

113TH CONGRESS
2^D SESSION

S. 2880

To amend the Internal Revenue Code of 1986 to provide a tax incentive to individuals teaching in elementary and secondary schools located in rural or high unemployment areas and to individuals who achieve certification from the National Board for Professional Teaching Standards, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 18, 2014

Mr. ROCKEFELLER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide a tax incentive to individuals teaching in elementary and secondary schools located in rural or high unemployment areas and to individuals who achieve certification from the National Board for Professional Teaching Standards, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Incentives to Educate
5 American Children Act of 2014” or the “I Teach Act of
6 2014”.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) The United States classrooms are increas-
5 ingly filled with less experienced teachers, as elderly
6 teachers retire and the retention rate among young
7 teachers continues to decrease. The most common
8 number of years of teaching experience for public
9 school teachers has decreased from 15 years experi-
10 ence in 1987–1988 to 5 years in 2011–2012. Ac-
11 cording to the most recent data, 1,700,000 teachers,
12 representing 45 percent of the workforce, had less
13 than 10 years of experience. Students deserve teach-
14 ers with more experience and training.

15 (2) Recent research confirms that additional
16 years of teaching experience at the same grade level
17 (up to 20 years) add a direct positive impact on stu-
18 dent achievement.

19 (3) The most recent data (2011–2012) from
20 the National Center for Education Statistics find
21 32.8 percent of public schools in the United States
22 are in rural areas. The associated costs rural schools
23 face mean that they often have less money for in-
24 structional costs and salaries. Department of Edu-
25 cation data show that rural school districts have the
26 lowest base salaries for starting teachers, a trend

1 that continues even as teachers move to the top of
2 the local salary range. Rural schools face these chal-
3 lenges across the country.

4 (4) The most recent study by the Education
5 Trust found that high schools with high poverty
6 rates are twice as likely to have teachers that are
7 not certified in their fields than high schools with
8 low poverty rates. The same study found that high
9 poverty schools have a higher percentage of first
10 year teachers. Rural schools face similar problems.

11 (5) According to the most recent statistics by
12 the Bureau of Labor Statistics and the Department
13 of Education, teachers are paid on average only 79
14 percent as much as other college graduates.

15 (6) The National Board for Professional Teach-
16 ing Standards was founded in 1987 as a follow up
17 to the landmark 1983 report, “A Nation at Risk”,
18 by the Carnegie Task Force on Teaching. The Na-
19 tional Board for Professional Teaching Standards is
20 an independent, nonprofit, and nonpartisan organi-
21 zation, whose mission is to establish high and rig-
22 orous standards for what accomplished teachers
23 should know and be able to do.

24 (7) Over 100,000 teachers from all 50 States
25 and the District of Columbia have completed certifi-

1 cation by the National Board for Professional
2 Teaching Standards, where certification is a rigorous
3 assessment process for teachers.

4 (8) The National Research Council (NRC) of
5 the National Academies has affirmed that students
6 taught by National Board certified teachers make
7 higher gains on achievement tests than those taught
8 by teachers who have not applied for or have not
9 achieved certification.

10 (9) According to the National Commission on
11 Teaching and America's Future, 15.7 percent of
12 teachers leave their jobs each year, compared to an
13 annual turnover rate of 11.9 percent in other profes-
14 sions. The average cost of recruiting, hiring, pre-
15 paring, and losing a teacher is approximately
16 \$50,000.

17 (10) The NRC found in 2008 that the average
18 retention rate for National Board certified teachers
19 is higher than the rate for teachers who have not
20 achieved certification. Specifically, in a study focus-
21 ing on the first 4 to 7 years of teaching, the NRC
22 found that nearly $\frac{3}{4}$ of National Board certified
23 teachers remained in the profession at the end of the
24 study, compared to only $\frac{2}{3}$ of non-certified teachers
25 that stayed teaching during the same time period.

1 (b) PURPOSES.—The purposes of this Act are as fol-
 2 lows:

3 (1) To encourage teachers, through a refund-
 4 able tax credit, to work in public elementary and
 5 secondary schools located in rural areas or schools
 6 with high poverty.

7 (2) To provide an additional tax credit to teach-
 8 ers who achieve certification from the National
 9 Board for Professional Teaching Standards in order
 10 to recruit and retain highly qualified teachers in
 11 public elementary and secondary schools.

12 **SEC. 3. REFUNDABLE TAX CREDIT FOR INDIVIDUALS**
 13 **TEACHING IN ELEMENTARY AND SECONDARY**
 14 **SCHOOLS LOCATED IN HIGH POVERTY OR**
 15 **RURAL AREAS AND CERTIFIED TEACHERS.**

16 (a) IN GENERAL.—Subpart C of part IV of sub-
 17 chapter A of chapter 1 of the Internal Revenue Code of
 18 1986 is amended by inserting after section 36B the fol-
 19 lowing new section:

20 **“SEC. 36C. TAX CREDIT FOR INDIVIDUALS TEACHING IN EL-**
 21 **EMENTARY AND SECONDARY SCHOOLS LO-**
 22 **CATED IN HIGH POVERTY OR RURAL AREAS**
 23 **AND CERTIFIED TEACHERS.**

24 **“(a) ALLOWANCE OF CREDIT.—**In the case of an eli-
 25 gible teacher, there shall be allowed as a credit against

1 the tax imposed by this subtitle for the taxable year an
2 amount equal to the applicable amount for the eligible aca-
3 demic year ending during such taxable year.

4 “(b) APPLICABLE AMOUNT.—For purposes of this
5 section—

6 “(1) TEACHERS IN SCHOOLS IN RURAL AREAS
7 OR SCHOOLS WITH HIGH POVERTY.—

8 “(A) IN GENERAL.—In the case of an eligi-
9 ble teacher who performs services in a public
10 kindergarten or a public elementary or sec-
11 ondary school described in subparagraph (B)
12 during the eligible academic year, the applicable
13 amount is \$1,000.

14 “(B) SCHOOL DESCRIBED.—A public kin-
15 dergarten or a public elementary or secondary
16 school is described in this subparagraph if—

17 “(i) at least 75 percent of the stu-
18 dents attending such kindergarten or
19 school receive free or reduced-cost lunches
20 under the school lunch program established
21 under the Richard B. Russell National
22 School Lunch Act, or

23 “(ii) such kindergarten or school has
24 a School Locale Code of 41, 42, or 43, as
25 determined by the Secretary of Education.

1 “(2) CERTIFIED TEACHERS.—In the case of an
2 eligible teacher who is certified by the National
3 Board for Professional Teaching Standards for the
4 eligible academic year, the applicable amount is
5 \$1,000.

6 “(3) CERTIFIED TEACHERS IN SCHOOLS IN
7 RURAL AREAS OR SCHOOLS WITH HIGH POVERTY.—
8 In the case of an eligible teacher described in both
9 paragraphs (1) and (2), the applicable amount is
10 \$2,000.

11 “(c) ELIGIBLE TEACHER.—For purposes of this sec-
12 tion, the term ‘eligible teacher’ means, for any eligible aca-
13 demic year, an individual who is a kindergarten through
14 grade 12 classroom teacher or instructor in a public kin-
15 dergarten or a public elementary or secondary school on
16 a full-time basis for such eligible academic year.

17 “(d) ADDITIONAL DEFINITIONS.—For purposes of
18 this section—

19 “(1) ELEMENTARY AND SECONDARY
20 SCHOOLS.—The terms ‘elementary school’ and ‘sec-
21 ondary school’ have the respective meanings given
22 such terms by section 9101 of the Elementary and
23 Secondary Education Act of 1965.

24 “(2) ELIGIBLE ACADEMIC YEAR.—The term ‘el-
25 ible academic year’ means any academic year end-

1 ing in a taxable year beginning after December 31,
2 2014.”.

3 (b) CONFORMING AMENDMENTS.—

4 (1) Paragraph (2) of section 1324(b) of title
5 31, United States Code, is amended by inserting “,
6 36C” after “36B”.

7 (2) The table of sections for subpart C of part
8 IV of subchapter A of chapter 1 of the Internal Rev-
9 enue Code of 1986 is amended by inserting after the
10 item relating to section 36B the following new item:

“Sec. 36C. Tax credit for individuals teaching in elementary and secondary
schools located in high poverty or rural areas and certified
teachers.”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to academic years ending in tax-
13 able years beginning after December 31, 2014.

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