

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2825
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: MAY 20, 2021

SUMMARY

Synopsis: Establishes loan redemption program for certain bilingual education teachers.

Type of Impact: Annual State expenditure increase from the General Fund.

Agencies Affected: Higher Education Student Assistance Authority

Office of Legislative Services Estimate

Annual Fiscal Impact	
Expenditure Increase to the Higher Education Student Assistance Authority	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill will lead to an indeterminate annual increase in State expenditures to the Higher Education Student Assistance Authority (HESAA). The OLS does not have the informational basis to project the number of bilingual education teachers that would qualify and apply for loan redemption under the program established by the bill.
- The program provides loan redemption equal to 25 percent of a participant’s eligible student loan expenses, up to \$5,000, in return for each consecutive year of full-time employment as a teacher who teaches in a bilingual education or English as a second language program at a public school in which at least 10 percent of the students are enrolled in a bilingual education or English as a second language program. According to the Department of Education’s School Performance Reports for the 2019-2020 school year, there are approximately 500 public schools in the State in which 10 percent or more of students are identified as English language learners.

BILL DESCRIPTION

This bill establishes a loan redemption program in the HESAA for teachers who teach in a bilingual education or English as a second language program at public schools. The program

would provide student loan redemption following the fourth consecutive year of full-time employment as a teacher in a bilingual education or English as a second language program in a public school in which at least 10 percent of the students are enrolled in a bilingual education or English as a second language program. The HESAA would give priority to teachers who are employed at a low performing public school. The bill defines a low performing public school as one that satisfies any of the following criteria: 1) in the prior two school years, 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 exceeded 40 percent, 2) in the prior two school years, 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 exceeded 65 percent; or 3) is listed on the Teacher Cancellation Low Income Directory established by the United States Department of Education.

The redemption of loans under the program would 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 who teaches in a bilingual education or English as a second language program at a public school in which at least 10 percent of the students are enrolled in a bilingual education or English as a second language program. The total amount of eligible student loan expenses that would be redeemed under the program by a program participant, for four full school years of service, will not exceed \$20,000. A program participant would not be required to teach at the same public school for four consecutive years. Program participants may nullify their contract with the HESAA and would thereafter be responsible for repayment of the loans. In the event of death of total and permanent disability, the authority will nullify the participant’s obligation.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will lead to an annual indeterminate increase in State expenditures to the HESAA. The OLS does not have the informational basis to project the number of bilingual education teachers that would qualify and apply for loan redemption under the program established by the bill.

The program provides loan redemption equal to 25 percent of a participant’s eligible student loan expenses, up to \$5,000, in return for each consecutive year of full-time employment as a teacher who teaches in a bilingual education or English as a second language program at a public school in which at least 10 percent of the students are enrolled in a bilingual education or English as a second language program. According to the Department of Education’s School Performance Reports for the 2019-2020 school year, there are approximately 500 public schools in the State in which 10 percent or more of students are identified as English language learners.

Section: Education

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).