

By: Representative Ford

To: Education

HOUSE BILL NO. 447

1 AN ACT TO AMEND SECTION 37-159-111, MISSISSIPPI CODE OF 1972,
2 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 EXTEND THE DATE OF
5 REPEAL FROM JULY 1, 2001, TO JULY 1, 2002; AND FOR RELATED
6 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 amended as follows:

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, 2002.

53 SECTION 2. This act shall take effect and be in force from
54 and after July 1, 2001.