of teaching service due to serious
22 illness, pregnancy, or other natural causes, the participant
23 shall receive a deferral of the resumption of full liability
24 for the loan for a period not to exceed one calendar year.

25 ~~SEC. 22.—~~

26 *SEC. 19.* Section 69614 of the Education Code is
27 amended to read:

28 69614. (a) The Student Aid Commission shall
29 distribute program information and student applications
30 to participate in the loan assumption program to all
31 postsecondary institutions eligible to participate in state
32 and federal financial aid programs and having a program
33 of professional preparation that has been approved by the
34 Commission on Teacher Credentialing. Each eligible
35 institution shall receive at least one application, and the
36 remainder shall be distributed to eligible institutions
37 proportionate to the number of teaching candidates from
38 each institution who were fully credentialed during the
39 previous year. In addition, the Student Aid Commission
40 shall reexamine its outreach and marketing strategies to



1 inform both potential undergraduates and persons
2 employed outside of academia about the availability and
3 benefits of the loan assumption program. To this end, the
4 commission shall enlist the advice and support of the
5 California Center ~~for Teaching Profession on Teaching~~
6 *Careers*, the University of California, the California State
7 University, the Association of Independent California
8 Colleges and Universities, and private employers and
9 their associations throughout the state.

10 (b) Each participating institution shall sign an
11 institutional agreement with the commission, certifying
12 its intent to administer the loan assumption program
13 according to all applicable published rules, regulations,
14 and guidelines, and to make special efforts to notify
15 students regarding the availability of the program,
16 particularly economically disadvantaged students.

17 (c) To the extent feasible, each participating
18 institution shall coordinate the loan assumption program
19 with other existing programs designed to recruit or
20 encourage students to enter the teaching profession.
21 These programs may include, but need not be limited to,
22 student internships in school districts, courses that
23 provide early exploratory or field work experience in
24 elementary or secondary schools, and work-study
25 employment in elementary or secondary schools.

26 ~~SEC. 23.—~~

27 *SEC. 20.* Section 69615.4 of the Education Code is
28 amended to read:

29 69615.4. The commission shall report annually to the
30 Legislature regarding all of the following, on the basis of
31 sex, age, and ethnicity:

32 (a) The total number of warrants awarded.

33 (b) The number of warrants allocated each to juniors,
34 seniors, students enrolled in teacher training programs,
35 and persons who agree to enroll in teacher trainee
36 programs or teacher internship programs.

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

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

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

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

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

~~SEC. 24.—~~

SEC. 21. Section 69615.6 of the Education Code is amended to read:

69615.6. (a) Beginning no later than the 1986–87 school year, and each school year thereafter up to and including the 1997–98 school year, the commission shall issue warrants for the assumption of up to 500 student loans for program participants eligible under this article.

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

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

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

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

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

(3) Notwithstanding Sections ~~69612.5~~ 69613.5 and 69614, up to 100 of the 6,500 warrants issued pursuant to this subdivision may be issued for the assumption of student loans for applicants who agree to teach in school districts serving rural areas.

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

~~SEC. 25.—~~

SEC. 22. Article 21 (commencing with Section 70000) is added to Chapter 2 of Part 42 of the Education Code, to read:

Article 21. Governor's Teaching Fellowships

70000. (a) The Governor's Teaching Fellowships Program is hereby established to be administered by the Chancellor's Office of the California State University. The chancellor's office shall collaborate with the University of California, the California Community Colleges, the Association of Independent California Colleges and Universities, the State Department of Education, and the Commission on Teacher Credentialing to ensure that access to the fellowships is available to students in a variety of teaching preparation programs.

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

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

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

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

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

1 (2) Establishing a broad and effective outreach effort
2 to promote the availability and the merits of the
3 fellowship program.

4 (3) Conducting the selection process for fellowship
5 applicants.

6 (4) Collaborating with the Commission on Teacher
7 Credentialing to develop and implement a system for
8 monitoring program participants through the
9 completion of their four-year teaching obligation.

10 (5) Determining the criteria for selecting teaching
11 fellowship candidates. The criteria shall include, at a
12 minimum, all of the following:

13 (A) Previous academic and employment record.

14 (B) A demonstrated commitment to serve in a
15 low-performing school.

16 (C) Faculty and employer evaluations.

17 (D) Interviews.

18 (E) Letters of recommendation.

19 (b) For the purposes of this article, a “low-performing
20 school” is a school in the bottom half of the Academic
21 Performance Index rankings established pursuant to
22 subdivision (a) of Section 52056. If a school meets this
23 criteria at the time a teacher is hired, continued
24 employment of the teacher at that school fulfills the
25 commitment made by the teacher, even if the school
26 improves its rank on the Academic Performance Index.

27 70002. An intersegmental review committee is
28 hereby established to review all applications for the
29 Governor’s Teaching Fellowships. The committee shall
30 recommend teaching fellowship candidates to the
31 Chancellor’s Office of the California State University. The
32 committee shall consist of 12 members, appointed by the
33 Governor to a term of four years, based on
34 recommendations as follows:

35 (a) The Chancellor of the California State University
36 shall recommend six members. Two shall be faculty
37 members. One shall be an administrator from higher
38 education. One shall be an administrator from a school
39 maintaining kindergarten or any of grades 1 to 12,

1 inclusive. Two shall be teachers from schools maintaining
2 kindergarten or any of grades 1 to 12, inclusive.

3 (b) The President of the University of California shall
4 recommend three members. One shall be a faculty
5 member. One shall be an administrator from either
6 higher education or schools maintaining kindergarten or
7 any of grades 1 to 12, inclusive. One shall be an
8 elementary or secondary teacher.

9 (c) The Chair of the Association of Independent
10 California Colleges and Universities shall recommend
11 three members. One shall be a faculty member. One shall
12 be an administrator from either higher education or
13 schools maintaining kindergarten or any of grades 1 to 12,
14 inclusive. One shall be an elementary or secondary
15 teacher.

16 70003. (a) A fellowship recipient shall agree to teach
17 in a low-performing school for four years and shall have
18 four years, upon completion of his or her preparation
19 program, to meet that obligation. Except as provided in
20 subdivision (c), a fellowship recipient shall agree to repay
21 the state five thousand dollars (\$5,000) annually for each
22 year the recipient fails to complete either the teacher
23 preparation program or the required teaching service, up
24 to full repayment of twenty thousand dollars (\$20,000).

25 (b) Nonperformance of the commitment to teach in a
26 low-performing school for four years shall be certified by
27 the Commission on Teacher Credentialing to the
28 chancellor's office.

29 (c) Any exceptions to the requirement for repayment
30 shall be defined by the chancellor's office.

31 70004. The Trustees of the California State University
32 shall provide an annual report, for each higher education
33 institution, on the number of fellows receiving funding,
34 the number of fellows completing programs, and the
35 place of employment for each candidate.

36 70005. (a) The Chancellor's Office of the California
37 State University shall adopt any rules and regulations it
38 deems necessary for the administration of this section and
39 the recovery of funds it determines are owed to the state.
40 The rules and regulations adopted by the chancellor's

1 office pursuant to this section shall also include a
2 provision authorizing the chancellor's office to impose a
3 civil penalty on a recipient of funds under this program,
4 in an amount not to exceed five thousand dollars (\$5,000)
5 per year for each year that the recipient of funds is
6 determined by the Commission on Teacher
7 Credentialing to have failed to fulfill his or her obligation
8 to teach in a low-performing school.

9 (b) Any moneys derived from the assessment of
10 penalties pursuant to this section shall be deposited into
11 the General Fund.

12 ~~SEC. 26.—~~

13 SEC. 23. Chapter 9.5 (commencing with Section
14 51460) is added to Part 3 of Division 31 of the Health and
15 Safety Code, to read:

16

17 CHAPTER 9.5. NEIGHBORHOOD TEACHERS PROGRAM

18

19 51460. (a) It is the intent of the Legislature that an
20 affordable homebuyer housing down payment assistance
21 program be implemented to address the needs associated
22 with recruiting and retaining public school teachers in
23 the state.

24 (b) The Department of Housing and Community
25 Development shall contract with the California Housing
26 Finance Agency for the administration of the program
27 established by this chapter. The California Housing
28 Finance Agency shall administer these programs and
29 allocate funds in accordance with that agency's authority
30 as set forth in Part 3 (commencing with Section 50900) of
31 Division 31.

32 51461. For the purposes of this chapter, the following
33 terms have the following definitions:

34 (a) "Low-performing school" means a public school in
35 the bottom half of the Academic Performance Index
36 rankings established pursuant to subdivision (a) of
37 Section 52056 of the Education Code. This designation
38 shall be determined as of the date of the ~~loan obtained~~
39 *application for a loan* pursuant to this chapter.



(b) “Teacher” means 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.

(c) “Termination of employment” means the borrower is no longer meeting, for whatever reason, each of the elements of the definition of “teacher” at any time during the first five years immediately following the date of recordation of the subordinate mortgage loan deed of trust. However, a termination of employment does not occur if the borrower is still employed at the same school as at the time of recordation of the subordinate mortgage loan and the school is no longer a low-performing school or if the borrower accepts a teaching position at another public school and the teacher’s departure from the low-performing school was involuntary. The agency may establish guidelines for consideration of hardship cases in which it may waive this five-year continuous employment requirement.

51462. (a) The agency shall administer a Neighborhood Teachers Program in accordance with this chapter for the purpose of providing down payment assistance to teachers for the purchase of a residence located in this state. The agency may originate and service loans and establish, by board resolution, guidelines for administration and implementation of this program.

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

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

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

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

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

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

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

51464. (a) To qualify for forgiveness for repayment of the assistance provided under this chapter, a teacher shall meet the following continued eligibility requirements on a continuous basis for five years following the date of recordation of the lien or deed of trust evidencing this assistance:

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

(2) The borrower may not have a termination of employment, as defined in subdivision (c) of Section ~~51460~~ 51461.

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

(c) Repayment of the principal and accrued interest shall be due and payable at the earlier of the following events:

1 (1) Transfer of title.

2 (2) Sale of the residence.

3 (3) Payoff of the first mortgage loan.

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

8 (1) The borrower has been occupying, and intends to
9 continuously occupy, the residence as his or her principal
10 residence.

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

12 ~~(3) The value of the refinanced first mortgage and the~~
13 ~~ten thousand dollars (\$10,000) of assistance combined will~~
14 ~~not exceed 100 percent of the appraised value of the~~
15 ~~property.~~

16 The agency shall require immediate repayment of
17 amounts then owed if there is a refinancing of the first
18 mortgage and these conditions are not met or if there is
19 a refinancing that occurs after the five year continued
20 eligibility period.

21 (e) In the event of termination of employment by the
22 borrower or the borrower's failure to continuously
23 occupy the financed residence as his or her principal
24 residence during the first five years following recordation
25 of the subordinate mortgage loan deed of trust, the
26 borrower shall be obligated to repay to the agency, in
27 addition to other amounts due on the loan, the pro rata
28 amount of principal and accrued interest on the loan
29 which directly relates to the period of time within that
30 five-year period in which the borrower failed to satisfy
31 each of requirements set forth in subdivision (a).

32 (f) To qualify for any ~~pro-rata~~ forgiveness of
33 repayment of the loan, the borrower shall produce
34 ~~records~~ *documentation* to the agency's satisfaction that
35 all of the conditions specified in subdivision (a) have been
36 met for the period for which the ~~pro-rata~~ forgiveness of
37 the loan is sought.

38 51465. The agency shall have all of the powers
39 conferred upon it by Part 3 (commencing with Section

1 50900) of Division 31 of the Health and Safety Code in
2 administering this chapter.

3 ~~SEC. 27.~~

4 *SEC. 24.* This act is an urgency statute necessary for
5 the immediate preservation of the public peace, health,
6 or safety within the meaning of Article IV of the
7 Constitution and shall go into immediate effect. The facts
8 constituting the necessity are:

9 In order to implement the Budget Act of 2000 with
10 respect to the public schools and institutions of higher
11 education, it is necessary that this act take effect
12 immediately.

