

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 408**

Introduced by Dungan, 26.

Read first time January 17, 2025

Committee:

- 1 A BILL FOR AN ACT relating to teachers; to adopt the Special Education
- 2 Forgiveable Loan Program Act.
- 3 Be it enacted by the people of the State of Nebraska,

1        **Section 1.** Sections 1 to 5 of this act shall be known and may be  
2 cited as the Special Education Teacher Forgivable Loan Program Act.

3        **Sec. 2.** (1) The Legislature finds that Nebraska elementary and  
4 secondary schools have had difficulty filling open and necessary job  
5 positions, including special education teachers.

6        (2) It is the intent of the Legislature to assist individuals  
7 studying to become special education teachers by supporting forgivable  
8 loans to those individuals who commit to teaching in Nebraska following  
9 their certification as a teacher with a special education endorsement.

10       **Sec. 3.** For purposes of the Special Education Teacher Forgivable  
11 Loan Program Act:

12       (1) Department means the State Department of Education;

13       (2) Eligible institution means a not-for-profit college or  
14 university that (a) is located in Nebraska, (b) is accredited by an  
15 accrediting agency recognized by the United States Department of  
16 Education and determined to be acceptable by the State Board of  
17 Education, and (c) has a special education teacher education program;

18       (3) Eligible noncitizen means an individual who:

19       (a) Is a United States national, including a native of American  
20 Samoa or Swains Island;

21       (b) Is a lawful permanent resident with a Form I-551, I-151, or  
22 I-551C issued by the United States Government;

23       (c) Is a conditional permanent resident of the United States;

24       (d) Has an Arrival-Departure Record I-94 from the United States  
25 Citizenship and Immigration Services showing a status of Refugee, Asylum  
26 Granted, Parolee, Conditional Entrant, or Cuban-Haitian Entrant;

27       (e) Holds a T nonimmigrant status visa or is a child of an  
28 individual who holds a T-1 nonimmigrant status visa;

29       (f) Is a battered immigrant-qualified alien who is a victim of abuse  
30 by such individual's spouse or parent who is a citizen or permanent  
31 resident;

1       (g) Is a battered immigrant-qualified alien who is a child of a  
2 person designated as such under the federal Violence Against Women Act;  
3 or

4       (h) Is a citizen of the Republic of Palau, the Republic of the  
5 Marshall Islands, or the Federated States of Micronesia;

6       (4) Eligible student means an individual who:

7       (a) Is a United States citizen or an eligible noncitizen;

8       (b) Is a high school graduate or the equivalent of a high school  
9 graduate;

10       (c) Is enrolled in good standing at a state college in Nebraska or  
11 the University of Nebraska;

12       (d) Is seeking initial certification as a teacher with an  
13 endorsement in special education; and

14       (e) Has applied for federal financial aid grants and state  
15 scholarships and grants to cover tuition and fees; and

16       (5) Teacher education program means a program of study that results  
17 in obtaining a bachelor's degree, master's degree, or special education  
18 endorsement that meets the education requirements for certification  
19 pursuant to sections 79-806 to 79-816.

20       **Sec. 4.** (1) The Special Education Teacher Forgivable Loan Program  
21 is created and shall be administered by the department.

22       (2) The department may award a forgivable loan to an eligible  
23 student to pay for instate tuition, or the equivalent of instate tuition  
24 at any eligible institution.

25       (3) The department may award up to twenty-five forgivable loans each  
26 academic year for each eligible institution.

27       (4) An eligible student who is awarded a forgivable loan under the  
28 Special Education Teacher Forgivable Loan Program shall enter a contract  
29 with the department prior to the department dispersing any money for such  
30 loan. Such contract shall contain at least the following terms:

31       (a) The eligible student shall only be eligible to receive a loan

1 under the program for the first five years that the eligible student is  
2 enrolled in a teacher education program;

3 (b) The loan shall only be used to pay for any remaining tuition  
4 remaining due to the eligible institution attended by the eligible  
5 student after applying all awarded federal and state financial aid grants  
6 and scholarships;

7 (c) The eligible student shall begin teaching special education at a  
8 Nebraska elementary or secondary school within one year after graduating  
9 with a degree in education; and

10 (d) The eligible student shall teach special education at a Nebraska  
11 elementary or secondary school for:

12 (i) Five consecutive years after graduating with a degree in  
13 education; or

14 (ii) The equivalent number of years of loans taken.

15 (5)(a) When an eligible student who was awarded any forgivable loan  
16 under this section graduates from an eligible institution, the department  
17 shall determine the dollar amount of forgivable loans such student  
18 received each year and the overall total dollar amount of forgivable  
19 loans paid to such eligible student.

20 (b)(i) Except as provided in subdivision (b)(ii) of this subsection,  
21 for each year after graduating from an eligible institution that an  
22 eligible student complies with the terms of the contract under this  
23 section, the department shall forgive twenty percent of the total dollar  
24 amount of forgivable loans paid to such eligible student. After the fifth  
25 consecutive year of compliance with the terms of the contract, the  
26 department shall notify the eligible student that the total amount of  
27 forgivable loans provided under this section that were owed by such  
28 eligible student are forgiven.

29 (ii) For an eligible student that received less than five total  
30 years of forgivable loans pursuant to this section, for each year after  
31 graduating from an eligible institution that an eligible student complies

1 with the terms of the contract under this section, the department shall  
2 forgive the amount of one year's worth of forgivable loans paid to such  
3 eligible student. After the eligible student complies with the terms of  
4 the contract for the number of years that the eligible student received a  
5 forgivable loan pursuant to this section, the department shall notify the  
6 eligible student that the total amount of forgivable loans provided under  
7 this section that were owed by such eligible student are forgiven.

8 (6) If an eligible student who accepted a forgivable loan under this  
9 section fails to comply with the terms of the contract described in this  
10 section, such eligible student may receive a deferment from the  
11 obligation of repayment as specified in rules and regulations adopted and  
12 promulgated under the act.

13 (7) Any eligible student who accepted a forgivable loan under this  
14 section who fails to comply with the terms of the contract described in  
15 this section and who does not receive a deferment from the obligation of  
16 repayment as described in this section shall repay the remaining balance  
17 of any forgivable loan with simple interest at a rate of five percent per  
18 year. Any repayment under this section shall be remitted to the State  
19 Treasurer for credit to the General Fund.

20 (8) The department shall provide each eligible student who accepts a  
21 forgivable loan under this section with a description of the obligations  
22 of such eligible student under the terms of the contract described in  
23 this section.

24 **Sec. 5.** The State Board of Education may adopt and promulgate rules  
25 and regulations relating to the Special Education Teacher Forgivable Loan  
26 Program Act.