



**ARIZONA STATE SENATE**  
*Fifty-Second Legislature, First Regular Session*

FACT SHEET FOR S.B. 1076

teacher student loan program; appropriation

Purpose

Appropriates \$200,000 from the state General Fund in FY 2016 to the Arizona Commission for Postsecondary Education (ACPE) for the Mathematics, Science and Special Education Teacher Student Loan Forgiveness Program (MSSE Program) and modifies loan requirements.

Background

The ACPE offers forgivable loans through the MSSE Program to qualified applicants who agree to provide instruction in the area of mathematics, science or special education in a public school in this state or instruction in elementary education in a public school that is located in a geographic area in this state that is experiencing a shortage of teachers. No more than 25 percent of the annual amount appropriated may be on loans granted to applicants who agree to provide instruction in elementary education.

A.R.S § 15-1783 allows approved applicants to be granted a loan for a period of up to five years, although current practice permits approved applicants to receive loan support for up to three years. The maximum forgivable loan amount is \$7,000 per academic year, excluding all grants, scholarships and other tuition benefits. Funds can be applied toward tuition, instructional materials and mandatory fees as documented in the student's cost of attendance at their institution.

In order for the loan to be forgiven, qualified applicants must enter into an agreement with the ACPE to teach in an Arizona public school in a term equal to the number of years of loan support plus one additional year. Additionally, applicants must sign a promissory note acknowledging the conditions of the loan and promising to repay the loan plus 7 percent interest if the service commitment is not met. A.R.S. § 15-784 allows the ACPE to retain up to 10 percent of the annual fund deposit for administration costs.

Senate Bill 1076 appropriates \$200,000 from the state General Fund in FY 2016 to ACPE.

Provisions

1. Appropriates \$200,000 from the state General Fund to the ACPE in FY 2016 for the MSSE Program.

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2. Increases the maximum annual dollar amount for a MSSE Program loan from \$7,000 to \$10,000.
3. Authorizes the ACPE to grant MSSE Program loans to students pursuing a teaching certificate at a qualifying postsecondary institution.
4. Specifies that a student pursuing a teaching degree or who is in a teacher certification program after obtaining a Bachelor's degree is not disqualified from eligibility to the MSSE Program.
5. Specifies that the loan recipients must begin the service commitment within one calendar year after completing:
  - a) a teaching degree;
  - b) a teacher certification program;
  - c) postgraduate studies;
  - d) required military service; or
  - e) any other cause deemed sufficient by the ACPE.
6. Makes technical and conforming changes.
7. Becomes effective on the general effective date.

Prepared by Senate Research

January 26, 2015

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