



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

July 9, 2003  
(House)

## STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

### **H.R. 438 - Teacher Recruitment and Retention Act of 2003**

(Rep. Wilson (R) SC and 26 cosponsors)

The Administration strongly supports House passage of H.R. 438, as reported, the "Teacher Recruitment and Retention Act of 2003." This bill would increase, from \$5,000 to \$17,500, the amount of Federal student loan forgiveness available to highly qualified teachers who teach mathematics or science, or who are special education teachers, in high-need schools.

Under current law, highly qualified teachers who work for five years in schools that serve high-poverty students may have up to \$5,000 of their Federal student loans forgiven. The bill's increase in these financial incentives was proposed in the President's FY 2004 Budget and would help the neediest schools attract and retain highly qualified mathematics, science, and special education teachers. These three teaching fields are facing critical teacher shortages due in part to fierce competition from the private sector. H.R. 438 would also help to ensure that all children in the Nation are taught by skilled teachers by requiring all teachers seeking loan forgiveness to be highly qualified.

The Administration looks forward to working with Congress to continue to perfect this bill as it moves through Congress and to ensure that it is consistent with the Budget.

#### Pay-As-You-Go Scoring

The Budget Enforcement Act's pay-as-you-go requirements and discretionary spending caps expired on September 30, 2002. The Administration supports the extension of these budget enforcement mechanisms in a manner that ensures fiscal discipline and is consistent with the President's budget. OMB estimates that H.R. 438, as reported, would cost \$91 million in FY 2003, \$18 million in FY 2004, and \$404 million over the FY 2003-2013 period.

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