

By: Senator(s) Harden, Jordan

To: Education;  
Appropriations

SENATE BILL NO. 2181

1 AN ACT TO AMEND SECTION 37-159-11, MISSISSIPPI CODE OF 1972,  
2 TO DELETE THE AUTOMATIC REPEALER ON THE MISSISSIPPI  
3 EMPLOYER-ASSISTED HOUSING LOAN PROGRAM FOR TEACHERS IN CRITICAL  
4 TEACHER SHORTAGE AREAS; AND FOR RELATED PURPOSES.

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

6 SECTION 1. Section 37-159-11, Mississippi Code of 1972, is  
7 amended as follows:

8 37-159-11. (1) There is established the Mississippi  
9 Employer-Assisted Housing Teacher Program, which shall be a  
10 special home loan program for eligible licensed teachers who  
11 render service to the state in a geographical area of the state  
12 where there exists a critical shortage of teachers, as designated  
13 by the State Board of Education. The home loan program shall be  
14 administered by the State Department of Education in conjunction  
15 with the Federal National Mortgage Association (Fannie Mae). The  
16 department may contract with one or more public or private  
17 entities to provide assistance in implementing and administering  
18 the program. The State Board of Education shall adopt rules and  
19 regulations regarding the implementation and administration of the  
20 program.

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

28 school district, is located. The maximum amount of a loan that  
29 may be made under the program to any person shall be Six Thousand  
30 Dollars (\$6,000.00).

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

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

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51 SECTION 2. This act shall take effect and be in force from  
52 and after June 30, 2001.