

# Senate Amendment 5088

## Amendment Text

PAG LIN

1 1 Amend [Senate File 2366](#) as follows:

1 2 #1. Page 1, by inserting after line 30 the  
1 3 following:

1 4 "Sec. \_\_\_\_ COLLEGE STUDENT AID COMMISSION. There  
1 5 is appropriated from the general fund of the state to  
1 6 the college student aid commission for the fiscal year  
1 7 beginning July 1, 1998, and ending June 30, 1999, the  
1 8 following amount, or so much thereof as is necessary,  
1 9 to be used for the purposes designated:

1 10 For teacher loan payments pursuant to section  
1 11 261.111:

1 12 ..... \$ 500,000"

1 13 #2. Page 14, by inserting before line 14 the  
1 14 following:

1 15 "Sec. \_\_\_\_ NEW SECTION. 261.111 TEACHER SHORTAGE  
1 16 LOAN PAYMENT PROGRAM.

1 17 1. A teacher shortage loan payment program is  
1 18 established to be administered by the college student  
1 19 aid commission as provided in this section. The  
1 20 purpose of the loan payment program is to attract  
1 21 Iowa's youth and adults to consider a career in  
1 22 teaching, to increase the diversity of the state's  
1 23 teaching profession, and to increase the number of  
1 24 qualified teachers in areas of the state experiencing  
1 25 a shortage of teachers. An individual is eligible for  
1 26 the program if the individual meets all of the  
1 27 following conditions:

1 28 a. Is a resident of this state who is enrolled at  
1 29 an institution of higher learning under the control of  
1 30 the state board of regents or an accredited private  
1 31 institution as defined in section 261.9.

1 32 b. Is enrolled in one or more of the subject areas  
1 33 determined by the department of education and  
1 34 recognized by the United States department of  
1 35 education as experiencing a shortage of teachers.

1 36 c. Has filed a loan application with the  
1 37 commission.

1 38 d. Meets the requirements for a teacher shortage  
1 39 loan established in this chapter and by administrative  
1 40 rule.

1 41 2. A teacher shortage loan shall be awarded for  
1 42 not more than the equivalent of two years and may be  
1 43 awarded to an eligible individual under this section  
1 44 if the student agrees to teach for two years in an  
1 45 area in this state that the department of education  
1 46 has determined, and the United States department of  
1 47 education recognizes, is experiencing a shortage of  
1 48 teachers. A loan issued in accordance with this  
1 49 section, and the interest that accrues on the loan,  
1 50 shall not become due and payable until one year after  
2 1 the individual graduates. If a recipient submits  
2 2 evidence to the commission that the recipient was  
2 3 employed as a teacher in a teacher shortage area for a  
2 4 school year in accordance with this section, fifty  
2 5 percent of the principal amount of the loan and any  
2 6 interest accruing on fifty percent of the principal  
2 7 amount of the loan are canceled. If the recipient

2 8 continues employment as a teacher in a teacher  
2 9 shortage area as provided in this section during the  
2 10 next succeeding school year and submits evidence to  
2 11 the commission of the continuation of teaching  
2 12 employment, the recipient is not required to commence  
2 13 repayment during that school year and at the end of  
2 14 that school year the remaining fifty percent of the  
2 15 principal amount of the loan, and any interest  
2 16 accruing on the principal amount of the loan, are  
2 17 canceled.

2 18 3. The interest rate on the loan shall be equal to  
2 19 the interest rate collected by an eligible lender  
2 20 under the Iowa guaranteed student loan program for the  
2 21 year in which the loan is made.

2 22 4. The commission shall prescribe by rule the  
2 23 terms of repayment. The commission shall set a final  
2 24 date for submission of applications each year and  
2 25 shall review the applications and inform the  
2 26 recipients within a reasonable time after the  
2 27 deadline.

2 28 5. The maximum loan a student is eligible to  
2 29 receive annually is an amount equal to the annual  
2 30 resident undergraduate tuition rate established for  
2 31 institutions of higher learning under the control of  
2 32 the state board of regents. Eligible students may  
2 33 receive both a tuition grant and a teacher shortage  
2 34 loan.

2 35 6. A teacher shortage loan payment fund is  
2 36 established in the office of the treasurer of state  
2 37 for deposit of payments made by loan recipients who do  
2 38 not fulfill the cancellation conditions of the loan  
2 39 program. Payments made by recipients on the loans  
2 40 shall be used to supplement moneys appropriated to the  
2 41 teacher shortage loan payment program.  
2 42 Notwithstanding section 8.33, moneys deposited in the  
2 43 teacher shortage loan payment fund shall not revert to  
2 44 the general fund of the state at the end of any fiscal  
2 45 year, but shall remain in the teacher shortage loan  
2 46 payment fund and be continuously available to make  
2 47 additional loans under the program."

2 48 #3. By renumbering as necessary.

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3 5 [SF 2366.205](#) 77

3 6 kh/jl/28