

By: Ford

To: Education;  
Appropriations

HOUSE BILL NO. 342

1 AN ACT TO REENACT SECTION 37-159-11, MISSISSIPPI CODE OF  
2 1972, WHICH ESTABLISHES THE MISSISSIPPI EMPLOYER-ASSISTED HOUSING  
3 TEACHER PROGRAM THAT PROVIDES INTEREST FREE LOANS TO LICENSED  
4 TEACHERS IN CRITICAL TEACHER SHORTAGE AREAS; TO AMEND REENACTED  
5 SECTION 37-15-11, MISSISSIPPI CODE OF 1972, TO EXTEND THE REPEALER  
6 ON THAT SECTION; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 37-159-11, Mississippi Code of 1972, is  
9 reenacted and amended as follows:[BD1]

10 37-159-11. (1) There is established the Mississippi  
11 Employer-Assisted Housing Teacher Program, which shall be a  
12 special home loan program for eligible licensed teachers who  
13 render service to the state in a geographical area of the state  
14 where there exists a critical shortage of teachers, as designated  
15 by the State Board of Education. The home loan program shall be  
16 administered by the State Department of Education in conjunction  
17 with the Federal National Mortgage Association (Fannie Mae). The  
18 department may contract with one or more public or private  
19 entities to provide assistance in implementing and administering  
20 the program. The State Board of Education shall adopt rules and  
21 regulations regarding the implementation and administration of the  
22 program.

23 (2) Participation in the loan program shall be available to

24 any licensed teacher who renders service in a geographical area of  
25 the state where there exists a critical shortage of teachers, as  
26 designated by the State Board of Education. Any person who  
27 receives a loan under the program shall be required to purchase a  
28 house and reside in a county in which the school district for  
29 which the teacher is rendering service, or any portion of the  
30 school district, is located. The maximum amount of a loan that  
31 may be made under the program to any person shall be Six Thousand  
32 Dollars (\$6,000.00).

33 (3) Any loan made under the program to a person who actually  
34 renders service as a teacher in a geographical area of the state  
35 where there exists a critical shortage of teachers, as designated  
36 by the State Board of Education, shall be converted to an  
37 interest-free grant on the basis of one (1) year's service for  
38 one-third (1/3) of the amount of the loan. Any person who does  
39 not render three (3) years' service as a teacher in a geographical  
40 area of the state where there exists a critical shortage of  
41 teachers, as designated by the State Board of Education, shall be  
42 liable to the State Department of Education for one-third (1/3) of  
43 the amount of the loan for each year that he does not render such  
44 service, plus interest accruing at the current Stafford Loan rate  
45 at the time the person discontinues his service. If a claim for  
46 repayment under this subsection is placed in the hands of an  
47 attorney for collection, the obligor shall be liable for an  
48 additional amount equal to a reasonable attorney's fee.

49 (4) All funds received by the State Department of Education  
50 as repayment of loans by program participants shall be deposited  
51 in the Mississippi Critical Teacher Shortage Fund.

52 (5) This section shall stand repealed on July 1, 2001.

53 SECTION 2. This act shall take effect and be in force from  
54 and after July 1, 2000.