

By: Harden

To: Education;
Appropriations

SENATE BILL NO. 2937
(As Passed the Senate)

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

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

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

9 37-159-11. (1) There is established the Mississippi
10 Employer-Assisted Housing Teacher Program, which shall be a
11 special home loan program for eligible licensed teachers who
12 render service to the state in a geographical area of the state
13 where there exists a critical shortage of teachers, as designated
14 by the State Board of Education. The home loan program shall be
15 administered by the State Department of Education in conjunction
16 with the Federal National Mortgage Association (Fannie Mae). The
17 department may contract with one or more public or private
18 entities to provide assistance in implementing and administering
19 the program. The State Board of Education shall adopt rules and
20 regulations regarding the implementation and administration of the
21 program.

22 (2) Participation in the loan program shall be available to
23 any licensed teacher who renders service in a geographical area of
24 the state where there exists a critical shortage of teachers, as
25 designated by the State Board of Education. Any person who
26 receives a loan under the program shall be required to purchase a
27 house and reside in a county in which the school district for

which the teacher is rendering service, or any portion of the school district, is located. The maximum amount of a loan that may be made under the program to any person shall be Six Thousand Dollars (\$6,000.00).

(3) Any loan made under the program to a person who actually renders service as a teacher in a geographical area of the state where there exists a critical shortage of teachers, as designated by the State Board of Education, shall be converted to an interest-free grant on the basis of one (1) year's service for one-third (1/3) of the amount of the loan. Any person who does not render three (3) years' service as a teacher in a geographical area of the state where there exists a critical shortage of teachers, as designated by the State Board of Education, shall be liable to the State Department of Education for one-third (1/3) of the amount of the loan for each year that he does not render such service, plus interest accruing at the current Stafford Loan rate at the time the person discontinues his service. If a claim for repayment 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.

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

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

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