

By: Representative Young

To: Universities and
Colleges; Appropriations

HOUSE BILL NO. 155

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

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

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

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

18 (3) Mississippi Tuition Subsidy Forgivable Loans are for
19 Mississippi resident students from any Mississippi family whose



prior year adjusted gross income (AGI) is at or below the federal poverty level. The forgivable loan must be applied to tuition for freshman, sophomore, junior and senior students attending state institutions of higher learning in Mississippi or public community or junior colleges in Mississippi.

(4) To initially be eligible for a Mississippi Tuition Subsidy Forgivable Loan, a student must:

(a) Be a member of a Mississippi family whose prior year adjusted gross income (AGI) is at or below the federal poverty level;

(b) Be accepted for enrollment at a state institution of higher learning or public community or junior college located in Mississippi;

(c) Have graduated from a high school, as verified by the institution before disbursement of the award, with a minimum grade point average of 2.5 calculated on a 4.0 scale after seven (7) semesters, as certified by the high school counselor or other authorized school official on the application; and

(d) For a student currently enrolled in a qualified institution when the Mississippi Tuition Subsidy Forgivable Loans initially are made available, meet the same requirements as prescribed for students who are applying for a renewal award under subsection (6). In determining a current student's initial eligibility, the number of prior semesters, quarters or terms enrolled may not be counted against the student.



(5) By accepting a Mississippi Tuition Subsidy Forgivable Loan, a student is attesting to the accuracy, completeness and correctness of information provided to demonstrate the student's eligibility. Falsification of information must result in the denial of a pending forgivable loan and revocation of any forgivable loan currently held to the extent that no further payments may be made. A student knowingly making false statements in order to receive a forgivable loan is guilty of a misdemeanor punishable, upon conviction, by a fine of up to Ten Thousand Dollars (\$10,000.00) or a prison sentence of up to one (1) year in the county jail, or both. In addition, the student must return all Mississippi Tuition Subsidy Forgivable Loans wrongfully obtained.

(6) Eligibility for renewal of a Mississippi Tuition Subsidy Forgivable Loan must be evaluated at the end of each semester, quarter or term of each academic year. As a condition for renewal, a student must:

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

(b) Maintain continuous full-time enrollment for not less than two (2) semesters or three (3) quarters in each successive academic year, unless granted an exception for cause by the administering board. Examples of cause include student participation in a cooperative program, internship program or



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

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

(7) Each student annually must complete a Free Application for Federal Student Aid form or a Statement of Certification as designed by the administering board to determine the student's eligibility for a Mississippi Tuition Subsidy Forgivable Loan.

(8) (a) The amount of the Mississippi Tuition Subsidy Forgivable Loan that may be awarded to a student is the difference between the tuition cost at the student's university or college of choice and the amount of grants, scholarships and other state and federal aid the student receives.

(b) Payment of the Mississippi Tuition Subsidy Forgivable Loan must be made payable to the recipient and the educational institution and mailed directly to the institution to be applied to tuition.

(9) (a) In order for an institution to remain eligible for its students to participate in the Mississippi Tuition Subsidy Forgivable Loan, the institution must:



94 (i) Make a complete and accurate roster of the
95 eligibility status of each awarded student to the board for each
96 term, semester or quarter of the academic year during which the
97 student receives a Mississippi Tuition Subsidy Forgivable Loan;
98 and

99 (ii) Make refunds to the Mississippi Tuition
100 Subsidy Forgivable Loan for any funds that have not been disbursed
101 to the recipient, in the case of a student who has received a
102 forgivable loan but terminates enrollment during the academic
103 term, semester or quarter of the academic year, if the
104 institution's refund policies permit a student to receive a refund
105 in such instance. The recipient is responsible for the refund of
106 any funds that have been disbursed by the institution in such
107 instance.

108 (b) If a student drops below full-time status but does
109 not terminate all enrollment during the term, semester or quarter
110 of the academic year, a refund is not required for that term.
111 However, that student is ineligible to receive the Mississippi
112 Tuition Subsidy Forgivable Loan during the following term,
113 semester or quarter of the regular academic year.

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



118 that the institution has not complied with the provisions of this
119 section.

120 (10) A student may not receive a Mississippi Tuition Subsidy
121 Forgivable Loan for more than the equivalent semesters, quarters
122 or terms required to complete one (1) baccalaureate degree or one
123 (1) certificate or associate degree program per institution.

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

131 **SECTION 2.** This act shall take effect and be in force from
132 and after July 1, 2023.

