

FIRST REGULAR SESSION

SENATE BILL NO. 388

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CLAY.

Read 1st time February 2, 1999, and 1,000 copies ordered printed.

S1617.011

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 173, RSMo, by adding thereto one new section relating to the Missouri critical teacher shortage forgivable loan program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 173, RSMo, is amended by adding thereto one new section, to be known as section 173.775, to read as follows:

173.775. 1. The Missouri critical teacher shortage forgivable loan program shall make undergraduate and graduate forgivable loans available to eligible students entering programs of study that lead to a degree in a teaching program in a critical teacher shortage area.

2. To be eligible for a program loan, a candidate shall:

(1) Be a full-time student in an upper division undergraduate or graduate level in a teacher training program approved by the Department of Education leading to certification as a teacher;

(2) Have declared an intent to teach, for at least the number of years for which a forgivable loan is received, in public elementary or secondary schools of Missouri in a critical teacher shortage area identified by the state board of education;

(3) If applying for or renewing an undergraduate forgivable loan, have maintained a minimum cumulative grade point average of 2.5 on a 4.0 scale for all undergraduate work;

(4) If applying for or renewing a graduate forgivable loan, have maintained a minimum cumulative grade point average of 3.0 on a 4.0 scale for all graduate work;

3. An undergraduate forgivable loan may be awarded for two undergraduate years and shall not exceed four thousand dollars per year, or for a maximum of three years for programs requiring a fifth year of instruction to obtain initial teaching

certification.

4. A graduate forgivable loan may be awarded for two graduate years and shall not exceed eight thousand dollars per year.

5. The state board of education shall adopt by rule repayment schedules and applicable interest rates. A forgivable loan shall be repaid within ten years of completion of a program of studies.

6. Credit for repayment of a forgivable loan pursuant to this section shall be in an amount not to exceed four thousand dollars in loan principal plus applicable accrued interest for each full year of eligible teaching service. However, credit in an amount not to exceed eight thousand dollars in loan principal plus applicable accrued interest shall be given for each full year of eligible teaching service completed at a high population density, low-economic condition urban school or at a low population density, low-economic condition rural school, as identified by the state board of education.

7. Any loan recipient who fails to teach in a public elementary or secondary school in this state as specified in this section shall repay the loan plus interest accruing at eight percent annually.

8. Loan recipients may receive loan repayment credit for teaching service rendered at any time during the scheduled repayment period. However, such repayment credits shall be applicable only to the current principal and accrued interest balance that remains at the time the repayment credit is earned. No loan recipient shall be reimbursed for previous payments of principal and interest.

9. The state board of education shall work with local school districts to develop rules to implement this section.

10. The board is authorized to adopt those rules that are reasonable and necessary to accomplish the limited duties specifically delegated within this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is promulgated under the authority delegated in this section shall become effective only if it has been promulgated pursuant to the provisions of chapter 536, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.

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