

Revamping the Quality Educator Loan Repayment Program: Recommendations from Working Group Looking at Definition and Needs of Isolated Schools

Working Group of the School Funding Interim Commission
led by Sen. Kris Hansen, April 2016

General Findings:

1. The needs of isolated schools in Montana present unique operating challenges, especially related to recruitment and retention.
2. The existing eligibility criteria of the Quality Educator Loan Repayment Program do not effectively target the incentive towards isolated schools.

Recommendations:

1. The Legislature should examine the needs of isolated schools more thoroughly.
2. The Quality Educator Loan Repayment Program should be revised to aid teacher recruitment and retention in isolated schools in the following ways:
 - a. The current criteria for an impacted school should be replaced so that an impacted school is:
 - i. Located more than 30 minutes from MT cities >10,000 people; and
 - ii. Located more than 15 minutes from MT cities >4,300 people; or
 - iii. The MSDB, a DOC school, a special education coop, or MT Youth Challenge.
 - b. The critical shortage areas (content certification) should only be used if the number of awardees needs to be limited due to available funds.
 - c. The award amounts should be graduated so that an awardee is eligible for increasing awards the more years the awardee teaches at the same eligible school (or within district?)(ex. 2/4/6 or 3/4/5 in \$1000s per 1st, 2nd, 3rd year).

Considerations/questions:

1. Do the drive-time criteria effectively target impacted schools? Times could be adjusted.
2. How might these changes and increased awareness of loan program impact program cost? Is current \$500,000 annual appropriation sufficient? (Note—both the 2/4/6 and 3/4/5 equal the same max award to awardee as current \$3,000 over 4 years--\$12,000—but reduce duration by 1 year)
3. The 2/4/6 or 3/4/5 will require statutory change, but the impacted school identification changes do not. If the commission is interested in a bill draft, how specific do you want to get in statute?
4. How to grandfather currently eligible awardees? Delay effective date to provide notice?
5. Does program require any adjustments to make more effective as front-end recruiting tool? Does this improve consistency of eligibility so that district can go to recruiting fair in March knowing that they are eligible for the coming year?

Quality Educator (QE) Recruitment and Retention Process – from Teacher’s Perspective

- Teacher applies for a QE-advertised position in an eligible district.
- When teacher accepts position, OCHE notifies her/him of timeline and rules for loan repayment. As long as (s)he remains in the eligible district, there is no need to re-apply; however, total years of eligibility for the program is three years.¹
- Upon completion of first year, on or before June 30, \$2000 of loan is repaid if teacher signs contract for next year. *(Might consider \$500 in the event (s)he isn’t offered a contract or doesn’t sign one that is offered.)*²
- Upon completion of second year, on or before June 30, \$4000 of loan is repaid if teacher signs contract for next year; in the event (s)he isn’t offered a contract or doesn’t sign one that is offered, \$2,000 of loan is repaid.³
- Upon completion of third year, on or before June 30, \$6000 of loan is repaid if teacher is offered and signs a contract for the next year. In the event (s)he isn’t offered a contract or doesn’t sign one that is offered, (s)he still receives \$6000.⁴
- If a teacher leaves one eligible district for another eligible district during the three years, (s)he starts as a year-one eligible employee. As noted earlier, she is only eligible for loan repayments for a total of three years, whether in one district or more than one.⁵

¹ Hopefully, this will encourage retention in a single district.

² I hate to do no loan repayment at all after a year of service and \$500 is almost an insult, but I’m afraid of awarding an amount for a leaving teacher that is not much lower than the amount they would get if they stayed because I feel like getting them to stay that 2nd year is the big issue.

³ A teacher deciding to stay the 2nd year wants to know, I’m getting at least what I got the first year, no matter what happens ... and maybe twice as much! The program really needs to be pitched so teachers understand the tremendous incentive to stay.

⁴ After 3 years in a district, both the teacher and the district know whether they want to continue together. I don’t think either should be penalized whatever each decides. With an additional \$6K hanging on the tenure decision, it’s better not to complicate that decision with the loss of a substantial financial benefit.

⁵ This is also for retention purposes. A teacher could complete 3 years in the district, but elect to move to another one so that (s)he could continue to get the loan paid down. Unlikely, but the whole idea is not just to recruit these teachers but to retain them.