

APPROPRIATIONS

FILED FEB 29 '00

SENATE FILE 2405

BY SHEARER, BLACK, BOLKCOM,
CONNOLLY, DEARDEN, DELUHERY,
DVORSKY, FINK, FRAISE, HARPER,
KIBBIE, McCOY, SOUKUP, GRONSTAL,
and SZYMONIAK

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

A BILL FOR

1 An Act making an appropriation to the college student aid
2 commission for the teacher shortage forgivable loan program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SF 2405
APPROPRIATIONS

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1 Section 1. There is appropriated from the general fund of
2 the state to the college student aid commission for the fiscal
3 year beginning July 1, 2000, and ending June 30, 2001, the
4 following amount, or so much thereof as may be necessary, to
5 be used for the purpose designated:

6 For the teacher shortage forgivable loan program
7 established in section 261.111:
8 \$ 600,000

9 Sec. 2. Section 261.111, subsections 2 and 4, Code
10 Supplement 1999, are amended to read as follows:

11 2. The director of the department of education, in
12 consultation with the director of human services, shall
13 annually designate the areas in which teacher shortages are
14 anticipated. The director shall periodically conduct a survey
15 of school districts, accredited nonpublic schools, and
16 approved practitioner preparation programs to determine
17 current shortage areas and predict future shortage areas. The
18 director of human services shall periodically conduct a survey
19 of high-quality child care providers, as determined under
20 section 237A.30, subsection 1, to determine current and to
21 predict future preschool teacher shortage areas.

22 4. Forgivable loans to eligible students shall not become
23 due until after the student graduates or leaves school. The
24 individual's total loan amount, including principal and
25 interest, shall be reduced by twenty percent for each year in
26 which the individual remains an Iowa resident and is employed
27 in Iowa by a school district, or an accredited nonpublic
28 school, or a high-quality child care provider that is a holder
29 of the gold seal quality designation as provided in section
30 237A.30, as a practitioner in the teacher shortage area for
31 which the loan was approved. If the commission determines
32 that the person does not meet the criteria for forgiveness of
33 the principal and interest payments, the commission shall
34 establish a plan for repayment of the principal and interest
35 over a ten-year period. If a person required to make the

1 repayment does not make the required payments, the commission
2 shall provide for payment collection.

3 EXPLANATION

4 This bill appropriates moneys from the general fund of the
5 state to the college student aid commission for the teacher
6 shortage forgivable loan program for fiscal year 2000-2001.

7 The bill also expands the teacher shortage forgivable loan
8 program by permitting the college student aid commission to
9 provide forgivable loans issued to individuals who met the
10 program eligibility requirements, qualified for and received a
11 loan, and who are employed within the state by a high quality
12 child care provider which holds the gold seal quality
13 designation awarded by the department of human services.

14 The bill instructs the director of human services to
15 periodically conduct a survey of high quality child care
16 providers to determine current and predict future preschool
17 teacher shortage areas. The bill also requires the director
18 of the department of education to consult with the director of
19 human services when designating current and predicting future
20 teacher shortage areas. The college student aid commission
21 uses the director's list of designated areas when determining
22 which individuals are eligible for forgivable loans under the
23 program.

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