

By: Representative Young

To: Universities and  
Colleges; Appropriations

HOUSE BILL NO. 588

1 AN ACT TO CREATE THE MISSISSIPPI TUITION SUBSIDY FORGIVABLE  
2 LOAN; TO PROVIDE THAT SUCH LOAN SHALL BE ADMINISTERED BY THE  
3 POSTSECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD; TO PROVIDE THE  
4 CRITERIA FOR ELIGIBILITY FOR THE FORGIVABLE LOAN; TO PROVIDE THE  
5 CRITERIA FOR FORGIVENESS OF THE FORGIVABLE LOAN; AND FOR RELATED  
6 PURPOSES.

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

8 **SECTION 1.** (1) There is created the Mississippi Tuition  
9 Subsidy Forgivable Loan for college or university freshmen,  
10 sophomores, juniors and seniors to be administered by the  
11 Postsecondary Education Financial Assistance Board created in  
12 Section 37-106-9, which shall set the dates and deadlines for  
13 applying for an award under this section. The board shall  
14 establish such rules and regulations as it deems necessary and  
15 proper to carry out the purposes and intent of this section.

16 (2) The board shall approve forgivable loans to full-time  
17 freshman, sophomore, junior and senior Mississippi residents who  
18 meet the general requirements for student eligibility as provided  
19 in subsection (4) of this section.



20           (3) Mississippi Tuition Subsidy Forgivable Loans shall be  
21 for Mississippi resident students from any Mississippi family  
22 whose prior year adjusted gross income (AGI) is at or below the  
23 federal poverty level. The forgivable loan shall be applied to  
24 tuition for freshman, sophomore, junior and senior students  
25 attending state institutions of higher learning in Mississippi or  
26 public community or junior colleges in Mississippi.

27           (4) The general requirements for initial eligibility of  
28 students for Mississippi Tuition Subsidy Forgivable Loans are the  
29 following:

30                   (a) Member of a Mississippi family whose prior year  
31 adjusted gross income (AGI) is at or below the federal poverty  
32 level.

33                   (b) Acceptance for enrollment at any state institution  
34 of higher learning or public community or junior college located  
35 in Mississippi, or any Mississippi public community or junior  
36 college.

37                   (c) Graduation from high school verified by the  
38 institution before disbursement of award with a minimum grade  
39 point average of 2.5 calculated on a 4.0 scale after seven (7)  
40 semesters as certified by the high school counselor or other  
41 authorized school official on the application.

42                   (d) Any student currently enrolled in any qualified  
43 institution shall have to only meet the same requirements as  
44 students who are applying for a renewal award.



45           (5) By accepting a Mississippi Tuition Subsidy Forgivable  
46 Loan, the student is attesting to the accuracy, completeness and  
47 correctness of information provided to demonstrate the student's  
48 eligibility. Falsification of such information shall result in  
49 the denial of any pending forgivable loan and revocation of any  
50 forgivable loan currently held to the extent that no further  
51 payments shall be made. Any student knowingly making false  
52 statements in order to receive a forgivable loan shall be guilty  
53 of a misdemeanor punishable, upon conviction thereof, by a fine of  
54 up to Ten Thousand Dollars (\$10,000.00), a prison sentence of up  
55 to one (1) year in the county jail, or both, and shall be required  
56 to return all Mississippi Tuition Subsidy Forgivable Loans  
57 wrongfully obtained.

58           (6) Eligibility for renewal of Mississippi Tuition Subsidy  
59 Forgivable Loans shall be evaluated at the end of each semester,  
60 or term, of each academic year. As a condition for renewal, a  
61 student shall:

62                   (a) Make steady academic progress toward a certificate  
63 or degree, as outlined in the school Satisfactory Academic  
64 Progress Standards and certified by the institution's registrar.

65                   (b) Maintain continuous enrollment for not less than  
66 two (2) semesters or three (3) quarters in each successive  
67 academic year, unless granted an exception for cause by the  
68 administering board; examples of cause may include student  
69 participation in a cooperative program, internship program or



70 foreign study program. If a student fails to maintain continuous  
71 enrollment, and is not granted an exception for cause by the  
72 administering board, the student is ineligible to receive the  
73 Mississippi Tuition Subsidy Forgivable Loan during the following  
74 semester or trimester or term of the regular academic year.

75 (c) Have a cumulative grade point average of at least  
76 2.50 calculated on a 4.0 scale at the end of each semester or  
77 trimester or term.

78 (7) Each student, each year, must complete a Free  
79 Application for Federal Student Aid form or a Statement of  
80 Certification as designed by the administering board to determine  
81 his/her eligibility for a Mississippi Tuition Subsidy Forgivable  
82 Loan.

83 (8) (a) The amount of the Mississippi Tuition Subsidy  
84 Forgivable Loan awarded to any one (1) student, shall be the  
85 difference of the student's tuition cost at his/her university or  
86 college of choice and the amount of grants, scholarships and other  
87 state and federal aid such student may receive.

88 (b) Payment of the Mississippi Tuition Subsidy  
89 Forgivable Loan shall be made payable to the recipient and the  
90 educational institution and mailed directly to the institution, to  
91 be applied to tuition.

92 (9) In order for an institution to remain eligible for its  
93 students to participate in the Mississippi Tuition Subsidy



94 Forgivable Loan, the institution shall comply with the following  
95 requirements:

96 (a) A complete and accurate roster of the eligibility  
97 status of each awarded student shall be made to the board for each  
98 term, semester or quarter of the academic year the student  
99 receives a Mississippi Tuition Subsidy Forgivable Loan.

100 (b) The institution is required to make refunds to the  
101 Mississippi Tuition Subsidy Forgivable Loan for any funds which  
102 have not been disbursed to the recipient, in the case of students  
103 who have received a forgivable loan but who terminate enrollment  
104 during the academic term, semester or quarter of the academic year  
105 if an institution's refund policies permit a student to receive a  
106 refund in such instance. The recipient shall be responsible for  
107 the refund of any funds which have been disbursed by the  
108 institution in such instance.

109 (c) If a student drops below full-time status but does  
110 not terminate all enrollment during the term, semester or quarter  
111 of the academic year no refund will be required for that term.  
112 However, that student is ineligible to receive the Mississippi  
113 Tuition Subsidy Forgivable Loan during the following term,  
114 semester or quarter of the regular academic year.

115 (d) The board may conduct its own annual audits of any  
116 institution participating in the Mississippi Tuition Subsidy  
117 Forgivable Loan. The board may suspend or revoke an institution's  
118 eligibility to receive future monies under the program if it finds



119 that the institution has not complied with the provisions of this  
120 section. In determining a student's initial eligibility, the  
121 number of prior semesters enrolled will not be counted against the  
122 student.

123 (10) No student may receive a Mississippi Tuition Subsidy  
124 Forgivable Loan for more than the equivalent semesters or quarters  
125 required to complete one (1) baccalaureate degree or one (1)  
126 certificate or associate degree program per institution.

127 (11) To qualify for forgiveness of the Mississippi Tuition  
128 Subsidy Forgivable Loan, a recipient must graduate from the  
129 institution or institutions at which he or she was awarded the  
130 forgivable loan and be employed in a public service occupation.  
131 One (1) year of the forgivable loan amount and any interest is  
132 forgiven for each one (1) year of employment in a public service  
133 occupation.

134 **SECTION 2.** This act shall take effect and be in force from  
135 and after July 1, 2018.

