

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1160**

Introduced by Walz, 15.

Read first time January 11, 2024

Committee: Education

1 A BILL FOR AN ACT relating to the Excellence in Teaching Act; to amend  
2 sections 85-3105, 85-3106, and 85-3112, Revised Statutes Supplement,  
3 2023; to change provisions relating to the Attracting Excellence to  
4 Teaching Program; to change provisions relating to the Excellence in  
5 Teaching Cash Fund; to harmonize provisions; to provide an operative  
6 date; to repeal the original sections; and to declare an emergency.  
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 85-3105, Revised Statutes Supplement, 2023, is  
2 amended to read:

3 85-3105 (1) The commission shall administer the Attracting  
4 Excellence to Teaching Program either directly or by contracting with  
5 public or private entities.

6 (2) To be eligible for the program, an eligible student shall:

7 (a) Graduate in the top quarter of his or her high school class or  
8 have a minimum cumulative grade-point average of 3.0 on a four-point  
9 scale in an eligible institution;

10 (b) Agree to complete a teacher education program at an eligible  
11 institution and to complete the major on which the applicant's  
12 eligibility is based; and

13 (c) Commit to teach in an accredited or approved public or private  
14 school in Nebraska upon (i) successful completion of the teacher  
15 education program for which the applicant is applying to the Attracting  
16 Excellence to Teaching Program and (ii) becoming certified pursuant to  
17 sections 79-806 to 79-815.

18 (3) Eligible students may apply on an annual basis for loans in an  
19 amount of not more than six ~~three~~ thousand dollars per year. Loans  
20 awarded to individual students shall not exceed a cumulative period  
21 exceeding three ~~five~~ consecutive years, except that for students with  
22 loans awarded prior to the operative date of this act, loans shall not  
23 exceed a cumulative period exceeding five consecutive years. Loans shall  
24 only be awarded through an eligible institution. Loans shall be funded  
25 pursuant to section 85-3112.

26 Sec. 2. Section 85-3106, Revised Statutes Supplement, 2023, is  
27 amended to read:

28 85-3106 (1)(a) Prior to receiving any money from a loan pursuant to  
29 the Attracting Excellence to Teaching Program, an eligible student shall  
30 enter into a contract with the commission. Such contract shall be exempt  
31 from the requirements of sections 73-501 to 73-510.

1 (b) For eligible students who applied for the first time prior to  
2 April 23, 2009, the contract shall require that if (i) the borrower is  
3 not employed as a teacher in Nebraska for a time period equal to the  
4 number of years required for loan forgiveness pursuant to subsection (2)  
5 of this section and is not enrolled as a full-time student in a graduate  
6 program within six months after obtaining an undergraduate degree for  
7 which a loan from the program was obtained or (ii) the borrower does not  
8 complete the requirements for graduation within five consecutive years  
9 after receiving the initial loan under the program, then the loan must be  
10 repaid, with interest at the rate fixed pursuant to section 45-103  
11 accruing as of the date the borrower signed the contract, and an  
12 appropriate penalty as determined by the commission may be assessed. If a  
13 borrower fails to remain enrolled at an eligible institution or otherwise  
14 fails to meet the requirements of an eligible student, repayment of the  
15 loan shall commence within six months after such change in eligibility.  
16 The commission may by rules and regulations provide for exceptions to the  
17 conditions of repayment pursuant to this subdivision based upon  
18 mitigating circumstances.

19 (c) For eligible students who apply for the first time on or after  
20 April 23, 2009, the contract shall require that if (i) the borrower is  
21 not employed as a full-time teacher teaching in an approved or accredited  
22 school in Nebraska and teaching at least a portion of the time in the  
23 shortage area for which the loan was received for a time period equal to  
24 the number of years required for loan forgiveness pursuant to subsection  
25 (3) of this section or is not enrolled as a full-time student in a  
26 graduate program within six months after obtaining an undergraduate  
27 degree for which a loan from the program was obtained or (ii) the  
28 borrower does not complete the requirements for graduation within the  
29 number of five consecutive years required pursuant to section 85-3105  
30 after receiving the initial loan under the program, then the loan shall  
31 be repaid with interest at the rate fixed pursuant to section 45-103

1 accruing as of the date the borrower signed the contract and actual  
2 collection costs as determined by the commission. If a borrower fails to  
3 remain enrolled at an eligible institution or otherwise fails to continue  
4 to be an eligible student, repayment of the loan shall commence within  
5 six months after such change in eligibility. The commission may by rule  
6 and regulation provide for exceptions to the conditions of repayment  
7 pursuant to this subdivision based upon mitigating circumstances.

8 (2) If the borrower applied for the first time prior to April 23,  
9 2009, and (a) successfully completes the teacher education program and  
10 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes  
11 employed as a teacher in this state within six months of becoming  
12 certified, and (c) otherwise meets the requirements of the contract,  
13 payments shall be suspended for the number of years that the borrower is  
14 required to remain employed as a teacher in this state under the  
15 contract. For each year that the borrower teaches in Nebraska pursuant to  
16 the contract, payments shall be forgiven in an amount equal to the amount  
17 borrowed for one year, except that if the borrower teaches in a school  
18 district that is in a local system classified as very sparse as defined  
19 in section 79-1003 or teaches in a school district in which at least  
20 forty percent of the students are poverty students as defined in section  
21 79-1003, payments shall be forgiven each year in an amount equal to the  
22 amount borrowed for two years.

23 (3)(a) If the borrower applies for the first time on or after April  
24 23, 2009, and (i) successfully completes the teacher education program  
25 and major for which the borrower is receiving a forgivable loan pursuant  
26 to the program and becomes certified pursuant to sections 79-806 to  
27 79-815 with an endorsement in the shortage area for which the loan was  
28 received, (ii) becomes employed as a full-time teacher teaching at least  
29 a portion of the time in the shortage area for which the loan was  
30 received in an approved or accredited school in this state within six  
31 months of becoming certified, and (iii) otherwise meets the requirements

1 of the contract, payments shall be suspended for the number of years that  
2 the borrower is required to remain employed as a teacher in this state  
3 under the contract.

4 (b) Beginning after the first two years of teaching full-time in  
5 Nebraska following graduation for the degree for which the loan was  
6 received, for each year that the borrower teaches full-time in Nebraska  
7 pursuant to the contract, the loan shall be forgiven in an amount equal  
8 to three thousand dollars, except that if the borrower teaches full-time  
9 in a school district that is in a local system classified as very sparse  
10 as defined in section 79-1003, teaches in a school building that provides  
11 free meals to all students pursuant to the community eligibility  
12 provision, teaches in a school building in which at least forty percent  
13 of the formula students are poverty students as defined in section  
14 79-1003, or teaches in an accredited or approved private school in  
15 Nebraska in which at least forty percent of the enrolled students  
16 qualified for free lunches as determined by the most recent data  
17 available from the commission, payments shall be forgiven each year in an  
18 amount equal to six thousand dollars.

19 (4)(a) If the borrower applies for the first time on or after the  
20 operative date of this act, and (i) successfully completes the teacher  
21 education program and major for which the borrower is receiving a  
22 forgivable loan pursuant to the program and becomes certified pursuant to  
23 section 79-806 to 79-815 with an endorsement in the shortage area for  
24 which the loan was received, (ii) becomes employed as a full-time teacher  
25 teaching at least a portion of the time in the shortage area for which  
26 the loan was received in an approved or accredited school in this state  
27 within six months of becoming certified, and (iii) otherwise meets the  
28 requirements of the contract, payments shall be suspended for the number  
29 of years that the borrower is required to remain employed as a teacher in  
30 this state under the contract.

31 (b) Beginning after the first two years of teaching full-time in

1 this state following graduation for the degree for which the loan was  
2 received, for each year that the borrow teaches full-time in this state  
3 pursuant to the contract, the loan shall be forgiven in an amount equal  
4 to three thousand dollars, except that if the borrower teaches full-time  
5 in a school district that is in a local system classified as very sparse  
6 as defined in section 79-1003, teaches in a school building that provides  
7 free meals to all students pursuant to the community eligibility  
8 provision, teaches in a school building in which at least forty percent  
9 of the formula students are poverty students as defined in section  
10 79-1003, or teaches in an accredited or approved private school in this  
11 state in which at least forty percent of the enrolled students qualified  
12 for free lunches as determined by the most recent data available from the  
13 commission, payment shall be forgiven each year in an amount equal to six  
14 thousand dollars.

15       (5) (4) Beginning on August 1, 2022, if the borrower provides  
16 service as a pre-service teacher intern for a full academic semester as  
17 part of a clinical experience within an accredited or approved public,  
18 private, denominational, or parochial school in Nebraska and subsequently  
19 passes all related semester requirements, then the loan shall be forgiven  
20 in an amount equal to one thousand dollars for such borrower.

21       Sec. 3. Section 85-3112, Revised Statutes Supplement, 2023, is  
22 amended to read:

23       85-3112 (1) The Excellence in Teaching Cash Fund is created. The  
24 fund shall consist of transfers by the Legislature, transfers pursuant to  
25 section 79-3501, and loan repayments, penalties, and interest payments  
26 received in the course of administering the Attracting Excellence to  
27 Teaching Program and the Enhancing Excellence in Teaching Program.

28       (2)(a) For all fiscal years beginning on and after July 1, 2024, the  
29 commission shall allocate on an annual basis up to two hundred fifty  
30 thousand dollars of the funds transferred pursuant to section 79-3501 for  
31 grants to teachers pursuant to the Career-Readiness and Dual-Credit

1 Education Grant Program.

2 (b) For all fiscal years beginning on and after July 1, 2024, the  
3 commission shall allocate on an annual basis up to five hundred thousand  
4 dollars of the funds transferred pursuant to section 79-3501 for grants  
5 and loans to students enrolled in a teacher education program for  
6 student-teaching semesters.

7 (c) Of the funds remaining in the Excellence in Teaching Cash Fund  
8 after the distributions pursuant to subdivisions (a) and (b) of this  
9 subsection, for all fiscal years, the commission shall allocate on an  
10 annual basis up to four hundred thousand dollars in the aggregate of the  
11 funds to be distributed for the Attracting Excellence to Teaching Program  
12 to all eligible institutions according to the distribution formula as  
13 determined by rule and regulation. The eligible institutions shall act as  
14 agents of the commission in the distribution of the funds for the  
15 Attracting Excellence to Teaching Program to eligible students. The  
16 commission shall allocate on an annual basis up to eight hundred thousand  
17 dollars of the remaining available funds to be distributed to eligible  
18 students for the Enhancing Excellence in Teaching Program. Funding  
19 amounts granted in excess of one million two hundred thousand dollars  
20 shall be evenly divided for distribution between the two programs. It is  
21 the intent of the Legislature that if the transfers pursuant to section  
22 79-3501 are insufficient to fund the Attracting Excellence to Teaching  
23 Program and the Enhancing Excellence in Teaching Program as prescribed in  
24 this subdivision, then General Funds shall be appropriated to cover the  
25 remaining costs up to the amounts prescribed.

26 (3) Any money in the Excellence in Teaching Cash Fund available for  
27 investment shall be invested by the state investment officer pursuant to  
28 the Nebraska Capital Expansion Act and the Nebraska State Funds  
29 Investment Act.

30 Sec. 4. This act becomes operative on July 1, 2024.

31 Sec. 5. Original sections 85-3105, 85-3106, and 85-3112, Revised

1 Statutes Supplement, 2023, are repealed.

2       Sec. 6. Since an emergency exists, this act takes effect when  
3 passed and approved according to law.