SENATE BILL NO. 2183

AN ACT TO AMEND SECTION 37-143-11, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE WILLIAM F. WINTER INCENTIVE LOAN PROGRAM FOR TEACHERS SHALL BE FULLY AVAILABLE TO STUDENTS PREPARING TO BE PRINCIPALS AND SCHOOL ADMINISTRATORS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-143-11, Mississippi Code of 1972, is amended as follows:

37-143-11. (1) It is the intention of the Legislature to attract and retain qualified teachers, principals and school administrators by awarding incentive loans to persons declaring an intention to serve in the teaching or administrative field and who actually render service to the state while possessing an appropriate teaching or administrator license.

(2) There is established the "William F. Winter Teacher/Administrator Scholar Loan Program."

(3) To the extent of appropriations available, students who are enrolled in any baccalaureate degree-granting institution of higher learning in the State of Mississippi accredited by the Southern Association of Colleges and Schools and approved by the Mississippi Commission on College Accreditation, or any accredited nonprofit community or junior college, and who have expressed in writing a present intention to teach or administer schools in Mississippi, shall be eligible for student loans to be applied to the costs of their college education. Persons who have been admitted to a teacher or school administrator education program as approved by the State Board of Education shall also qualify for loans at approved institutions.
(4) A freshman establishing initial eligibility shall be eligible for a maximum of four (4) annual loans and a senior or graduate student shall be eligible for one (1) annual loan.

(5) The maximum annual loan shall be set by the Board of Trustees of State Institutions of Higher Learning at an amount not to exceed the cost of attendance at any baccalaureate degree-granting institution of higher learning in the State of Mississippi. However, it is the intent of the Legislature that the maximum annual loan amounts under the William F. Winter Teacher/Administrator Scholar Loan Program shall not be of such amounts that would compete with the Critical Needs Teacher Scholarship Program.

(6) The loans of persons who actually render service as licensed teachers or school administrators in a public school in Mississippi for a major portion of the school day for at least seventy-eight (78) school days during each of eight (8) school semesters of the ten (10) immediately after obtaining a baccalaureate degree, shall be converted to interest-free scholarships. Conversion shall be based on two (2) semesters of service for each year a loan was received, and the Board of Trustees of State Institutions of Higher Learning shall not authorize the conversion of loans into interest-free scholarships at any other ratio, except as follows: Participants in the William F. Winter Teacher/Administrator Scholar Loan Program may have their loans converted into interest-free scholarships at the same ratio as under the Critical Needs Teacher Scholarship Program if they render service as a licensed teacher or administrator in a public school district in a geographical area of the state where there is a critical shortage of teachers or administrators, as designated by the State Board of Education.

(7) Persons failing to complete an appropriate program of study shall immediately become liable to the Board of Trustees of State Institutions of Higher Learning for the sum of all
outstanding loans, except in the case of a deferral of debt for cause by the board, after which period of deferral, study may be resumed. Persons failing to meet teaching or school administrator requirements in any required semester shall immediately be in breach of contract and become liable to the board for the amount of the corresponding loan received, with interest accruing at the current Stafford Loan rate at the time the breach occurs, except in the case of a deferral of debt for cause by the board, after which period of deferral, teaching or administrative duties required hereunder will be resumed. If the claim for payment of such loan is placed in the hands of an attorney for collection after default, then the obligor shall be liable for an additional amount equal to a reasonable attorney's fee.

(8) A loan made pursuant to this section shall not be voidable by reason of the age of the borrower at the time of receiving the loan.

(9) Failure to repay any loan and interest that becomes due shall be cause for the revocation of a person's teaching license by the State Department of Education.

(10) All monies repaid to the Board of Trustees of State Institutions of Higher Learning hereunder shall be added to the appropriations made for purposes of this section, and those appropriations shall not lapse.

(11) The Board of Trustees of State Institutions of Higher Learning with the concurrence of the State Board of Education shall jointly promulgate regulations necessary for the proper administration of this section.

(12) If insufficient funds are available for requested loans to a qualified student during any fiscal year, the Board of Trustees of State Institutions of Higher Learning shall make pro rata reductions in the loans made to qualifying applicants. Priority consideration shall be given to persons receiving previous loans and participating in the program.
(13) The Board of Trustees of State Institutions of Higher Learning shall make an annual report to the Legislature. Each report shall contain a complete enumeration of the board's activities, loans or scholarships granted, names of persons to whom granted and the institutions attended by those receiving the same, the teaching/administrator location of applicants who have received their education and become licensed teachers/administrators within this state as a result of the loans and/or scholarships. The board shall make a full report and account of receipts and expenditures for salaries and expenses incurred under the provisions of this section. The board shall, upon its records and any published reports, distinguish between those recipients who have breached their contracts but with the board's permission who have paid their financial obligations in full, and those recipients who have breached their contracts and remain financially indebted to the state.

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