

GENERAL ASSEMBLY OF NORTH CAROLINA  
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SENATE BILL DRS35243-MTa-52

Short Title: Expand & Enhance the Teaching Fellows Program. (Public)

Sponsors: Senators Lowe and Salvador (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND AND ENHANCE THE NORTH CAROLINA TEACHING FELLOWS  
3 PROGRAM.

4 Whereas, the pursuit of teaching is the pursuit of excellence, and excellent teachers  
5 are not just born, they are developed, equipped, trained, and valued; and

6 Whereas, all students in North Carolina deserve to be taught by excellent teachers;  
7 and

8 Whereas, the North Carolina Teaching Fellows Program has an important legacy in  
9 North Carolina, providing the best and brightest students the opportunity to have a place of  
10 influence and distinction by elevating them to a vital role – the role of a teacher; and

11 Whereas, based on the sorely inadequate and regularly declining enrollment in teacher  
12 preparation programs and an accelerating teacher turnover rate, North Carolina is facing an  
13 overwhelming teacher shortage across the State, especially in rural counties; and

14 Whereas, the teacher shortage is a growing crisis for our entire educational system as  
15 well as the future of our State; and

16 Whereas, to solve this problem and provide stable, talented, motivated, and excellent  
17 teachers in our classrooms, we need to continue to rebuild the North Carolina Teaching Fellows  
18 Program; Now, therefore,

19 The General Assembly of North Carolina enacts:

20 **SECTION 1.(a)** Part 3 of Article 23 of Chapter 116 of the General Statutes reads as  
21 rewritten:

22 "Part 3. North Carolina Teaching Fellows Program.

23 **"§ 116-209.60. Definitions.**

24 The following definitions apply in this Part:

- 25 (1) Commission. – The North Carolina Teaching Fellows Commission.  
26 (2) Director. – The Director of the North Carolina Teaching Fellows Program.  
27 (3) Forgivable loan. – A forgivable loan made under the Program.  
28 (4) Program. – The North Carolina Teaching Fellows Program.  
29 (5) Public school. – An elementary or secondary school located in North Carolina  
30 that is governed by a local board of education, charter school board of  
31 directors, regional school board of directors, or University of North Carolina  
32 laboratory school board of trustees.

33 ~~(5a) Qualifying licensure area. — A teacher licensure area in one of the following~~  
34 ~~subjects:~~

- 35 ~~a. Either of the following, as identified pursuant to G.S. 116-209.62(h):~~  
36 ~~1. Special education.~~



\* D R S 3 5 2 4 3 - M T A - 5 2 \*

- 1 2. Stem.
- 2 b. Elementary education (K-6).
- 3 (5b) Qualifying teacher.—A teacher in a North Carolina public school who meets
- 4 the following criteria:
- 5 a. Received a forgivable loan under the Program.
- 6 b. ~~Graduated within 10 years from an educator preparation program~~
- 7 ~~leading to teacher licensure, excluding any authorized deferment for~~
- 8 ~~extenuating circumstances.~~
- 9 e. Serves as a teacher in a qualifying licensure area.
- 10 (6) STEM.—Science, technology, engineering, and mathematics.
- 11 (7) Trust Fund. – The North Carolina Teaching Fellows Program Trust Fund.

12 ...

13 "§ 116-209.62. North Carolina Teaching Fellows Program established; administration.

14 (a) Program. – There is established the North Carolina Teaching Fellows Program to be

15 administered by the System Office of The University of North Carolina, in conjunction with the

16 Authority and the Commission. The purpose of the Program is to recruit, prepare, and support

17 students residing in or attending institutions of higher education located in North Carolina for

18 preparation as highly effective teachers ~~in qualifying licensure areas~~ in the State's public schools.

19 The Program shall be used to provide a forgivable loan to individuals interested in preparing to

20 teach in the public schools of the ~~State in qualifying licensure areas~~. State.

21 (b) Trust Fund. – There is established the North Carolina Teaching Fellows Program

22 Trust Fund to be administered by the Authority, in conjunction with the System Office of The

23 University of North Carolina. All funds (i) appropriated to, or otherwise received by, the Program

24 for forgivable loans and other Program purposes, (ii) received as repayment of forgivable loans,

25 and (iii) earned as interest on these funds shall be placed in the Trust Fund. The purpose of the

26 Trust Fund is to provide financial assistance to qualified students for completion of teacher

27 education and licensure programs to fill qualifying licensure areas positions in the public schools

28 of the State.

29 (c) Uses of Monies in the Trust Fund. – The monies in the Trust Fund may be used only

30 for (i) forgivable loans granted under the Program, (ii) administrative costs associated with the

31 Program, including recruitment and recovery of funds advanced under the Program, (iii)

32 mentoring and coaching support to forgivable loan recipients, and (iv) extracurricular

33 enhancement activities of the Program in accordance with the following:

34 (1) The Authority shall transfer ~~the greater of six hundred thousand dollars~~

35 ~~(\$600,000) or ten percent (10%)~~ the following amounts of the available funds

36 from the Trust Fund to The University of North Carolina System Office at the

37 beginning of each fiscal ~~year~~ year:

38 a. The greater of six hundred thousand dollars (\$600,000) or ten percent

39 (10%) for the Program's administrative costs, the salary of the Director

40 of the Program and other Program staff, ~~expenses of the Commission,~~

41 and to provide the Commission with funds to use for the

42 extracurricular enhancement activities of the Program staff, and

43 expenses of the Commission.

44 b. The sum of up to six hundred thousand dollars (\$600,000) for

45 extracurricular enhancement activities of the Program, including (i)

46 summer programs to maintain year-round connections and (ii) alumni

47 programs to foster continued engagement after graduation. These

48 activities should be geared to instilling a strong motivation not only to

49 remain in teaching but to provide leadership for tomorrow's schools.

1           c.     The sum of up to five hundred thousand dollars (\$500,000) for the  
2                 Director of the Program to implement the recruitment activities  
3                 identified in subsection (d) of this section.

4           (2)    The Authority may use the greater of two hundred fifty thousand dollars  
5                 (\$250,000) or four percent (4%) of the funds appropriated to the Trust Fund  
6                 each fiscal year for administrative costs associated with the Program.

7           (3)    The Authority shall provide the Commission with up to six hundred thousand  
8                 dollars (\$600,000) from the Trust Fund in each fiscal year for the Commission  
9                 to provide mentoring and coaching support to forgivable loan recipients  
10                through the North Carolina New Teacher Support Program in an amount of  
11                up to two thousand two hundred dollars (\$2,200) for each Program recipient.  
12                Funds shall be prioritized for teachers serving in North Carolina public  
13                schools identified as low-performing under G.S. 115C-105.37.

14           (d)    Director of the Program. – The Board of Governors of The University of North  
15                Carolina shall appoint a Director of the Program. The Director shall appoint staff to the  
16                Commission and shall be responsible for recruitment and coordination of the Program, including  
17                proactive, aggressive, and strategic recruitment of potential recipients. Recruitment activities  
18                shall include (i) targeting regions of the State with the highest teacher attrition rates and teacher  
19                recruitment challenges, (ii) actively engaging with educators, business leaders, experts in human  
20                resources, elected officials, and other community leaders throughout the State, and (iii) attracting  
21                candidates ~~in qualifying licensure areas~~ to the Program. The Director shall report to the President  
22                of The University of North Carolina. The Authority shall provide office space and clerical  
23                support staff, as necessary, to the Director for the Program.

24           (e)    Student Selection Criteria for Forgivable Loans. – The Commission shall adopt  
25                stringent standards for awarding forgivable loans based on multiple measures to ensure that only  
26                the strongest applicants receive them, including the following:

27                (1)    Grade point averages.

28                (2)    Performance on relevant career and college readiness assessments.

29                (3)    Experience, accomplishments, and other criteria demonstrating qualities  
30                positively correlated with highly effective teachers, including excellent verbal  
31                and communication skills.

32                (4)    Demonstrated commitment to serve in ~~a qualifying licensure area in~~ North  
33                Carolina public schools.

34           (f)    Program Selection Criteria. – The Authority shall administer the Program in  
35                cooperation with ~~up to 10 each postsecondary constituent institution of The University of North~~  
36                Carolina with an approved educator preparation program and up to four institutions of higher  
37                education with approved educator preparation programs selected by the Commission that  
38                represent a diverse selection of ~~both postsecondary constituent institutions of The University of~~  
39                ~~North Carolina and~~ private postsecondary institutions operating in the State. The Commission  
40                shall adopt stringent standards for selection of the most effective private educator preparation  
41                programs, including the following:

42                (1)    Demonstrates high rates of educator effectiveness on value-added models and  
43                teacher evaluations, including using performance-based, subject-specific  
44                assessment and support systems, such as edTPA or other metrics of evaluating  
45                candidate effectiveness that have predictive validity.

46                (2)    Demonstrates measurable impact of prior graduates on student ~~learning,~~  
47                ~~including impact of graduates teaching in qualifying licensure areas.~~ learning.

48                (3)    Demonstrates high rates of graduates passing exams required for teacher  
49                licensure.

- 1 (4) Provides curricular and co-curricular enhancements in leadership, facilitates  
2 learning for diverse learners, and promotes community engagement,  
3 classroom management, and reflection and assessment.
- 4 (5) Requires at least a minor concentration of study in the subject area that the  
5 candidate may teach.
- 6 (6) Provides early and frequent internship or practical experiences, including the  
7 opportunity for participants to perform practicums in diverse school  
8 environments.
- 9 (7) Is approved by the State Board of Education as an educator preparation  
10 program.
- 11 (8) For an educator preparation program enrolling loan recipients in a program of  
12 study leading to licensure in elementary education (K-6), provides training  
13 that is aligned with the Science of Reading in accordance with  
14 G.S. 115C-269.20. The Commission shall contract with a third-party entity to  
15 biennially evaluate whether a program identified in this subdivision is  
16 providing training that is aligned with the Science of Reading.

17 (g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected  
18 students to be used at ~~up to 10 selected~~ each postsecondary constituent institution of The  
19 University of North Carolina with an approved educator preparation program and up to four  
20 selected private institutions for completion of a program leading to initial teacher licensure as  
21 follows:

- 22 (1) North Carolina high school seniors. – Forgivable loans of up to ~~five thousand~~  
23 ~~dollars (\$5,000)~~ six thousand dollars (\$6,000) per semester for up to eight  
24 semesters.
- 25 (2) Students applying for transfer to a selected educator preparation program at  
26 an institution of higher education. – Forgivable loans of up to ~~five thousand~~  
27 ~~dollars (\$5,000)~~ six thousand dollars (\$6,000) per semester for up to six  
28 semesters.
- 29 (3) Individuals currently holding a bachelor's degree seeking preparation for  
30 teacher licensure. – Forgivable loans of up to ~~five thousand dollars (\$5,000)~~ six  
31 thousand dollars (\$6,000) per semester for up to four semesters.
- 32 (4) Students matriculating at institutions of higher education who are changing to  
33 an approved program of study at a selected educator preparation program. –  
34 Forgivable loans of up to ~~five thousand dollars (\$5,000)~~ six thousand dollars  
35 (\$6,000) per semester for up to four semesters.

36 Forgivable loans may be used for tuition, fees, the cost of books, and expenses related to  
37 obtaining licensure.

38 ~~(h) Identification of STEM and Special Education Licensure Areas. – The Superintendent~~  
39 ~~of Public Instruction shall identify and provide to the Commission and the Authority a list of~~  
40 ~~STEM and special education licensure areas and shall annually provide to the Commission the~~  
41 ~~number of available positions in each qualifying licensure area relative to the number of current~~  
42 ~~and anticipated teachers in that area of licensure. The Commission shall make the list of STEM~~  
43 ~~and special education licensure areas readily available to applicants.~~

44 ...

45 (j) Annual Report. – The Commission, in coordination with the Authority, the  
46 Department of Public Instruction, each postsecondary constituent institution of The University  
47 of North Carolina with an approved educator preparation program, and the selected private  
48 educator education programs participating in the Program shall report no later than January 1,  
49 2019, and annually thereafter, to the Joint Legislative Education Oversight Committee regarding  
50 the following:

- 51 (1) Forgivable loans awarded from the Trust Fund, including the following:

- 1 a. Demographic information regarding recipients.  
 2 b. Number of recipients by institution of higher education and program.  
 3 c. Information on number of recipients by ~~anticipated~~ qualifying  
 4 licensure area.  
 5 (2) Placement and repayment rates, including the following:  
 6 a. Number of graduates who have been employed ~~in a qualifying~~  
 7 licensure area as a public school teacher in North Carolina within two  
 8 years of program completion.  
 9 b. Number of graduates who accepted employment at a low-performing  
 10 school identified under G.S. 115C-105.37 as part of their years of  
 11 service.  
 12 c. Number of graduates who have elected to do loan repayment and their  
 13 years of service, if any, prior to beginning loan repayment.  
 14 d. Number of graduates employed in a ~~qualifying licensure area~~ North  
 15 Carolina public school who have received an overall rating of at least  
 16 accomplished and have met expected growth on applicable standards  
 17 of the teacher evaluation instrument.  
 18 e. Aggregate information on student growth and proficiency in courses  
 19 taught by graduates who have fulfilled service requirements through  
 20 employment in a ~~qualifying licensure area~~ North Carolina public  
 21 school.  
 22 ...

23 **"§ 116-209.63. Terms of forgivable loans; receipt and disbursement of funds.**

24 (a) Notes. – All forgivable loans shall be evidenced by notes made payable to the  
 25 Authority that bear interest at a rate not to exceed ten percent (10%) per year as set by the  
 26 Authority and beginning on the first day of September after the completion of the program  
 27 leading to teacher licensure or 90 days after graduation, whichever is later. If a forgivable loan is  
 28 terminated, the note shall be made payable to the Authority 90 days after termination of the  
 29 forgivable loan. The forgivable loan may be terminated upon the recipient's withdrawal from the  
 30 Program or by the recipient's failure to meet the standards set by the Commission.

31 (b) Forgiveness. – ~~For every year a qualifying teacher remains a qualifying teacher, the~~  
 32 ~~Authority shall forgive the loan amount received over one year of enrollment in an educator~~  
 33 ~~preparation program and any interest accrued on that amount.~~ The Authority shall forgive the loan  
 34 and any interest accrued on the loan if, within 10 years after graduation from a program leading  
 35 to teacher licensure, exclusive of any authorized deferment for extenuating circumstances, the  
 36 recipient serves as a teacher in a North Carolina public school for every year the teacher was  
 37 awarded the forgivable loan, in any combination of the following:

- 38 (1) Six months at a North Carolina public school identified as low-performing  
 39 under G.S. 115C-105.37 at the time the teacher accepts employment at the  
 40 school or, if the teacher changes employment during this period, at another  
 41 school identified as low-performing.  
 42 (2) One year at a North Carolina public school not identified as low-performing  
 43 under G.S. 115C-105.37.

44 The Authority shall also forgive the loan if it finds that it is impossible for the recipient to  
 45 work for up to ~~eight~~ four years, within 10 years after completion of the program leading to teacher  
 46 licensure, at a North Carolina public school because of the death or permanent disability of the  
 47 recipient. If the recipient repays the forgivable loan by cash payments, all indebtedness shall be  
 48 repaid within 10 years after completion of the program leading to teacher licensure supported by  
 49 the forgivable loan. If the recipient completes a program leading to teacher licensure, payment  
 50 of principal and interest shall begin no later than the first day of September after the completion

1 of the program. Should a recipient present extenuating circumstances, the Authority may extend  
2 the period to repay the loan in cash to no more than a total of 12 years."

3 **SECTION 1.(b)** There is appropriated from the General Fund to the North Carolina  
4 Teaching Fellows Program Trust Fund the sum of ten million dollars (\$10,000,000) in recurring  
5 funds for the 2025-2026 fiscal year to revise the NC Teaching Fellows Program in accordance  
6 with subsection (a) of this section.

7 **SECTION 2.** This act becomes effective July 1, 2025, and applies to applications  
8 for the award of funds beginning in the 2025-2026 academic year.