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Chapter No. 315

12/HR07/R1666

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HOUSE BILL NO. 860

Originated in House



Clerk

HOUSE BILL NO. 860

AN ACT TO AMEND SECTION 37-159-3, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MONIES COLLECTED IN REPAYMENT OF SCHOLARSHIP AWARDS BY CRITICAL NEEDS TEACHER SCHOLARSHIP PROGRAM PARTICIPANTS SHALL BE DEPOSITED IN THE CONSOLIDATED REVOLVING LOAN FUND; TO AMEND SECTIONS 37-159-17 AND 37-143-19, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 37-159-3, Mississippi Code of 1972, is amended as follows:

37-159-3. (1) There is established the "Critical Needs Teacher Scholarship Program," the purpose of which is to attract qualified teachers to those geographical areas of the state and those subject areas of the curriculum where there exists a critical shortage of teachers by awarding full scholarships to persons declaring an intention to serve in the teaching field who actually render service to the state while possessing an appropriate teaching license.

(2) Any individual who is enrolled in or accepted for enrollment at a teacher education program approved by the State Board of Education or other program at a baccalaureate degree-granting institution of higher learning in the State of Mississippi and has a passing score on the Praxis I Basic Skills Test who expresses in writing an intention to teach in a geographical area of the state or a subject area of the public school curriculum in which there exists a critical shortage of teachers, as designated by the State Board of Education, shall be eligible for a financial scholarship to be applied toward the costs of the individual's college education. The annual amount of

the award shall be equal to the total cost for tuition, room and meals, books, materials and fees at the college or university in which the student is enrolled, not to exceed an amount equal to the highest total cost of tuition, room and meals, books, materials and fees assessed by a state institution of higher learning during that school year. Awards made to nonresidents of the state shall not include any amount assessed by the college or university for out-of-state tuition.

(3) Awards granted under the Critical Needs Teacher Scholarship Program shall be available to both full-time and part-time students. Students enrolling on a full-time basis may receive a maximum of two (2) annual awards. The maximum number of awards that may be made to students attending school on a part-time basis, and the maximum time period for part-time students to complete the number of academic hours necessary to obtain a baccalaureate degree in education, shall be established by rules and regulations jointly promulgated by the Board of Trustees of State Institutions of Higher Learning and the State Board of Education. Critical Needs Teacher Scholarships shall not be based upon an applicant's eligibility for financial aid.

(4) Awards granted under the Critical Needs Teacher Scholarship Program shall be made available to nontraditional licensed teachers showing a documented need for student loan repayment and employed in those school districts designated by the State Department of Education as a geographical area of the state or in a subject area of the curriculum in which there is a critical shortage of teachers. The maximum annual amount of this repayment should not exceed Three Thousand Dollars (\$3,000.00) and the maximum time period for repayment shall be no more than four (4) years.

(5) Except in those cases where employment positions may not be available upon completion of licensure requirements, at the beginning of the first school year in which a recipient of a

Critical Needs Teacher Scholarship is eligible for employment as a licensed teacher or a nontraditional teacher intern pursuant to Section 37-3-2(6)(b), that person shall begin to render service as a licensed teacher or nontraditional teacher intern in a public school district in a geographical area of the state or a subject area of the curriculum where there is a critical shortage of teachers, as approved by the State Board of Education. Any person who received two (2) annual awards, or who received fewer than two (2) annual awards, or the equivalent of two (2) annual awards, shall render one (1) year's service as a licensed teacher for each year that the person received a full-time student scholarship.

(6) Any person failing to complete a program of study which will enable that person to become a licensed teacher or nontraditional teacher intern under Section 37-3-2(6)(b), as the case may be, shall become liable immediately to the Board of Trustees of State Institutions of Higher Learning for the sum of all Critical Needs Teacher Scholarship awards made to that person, plus interest accruing at the current Stafford Loan rate at the time the person abrogates his participation in the program. Any person failing to complete his teaching obligation, as required under subsection (4) of this section, shall become liable immediately to the board for the sum of all scholarship awards made to that person less the corresponding amount of any awards for which service has been rendered, plus interest accruing at the current Stafford Loan rate at the time the person discontinues his service, except in the case of a deferral of debt for cause by the State Board of Education when there is no employment position immediately available upon a teacher's completion of licensure requirements. After the period of such deferral, such person shall begin or resume teaching duties as required under subsection (4) or shall become liable to the board under this subsection. If a claim for payment under this subsection is placed in the hands

of an attorney for collection, the obligor shall be liable for an additional amount equal to a reasonable attorney's fee.

(7) The obligations made by the recipient of a Critical Needs Teacher Scholarship award shall not be voidable by reason of the age of the student at the time of receiving the scholarship.

(8) Any student who, prior to July 1, 2003, has been accepted into the Critical Needs Teacher Scholarship Program under the authority of Section 37-159-3(4) shall be allowed to begin or remain in the scholar loan program based upon the prescribed guidelines of the State Department of Education, and conversion for those students with fewer than four (4) annual awards shall be based on one (1) year of service in either (a) a geographic area of the state in which there exists a critical shortage of teachers as determined by the State Board of Education, or (b) a subject area of the curriculum in the public schools in which there exists a critical shortage of teachers as determined by the State Board of Education, for each year a loan was received by the student. For those students that receive the equivalent of four (4) annual awards, such students shall render three (3) years of service.

(9) The Board of Trustees of State Institutions of Higher Learning and the State Board of Education shall jointly promulgate rules and regulations necessary for the proper administration of the Critical Needs Teacher Scholarship Program. The Board of Trustees of State Institutions of Higher Learning shall be the administering agency of the program.

(10) If insufficient funds are available to fully fund scholarship awards to all eligible students, the Board of Trustees of State Institutions of Higher Learning shall make the awards to first-time students on a first-come, first-served basis; however, priority consideration shall be given to persons previously receiving awards under the Critical Needs Teacher Scholarship Program.

(11) All funds received by the Board of Trustees of State Institutions of Higher Learning from the repayment of scholarship awards by program participants shall be deposited in the Consolidated Revolving Loan Fund in accordance with Section 37-143-19.

(12) Where local school districts exhibit financial need, the State Department of Education may, subject to the availability of funds specifically appropriated therefor by the Legislature, provide financial assistance for the recruitment of certified teachers in an amount not to exceed Seventy-five Thousand Dollars (\$75,000.00), annually.

SECTION 2. Section 37-159-17, Mississippi Code of 1972, is amended as follows:

37-159-17. There is established in the State Treasury a special fund to be designated the "Mississippi Critical Teacher Shortage Fund," into which shall be deposited those funds appropriated by the Legislature, and any other funds that may be made available, for the purpose of implementing the programs established under Sections * * * 37-159-5, 37-9-77, 37-3-91 and 37-159-9 through 37-159-13. Money in the fund at the end of a fiscal year shall not lapse into the General Fund, and interest earned on any amounts deposited into the fund shall be credited to the special fund.

SECTION 3. Section 37-143-19, Mississippi Code of 1972, is amended as follows:

37-143-19. The Board of Trustees of State Institutions of Higher Learning is authorized to establish a consolidated revolving loan fund for the purpose of providing monies for the operation of all loan or scholarship programs authorized to the Board of Trustees of State Institutions of Higher Learning by this chapter, and to the Postsecondary Education Financial Assistance Board by the provisions of Chapter 106, Title 37, Mississippi Code of 1972, and for the purpose of providing monies for the operation

of such other loan programs as may be deemed appropriate and authorized by the Board of Trustees of State Institutions of Higher Learning from time to time for the furtherance of education of eligible applicants. The board shall be charged with the duty of directing the dispensing of such funds in a manner so as to best effectuate the purpose of this chapter. Any monies collected in the form of repayment of loans, both principal and interest, and the repayment of scholarship awards under Section 37-159-3(11) shall be deposited in this fund. The board of trustees is authorized to maintain such revolving fund in an official state depository and, in accordance with Section 27-105-21, Mississippi Code of 1972, shall invest such funds, less the amount required for current operation, at interest as required by said section. All interest earned on such investments shall likewise be deposited in said fund. From such revolving fund, the board of trustees shall provide the Postsecondary Education Financial Assistance Board such sums as shall be required to fulfill its role as lender of last resort to the Guarantee Student Loan program. The assets of the Postsecondary Education Financial Assistance Board, including cash and loans on hand, shall not exceed Five Hundred Thousand Dollars (\$500,000.00), and repayments of principal and interest and all other revenue of such board shall be deposited in the fund created hereby.

From and after the effective date of this chapter [Laws, 1991, Chapter 547, effective July 1, 1991], the sums maintained in the respective revolving funds being repealed by Chapter 547, Laws, 1991, or other revolving funds being maintained by the board of trustees shall become and constitute the monies of the consolidated revolving fund created by this section, wherever such funds may be physically located. The board of trustees is hereby authorized to transfer said funds to an official state depository, as aforesaid.

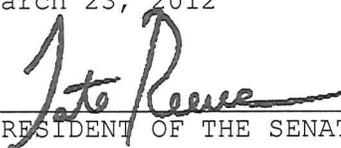
SECTION 4. This act shall take effect and be in force from and after its passage.

PASSED BY THE HOUSE OF REPRESENTATIVES
March 15, 2012



SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
March 23, 2012



PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR



GOVERNOR

*signed
10:20 am.*