

REFERENCE TITLE: teacher student loan program; expansion

State of Arizona
Senate
Forty-ninth Legislature
Second Regular Session
2010

SB 1120

Introduced by
Senators Huppenthal: Allen S, Gray L

AN ACT

AMENDING SECTIONS 15-1781, 15-1782, 15-1783, 15-1784 AND 15-1851, ARIZONA REVISED STATUTES; RELATING TO THE MATHEMATICS, SCIENCE AND SPECIAL EDUCATION TEACHER STUDENT LOAN PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-1781, Arizona Revised Statutes, is amended to
3 read:

4 15-1781. Definitions

5 In this article, unless the context otherwise requires: ~~;~~

6 1. ~~"Board COMMISSION"~~ means the ~~Arizona board of regents~~ COMMISSION
7 FOR POSTSECONDARY EDUCATION.

8 2. "QUALIFIED APPLICANT" OR "QUALIFIED STUDENT" MEANS AN ARIZONA
9 RESIDENT WHO IS A CITIZEN OR LEGAL RESIDENT OF THE UNITED STATES OR WHO IS
10 OTHERWISE LAWFULLY PRESENT IN THE UNITED STATES, WHO ATTENDS A QUALIFYING
11 POSTSECONDARY INSTITUTION AND, IF ATTENDING A UNIVERSITY UNDER THE
12 JURISDICTION OF THE ARIZONA BOARD OF REGENTS, WHO QUALIFIES FOR IN-STATE
13 TUITION PURSUANT TO SECTION 15-1802.

14 3. "QUALIFYING POSTSECONDARY INSTITUTION" MEANS A REGIONALLY OR
15 NATIONALLY ACCREDITED PUBLIC OR PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTION
16 IN THIS STATE.

17 Sec. 2. Section 15-1782, Arizona Revised Statutes, is amended to read:

18 15-1782. Mathematics, science and special education teacher
19 student loans; requirements; report

20 A. ~~Beginning with the spring semester of school year 2007-2008,~~ The
21 ~~board~~ COMMISSION may grant loans from the mathematics, science and special
22 education teacher student loan fund established by section 15-1784 to defray
23 ~~in-state~~ tuition, instructional materials and mandatory fees of the education
24 of students who are pursuing a teaching degree at a ~~university under the~~
25 ~~jurisdiction of the board~~ QUALIFYING POSTSECONDARY INSTITUTION and who are
26 deemed qualified by the ~~board~~ COMMISSION to receive these loans. Loans shall
27 be granted on such terms and conditions as may be imposed by the ~~board~~
28 COMMISSION and shall be distributed on a first come, first served basis.

29 B. The ~~board~~ COMMISSION shall grant loans to qualified applicants who
30 ~~are classified as in-state students for tuition purposes pursuant to section~~
31 ~~15-1802 and~~ agree to provide instruction in the ~~areas~~ AREA of mathematics,
32 science or special education in a public school in this state.

33 C. The loans granted by the ~~board~~ COMMISSION shall be ~~sufficient to~~
34 ~~fully~~ USED TO cover the costs of ~~resident~~ tuition and mandatory fees for each
35 loan recipient and may also defray the cost of instructional materials, BUT
36 SHALL NOT EXCEED SEVEN THOUSAND DOLLARS EACH YEAR, EXCLUDING ALL GRANTS,
37 SCHOLARSHIPS AND TUITION BENEFITS SUCH AS MILITARY, TRIBAL AND EMPLOYEE
38 GRANTS, SCHOLARSHIPS AND BENEFITS. ~~If an applicant qualifies for federal~~
39 ~~financial aid and receives federal grant aid, the loan amount shall be~~
40 ~~limited to the amount of tuition and mandatory fees not covered by the~~
41 ~~federal grant aid and may include a stipend for instructional materials.~~

42 D. The ~~board~~ COMMISSION shall adopt policies for screening qualified
43 applicants based on ability, ~~character~~ and financial need, INCLUDING
44 REQUIRING ALL APPLICANTS TO COMPLETE A FREE APPLICATION FOR STUDENT FEDERAL
45 AID.

1 E. The ~~board~~ COMMISSION shall grant loans on the terms and conditions
 2 the ~~board~~ COMMISSION imposes. The ~~board~~ COMMISSION shall establish
 3 procedures for the timely repayment of loans plus interest at a rate
 4 determined by the ~~board~~ COMMISSION. The ~~board~~ COMMISSION is responsible for
 5 the collection of ~~loans that are in default~~ LOAN REPAYMENTS.

6 F. The ~~board~~ COMMISSION may ~~delegate authority to administer the loans~~
 7 ~~pursuant to this article to an institution under the jurisdiction of the~~
 8 ~~board~~ PARTNER WITH QUALIFYING POSTSECONDARY INSTITUTIONS TO ADMINISTER THESE
 9 LOANS. ~~If the board delegates authority, students pursuing a teaching degree~~
 10 ~~at each institution under the jurisdiction of the board shall be equally~~
 11 ~~eligible to participate.~~ The ~~board~~ COMMISSION shall ~~retain responsibility of~~
 12 ~~making~~ PROVIDE initial public notice of the availability of the loans and
 13 collect the application forms directly from each qualified applicant. The
 14 ~~board~~ COMMISSION shall forward ~~the applications to the institution selected~~
 15 ~~to administer the loans~~ A REQUEST FOR VERIFICATION OF ATTENDANCE,
 16 SATISFACTORY ACADEMIC PROGRESS, FINANCIAL NEED AND ENROLLMENT IN A QUALIFIED
 17 PROGRAM TO THE INSTITUTION.

18 G. On or before December 1 of each year, the ~~Arizona board of regents~~
 19 COMMISSION shall submit an approved report to the governor, the speaker of
 20 the house of representatives, the president of the senate and the joint
 21 legislative budget committee. The ~~board~~ COMMISSION shall provide a copy of
 22 this report to the secretary of state and the director of the Arizona state
 23 library, archives and public records. The report shall include the number of
 24 applicants, the number of loan recipients, the ~~university~~ QUALIFYING
 25 POSTSECONDARY INSTITUTION each loan recipient attends, the name of THE school
 26 at which each loan recipient is employed, the number of good cause repayment
 27 exceptions granted by the ~~board~~ COMMISSION, the reason for each good cause
 28 exception granted and teacher retention data. The ~~board~~ COMMISSION shall
 29 collect and maintain data on the retention of mathematics, science and
 30 special education teachers who received loans pursuant to this article. The
 31 ~~board~~ COMMISSION shall collect this data for at least five years after each
 32 loan recipient completes the recipient's service commitment.

33 Sec. 3. Section 15-1783, Arizona Revised Statutes, is amended to read:
 34 15-1783. Mathematics, science and special education teacher
 35 student loans; interest; obligations; repayment;
 36 authority of attorney general

37 A. Each applicant who is approved for a loan by the ~~board~~ COMMISSION
 38 may be granted a loan for a period of up to five years.

39 B. The ~~board~~ COMMISSION, on behalf of this state, shall enter into a
 40 written contract with the QUALIFIED student. The contract shall set forth
 41 the methods and terms of repayment by the loan recipient to this state and
 42 shall be on terms and conditions and in a form provided by the ~~board~~
 43 COMMISSION. The contract shall provide for the following:

44 1. The loan recipient shall begin the service commitment providing
 45 instruction in the ~~areas~~ AREA of mathematics, science or special education in

1 a public school in this state within one calendar year after attaining a
2 bachelor's degree at ~~an accredited university in this state~~ A QUALIFYING
3 POSTSECONDARY INSTITUTION. The service commitment shall be full-time as
4 determined by the ~~board~~ COMMISSION and requires one year of service for each
5 year of loan support plus one additional year of service.

6 2. If the loan recipient engages in postgraduate studies without a
7 lapse of more than one calendar year following the completion of the loan
8 recipient's bachelor's degree at ~~an accredited university in this state~~ A
9 QUALIFYING POSTSECONDARY INSTITUTION, the loan recipient shall begin the
10 service commitment required under paragraph 1 within one calendar year after
11 completing postgraduate studies.

12 3. If the loan recipient is inducted into military service, or for any
13 other cause beyond the loan recipient's control deemed sufficient by the
14 ~~board~~ COMMISSION is unable to begin the service commitment required under
15 paragraph 1 within one calendar year after completing a bachelor's degree and
16 any graduate studies, the loan recipient shall begin the service commitment
17 required under paragraph 1 within one calendar year after completing the
18 required military service or the termination of any other cause.

19 4. If the loan recipient fulfills the service commitment required
20 under paragraph 1 in a public school in this state or while completing
21 military service resulting from induction, the loan recipient's indebtedness
22 to this state may be discharged in one of the following ways:

23 (a) One year of full-time service required under paragraph 1 for each
24 year of loan support plus one additional year of service.

25 (b) Repayment to this state of the total loan amount for each year of
26 support with interest at the rate prescribed in subsection C.

27 5. If the loan recipient fails to complete the required course of
28 study, if the course of study is interrupted by one academic year or more for
29 a cause or causes not resulting from induction into military service or any
30 other cause beyond the loan recipient's control deemed sufficient by the
31 ~~board~~ COMMISSION or if the loan recipient fails to fully discharge the
32 service commitment required under paragraph 1, except for delays resulting
33 from an excusable cause as prescribed in this section, the amount of the loan
34 not repaid or fully discharged shall be due and payable with interest at the
35 rate prescribed in subsection C. The ~~board~~ COMMISSION may extend the time of
36 payment over a period not exceeding fifteen years and shall not require
37 payment of interest during the existence of any excusable cause as prescribed
38 in this section.

39 6. If the loan recipient does not begin the service commitment
40 required under paragraph 1 within the time prescribed in this section but
41 paid an agreed part of the loan, the ~~board~~ COMMISSION may allow the loan
42 recipient to discharge the balance of the obligation by subsequent teaching
43 in this state.

1 shall supervise the state guarantee agency under the higher education act
2 amendments of 1998.

3 B. In addition to the responsibilities prescribed in subsection A of
4 this section, the commission shall:

5 1. Provide a forum to public and private postsecondary education
6 institutions for discussion of issues of mutual interest, including the
7 following:

8 (a) The postsecondary needs of unserved and underserved individuals in
9 this state.

10 (b) The resources of public and private institutions, organizations
11 and agencies that are located in this state and that are capable of providing
12 postsecondary education opportunities.

13 (c) Enrollment demand and public policy options to meet statewide
14 needs for postsecondary education services.

15 (d) Cooperative comprehensive instructional and capital planning.

16 2. Provide reports pursuant to this subsection on discussions of
17 issues of mutual interest.

18 3. Coordinate and promote collaborative studies on issues of mutual
19 interest to public and private postsecondary education institutions.

20 4. Compile and disseminate information to the public regarding
21 postsecondary education opportunities in this state.

22 5. Prepare an annual report that summarizes the results of the
23 commission's activities prescribed in this section and section 15-1852. The
24 annual report shall be submitted to the speaker of the house of
25 representatives, the president of the senate, the governor and the Arizona
26 state library, archives and public records by December 28.

27 6. ADMINISTER THE MATHEMATICS, SCIENCE AND SPECIAL EDUCATION TEACHER
28 STUDENT LOAN PROGRAM ESTABLISHED UNDER CHAPTER 13, ARTICLE 11 OF THIS TITLE.

29 C. The commission consists of the executive director of the Arizona
30 board of regents, the executive director of the state board for private
31 postsecondary education and the following additional members who shall be
32 appointed by the governor pursuant to section 38-211:

33 1. Two members who hold senior executive or managerial positions in a
34 university under the jurisdiction of the Arizona board of regents.

35 2. Two members who hold senior executive or managerial positions in a
36 community college district, one representing a community college district in
37 a county with a population of five hundred thousand persons or more and one
38 representing a community college district in a county with a population of
39 less than five hundred thousand persons.

40 3. Two members who hold senior executive or managerial positions in
41 private postsecondary institutions of higher education that are licensed
42 under title 32, chapter 30, that are located in this state, that offer
43 bachelor or higher degrees and that are accredited by a regional
44 accreditation agency approved by the United States department of education.

1 4. Two members who hold senior executive or managerial positions in
2 private postsecondary institutions of higher education that are licensed
3 under title 32, chapter 30, that are located in this state, that offer
4 vocational education programs and that are accredited by a national
5 accreditation agency approved by the United States department of education.

6 5. One member who holds a senior executive or managerial position in a
7 private cosmetology school that is licensed under title 32, chapter 5, that
8 is located in this state, that offers cosmetology programs approved by the
9 board of cosmetology and that is accredited by a national accreditation
10 agency approved by the United States department of education.

11 6. One member who holds a senior executive or managerial position in
12 an institution that is licensed under title 32, chapter 23 or under ~~the~~
13 ~~provisions of~~ 14 Code of Federal Regulations part 147, that offers vocational
14 education programs at the postsecondary level, that is located in this state
15 and that is not an institution that is qualified under any other category.

16 7. One member who has held a senior executive or managerial level
17 position in commerce or industry in this state for at least three years
18 before the member's appointment and who is not qualified to serve under any
19 other category.

20 8. Two members who hold senior executive or managerial positions in
21 the high school education system in this state.

22 9. One member who is an owner, operator or administrator of a charter
23 school in this state.

24 D. Members of the commission appointed pursuant to subsection C,
25 paragraphs 1 through 9 of this section shall serve four year terms. Appointed
26 members of the commission shall be residents of this state. Appointed members
27 of the commission at all times during their terms shall continue to be
28 eligible for appointment under the category that they were appointed to
29 represent. Terms of appointed members of the commission begin on the third
30 Monday in January. No appointed member of the commission may serve more than
31 two consecutive terms.

32 E. The executive director of the Arizona board of regents and the
33 executive director of the state board for private postsecondary education
34 serve as members of the commission during their respective terms of office
35 and are not eligible to vote with respect to the commission's review of any
36 postsecondary institution.

37 F. Members appointed pursuant to subsection C, paragraphs 1 through 9
38 of this section are eligible to receive compensation pursuant to section
39 38-611 for each day spent in the performance of commission duties and may be
40 reimbursed for expenses properly incurred in connection with the attendance
41 at meetings or hearings of the commission.

42 G. The governor shall appoint a chairman from among the members of the
43 commission who shall serve a one year term that begins on the third Monday in
44 January.

1 H. A majority of the members of the commission ~~constitutes~~ CONSTITUTE
2 a quorum for the transaction of commission business. The vote of a majority
3 of the quorum constitutes authority for the commission to act.

4 I. Members of the commission are immune from personal liability with
5 respect to all actions that are taken in good faith and within the scope of
6 the commission's authority.

7 J. For the purposes of this section, "community college district"
8 means a community college district that is established pursuant to sections
9 15-1402 and 15-1403 and that is a political subdivision of this state.

10 Sec. 6. Effective date

11 This act is effective from and after June 30, 2011.