

CHAPTER 401

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

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.18A:71C-74 Definitions.

1. As used in section 2 of this act:

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

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

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

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

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

(3) A school shall continue to be designated a low performing school until such time that the sum of the percent of students scoring in the not yet meeting expectations and partially meeting expectations categories in both the language arts and mathematics subject areas of the State assessments is less than or equal to the sum of the Statewide percent of students scoring in the not yet meeting expectations and partially meeting expectations categories on the corresponding Statewide assessments.

“Program participant” means a person who is initially hired by a school district following the effective date of this act and who meets the criteria of section 2 of this act, and who has executed a contract with the Higher Education Student Assistance Authority for participation in the loan redemption program. A program participant shall be a resident of New Jersey.

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

C.18A:71C-75 Loan redemption program for public school STEM teachers.

2. a. There is established in the Higher Education Student Assistance Authority a loan redemption program for public school teachers who teach science, technology, engineering or mathematics (STEM) classes.

The program shall provide for the redemption of the eligible student loan expenses of a program participant following the fourth consecutive year of full-time employment as a teacher of science, technology, engineering, or mathematics in a public school. The annual

amount of State funds appropriated to the loan redemption program shall not exceed \$500,000. The authority shall notify the Legislature when the funds have been fully expended or committed.

The authority shall give priority under the program to teachers of science, technology, engineering, or mathematics who are employed at a low performing public school.

b. A program participant may redeem eligible student loan expenses upon execution of a contract between the program participant and the authority. The contract shall specify the total amount of debt to be redeemed by the State in return for service pursuant to subsection c. of this section. A program participant who has entered into a contract with the authority shall remain eligible for loan redemption under the contract in the event that the public school in which the teacher is employed loses its designation as a low performing school or the teacher is transferred to a school in the district that is not a low performing school.

c. The redemption of loans under the loan redemption program shall equal 25 percent of the participant's eligible student loan expenses, up to \$5,000, in return for each consecutive year of full-time employment as a teacher of science, technology, engineering, or mathematics in a public school. The total amount of eligible student loan expenses which may be redeemed under the program by a program participant, for four full school years of service, shall not exceed \$20,000. A program participant shall submit to the authority proof of eligible employment in a public school prior to redemption of loan indebtedness. A program participant is not required to teach at the same public school for four consecutive years.

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

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

f. The authority shall advertise the availability of the program and engage in outreach activities with potential participants.

C.18A:71C-76 Annual report to Governor, Legislature.

3. The authority shall annually submit a report on the loan redemption program established pursuant to section 2 of this act to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report shall be submitted no later than July 1 of each year and shall include, but not be limited to, information on: the total number of program participants; the number of program participants entering the program in that year; a profile of the program participants, including demographic information, the school district in which the participant is employed and the school in which the participant teaches, and the institution of higher education from which the participant received a degree; the average annual loan redemption amount and the four-year average loan redemption amount of program participants; the number of applicants who were denied acceptance into the program, including the number who were denied due to a lack of program funding; and the amount of the annual appropriation used to administer the program.

C.18A:71C-77 Definitions.

4. As used in sections 5 through 8 of this act:

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

“Eligible tuition expenses” means tuition expenses that were incurred by a program participant in attending an accredited master’s degree or Ph.D. program in science, technology, engineering, or mathematics or that were incurred by a program participant in the completion of 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics, and which were not covered by any grants or scholarships.

“Program” means the tuition reimbursement program established pursuant to section 5 of this act for teachers who acquire a master’s degree or Ph.D. in science, technology, engineering, or mathematics or who complete 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics.

“Program participant” means a teacher who contracts with the authority to teach STEM classes in a public school following the completion of a master’s degree or Ph.D. program in science, technology, engineering, or mathematics or following the completion of 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics, in return for tuition reimbursement provided under the program.

C.18A:71C-78 Tuition reimbursement program for certain STEM teachers in public schools.

5. a. There is established in the Higher Education Student Assistance Authority a tuition reimbursement program for teachers of science, technology, engineering, or mathematics (STEM) in the State. The program shall provide reimbursement for a portion of the eligible tuition expenses incurred by the participant in completing a master’s degree or Ph.D. program in science, technology, engineering, or mathematics or in completing 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics. The annual amount of State funds appropriated to the tuition reimbursement program shall not exceed \$500,000. The authority shall notify the Legislature when the funds have been fully expended or committed.

b. A program participant shall enter into a contract with the authority for a specified four-year period of service in which the participant agrees to teach STEM classes in a public school in the State following the participant’s completion of a master’s degree or Ph.D. program in science, technology, engineering, or mathematics or the completion of 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics. The agreement shall specify the program participant’s dates of required service and the total amount of reimbursement of eligible tuition expenses to be received by the participant in return for service.

c. The tuition reimbursement for a program participant shall equal 25 percent of the participant’s eligible tuition expenses, up to \$5,000, in return for each full school year of teaching STEM classes under the program. The total tuition reimbursement amount for a program participant, for four full school years of service, shall not exceed \$20,000 of the participant’s eligible tuition expenses. A teacher shall be required to complete four full school years of service in order to be eligible to receive tuition reimbursement under the program.

d. The authority shall advertise the availability of the program and engage in outreach activities with potential participants.

C.18A:71C-79 Eligibility for tuition reimbursement program.

6. To be eligible to participate in the tuition reimbursement program established pursuant to section 5 of this act, an applicant shall:

a. hold a bachelor’s degree;

b. have successfully completed, or be enrolled in, a master's degree or Ph.D. program in science, technology, engineering, or mathematics or have successfully completed, or be enrolled in, 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics;

c. apply for the tuition reimbursement program within one year of completing a master's degree or Ph.D. program or 30 credits in a coherent sequence of courses in science, technology, engineering, or mathematics; and

d. agree to teach STEM classes at a public school in New Jersey for four full school years in return for the tuition reimbursement provided under the program.

C.18A:71C-80 Adherence to performance standards.

7. A program participant, as a condition of participation, shall be required to adhere to performance standards established by the authority. The standards shall include, but not be limited to, requirements that a program participant:

a. maintains an appropriate certificate to teach in the State;

b. remains current with payments on any student loans; and

c. reports to the authority on a form and in a manner prescribed by the authority, and attested to by the public school, on the program participant's performance of teaching services rendered prior to reimbursement of tuition under the program.

C.18A:71C-81 Annual report to Governor, Legislature.

8. The authority shall annually submit a report on the tuition reimbursement program established pursuant to section 5 of this act to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report shall be submitted no later than July 1 of each year and shall include, but not be limited to, information on: the total number of program participants; the number of program participants entering the program in that year; a profile of the program participants, including demographic information, the school district in which the participant is employed and the school in which the participant teaches, and the institution of higher education from which the participant received a degree; the average annual tuition reimbursement amount and the four-year average tuition reimbursement amount of program participants; and the number of applicants who were denied acceptance into the program, including the number who were denied due to a lack of program funding.

C.18A:71C-82 Rules, regulations.

9. The authority, in consultation with the Department of Education, shall adopt pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to effectuate the purposes of this act.

10. This act shall take effect immediately.

Approved January 21, 2020.