

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

SENATE BILL 27

5 By: Senator A. Clark
6

For An Act To Be Entitled

8 AN ACT TO INCREASE THE NUMBER OF TEACHERS IN A
9 CRITICAL TEACHER SHORTAGE AREA; TO ESTABLISH THE
10 TEACHER CANDIDATE LOAN FORGIVENESS PROGRAM; AND FOR
11 OTHER PURPOSES.
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Subtitle

14 TO INCREASE THE NUMBER OF TEACHERS IN A
15 CRITICAL TEACHER SHORTAGE AREA; AND TO
16 ESTABLISH THE TEACHER CANDIDATE LOAN
17 FORGIVENESS PROGRAM.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 6, Chapter 81, is amended to add an
24 additional subchapter to read as follows:

25 Subchapter 17 - Teacher Candidate Loan Forgiveness Program
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27 6-81-1701. Establishment - Administration.

28 There is established a Teacher Candidate Loan Forgiveness Program to be
29 administered by the Department of Higher Education.
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31 6-81-1702. Eligibility - Loan amounts - Term.

32 (a) An individual is eligible for a loan under this subchapter to be
33 used for financing the individual's cost of attendance at an institution of
34 higher education if the individual:

35 (1) Is a lawful resident of the State of Arkansas;

36 (2) Has successfully completed his or her freshman year at an



1 institution of higher education;

2 (3) Is enrolled in good standing at an institution of higher
 3 education in this state as a full-time sophomore, junior, or senior, as
 4 determined by the institution of higher education;

5 (4) Is majoring in a degree program that will lead to the
 6 individual's becoming eligible for licensure as a teacher in a high-needs
 7 subject area as identified by the Department of Education; and

8 (5) Has entered into a written agreement with the Department of
 9 Higher Education to:

10 (A) Teach for five (5) consecutive years in a school or
 11 school district located in a geographic area identified by the Department of
 12 Education under § 6-15-403 as a critical teacher shortage area beginning
 13 immediately upon obtaining licensure; and

14 (B) Repay each loan at an interest rate and on a schedule
 15 as determined by the Department of Higher Education if the individual fails
 16 to meet the requirements under this subchapter.

17 (b) If the Department of Higher Education receives applications from
 18 more qualified applicants that would exceed the amount of funds available to
 19 award loans to all qualified applicants under this subchapter, the Department
 20 of Higher Education shall award the loans on a competitive basis as
 21 determined by the Department of Higher Education.

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 23 6-81-1703. Loan amounts – Term – Renewal.

24 (a)(1) The loan amounts under this subchapter shall be the lesser of:

25 (A) Five thousand dollars (\$5,000) per academic year; or

26 (B) The total cost of attendance for an academic year at
 27 the institution of higher education in which the individual is enrolled less
 28 any other scholarships or grants received by the individual for that academic
 29 year.

30 (2) The total amount of loans awarded to an individual under
 31 this subchapter shall not exceed fifteen thousand dollars (\$15,000).

32 (b) A loan made to an individual under this subchapter shall be:

33 (1) For one (1) academic year; and

34 (2) Renewable annually until the individual graduates from the
 35 institution of higher education and receives a degree, if the individual:

36 (A) Continues to meet the eligibility requirements under §

1 6-81-1702; and

2 (B) Meets the satisfactory academic progress standards
3 required to receive other financial aid at the institution of higher
4 education where the individual is enrolled, as determined by the Department
5 of Higher Education in conjunction with the institution of higher education.

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7 6-81-1704. Loan contract – Forgiveness.

8 (a) An individual who receives a loan under this subchapter shall
9 execute a written loan contract with the Department of Higher Education for
10 the repayment of the loan as provided in this subchapter.

11 (b) A loan contract executed under subsection (a) of this section
12 shall provide that the total amount of the loans awarded to the individual
13 under this subchapter, plus accrued interest, shall be forgiven at the rate
14 of twenty percent (20%) per year for each year that the individual teaches in
15 a school or school district located in a geographic area identified by the
16 Department of Education under § 6-15-403 as a critical teacher shortage area.

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18 6-81-1705. Repayment – Deferment.

19 (a) An individual who receives a loan under this subchapter shall
20 immediately begin repayment of each loan the individual received, together
21 with interest as determined by the Department of Higher Education, if the
22 individual:

23 (1) Ceases to be enrolled in good standing at an institution of
24 higher education in this state, unless the individual has graduated and
25 received a degree;

26 (2) Does not obtain licensure as a teacher from the State Board
27 of Education within one (1) year of graduating and receiving a degree;

28 (3) Does not begin work as a licensed teacher in the academic
29 year immediately following becoming licensed;

30 (4) Does not teach in a school or school district located in a
31 geographic area identified by the Department of Education under § 6-15-403 as
32 a critical teacher shortage area in the individual's first year as a licensed
33 teacher; or

34 (5)(A) Does not teach in a school or school district located in
35 a geographic area identified by the Department of Education under § 6-15-403
36 as a critical teacher shortage area for five (5) consecutive years beginning

1 immediately upon obtaining licensure.

2 (B) The total amount of the loans awarded to an individual
3 that are subject to repayment under subdivision (a)(5)(A) of this section
4 shall be reduced on a pro rata basis as required under § 6-81-1704(b).

5 (b)(1) The Department of Higher Education may defer the requirements
6 under subdivisions (a)(3)-(5) of this section if the Department of Higher
7 Education, in consultation with the Department of Education, determines that
8 there was no employment position available that would reasonably enable the
9 individual to meet the requirements.

10 (2) After the period of deferral, the individual shall begin or
11 resume teaching in a school or school district located in a geographic area
12 identified by the Department of Education under § 6-15-403 as a critical
13 teacher shortage area or become subject to repayment under subsection (a) of
14 this section.

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16 6-81-1706. Rules.

17 The Department of Higher Education shall promulgate rules to implement
18 this subchapter.

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