

FEB 6 2006
EDUCATION

HOUSE FILE 2250
BY MAY

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing a mathematics and science teacher forgivable
2 loan program for undergraduate and graduate students.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2250

1 Section 1. NEW SECTION. 261.51 MATHEMATICS AND SCIENCE
2 TEACHER FORGIVABLE LOAN PROGRAM.

3 1. A mathematics and science teacher forgivable loan
4 program is established to be administered by the college
5 student aid commission. The purpose of the forgivable loan
6 program is to assist individuals in attaining a baccalaureate
7 or graduate degree in a major course of study in mathematics
8 or science, or in qualifying for an endorsement in mathematics
9 or science issued by the board of educational examiners, or in
10 increasing the individual's subject area qualifications and
11 competency to increase student achievement in those subject
12 areas. In order to be eligible for the forgivable loan
13 program, an individual shall be a resident of this state who
14 is enrolled as an undergraduate or graduate student in a
15 community college established under chapter 260C, an
16 institution of higher learning under the control of the state
17 board of regents, or an accredited private institution as
18 defined in section 261.9.

19 2. Each applicant shall, in accordance with the rules of
20 the commission, do the following:

21 a. Complete and file an application for a mathematics and
22 science teacher forgivable loan. The individual shall be
23 responsible for the prompt submission of any information
24 required by the commission.

25 b. File a new application and submit information as
26 required by the commission annually on the basis of which the
27 applicant's eligibility for a renewed forgivable loan will be
28 evaluated and determined.

29 3. Forgivable loans to eligible students shall not become
30 due until after the student graduates or leaves school. The
31 individual's total loan amount, including principal and
32 interest, shall be reduced by twenty percent for each year in
33 which the individual remains an Iowa resident, is employed in
34 Iowa as a teacher by a school district or an accredited
35 nonpublic school, and teaches mathematics or science for more

1 than fifty percent of their contracted time. If the
2 commission determines that the person does not meet the
3 criteria for forgiveness of the principal and interest
4 payments, the commission shall establish a plan for repayment
5 of the principal and interest over a ten-year period. If a
6 person required to make the repayment does not make the
7 required payments, the commission shall provide for payment
8 collection.

9 4. The amount of a mathematics and science forgivable loan
10 shall not exceed five thousand dollars annually, or the amount
11 of the student's established financial need, whichever is
12 less.

13 5. The commission shall prescribe by rule the interest
14 rate for the forgivable loan.

15 6. A mathematics and science teacher forgivable loan
16 repayment fund is created for deposit of payments made by
17 forgivable loan recipients who do not fulfill the conditions
18 of the forgivable loan program and any other moneys
19 appropriated to or received by the commission for deposit in
20 the fund. Notwithstanding section 8.33, moneys deposited in
21 the fund shall not revert to the general fund of the state at
22 the end of any fiscal year but shall remain in the forgivable
23 loan repayment fund and be continuously available to make
24 additional loans under the program. Notwithstanding section
25 12C.7, subsection 2, interest or earnings on moneys deposited
26 in the fund shall be credited to the fund.

27 7. For purposes of this section, unless the context
28 otherwise requires, "teacher" means the same as defined in
29 section 272.1.

30 Sec. 2. Section 261.54, Code 2005, is repealed.

31 EXPLANATION

32 This bill establishes a mathematics and science teacher
33 forgivable loan program to be administered by the college
34 student aid commission. The purpose of the program is to
35 assist individuals in attaining a baccalaureate or graduate

1 degree in a major course of study in mathematics or science,
2 or in qualifying for an endorsement in mathematics or science
3 issued by the board of educational examiners, or in increasing
4 the individual's subject area qualifications and competency to
5 increase student achievement in those subject areas. To be
6 eligible, an individual must be a resident of this state who
7 is enrolled as an undergraduate or graduate student in a
8 community college, a state university, or an accredited
9 private institution as defined in Code section 261.9.

10 The individual's total loan amount, including principal and
11 interest, shall be reduced by 20 percent for each year in
12 which the individual remains an Iowa resident, is employed as
13 a teacher in Iowa by a school district or an accredited
14 nonpublic school, and teaches mathematics or science for more
15 than 50 percent of their contracted time. If the commission
16 determines that the person does not meet the criteria for
17 forgiveness of the principal and interest payments, the
18 commission shall establish a plan for repayment of the
19 principal and interest over a 10-year period. If a person
20 required to make the repayment does not make the required
21 payments, the commission shall provide for payment collection.

22 The amount of a mathematics and science teacher forgivable
23 loan shall not exceed \$5,000 annually, or the amount of the
24 student's established financial need, whichever is less.

25 A mathematics and science teacher forgivable loan repayment
26 fund is created for deposit of payments made by forgivable
27 loan recipients who do not fulfill the conditions of the
28 forgivable loan program and any other moneys appropriated to
29 or received by the commission for deposit in the fund.

30 The bill also repeals an obsolete Code section which
31 provided for the repayment of loans under a similar loan
32 program that was repealed in 1989.

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