



2003 ASSEMBLY BILL 929

March 4, 2004 – Introduced by Representatives KAUFERT, BIES, OLSEN, CULLEN, GRONEMUS, HEBL, KESTELL, KRUG, J. LEHMAN, M. LEHMAN, LOTHIAN, MOLEPSKE, MUSSER, OTT, OWENS, PETTIS, POCAN, SCHOOFF, SINICKI, SUDER, TOWNSEND, UNDERHEIM, VAN AKKEREN, WARD and WIECKERT, cosponsored by Senators HARSDORF, ROESSLER, BRESKE, CARPENTER, COGGS, ERPENBACH, HANSEN, LASSA, MOORE, PLALE, RISSER, ROBSON and WIRCH. Referred to Committee on Education.

1 **AN ACT** *to create* 20.235 (1) (dz), 20.235 (1) (gz) and 39.405 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 Higher Educational Aids Board (HEAB), 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, HEAB 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.

ASSEMBLY BILL 929

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

3 (b) The board shall make loans under this section from the appropriations
4 under s. 20.235 (1) (dz) and (gz). The maximum amount of a loan for a person during
5 any fiscal year is equal to 50 percent of 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 board shall forgive 25
10 percent of the loan's principal and interest for the first school year, 25 percent of the
11 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 board 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 board 50 percent of the amount
20 that has been forgiven under par. (a).

21 (3) The board shall promulgate rules to administer this section.

22 (END)