

116TH CONGRESS  
1ST SESSION

# S. 2510

To amend the Internal Revenue Code of 1986 to provide a refundable tax credit for certain teachers as a supplement to State effort to provide teachers with a livable wage, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2019

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

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## A BILL

To amend the Internal Revenue Code of 1986 to provide a refundable tax credit for certain teachers as a supplement to State effort to provide teachers with a livable wage, 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 “Respect, Advancement,  
5 and Increasing Support for Educators Act” or the  
6 “RAISE Act”.

7 **SEC. 2. REFUNDABLE TEACHER TAX CREDIT.**

8 (a) ALLOWANCE OF TAX CREDIT.—

1           (1) IN GENERAL.—Subpart C of part IV of sub-  
2           chapter A of chapter 1 of the Internal Revenue Code  
3           of 1986 is amended by inserting after section 36B  
4           the following new section:

5   **“SEC. 36C. TEACHER TAX CREDIT.**

6           “(a) CREDIT ALLOWED.—In the case of an individual  
7           who is an eligible educator during school years ending with  
8           or within the taxable year, there shall be allowed as a cred-  
9           it against the tax imposed by this chapter an amount  
10          equal to the sum of—

11                 “(1) \$500, plus

12                 “(2) in the case of an eligible educator who is  
13           employed at a qualifying school, the applicable  
14           amount.

15          “(b) APPLICABLE AMOUNT.—For purposes of sub-  
16          section (a), the applicable amount is the amount which  
17          bears the same ratio (not to exceed one) to \$9,500  
18          (\$7,500, in the case of any early childhood educator with-  
19          out a bachelor’s degree) as—

20                 “(1) the number of percentage points by which  
21           the student poverty ratio for such qualifying school  
22           exceeds 49 percent, bears to

23                 “(2) 26 percentage points.

24          “(c) ELIGIBLE EDUCATOR.—For purposes of this  
25          section—

1           “(1) IN GENERAL.—The term ‘eligible educator’  
2 means—

3           “(A) any elementary or secondary teacher,  
4 and  
5           “(B) any early childhood educator.

6           “(2) ELEMENTARY OR SECONDARY TEACHER.—

7           “(A) IN GENERAL.—The term ‘elementary  
8 or secondary teacher’ means an individual  
9 who—

10           “(i) is a teacher of record who pro-  
11 vides direct classroom teaching (or class-  
12 room-type teaching in a nonclassroom set-  
13 ting) in a public elementary school or a  
14 public secondary school for not less than  
15 75 percent of the normal or statutory  
16 number of hours of work for a full-time  
17 teacher over a complete school year (as de-  
18 termined by the State in which the school  
19 is located),

20           “(ii) meets applicable State certifi-  
21 cation and licensure requirements, includ-  
22 ing any requirements for certification ob-  
23 tained through alternative routes to certifi-  
24 cation, in the State in which such school is

1 located in the subject area in which the in-  
 2 dividual is the teacher of record, and

3 “(iii) has met the requirements of  
 4 clauses (i) and (ii) for a period of not less  
 5 than 1 year before the first day of the tax-  
 6 able year.

7 “(B) TEACHER OF RECORD.—For pur-  
 8 poses of subparagraph (A), the term ‘teacher of  
 9 record’ means a teacher who has been assigned  
 10 the responsibility for specified pupils’ learning  
 11 in a grade, subject, or course as reflected on the  
 12 school’s official record of attendance.

13 “(3) EARLY CHILDHOOD EDUCATOR.—The  
 14 term ‘early childhood educator’ means an individual  
 15 who—

16 “(A) has—

17 “(i) an associate’s degree or higher, or

18 “(ii) credentials or a license under  
 19 State law for early childhood education,

20 “(B) has primary responsibility for the  
 21 learning and development of children in an  
 22 early childhood education program (as defined  
 23 in section 103 of the Higher Education Act of  
 24 1965 (20 U.S.C. 1003)) during the taxable  
 25 year, and

1           “(C) has met the requirements of subpara-  
2           graphs (A) and (B) for a period of not less  
3           than 1 year before the first day of the taxable  
4           year.

5           “(d) QUALIFYING SCHOOL.—

6           “(1) IN GENERAL.—The term ‘qualifying  
7           school’ means, with respect to any school year—

8           “(A) a public elementary school or a public  
9           secondary school that—

10           “(i) is in the school district of a local  
11           educational agency that is eligible in such  
12           year for assistance pursuant to part A of  
13           title I of the Elementary and Secondary  
14           Education Act of 1965 (20 U.S.C. 6311 et  
15           seq.), or

16           “(ii) is served by an educational serv-  
17           ice agency, or a location operated by an  
18           educational service agency, that is eligible,  
19           for the year in which the determination is  
20           made, for assistance under part A of title  
21           I of the Elementary and Secondary Edu-  
22           cation Act of 1965 (20 U.S.C. 6311 et  
23           seq.),

24           “(B) an elementary school or secondary  
25           school that is funded by the Bureau of Indian

1 Education and that is in the school district of  
2 a local educational agency that is eligible in  
3 such year for assistance pursuant to part A of  
4 title I of the Elementary and Secondary Edu-  
5 cation Act of 1965 (20 U.S.C. 6311 et seq.), or

6 “(C) an early childhood education program  
7 (as defined in section 103 of the Higher Edu-  
8 cation Act of 1965 (20 U.S.C. 1003)) that  
9 serves children who receive, or are eligible for,  
10 services for which financial assistance is pro-  
11 vided in accordance with the Child Care and  
12 Development Block Grant of 1990 (42 U.S.C.  
13 9858 et seq.) or the child and adult care food  
14 program established under section 17 of the  
15 Richard B. Russell National School Lunch Act  
16 (42 U.S.C. 1766).

17 “(2) ESEA DEFINITIONS.—For purposes of  
18 this subsection, the terms ‘educational service agen-  
19 cy’, ‘elementary school’, ‘local educational agency’,  
20 ‘secondary school’, and ‘State educational agency’  
21 have the meanings given such terms in section 8101  
22 of the Elementary and Secondary Education Act of  
23 1965 (20 U.S.C. 7801 et seq.).

24 “(e) STUDENT POVERTY RATIO.—

1           “(1) IN GENERAL.—The term ‘student poverty  
2 ratio’ means—

3           “(A) with respect to any qualifying school  
4 described in subparagraph (A) or (B) of sub-  
5 section (d)(1), the ratio (expressed as a per-  
6 centage) of—

7           “(i) the total number of children  
8 served at such qualifying school meeting at  
9 least one measure of poverty described in  
10 section 1113(a)(5) of the Elementary and  
11 Secondary Education Act of 1965 (20  
12 U.S.C. 6313(a)(5)), to

13           “(ii) the total number of children  
14 served at such qualifying school, and

15           “(B) with respect to any qualifying school  
16 described in subsection (d)(1)(C), the ratio (ex-  
17 pressed as a percentage) of—

18           “(i) the total number of children at-  
19 tending such qualifying school who are eli-  
20 gible for the Child Care and Development  
21 Block Grant of 1990 (42 U.S.C. 9858 et  
22 seq.) or the child and adult care food pro-  
23 gram established under section 17 of the  
24 Richard B. Russell National School Lunch  
25 Act (42 U.S.C. 1766), to

1                   “(ii) the total number of children at-  
2                   tending such qualifying school.

3                   “(2) DETERMINATION OF RATIO.—In deter-  
4                   mining the student poverty ratio with respect to a  
5                   qualifying school under paragraph (1)(A), the Sec-  
6                   retary shall use the same measure of poverty as is  
7                   used for purposes of determining the allocation of  
8                   funds under part A of title I of the Elementary and  
9                   Secondary Education Act of 1965 (20 U.S.C. 6311  
10                  et seq.) with respect to the qualifying school.

11                  “(f) INFLATION ADJUSTMENT.—

12                  “(1) IN GENERAL.—In the case of any taxable  
13                  year beginning after 2019, each of the dollar  
14                  amounts in subsections (a) and (b) shall be in-  
15                  creased by an amount equal to—

16                         “(A) such dollar amount, multiplied by

17                         “(B) the cost-of-living adjustment deter-  
18                         mined under section 1(f)(3) for the calendar  
19                         year in which the taxable year begins, deter-  
20                         mined by substituting in subparagraph (A)(ii)  
21                         thereof ‘calendar year 2018’ for ‘calendar year  
22                         2016’.

23                  “(2) ROUNDING.—If any increase determined  
24                  under paragraph (1) is not a multiple of \$50, such



1 increase shall be rounded to the nearest multiple of  
 2 \$50.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) The table of sections for subpart C of  
 5 part IV of subchapter A of chapter 1 of the In-  
 6 ternal Revenue Code of 1986 is amended by in-  
 7 serting after the item relating to section 36B  
 8 the following new item:

“Sec. 36C. Teacher tax credit.”.

9 (B) Section 6211(b)(4)(A) of such Code is  
 10 amended by inserting “36C,” after “36B,”.

11 (C) Section 1324(b)(2) of title 31, United  
 12 States Code, is amended by inserting “36C,”  
 13 after “36B,”.

14 (b) INFORMATION SHARING.—The Secretary of Edu-  
 15 cation shall provide such information as necessary to the  
 16 Secretary of the Treasury (or the Secretary’s delegate) for  
 17 purposes of determining whether a school is a qualifying  
 18 school (as defined in section 36C of the Internal Revenue  
 19 Code of 1986, as added by subsection (a)).

20 (c) SUPPLEMENTATION OF STATE AND LOCAL EDU-  
 21 CATIONAL FUNDS.—A State educational agency or local  
 22 educational agency (as such terms are defined in section  
 23 8101 of the Elementary and Secondary Education Act of  
 24 1965 (20 U.S.C. 7801 et seq.)) shall not reduce or adjust  
 25 any teacher pay or teacher loan forgiveness program due

1 to the eligibility of teachers within the jurisdiction of such  
2 agency for the tax credit under section 36C of the Internal  
3 Revenue Code of 1986. Each State educational agency and  
4 local educational agency (as so defined), upon request by  
5 the Secretary of the Treasury, shall demonstrate that the  
6 methodology used to allocate teacher pay and teacher loan  
7 forgiveness (if applicable) to qualifying schools (as defined  
8 in section 36C(d) of such Code) ensures that each such  
9 school receives the same State and local funds for teacher  
10 compensation it would receive if the credit under such sec-  
11 tion 36C had not been enacted.

12 (d) EMPLOYER LIMITATIONS.—

13 (1) PROHIBITION OF USE IN COLLECTIVE BAR-  
14 GAINING.—An employer that engages in collective  
15 bargaining with employees who are eligible edu-  
16 cators, as defined in section 36C(c) of the Internal  
17 Revenue Code of 1986, shall not include the amount  
18 of the teacher tax credit under section 36C of such  
19 Code in determining the amount of salary or other  
20 compensation provided to any employee under the  
21 collective bargaining agreement.

22 (2) PROHIBITION OF USE AS PUNISHMENT OR  
23 RETRIBUTION.—An employer of an eligible educator,  
24 as defined in section 36C of the Internal Revenue  
25 Code of 1986, shall not change the work assignment

1 or location of the eligible educator if one of the pri-  
2 mary reasons for the change is to—

3 (A) prevent the eligible educator from re-  
4 ceiving a teacher tax credit under section 36C  
5 of such Code; or

6 (B) reduce the amount of the teacher tax  
7 credit that the eligible educator will receive.

8 (3) ENFORCEMENT.—Notwithstanding any  
9 other provision of law, the Federal Labor Relations  
10 Authority shall have the authority to investigate and  
11 enforce any alleged violation of this section in the  
12 same manner, and subject to the same procedures,  
13 as would apply to an allegation of an unfair labor  
14 practice under section 7118 of title 5, United States  
15 Code.

16 (4) DEFINITION.—In this subsection—

17 (A) the term “affecting commerce” has the  
18 meaning given the term in section 2 of the Na-  
19 tional Labor Relations Act (29 U.S.C. 152);

20 (B) the term “employee” means an em-  
21 ployee of an employer who is employed in a  
22 business of an employer that affects commerce;  
23 and

24 (C) the term “employer” means a person,  
25 including a State or political subdivision of a

1 State, engaged in a business affecting com-  
 2 merce.

3 (e) EFFECTIVE DATE.—The amendments made by  
 4 this section shall apply to taxable years beginning after  
 5 the date of the enactment of this Act.

6 **SEC. 3. INCREASE IN AND EXPANSION OF DEDUCTION FOR**  
 7 **EXPENSES OF ELEMENTARY AND SEC-**  
 8 **ONDARY SCHOOL TEACHERS.**

9 (a) INCREASE.—

10 (1) IN GENERAL.—Subparagraph (D) of section  
 11 62(a)(2) of the Internal Revenue Code of 1986 is  
 12 amended by striking “\$250” and inserting “\$500”.

13 (2) INFLATION ADJUSTMENT.—Section  
 14 62(d)(3) of such Code is amended—

15 (A) by striking “2015” and inserting  
 16 “2019”;

17 (B) by striking “the \$250 amount” and in-  
 18 serting “each of the dollar amounts”; and

19 (C) by striking “2014” in subparagraph  
 20 (B) thereof and inserting “2018”.

21 (b) EXPANSION TO EARLY CHILDHOOD EDU-  
 22 CATORS.—Section 62(d)(1) of the Internal Revenue Code  
 23 of 1986 is amended—

24 (1) by striking “who is a kindergarten” and in-  
 25 serting “who is—

1 “(A) a kindergarten”;

2 (2) by striking the period at the end and insert-  
3 ing “, and”; and

4 (3) by adding at the end the following new sub-  
5 paragraph:

6 “(B) an early childhood educator (as de-  
7 fined in section 200 of the Higher Education  
8 Act of 1965 (20 U.S.C. 1021)) in an early  
9 childhood education program (as defined in sec-  
10 tion 103 of such Act (20 U.S.C. 1003)) for at  
11 least 1,020 hours during a year.”.

12 (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to amounts paid or incurred in tax-  
14 able years beginning after the date of the enactment of  
15 this Act.

16 **SEC. 4. MANDATORY FUNDING TO SUPPORT LOCAL EDU-**  
17 **CATIONAL AGENCIES THAT MAINTAIN OR IN-**  
18 **CREASE TEACHER SALARIES.**

19 Section 2003 of the Elementary and Secondary Edu-  
20 cation Act of 1965 (20 U.S.C. 6603) is amended—

21 (1) in the section heading, by striking “**AU-**  
22 **THORIZATION OF APPROPRIATIONS**” and insert-  
23 ing “**FUNDING**”; and

24 (2) by striking subsection (a) and inserting the  
25 following:

1 “(a) APPROPRIATIONS FOR PART A.—

2 “(1) IN GENERAL.—There are authorized to be  
3 appropriated, and there are appropriated, out of any  
4 funds not otherwise appropriated—

5 “(A) for fiscal year 2020, \$3,200,000,000  
6 to carry out part A; and

7 “(B) for fiscal year 2021 and each suc-  
8 ceeding fiscal year, the amount appropriated  
9 under this paragraph for the preceding year, in-  
10 creased by a percentage equal to the annual  
11 percentage increase in the Consumer Price  
12 Index for All Urban Consumers published by  
13 the Department of Labor for the most recent  
14 calendar year.

15 “(2) RESERVATION FOR TEACHER SALARY IN-  
16 CENTIVE GRANTS.—

17 “(A) DEFINITIONS.—In this paragraph:

18 “(i) ELIGIBLE LOCAL EDUCATIONAL  
19 AGENCY.—The term ‘eligible local edu-  
20 cational agency’ means a local educational  
21 agency that, for the preceding school year,  
22 maintained or increased the salary sched-  
23 ule for all teachers employed by the local  
24 educational agency.

1           “(ii) TEACHER SALARY INCENTIVE  
2           RESERVATION.—The term ‘teacher salary  
3           incentive reservation’ means, for each fis-  
4           cal year, the amount that is 20 percent of  
5           the amount by which the funds appro-  
6           priated under paragraph (1) for the fiscal  
7           year exceeds \$2,200,000,000.

8           “(B) IN GENERAL.—For each fiscal year  
9           for which the total amount appropriated under  
10          paragraph (1) is greater than \$2,200,000,000,  
11          the Secretary shall, after making any reserva-  
12          tions under section 2101(a), reserve and use  
13          the teacher salary incentive reservation to  
14          award grants, based on allotments under sub-  
15          paragraph (C), to eligible local educational  
16          agencies for purposes described in subpara-  
17          graph (E).

18          “(C) ALLOTMENTS.—An allotment under  
19          this subparagraph for a fiscal year to an eligible  
20          local educational agency shall bear the same re-  
21          lationship to the teacher salary incentive res-  
22          ervation as the number of children counted  
23          under section 1124(c) who are served by the  
24          local educational agency bears to the total num-  
25          ber of such children counted under such section

1 served by all eligible local educational agencies  
2 that submitted an application under subpara-  
3 graph (D).

4 “(D) APPLICATION.—An eligible local edu-  
5 cational agency desiring an allotment under this  
6 paragraph shall submit to the Secretary an ap-  
7 plication at such time, in such manner, and  
8 containing such information as the Secretary  
9 may require.

10 “(E) USE OF FUNDS.—A local educational  
11 agency receiving an allotment under subpara-  
12 graph (C) may use the allotment for any pro-  
13 gram or activity described in section 2103(b)  
14 that the local educational agency selects.

15 “(F) SUPPLEMENT, NOT SUPPLANT.—A  
16 local educational agency receiving an allotment  
17 under subparagraph (C) shall use the allotment  
18 to supplement, and not supplant, any State  
19 funds or efforts to raise teacher pay.”.

○