To: Universities and Colleges; Appropriations

MISSISSIPPI LEGISLATURE
REGULAR SESSION 2003
By: Senator(s) Chaney, Carmichael

SENATE BILL NO. 2669

AN ACT TO AMEND SECTIONS 37-143-11 AND 37-159-3, MISSISSIPPI CODE OF 1972, TO LIMIT THE STATE-FUNDED TEACHER SCHOLARSHIP INCENTIVE PROGRAMS TO JUNIOR AND SENIOR LEVEL UNIVERSITY STUDENTS; 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 by awarding incentive loans to persons declaring an intention to serve in the teaching field and who actually render service to the state while possessing an appropriate teaching license.

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

(3) To the extent of appropriations available, students who are enrolled in any teacher education program approved by the State Board of Education in a 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, * * * and who have expressed in writing a present intention to teach in Mississippi, shall be eligible for student loans to be applied to the costs of their college education. * * *

(4) A junior establishing initial eligibility shall be eligible for a maximum of four (4) annual loans and a senior shall be eligible for two (2) 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 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 nontraditional teacher interns authorized
under Section 37-3-2(6)(b) in a public school in Mississippi for a
major portion of the school day for at least seventy-eight (78)
school days during each * * * school semester * * * 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 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 nontraditional
teacher intern authorized under Section 37-3-2(6)(b) in a public
school district in a geographical area of the state where there is
a critical shortage of teachers, 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 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 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) Any freshman or sophomore who, prior to July 1, 2003, had been accepted into the William F. Winter Teacher Scholar Loan Program under the authority of Section 37-143-11(4), (5) and (6), as said statute existed prior to July 1, 2003, shall be allowed to remain in the scholar loan program, and conversion shall continue
to be based on two (2) semesters of service for each year a loan
was received.

(14) 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 location of applicants who have received their
education and become licensed teachers 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. Section 37-159-3, Mississippi Code of 1972, is
amended as follows:

37-159-3. (1) There is established the "Critical Needs
Teacher Scholarship Program," the purpose of which is to attract
qualified teachers to those geographical areas of the state where
there exists a critical shortage of teachers by awarding full
scholarships to persons declaring an intention to serve in the
teaching field who actually render service to the state while
possessing an appropriate teaching license.

(2) Any individual who is enrolled in or accepted for
enrollment at a teacher education program approved by the State
Board of Education at a baccalaureate degree-granting institution
of higher learning * * * in the State of Mississippi and has a
passing score on the Praxis I Basic Skills Test who expresses in
writing an intention to teach in a geographical area of the state

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in which there exists a critical shortage of teachers, as designated by the State Board of Education, shall be eligible for a financial scholarship to be applied toward the costs of the individual's college education. The annual amount of the award shall be equal to the total cost for tuition, room and meals, books, materials and fees at the college or university in which the student is enrolled, not to exceed an amount equal to the highest total cost of tuition, room and meals, books, materials and fees assessed by a state institution of higher learning during that school year. Awards made to nonresidents of the state shall not include any amount assessed by the college or university for out-of-state tuition.

(3) Awards granted under the Critical Needs Teacher Scholarship Program shall be available to both full-time and part-time students. Students enrolling on a full-time basis may receive a maximum of two (2) annual awards. The maximum number of awards that may be made to students attending school on a part-time basis, and the maximum time period for part-time students to complete the number of academic hours necessary to obtain a baccalaureate degree in education, shall be established by rules and regulations jointly promulgated by the Board of Trustees of State Institutions of Higher Learning and the State Board of Education. Critical Needs Teacher Scholarships shall not be based upon an applicant's eligibility for financial aid.

(4) Except in those cases where employment positions may not be available upon completion of licensure requirements, at the beginning of the first school year in which a recipient of a Critical Needs Teacher Scholarship is eligible for employment as a licensed teacher or a nontraditional teacher intern pursuant to Section 37-3-2 (6)(b), that person shall begin to render service as a licensed teacher or nontraditional teacher intern in a public school district in a geographical area of the state where there is a critical shortage of teachers, as approved by the State Board of
Education. Any person who received two (2) annual awards, or who received fewer than two (2) annual awards, or the equivalent of two (2) annual awards, shall render one (1) year’s service as a licensed teacher.

(5) Any person failing to complete a program of study which will enable that person to become a licensed teacher or nontraditional teacher intern under Section 37-3-2 (6)(b), as the case may be, shall become liable immediately to the Board of Trustees of State Institutions of Higher Learning for the sum of all Critical Needs Teacher Scholarship awards made to that person, plus interest accruing at the current Stafford Loan rate at the time the person abrogates his participation in the program. Any person failing to complete his teaching obligation, as required under subsection (4) of this section, shall become liable immediately to the board for the sum of all scholarship awards made to that person less the corresponding amount of any awards for which service has been rendered, plus interest accruing at the current Stafford Loan rate at the time the person discontinues his service, except in the case of a deferral of debt for cause by the State Board of Education when there is no employment position immediately available upon a teacher’s completion of licensure requirements. After the period of such deferral, such person shall begin or resume teaching duties as required under subsection (4) or shall become liable to the board under this subsection. If a claim for payment 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.

(6) The obligations made by the recipient of a Critical Needs Teacher Scholarship award shall not be voidable by reason of the age of the student at the time of receiving the scholarship.

(7) Any freshman or sophomore who, prior to July 1, 2003, had been accepted into the Critical Needs Teacher Scholarship Program under the authority of Section 37-159-3(4), as said
statute existed prior to July 1, 2003, shall be allowed to remain in the scholar loan program, and conversion shall continue to be based on one (1) semester of service for each year a loan was received.

(8) The Board of Trustees of State Institutions of Higher Learning and the State Board of Education shall jointly promulgate rules and regulations necessary for the proper administration of the Critical Needs Teacher Scholarship Program. The Board of Trustees of State Institutions of Higher Learning shall be the administering agency of the program.

(9) If insufficient funds are available to fully fund scholarship awards to all eligible students, the Board of Trustees of State Institutions of Higher Learning shall make the awards to first-time students on a first-come, first-served basis; however, priority consideration shall be given to persons previously receiving awards under the Critical Needs Teacher Scholarship Program.

(10) All funds received by the Board of Trustees of State Institutions of Higher Learning from the repayment of scholarship awards by program participants shall be deposited in the Mississippi Critical Teacher Shortage Fund.

(11) The State Department of Education shall compile and report, in consultation with the Board of Trustees of State Institutions of Higher Learning, an annual report with findings and recommendations to the legislative committees on education by December 1, 2003, and annually thereafter, on the following:

(a) The number of participants in the Critical Needs Teacher Scholarship Program, by institution and by freshman, sophomore, junior and senior level;

(b) The number of nontraditional teacher license program participants;
(c) The number of individuals who completed the Critical Needs Teacher Scholarship Program and the school district in which they are employed;

(d) The number of individuals who are in default of their obligation under the Critical Needs Teacher Scholarship Program and the status of their obligation; and

(e) The number of participants in the program who have successfully completed the Praxis examination in their junior year.

SECTION 3. This act shall take effect and be in force from and after July 1, 2003.