



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3365/1
ARG:emw

2015 ASSEMBLY BILL 793

January 22, 2016 – Introduced by Representatives QUINN, E. BROOKS, TRANEL, BALLWEG, BERNIER, CZAJA, EDMING, KITCHENS, KRUG, KULP, T. LARSON, MURSAU, MURTHA, NERISON, NOVAK, PETRYK, RIPP, SPIROS, SWEARINGEN, TAUCHEN, VANDERMEER, KREMER, JARCHOW, MACCO, A. OTT, SKOWRONSKI and VORPAGEL, cosponsored by Senators DARLING and TIFFANY. Referred to Committee on Mining and Rural Development.

AUTHORS SUBJECT TO CHANGE

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

ASSEMBLY BILL 793**SECTION 1**

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

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

4 39.399 (1g) In this section:

5 (a) "Rural county" means a county that satisfies all of the following:

6 1. The county does not include any urbanized area.

7 2. Less than 25 percent of persons residing in the county are employed in
8 another county that includes an urbanized area.

9 3. Less than 25 percent of persons employed in the county reside in another
10 county that includes an urbanized area.

11 (b) "Urbanized area" has the meaning given in 23 USC 134 (b) (7).

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

14 39.399 (2) A student eligible for a loan under sub. ~~(1)~~ (1m) may be awarded
15 loans of up to \$10,000 annually for not more than 3 years, with a maximum of \$30,000
16 in loans to a student under this section.

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

19 39.399 (3) (a) Loans under sub. ~~(1)~~ (1m) shall be made from the appropriation
20 under s. 20.235 (1) (ct). Except as provided in par. (b), loans under sub. ~~(1)~~ (1m) shall
21 be repaid at an annual interest rate of 5 percent.

22 **SECTION 5.** 39.399 (3) (b) 1. of the statutes, as created by 2015 Wisconsin Act
23 55, is amended to read:

24 39.399 (3) (b) 1. The recipient is employed by a public or private elementary
25 or secondary school in the city of Milwaukee, as a full-time teacher in a high-demand

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1 area related to the recipient's discipline under sub. ~~(1)~~ (1m) (b), by a public or private
2 elementary or secondary school in the city of Milwaukee or in a school district in a
3 rural county.

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

6 39.399 (4) The board shall deposit in the general fund as general purpose
7 revenue-earned all repayments of loans made under sub. ~~(1)~~ (1m) and the interest
8 on the loans.

9 **SECTION 7. Initial applicability.**

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

13

(END)