



Memorandum Proposed Amendments to Iowa Code Section 261.110

Background:

Iowa Code Chapter 261 contains three separate forgivable loan and loan repayment programs for Iowans teaching in high-need fields: the Teacher Shortage Forgivable Loan (261.111 – discontinued in 2007), the Teacher Shortage Loan Forgiveness Program (261.112 – discontinued in 2017; the final cohort of teachers received funding in FY20), and the Teach Iowa Scholar Program (261.110 – received an annual appropriation of \$400,000 since FY16). Funds remaining in the Teacher Shortage Forgivable Loan and Teacher Shortage Loan Forgiveness Programs cannot be utilized to supplement awards under the Teach Iowa Scholar Program without statutory authority.

Solution:

To utilize repayments received under the Teacher Shortage Forgivable Loan and money remaining in the Teacher Shortage Loan Forgiveness Program fund to provide additional awards to teachers in the Teach Iowa Scholar Program, a technical amendment to law is being proposed.

Explanation (preliminary language):

§	Amendment	Summary
261.110(6)	6. A teach Iowa scholar fund is established in the state treasury. The fund shall be administered by the commission and shall consist of moneys appropriated by the general assembly and any other moneys received by the commission for deposit in the fund, <u>including repayments collected under section 261.111, subsection 7, and unobligated funding under section 261.112, subsection 5.</u> The moneys in the fund are appropriated to the commission for the teach Iowa scholar program. Notwithstanding section 8.33, moneys in the fund at the close of the fiscal year shall not revert to the general fund of the state but shall remain available for expenditure for the teach Iowa scholar program for subsequent fiscal years. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.	Allows repayments received under the Teacher Shortage Forgivable Loan (261.111) and unobligated funding in the Teacher Shortage Loan Forgiveness Program (261.112) fund to be deposited into the Teach Iowa Scholar Program fund for use under the program.

Goal:

Ensure that all sources of funding related to teacher incentive programs under the purview of the Commission are utilized for that purpose.

Fiscal and Jobs Impact:

No impact.

Has proposal been pre-cleared before?

No.