

**SENATE, No. 2825**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED AUGUST 17, 2020

**Sponsored by:**  
**Senator M. TERESA RUIZ**  
**District 29 (Essex)**

**SYNOPSIS**

Establishes loan redemption program for certain bilingual education teachers.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT establishing a loan redemption program for certain public  
2 school teachers and supplementing chapter 71C of Title 18A of  
3 the New Jersey Statutes.

4  
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*

7  
8 1. As used in this act:

9 “Authority” means the Higher Education Student Assistance  
10 Authority established pursuant to N.J.S.18A:71A-3.

11 “Eligible student loan expenses” means the outstanding balance  
12 of the principal and interest due on student loans used to cover the  
13 cost of attendance while enrolled in an undergraduate or graduate  
14 degree program at an institution of higher education.

15 “Low performing public school” means a school located in New  
16 Jersey, under collegiate grade, which is operated by a school  
17 district, a charter school established pursuant to P.L.1995, c.426  
18 (C.18A:36A-1 et seq.), or a renaissance school established pursuant  
19 to P.L.2011, c.176 (C.18A:36C-1 et seq.), that meets the criteria of  
20 paragraph (1), paragraph (2), or paragraph (3):

21 (1) among all students in that school to whom a State  
22 assessment was administered, the sum of the percent of students  
23 scoring in the not yet meeting expectations and partially meeting  
24 expectations categories in both the language arts and mathematics  
25 subject areas of the State assessments exceeded 40 percent in each  
26 of the prior two school years; or

27 (2) among all students in that school to whom a State  
28 assessment was administered, the sum of the percent of students  
29 scoring in the not yet meeting expectations and partially meeting  
30 expectations categories in either the language arts or mathematics  
31 subject areas of the State assessment exceeded 65 percent in each of  
32 the prior two school years; or

33 (3) is listed on the Teacher Cancellation Low Income Directory  
34 established by the United States Department of Education.

35 (4) A school that meets the criteria of paragraph (1) or  
36 paragraph (2) of this section shall continue to be designated a low  
37 performing public school until such time that the sum of the percent  
38 of students scoring in the not yet meeting expectations and partially  
39 meeting expectations categories in both the language arts and  
40 mathematics subject areas of the State assessments is less than or  
41 equal to the sum of the Statewide percent of students scoring in the  
42 not yet meeting expectations and partially meeting expectations  
43 categories on the corresponding Statewide assessments.

44 “Program participant” means a person who is employed on the  
45 effective date of this act or is initially hired following the effective  
46 date of this act by a school district, charter school, or renaissance  
47 school to fill a role requiring a bilingual or English as a second  
48 language endorsement and who meets the criteria of section 2 of

1 this act, and who has executed a contract with the Higher Education  
2 Student Assistance Authority for participation in the loan  
3 redemption program. A program participant shall be a resident of  
4 New Jersey.

5 “School district” means a local or regional school district  
6 established pursuant to chapter 8 or chapter 13 of Title 18A of the  
7 New Jersey Statutes, a county vocational school district established  
8 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey  
9 Statutes, and a school district under full State intervention pursuant  
10 to P.L.1987, c.399 (C.18A:7A-34 et seq.).

11

12 2. a. There is established in the Higher Education Student  
13 Assistance Authority a loan redemption program for public school  
14 teachers who teach in a bilingual education or English as a second  
15 language program. The program shall provide for the redemption  
16 of eligible student loan expenses of a program participant following  
17 the fourth consecutive year of full-time employment as a teacher in  
18 a bilingual education or English as a second language program in a  
19 public school in which at least 10 percent of the students are  
20 enrolled in a bilingual education or English as a second language  
21 program. The authority shall give priority under the program to  
22 teachers who are employed at a low performing public school.

23 b. A program participant may redeem eligible student loan  
24 expenses upon execution of a contract between the program  
25 participant and the authority. The contract shall specify the total  
26 amount of debt to be redeemed by the State in return for service  
27 pursuant to subsection c. of this section. A program participant  
28 who has entered into a contract with the authority shall remain  
29 eligible for loan redemption under the contract in the event that the  
30 number of students enrolled in a bilingual education or English as a  
31 second language program falls below 10 percent of total enrollment  
32 at the public school in which the teacher is employed or the teacher  
33 is transferred to a school in the district that does not meet the  
34 enrollment requirements. A program participant who has entered  
35 into a contract with the authority shall remain eligible for loan  
36 redemption under the contract in the event that the public school in  
37 which the teacher is employed loses its designation as a low  
38 performing public school or the teacher is transferred to a school in  
39 the district that is not a low performing public school.

40 c. The redemption of loans under the loan redemption program  
41 shall equal 25 percent of the participant’s eligible student loan  
42 expenses, up to \$5,000, in return for each consecutive year of full-  
43 time employment as a teacher in a bilingual education or English as  
44 a second language program in a public school. The total amount of  
45 eligible student loan expenses which may be redeemed under the  
46 program by a program participant, for four full school years of  
47 service, shall not exceed \$20,000. A program participant shall  
48 submit to the authority proof of eligible employment in a public

1 school prior to redemption of loan indebtedness. A program  
2 participant is not required to teach at the same public school for  
3 four consecutive years.

4 d. A program participant who has entered into a redemption  
5 contract with the authority may nullify the contract by submitting  
6 written notification to the authority and assuming full responsibility  
7 for repayment of principal and interest on the full amount of his  
8 loans or that portion of the loans which has not been redeemed by  
9 the State in return for fulfillment of the contract.

10 e. In the case of the program participant's death or total and  
11 permanent disability, the authority shall nullify the service  
12 obligation of the program participant. The nullification shall  
13 terminate the authority's obligations under the loan redemption  
14 contract. If continued enforcement of the contract results in  
15 extreme hardship, the authority may nullify or suspend the service  
16 obligation of the program participant.

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18 3. The authority shall annually post in a prominent location on  
19 its Internet website a list of low-performing schools at which a  
20 public school teacher may be employed in order to qualify for loan  
21 redemption under the loan redemption program established pursuant  
22 to this act.

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24 4. The authority shall annually submit a report on the loan  
25 redemption program established pursuant to this act to the  
26 Governor, and to the Legislature pursuant to section 2 of P.L.1991,  
27 c.164 (C.52:14-19.1). The report shall be submitted no later than  
28 August 1 of each year and shall include, but not be limited to, the  
29 total number of participants receiving loan redemption under the  
30 program, the total number of participants who withdrew from the  
31 program or failed to complete the program's employment  
32 requirement, and the effect of the program on filling vacant  
33 teaching positions in a bilingual education or English as a second  
34 language program.

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36 5. The authority shall adopt, in accordance with the  
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
38 seq.), rules and regulations as may be necessary to implement the  
39 provisions of this act.

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41 6. This act shall take effect immediately.

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#### STATEMENT

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46 The bill establishes a loan redemption program in the Higher  
47 Education Student Assistance Authority for teachers who teach in a

1 bilingual education or English as a second language program at  
2 public schools.

3 Under the bill, a program participant must be a resident of New  
4 Jersey and execute a contract with the authority. The authority will  
5 give priority under the program to teachers who are employed at a  
6 low performing public school, including a charter school or a  
7 renaissance school. The redemption of loans under the program  
8 will equal 25 percent of the participant's eligible student loan  
9 expenses, up to \$5,000, in return for each consecutive year of full-  
10 time employment as a teacher who teaches in a bilingual education  
11 or English as a second language program at a public school in  
12 which at least 10 percent of the students are enrolled in a bilingual  
13 education or English as a second language program. The total  
14 amount of eligible student loan expenses that would be redeemed  
15 under the program by a program participant, for four full school  
16 years of service, will not exceed \$20,000. A program participant  
17 would not be required to teach at the same public school for four  
18 consecutive years.

19 The bill directs the authority to annually post in a prominent  
20 location on its Internet website a list of low-performing schools at  
21 which a public school teacher may be employed in order to qualify  
22 for loan redemption under the bill.

23 A program participant who has entered into a redemption  
24 contract with the authority may nullify the contract by submitting  
25 written notification to the authority and assuming full responsibility  
26 for repayment of principal and interest on the full amount of his  
27 loans or that portion of the loans which has not been redeemed by  
28 the State in return for fulfillment of the contract. In the event of a  
29 program participant's death or total and permanent disability, the  
30 authority will nullify the service obligation of the program  
31 participant. The nullification will terminate the authority's  
32 obligations under the loan redemption contract.

33 The authority will annually submit a report on the loan  
34 redemption program to the Governor and the Legislature no later  
35 than August 1 of each year. The report will include, but not be  
36 limited to, the total number of participants receiving loan  
37 redemption under the program, the total number of participants who  
38 withdrew from the program or failed to complete the program's  
39 employment requirement, and the effect of the program on filling  
40 vacant teaching positions in a bilingual education or English as a  
41 second language program.