

1971 Senate Bill 353

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CHAPTER 85, Laws of 1971

AN ACT to amend 39.35 (3); and to create 39.32 (6) of the statutes, relating to canceling the balance due on student loans to deceased persons.

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

SECTION 1. 39.32 (6) of the statutes is created to read:

39.32 (6) The board shall satisfy the loan of any student who obtained a loan under this section or s. 39.023 between July 1, 1966, and December 15, 1968, where such student died or dies after July 1, 1966, and before completing repayment thereof, and shall write off the balance of principal and interest owing on the loan on the date it received confirmation of such student's death. Obligation to repay such a loan shall terminate on the date of the student's death and any payments made thereon to the board after such date shall be refunded to the payor or his heirs, executor or administrator from the appropriation in s. 20.235 (1) (e) upon receipt by the board of an application for refund.

SECTION 2. 39.35 (3) of the statutes is amended to read:

39.35 (3) REPAYMENT OF SCHOLARSHIPS. A recipient is not required to begin repaying the scholarship until the end of the ~~5th~~ ^{5th} year following termination of payments to him. Moneys paid under this section to a student shall be repaid or amortized as provided in this subsection. The scholarship shall be amortized by ~~one-fifth~~ ^{one-fifth} the total amount for each year during such 5-year period, of teaching service by him in a school described in sub. (2) (b), if he also gives, in addition to his teaching duties, 5 hours per week of service to the area community. If the scholarship is not fully amortized at the end of the 5-year period or repaid by that date, it shall be repaid at the rate of not less than one-tenth of the then outstanding amount per year, plus interest at the legal rate on such amount computed from the date of receipt of the amount. At the end of the 15th year following termination of payments to the recipient, the higher educational aids board may bring legal action to collect any unpaid balance. Death or permanent and total disability shall terminate the obligation to repay the scholarship.