

**2003 DRAFTING REQUEST**

**Bill**

Received: **01/09/2004**

Received By: **pgrant**

Wanted: **As time permits**

Identical to LRB:

For: **Dean Kaufert (608) 266-5719**

By/Representing: **Don**

This file may be shown to any legislator: **NO**

Drafter: **pgrant**

May Contact:

Addl. Drafters:

Subject: **Higher Education - miscellaneous**

Extra Copies: **MJL  
GMM**

Submit via email: **YES**

Requester's email: **Rep.Kaufert@legis.state.wi.us**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Loan program for teachers

---

**Instructions:**

See Attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 01/12/2004	kgilfoy 01/20/2004					State
/P1	pgrant 03/03/2004	kgilfoy 03/03/2004	rschlue 01/20/2004		sbasford 01/20/2004		State
/1	pgrant	kgilfoy	pgreensl		sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	03/03/2004	03/03/2004	03/03/2004 _____		03/03/2004		
/2			chaugen _____ 03/03/2004 _____		lemery _____ 03/03/2004	lemery _____ 03/04/2004	

FE Sent For:

At  
intro.

<END>

**2003 DRAFTING REQUEST**

**Bill**

Received: **01/09/2004**

Received By: **pgrant**

Wanted: **As time permits**

Identical to LRB:

For: **Dean Kaufert (608) 266-5719**

By/Representing: **Don**

This file may be shown to any legislator: **NO**

Drafter: **pgrant**

May Contact:

Addl. Drafters:

Subject: **Higher Education - miscellaneous**

Extra Copies: **MJL  
GMM**

Submit via email: **YES**

Requester's email: **Rep.Kaufert@legis.state.wi.us**

Carbon copy (CC:) to:

**Pre Topic:**

No specific pre topic given

**Topic:**

Loan program for teachers

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 01/12/2004	kgilfoy 01/20/2004		_____			State
/P1	pgrant 03/03/2004	kgilfoy 03/03/2004	rschluet 01/20/2004	_____	sbasford 01/20/2004		State
/1	pgrant	kgilfoy	pgreensl	_____	sbasford		State

*ABSM  
Del  
Don*

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	03/03/2004	03/03/2004	03/03/2004 _____		03/03/2004		
/2			chaugen _____ 03/03/2004 _____		lemery 03/03/2004		

FE Sent For:

<END>

**2003 DRAFTING REQUEST**

**Bill**

Received: **01/09/2004**

Received By: **pgrant**

Wanted: **As time permits**

Identical to LRB:

For: **Dean Kaufert (608) 266-5719**

By/Representing: **Don**

This file may be shown to any legislator: **NO**

Drafter: **pgrant**

May Contact:

Addl. Drafters:

Subject: **Education - state superintendent**

Extra Copies: **MJL**

Submit via email: **YES**

Requester's email: **Rep.Kaufert@legis.state.wi.us**

Carbon copy (CC:) to:

**Pre Topic:**

No specific pre topic given

**Topic:**

Loan program for teachers

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 01/12/2004	kgilfoy 01/20/2004		_____			State
/P1	pgrant 03/03/2004	kgilfoy 03/03/2004	rschluet	_____	sbasford 01/20/2004		State
/1		12-3/3 kmg	pgreensl	_____	sbasford		

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

03/03/2004 \_\_\_\_\_

03/03/2004

FE Sent For:

CM  
3-3  
CM  
3-3  
SF  
<END>

2003 DRAFTING REQUEST

Bill

Received: 01/09/2004

Received By: pgrant

Wanted: As time permits

Identical to LRB:

For: Dean Kaufert (608) 266-5719

By/Representing: Don

This file may be shown to any legislator: NO

Drafter: pgrant

May Contact:

Addl. Drafters:

Subject: Education - state superintendent

Extra Copies: MJL

Submit via email: YES

Requester's email: Rep.Kaufert@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Loan program for teachers

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 01/12/2004	kgilfoy 01/20/2004					State
/P1		1 - 3/3 Kmg	rschluet 01/20/2004	3/3 [Signature]	sbasford 01/20/2004		
			3/3 [Signature]				

FE Sent For:

**<END>**

2003 DRAFTING REQUEST

Bill

Received: 01/09/2004

Received By: pgrant

Wanted: As time permits

Identical to LRB:

For: Dean Kaufert (608) 266-5719

By/Representing: Don

This file may be shown to any legislator: NO

Drafter: pgrant

May Contact:

Addl. Drafters:

Subject: Education - state superintendent

Extra Copies: MJL

Submit via email: YES

Requester's email: Rep.Kaufert@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

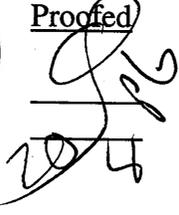
Topic:

Loan program for teachers

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1?	pgrant	1/11-1/20 KMG					

FE Sent For:

<END>



# DEAN R. KAUFERT

WISCONSIN STATE REPRESENTATIVE

Peter-

Thanks for looking at this.

Dean also wanted to add a penalty  
for early termination of a contract.

We can talk more in a week.

Merry Christmas.

Don

**Member, Joint Committee on Finance**

P.O. Box 8952 • State Capitol • Madison, WI 53708-8952 • Telephone: (608) 266-5719

Toll-Free Legislative Hotline: (800) 362-9472 • Rep.Kaufert@legis.state.wi.us

Printed on recycled paper with soy based ink.

01-2076 /  
SB 262

**Loan Forgiveness Program for Math & Science Teachers**

1 AN ACT to create 20.255 (1) (dz), 20.255 (1) (gz) and 115.49 of the statutes;  
2 relating to: creating a loan program for teachers of mathematics, <sup>and</sup> science and  
3 special education in the Milwaukee Public Schools and in low-income school  
4 districts, granting rule-making authority, and making an appropriation.

---

***Analysis by the Legislative Reference Bureau***

This bill creates a loan program, to be administered by the department of public instruction (DPI), to defray the educational costs of Wisconsin residents who are enrolled at least half-time in a degree-granting program that prepares them to be licensed as teachers of mathematics, science, or special education. The maximum loan that a person may receive during any fiscal year may not exceed \$10,000. After a loan recipient has completed his or her degree program, DPI must forgive 25% of the loan's principal and interest for the first fiscal year, 25% of the loan's principal and interest for the second fiscal year, and 50% of the loan's principal and interest for the third fiscal year that the loan recipient is licensed and employed full-time as a teacher of mathematics, science, or special education by the Milwaukee Public Schools or by a school district with a low-income pupil enrollment of 50%.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

*Every kid deserves a Great School!*

1 SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
2 the following amounts for the purposes indicated:

2003-04 2004-05  
~~2001-02~~ ~~2002-03~~

3

4 20.255 Public instruction, department of

5 (1) EDUCATIONAL LEADERSHIP

6 (dz) Loan program for certain teach-

7 ers of mathematics, <sup>and</sup> science, ~~and~~

8 ~~special education~~ GPR A -0- -0-

9 SECTION 2. 20.255 (1) (dz) of the statutes is created to read:

10 20.255 (1) (dz) *Loan program for certain teachers of mathematics, <sup>and</sup> science, and*  
11 *special education.* The amounts in the schedule for the loan program under s. 115.49.

12 SECTION 3. 20.255 (1) (gz) of the statutes is created to read:

13 20.255 (1) (gz) *Teacher loan repayments.* All moneys received as loan  
14 repayments under s. 115.49, for loans under s. 115.49.

15 SECTION 4. 115.49 of the statutes is created to read:

16 115.49 Loan program for certain teachers of mathematics, <sup>and</sup> science, and  
17 special education. (1) (a) The department shall establish a loan program to defray  
18 the cost of tuition, fees, and expenses for residents of this state enrolled at least  
19 half-time in a degree-granting program that prepares persons to be licensed as  
20 teachers of mathematics, <sup>or</sup> science, ~~or special education~~ at an accredited institution of  
21 higher education in this state or in a physically adjacent state, as defined in s. 175.46.

22 (1) (d). To the extent possible, the department shall give preference to persons who  
23 are likely to return to this state to work in the school district operating under ch. 119

1 or in a school district in which at least 50% of the pupils enrolled qualify for a free  
2 or reduced-price lunch under 42 USC 1758 (b).

3 (b) The department shall make loans under this section from the  
4 appropriations under s. 20.255 (1) (dz) and (gz). The maximum amount of a loan for  
5 a person during any fiscal year is \$10,000. The maximum amount that a person may  
6 receive under this section is \$40,000.

7 (2) ~~(1)~~ After the recipient of a loan under sub. (1) has completed the degree  
8 program described in sub. (1), the department shall forgive 25% of the loan's  
9 principal and interest for the first fiscal year, 25% of the loan's principal and interest  
10 for the 2nd fiscal year, and 50% of the loan's principal and interest for the 3rd fiscal  
11 year that the recipient is licensed and employed full-time as a teacher of  
12 mathematics <sup>or</sup> science, ~~or special education~~ by the school district operating under ch.  
13 119 or by a school district in which at least 50% of the pupils enrolled qualify for a  
14 free or reduced-price lunch under 42 USC 1758 (b). The department may forgive  
15 loans on a prorated basis for persons employed less than full-time.

16 (3) ~~(2)~~ The department shall promulgate rules to administer this section.

17

(END)



**Fiscal Estimate**

Original       Updated       Corrected       Supplemental

<b>LRB Number</b>		<b>Introduction Number</b>	
<b>Subject</b>			
Loan program for teachers of math, science and special education in MPS and low-income school districts			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget			
<input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs			
<b>Local:</b>			
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate			
1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
<b>5. Types of Local Government Units Affected</b>			
<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts			
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.255 (1) (dz) and 20.255 (1) (gz)			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DPV/Thomas Johnson (608) 266-2819		Faye Stark (608) 266-1966	10/4/01

LRB Number	Introduction Number	Estimate Type	Original
<b>Subject</b>			
Loan program for teachers of math, science and special education in MPS and low-income school districts			

**Assumptions Used in Arriving at Fiscal Estimate**

This bill creates a loan program, to be administered by the department of public instruction (DPI), to defray the educational costs of Wisconsin residents who are enrolled at least half-time in a degree-granting program in Wisconsin or an adjacent state that prepares them to be licensed as teachers of mathematics, science or special education. The department is required to give preference to persons who are likely to work in the Milwaukee Public Schools (MPS), or in a district in which at least 50% of the pupils enrolled qualify for a free or reduced-lunch. The maximum loan that a person may receive during any fiscal year may not exceed \$10,000.

The Wisconsin Educator Supply/Demand Project, 1999, reported that 353 Wisconsin newly hired educators without experience were hired to teach mathematics, science and special education in Wisconsin public schools in 1998-99. In the same year, 73 out-of-state mathematics, science and special education educators without experience were also hired. The department estimates that 100 of these teachers were hired in MPS. In 1998-99, twelve school districts had 50% of the pupils enrolled qualify for a free or reduced-price lunch. If each of these districts hired one new mathematics, science or special education teacher under this bill, the number of affected teachers would have been 112 in 1998-99 (100 in MPS + 12 in 50% free and reduced lunch districts).

It is unknown how many students are enrolled at least half-time in a degree-granting program in Wisconsin, or in an adjacent state that prepares them to be licensed as teachers of mathematics, science or special education. However, if this bill had been in effect in 1998-99 and all newly hired mathematics, science and special education teachers had borrowed the maximum amount allowed, the total maximum amount loaned would have been \$4,260,000 (353 in-state + 73 out-of-state X \$10,000). If only those teachers hired in Milwaukee and districts with 50% free and reduced pupils were affected, the total amount loaned would have been \$1,120,000 (112 X \$10,000). If loans were made for less than \$10,000 each, these totals would be proportionally lowered.

The bill would also create a loan repayment appropriation [20.255 (1)(gz)] at the department. However, it is unknown how many, if any, of these loans and the dollar amount of the loans would be forgiven annually. Therefore, revenues generated from loan repayment are indeterminate.

The department could not discharge the responsibilities of this program with existing staff, and would need to hire a 0.50 FTE Financial Specialist 3 at an annual cost of \$19,100 to manage this program. One-time costs to support this position are estimated to be \$3,000.

**Long-Range Fiscal Implications**

Original       Updated       Corrected       Supplemental

LRB Number		Introduction Number	
<b>Subject</b>			
Loan program for teachers of math, science and special education in MPS and low-income school districts			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$3,000			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$18,100	
(FTE Position Changes)		(0.5 FTE)	
State Operations - Other Costs		1,000	
Local Assistance			
Aids to Individuals or Organizations		4,260,000	
<b>TOTAL State Costs by Category</b>		<b>\$4,279,100</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		4,279,100	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Eamed			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
<b>NET CHANGE IN COSTS</b>		<b>\$4,279,100</b>	<b>\$</b>
<b>NET CHANGE IN REVENUE</b>		<b>\$</b>	<b>\$</b>
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DPI/ Thomas Johnson (608) 266-2819		Faye Stark (608) 266-1966	10/4/01

12/19/03  
3:15 pm

Don Nelson ~~Dean Kaufert~~

Loan forgiveness for math / science teachers  
pursuing teaching degree

see nurses l.f. program

1/9/03

all teachers statewide

all low-income sd's

add to cost of underserved <sup>residents</sup> teachers at  
low-MAN

1/12 - no more than 4 years

- if fail to work for 3 years, ~~and~~ must  
repeal 1/2 of amt forgiven

LRB-4620/P.  
PG. King

DN

# 2001 SENATE BILL 262

By P.M.  
Today

October 2, 2001 - Introduced by Senators GROBSCHMIDT, PLACHE, BURKE and ROBSON, cosponsored by Representatives SINICKI, KRUG, BLACK, CARRENTER, LA FAVE, YOUNG, TURNER, POCAN, RYBA, SYKORA, J. LEHMAN, PLALE, MUSSER and MILLER. Referred to Committee on Education.

Gen. Cat.

1 AN ACT to create 20.255 (1) (dz), 20.255 (1) (gz) and 115.49 of the statutes;

2 relating to: creating a loan program for teachers of ~~mathematics, science and~~

3 ~~special education in the Milwaukee Public Schools and in~~ low-income school  
 districts, ~~granting rule-making authority and making an appropriation~~

STET

STET

### Analysis by the Legislative Reference Bureau

This bill creates a loan program, to be administered by the department of public instruction (DPI), to defray the educational costs of Wisconsin residents who are enrolled at least half-time in a degree-granting program that prepares them to be licensed as teachers of ~~mathematics, science, or special education~~. The maximum loan that a person may receive during any fiscal year may not exceed \$10,000. After a loan recipient has completed his or her degree program, DPI must forgive 25% of the loan's principal and interest for the first fiscal year, 25% of the loan's principal and interest for the second fiscal year, and 50% of the loan's principal and interest for the third fiscal year that the loan recipient is licensed and employed full-time as a teacher of ~~mathematics, science, or special education by the Milwaukee Public Schools or by a school district with a low-income pupil enrollment of 50%~~.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

Percent

percent

**The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:**

If the loan recipient fails to work in such a school district for three school years, he or she must repay 50% of the amount forgiven.

is the cost of <sup>resident</sup> undergraduate tuition at the University of Wisconsin - Madison. A person may not receive a loan for more than four years.

SENATE BILL 262

SECTION 1

1 SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
2 the following amounts for the purposes indicated:

3 <sup>2003-04</sup> ~~2001-02~~      <sup>2004-05</sup> ~~2002-03~~      ~~~~~

4 **20.255 Public instruction, department of**

5 (1) EDUCATIONAL LEADERSHIP

6 (dz) Loan program for ~~certain~~ teach-  
7 ers of ~~mathematics, science, and~~  
8 ~~special education~~ GPR A -0- -0-

9 SECTION 2. 20.255 (1) (dz) of the statutes is created to read:

10 20.255 (1) (dz) *Loan program for ~~certain~~ teachers of ~~mathematics, science, and~~*  
11 *~~special education~~*. The amounts in the schedule for the loan program under s. 115.49.

12 SECTION 3. 20.255 (1) (gz) of the statutes is created to read:

13 20.255 (1) (gz) *Teacher loan repayments*. All moneys received as loan  
14 repayments under s. 115.49, for loans under s. 115.49.

15 SECTION 4. 115.49 of the statutes is created to read:

16 115.49 Loan program for ~~certain~~ <sup>✓</sup> teachers of ~~mathematics, science, and~~  
17 ~~special education~~. (1) (a) The department shall establish a loan program to defray

18 the cost of tuition, ~~fees, and expenses~~ for residents of this state enrolled at least  
19 half-time in a degree-granting program that prepares persons to be licensed as  
20 teachers of ~~mathematics, science, or special education~~ at an accredited institution of  
21 higher education in this state or in a physically adjacent state, as defined in s. 175.46

22 (1) (d). To the extent possible, the department shall give preference to persons who  
23 are likely to return to this state to work in ~~the school district operating under ch. 119~~

SENATE BILL 262

1 ~~or in~~ a school district <sup>located in this state,</sup> in which at least 50% of the pupils enrolled qualify for a free  
2 or reduced-price lunch under 42 USC 1758 (b).

3 (b) The department shall make loans under this section from the  
4 appropriations under s. 20.255 (1) (dz) and (gz). The maximum amount of a loan for  
5 a person during any fiscal year is ~~\$10,000~~. ~~The maximum amount that a person may~~  
6 ~~receive under this section is \$40,000.~~ <sup>percent</sup>

7 (2) (a) <sup>Exempt as provided in par. (b)</sup> After the recipient of a loan under sub. (1) has completed the degree  
8 program described in sub. (1), the department shall forgive 25% of the loan's  
9 principal and interest for the first <sup>school</sup> fiscal year, 25% of the loan's principal and interest  
10 for the 2nd <sup>school</sup> fiscal year, and 50% of the loan's principal and interest for the 3rd <sup>school</sup> fiscal  
11 year that the recipient is licensed and employed full-time as a teacher ~~of~~  
12 ~~mathematics, science, or special education by the school district operating under ch.~~  
13 ~~119 or~~ by a school district in which at least 50% of the pupils enrolled qualify for a  
14 free or reduced-price lunch under 42 USC 1758 (b). The department may forgive  
15 loans on a prorated basis for persons employed less than full-time.

3-15

16 (3) ~~(#)~~ The department shall promulgate rules to administer this section.

(B)

(END)

equal to the academic fees charged <sup>a resident</sup> undergraduate at  
the University of Wisconsin-Madison during that academic year.  
No person may receive a loan for more than 4  
fiscal years

3-15

§ (b) If the recipient of a loan under  
sub. (1) is employed as described under par. (a)  
for fewer than <sup>or</sup> 3 <sup>school</sup> years, the recipient shall  
pay to the department 50% of the amount  
that has been forgiven under par. (a).

percent

DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

4020 PI  
LRB-2001/1/dn  
kmg:jf  
PG ↑

January 31, 2001

Don:  
Lisa:

the 2004-05

For this draft, I have included an appropriation but have specified "\$-0-" for expenditure in fiscal year ~~2001-02~~ and ~~2002-03~~. When you know the dollar amount that you need to include in the proposal, contact me and I will ~~either~~ redraft the proposal ~~or draft an amendment, whichever is appropriate.~~

Note that, under s. 16.47 (2), neither house may pass any bill containing an appropriation that increases the cost of state government by an amount exceeding \$10,000 annually until the budget bill is passed by both houses. Also, the budget bill repeals and recreates the appropriation schedule, so this bill may need to be redrafted.

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380

PG

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-4020/P1dn  
PG:kmg:rs

January 20, 2004

Don:

For this draft, I have included an appropriation but have specified "\$-0-" for expenditure in the 2004-05 fiscal year. When you know the dollar amount that you need to include in the proposal, contact me and I will redraft the proposal.

Peter R. Grant  
Managing Attorney  
Phone: (608) 267-3362  
E-mail: [peter.grant@legis.state.wi.us](mailto:peter.grant@legis.state.wi.us)



State of Wisconsin  
2003 - 2004 LEGISLATURE

TSDA

LRB-4020/01  
PG:kmg:rs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT *to create* 20.255 (1) (dz), 20.255 (1) (gz) and 115.49 of the statutes;  
2 relating to: creating a loan program for teachers employed by low-income  
3 school districts, granting rule-making authority, and making an  
4 appropriation.

*Analysis by the Legislative Reference Bureau*

This bill creates a loan program, to be administered by the Department of Public Instruction (DPI), to defray the educational costs of Wisconsin residents who are enrolled at least half-time in a degree-granting program that prepares them to be licensed as teachers. The maximum loan that a person may receive during any fiscal year is the cost of resident undergraduate tuition at the University of Wisconsin-Madison. A person may not receive a loan for more than four years. After a loan recipient has completed his or her degree program, DPI must forgive 25 percent of the loan's principal and interest for the first school year, 25 percent of the loan's principal and interest for the second school year, and 50 percent of the loan's principal and interest for the third school year that the loan recipient is licensed and employed full-time as a teacher by a school district with a low-income pupil enrollment of 50 percent. If the loan recipient fails to work in such a school district for three school years, he or she must repay 50 percent of the amount forgiven.

50% of percent

leaves employment voluntarily, with the result that he or she

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

	2003-04	2004-05
<b>20.255 Public instruction, department of</b>		

(1) EDUCATIONAL LEADERSHIP

(dz) Loan program for teachers      GPR      A      -0-

650,000  
2

SECTION 2. 20.255 (1) (dz) of the statutes is created to read:

20.255 (1) (dz) *Loan program for teachers.* The amounts in the schedule for the loan program under s. 115.49.

SECTION 3. 20.255 (1) (gz) of the statutes is created to read:

20.255 (1) (gz) *Teacher loan repayments.* All moneys received as loan repayments under s. 115.49, for loans under s. 115.49.

SECTION 4. 115.49 of the statutes is created to read:

**115.49 Loan program for teachers.** (1) (a) The department shall establish a loan program to defray the cost of tuition for residents of this state enrolled at least half-time in a degree-granting program that prepares persons to be licensed as teachers at an accredited institution of higher education in this state or in a physically adjacent state, as defined in s. 175.46 (1) (d). To the extent possible, the department shall give preference to persons who are likely to work in a school

1 district, located in this state, in which at least 50 percent of the pupils enrolled  
2 qualify for a free or reduced-price lunch under 42 USC 1758 (b).

3 (b) The department shall make loans under this section from the  
4 appropriations under s. 20.255 (1) (dz) and (gz). The maximum amount of a loan for  
5 a person during any fiscal year is equal to <sup>50% of</sup> the academic fees charged a resident  
6 undergraduate at the University of Wisconsin-Madison during that academic year.

7 No person may receive a loan for more than 4 fiscal years.

8 (2) (a) Except as provided in par. (b), after the recipient of a loan under sub. (1)  
9 has completed the degree program described in sub. (1), the department shall forgive  
10 25 percent of the loan's principal and interest for the first school year, 25 percent of  
11 the loan's principal and interest for the 2nd school year, and 50 percent of the loan's  
12 principal and interest for the 3rd school year that the recipient is licensed and  
13 employed full-time as a teacher by a school district in which at least 50 percent of  
14 the pupils enrolled qualify for a free or reduced-price lunch under 42 USC 1758 (b).  
15 The department may forgive loans on a prorated basis for persons employed less than  
16 full-time.

17 (b) If the recipient of a loan under sub. (1) <sup>is not</sup> employed as described under par.  
18 (a) for ~~fewer than~~ 3 school years, the recipient shall pay to the department 50 percent  
19 of the amount that has been forgiven under par. (a).

20 (3) The department shall promulgate rules to administer this section.

21 (END)

voluntarily leaves <sup>his or her</sup> employment,  
with the result that he or  
she

Thursday

2

# 2003 BILL

repeals

1 AN ACT *to create* 20.255 (1) (dz), 20.255 (1) (gz) and 115.49 of the statutes;  
 2 relating to: creating a loan program for teachers employed by low-income  
 3 school districts, granting rule-making authority, and making an  
 4 appropriation.

Higher Educational  
Kids Board (HEAB)

### *Analysis by the Legislative Reference Bureau*

This bill creates a loan program, to be administered by the ~~Department of Public Instruction (DPI)~~, to defray the educational costs of Wisconsin residents who are enrolled at least half-time in a degree-granting program that prepares them to be licensed as teachers. The maximum loan that a person may receive during any fiscal year is 50 percent of the cost of resident undergraduate tuition at the University of Wisconsin-Madison. A person may not receive a loan for more than four years. After a loan recipient has completed his or her degree program, ~~DPI~~ must forgive 25 percent of the loan's principal and interest for the first school year, 25 percent of the loan's principal and interest for the second school year, and 50 percent of the loan's principal and interest for the third school year that the loan recipient is licensed and employed full-time as a teacher by a school district with a low-income pupil enrollment of 50 percent. If the loan recipient leaves employment voluntarily, with the result that he or she fails to work in such a school district for three school years, he or she must repay 50 percent of the amount forgiven.

HEAB

**BILL**

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

	2003-04	2004-05
20.2 <sup>3</sup> 5 <del>Public instruction, department of</del> <i>Higher educational arts board</i>		
(1) <del>EDUCATIONAL LEADERSHIP</del> <i>STUDENT SUPPORT ACTIVITIES</i>		
(dz) Loan program for teachers      GPR      A	-0-	600,000

SECTION 2. 20.2<sup>3</sup>5 (1) (dz) of the statutes is created to read:

20.2<sup>3</sup>5 (1) (dz) *Loan program for teachers.* The amounts in the schedule for the loan program under s. ~~125.49~~ *39.405*.

SECTION 3. 20.2<sup>3</sup>5 (1) (gz) of the statutes is created to read:

20.2<sup>3</sup>5 (1) (gz) *Teacher loan repayments.* All moneys received as loan repayments under s. ~~125.49~~ *39.405*, for loans under s. ~~115.49~~ *39.405*.

SECTION 4. ~~115.49~~ of the statutes is created to read:

<sup>39.405</sup> ~~115.49~~ *Loan program for teachers.* (1) (a) The ~~department~~ *board* shall establish a loan program to defray the cost of tuition for residents of this state enrolled at least half-time in a degree-granting program that prepares persons to be licensed as teachers at an accredited institution of higher education in this state or in a physically adjacent state, as defined in s. 175.46 (1) (d). To the extent possible, the ~~department~~ *board* shall give preference to persons who are likely to work in a school

**BILL**

1 district, located in this state, in which at least 50 percent of the pupils enrolled  
2 qualify for a free or reduced-price lunch under 42 USC 1758 (b).

3 (b) The ~~department~~<sup>board</sup> shall make loans under this section from the  
4 appropriations under s. 20.2~~5~~<sup>3</sup> (1) (dz) and (gz). The maximum amount of a loan for  
5 a person during any fiscal year is equal to 50 percent of the academic fees charged  
6 a resident undergraduate at the University of Wisconsin-Madison during that  
7 academic year. No person may receive a loan for more than 4 fiscal years.

8 (2) (a) Except as provided in par. (b), after the recipient of a loan under sub. (1)  
9 has completed the degree program described in sub. (1), the ~~department~~<sup>board</sup> shall forgive  
10 25 percent of the loan's principal and interest for the first school year, 25 percent of  
11 the loan's principal and interest for the 2nd school year, and 50 percent of the loan's  
12 principal and interest for the 3rd school year that the recipient is licensed and  
13 employed full-time as a teacher by a school district in which at least 50 percent of  
14 the pupils enrolled qualify for a free or reduced-price lunch under 42 USC 1758 (b).

15 The ~~department~~<sup>board</sup> may forgive loans on a prorated basis for persons employed less than  
16 full-time.

17 (b) If the recipient of a loan under sub. (1) voluntarily leaves his or her  
18 employment, with the result that he or she is not employed as described under par.

19 (a) for 3 school years, the recipient shall pay to the ~~department~~<sup>board</sup> 50 percent of the  
20 amount that has been forgiven under par. (a).

21 (3) The ~~department~~<sup>board</sup> shall promulgate rules to administer this section.

22 (END)