

By: Representative Pierce

To: Education;
Appropriations

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 662

1 AN ACT TO AMEND SECTION 37-159-11, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE REPEALER ON THE PROVISION OF LAW THAT ESTABLISHES
3 THE MISSISSIPPI EMPLOYER-ASSISTED HOUSING TEACHER PROGRAM; AND FOR
4 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.

50 (5) This section shall stand repealed on July 1, 2009.

51 **SECTION 2.** This act shall take effect and be in force from
52 and after July 1, 2004.