February 3, 2016 - Introduced by Senators DARLING and TIFFANY, cosponsored by Representatives QUINN, E. BROOKS, TRANEL, BALLWEG, BERNIER, CZAJA, EDMING, KITCHENS, KRUG, KULP, T. LARSON, MURSAU, MURTHA, NERISON, NOVAK, PETRYK, RIPP, SPIROS, SWARNINGEN, TAUCHEN, VANDERMEER, KREMER, JARCHOW, MACCO, A. OTT, SKOWRONSKI and VORPAGEL. Referred to Committee on Universities and Technical Colleges.

AN ACT to renumber 39.399 (1); to amend 39.399 (2), 39.399 (3) (a), 39.399 (3) (b) 1. and 39.399 (4); and to create 39.399 (1g) of the statutes; relating to: the teacher loan program.

Analysis by the Legislative Reference Bureau

This bill modifies the teacher loan program to provide for loan forgiveness to certain teachers employed in school districts in rural counties.

Under current law, the Higher Educational Aids Board (HEAB) administers a teacher loan program for students who meet certain eligibility criteria, including enrollment in a program of study leading to a teacher's license in a teacher shortage field. Under the program, HEAB may award, to an eligible student, a loan of up to $10,000 annually for up to three years. HEAB must forgive 25 percent of the loan for each school year that the loan recipient 1) is employed in the city of Milwaukee as a full-time elementary or secondary school teacher in a high-demand, teacher shortage field; and 2) receives a teacher rating of proficient or distinguished.

This bill provides for loan forgiveness under the teacher loan program for teachers employed in school districts in rural counties, not only for those employed in the city of Milwaukee.

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.** 39.399 (1) of the statutes, as created by 2015 Wisconsin Act 55, is renumbered 39.399 (1m).

**SECTION 2.** 39.399 (1g) of the statutes is created to read:

39.399 (1g) In this section:

(a) “Rural county” means a county that satisfies all of the following:

1. The county does not include any urbanized area.
2. Less than 25 percent of persons residing in the county are employed in another county that includes an urbanized area.
3. Less than 25 percent of persons employed in the county reside in another county that includes an urbanized area.

(b) “Urbanized area” has the meaning given in 23 USC 134 (b) (7).

**SECTION 3.** 39.399 (2) of the statutes, as created by 2015 Wisconsin Act 55, is amended to read:

39.399 (2) A student eligible for a loan under sub. (4) (1m) may be awarded loans of up to $10,000 annually for not more than 3 years, with a maximum of $30,000 in loans to a student under this section.

**SECTION 4.** 39.399 (3) (a) of the statutes, as created by 2015 Wisconsin Act 55, is amended to read:

39.399 (3) (a) Loans under sub. (4) (1m) shall be made from the appropriation under s. 20.235 (1) (ct). Except as provided in par. (b), loans under sub. (4) (1m) shall be repaid at an annual interest rate of 5 percent.

**SECTION 5.** 39.399 (3) (b) 1. of the statutes, as created by 2015 Wisconsin Act 55, is amended to read:

39.399 (3) (b) 1. The recipient is employed by a public or private elementary or secondary school in the city of Milwaukee as a full-time teacher in a high-demand
area related to the recipient’s discipline under sub. (4) (1m) (b), by a public or private
elementary or secondary school in the city of Milwaukee or in a school district in a
rural county.

SECTION 6. 39.399 (4) of the statutes, as created by 2015 Wisconsin Act 55, is
amended to read:

39.399 (4) The board shall deposit in the general fund as general purpose
revenue–earned all repayments of loans made under sub. (4) (1m) and the interest
on the loans.

SECTION 7. Initial applicability.

(1) This act first applies to recipients of loans under section 39.999 of the
statutes whose employment as a full–time teacher first commences on the effective
date of this subsection.

(END)