

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 980
93RD GENERAL ASSEMBLY

Reported from the Committee on Student Achievement and Finance April 13, 2006 with recommendation that House Committee Substitute for Senate Bill No. 980 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

4752L.02C

AN ACT

To repeal sections 335.212 and 335.233, RSMo, and to enact in lieu thereof three new sections relating to certain nursing and teaching student assistance programs.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 335.212 and 335.233, RSMo, are repealed and three new sections
2 enacted in lieu thereof, to be known as sections 173.232, 335.212, and 335.233, to read as
3 follows:

**173.232. 1. There is hereby established the "Urban Flight and Rural Needs
2 Scholarship Program", which shall be administered by the department of elementary and
3 secondary education. The program shall, upon appropriation, provide scholarships,
4 subject to the eligibility criteria enumerated in this section, for eligible students who enter
5 a teacher education program and make a commitment to teach as a condition of receiving
6 such scholarship.**

**7 2. Subject to appropriation, each year the department of elementary and secondary
8 education shall make available to eligible students up to one hundred four-year urban
9 flight and rural needs scholarships in an amount that encompasses one hundred percent
10 of the total cost of eligible students' tuition and fees at a four-year college or university
11 located in Missouri. Seventy-five percent of such amount shall be paid by funds
12 appropriated to the department, and twenty-five percent of such amount shall be paid by
13 the local school district in which the student agrees to teach.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 **3. As used in this section, the term "eligible student" shall mean an individual who:**

15 **(1) Is a United States citizen and a Missouri resident who attended a Missouri high**
16 **school;**

17 **(2) Enters and makes a commitment to pursue a teacher education program**
18 **approved by the department of elementary and secondary education and offered by a**
19 **four-year college or university located in Missouri;**

20 **(3) Signs an agreement with the department of elementary and secondary education**
21 **and a local school district in which the recipient agrees to teach in a Missouri public school,**
22 **the population of which includes a higher than average "at-risk student population", as**
23 **such term shall be defined by the department of elementary and secondary education, for**
24 **two years for every one year the recipient received the urban flight and rural needs**
25 **scholarship;**

26 **(4) Has graduated from high school with a cumulative grade point average of at**
27 **least two and one-half on a four-point scale or equivalent;**

28 **(5) Maintains a cumulative grade point average of at least two and one-half on a**
29 **four-point scale or equivalent.**

30 **4. If the number of applicants exceeds the number of scholarships or revenues**
31 **available, the department of elementary and secondary education may consider the**
32 **financial needs of the applicant.**

33 **5. The scholarships provided in this section shall be available to otherwise eligible**
34 **students who either:**

35 **(1) Are currently enrolled in a community college and make a commitment to**
36 **pursue a teacher education program approved by the department of elementary and**
37 **secondary education and offered by a four-year college or university located in Missouri;**
38 **or**

39 **(2) Have completed their baccalaureate degree and agree to enter a teacher**
40 **education program and make a commitment to pursue a teacher education program**
41 **approved by the department of elementary and secondary education and offered by a**
42 **four-year college or university located in Missouri.**

43 **6. Every eligible student receiving scholarships under this section shall teach in an**
44 **elementary or secondary public school in Missouri as provided in subdivision (3) of**
45 **subsection 3 of this section. The student shall teach for a period of two years for every one**
46 **year he or she received an urban flight and rural needs scholarship; otherwise, the**
47 **scholarship shall be treated as a loan to the eligible student, and interest at the rate of nine**
48 **and one-half percent per year shall be charged on the unpaid balance of the amount**
49 **received from the date the eligible student ceases to teach until the amount received is paid**

50 back to the state and the local school district. In order to provide for the servicing of such
51 loans, the department of elementary and secondary education may sell such loans to the
52 higher education loan authority of the state of Missouri created pursuant to sections
53 173.350 to 173.445. For each year the student teaches, up to eight years, one-eighth of the
54 amount received pursuant to this section shall be applied against the total amount received
55 and shall not be subject to the repayment requirement of this section. The department of
56 elementary and secondary education shall have the power to and shall defer interest and
57 principal payments under certain circumstances, which shall include, but need not be
58 limited to, the enrollment in a graduate program or service in any branch of the armed
59 forces of the United States.

60 7. There is hereby established in the state treasury a fund to be known as the
61 "Urban Flight and Rural Needs Scholarship Program Fund", which shall consist of all
62 moneys that may be appropriated to it by the general assembly, and in addition may
63 include any gifts, contributions, grants, or bequests received from federal, state, private,
64 or other sources. The fund shall be administered by the department of elementary and
65 secondary education. Notwithstanding the provisions of section 33.080, RSMo, to the
66 contrary, moneys in the fund shall not be transferred to the credit of the general revenue
67 fund at the end of the biennium. Interest and moneys earned on the fund shall be credited
68 to the fund. Moneys in the fund shall be used solely for the purpose of awarding
69 scholarships under the provisions of this section.

335.212. As used in sections 335.212 to 335.242, the following terms mean:

- 2 (1) "Board", the Missouri state board of nursing;
- 3 (2) "Department", the Missouri department of health and senior services;
- 4 (3) "Director", director of the Missouri department of health and senior services;
- 5 (4) "Eligible student", a resident who has [made application to be] **been accepted as** a
6 full-time student in a formal course of instruction leading to an associate degree, a diploma, a
7 bachelor of science, or a master of science in nursing or leading to the completion of educational
8 requirements for a licensed practical nurse;
- 9 (5) "Participating school", an institution within this state which is approved by the board
10 for participation in the professional and practical nursing student loan program established by
11 sections 335.212 to 335.242, having a nursing department and offering a course of instruction
12 based on nursing theory and clinical nursing experience;
- 13 (6) "Qualified applicant", an eligible student approved by the board for participation in
14 the professional and practical nursing student loan program established by sections 335.212 to
15 335.242;

16 (7) "Qualified employment", employment on a full-time basis in Missouri in a position
17 requiring licensure as a licensed practical nurse or registered professional nurse in any hospital
18 as defined in section 197.020, RSMo, or public or nonprofit agency, institution, or organization
19 located in an area of need as determined by the department of health and senior services. Any
20 forgiveness of such principal and interest for any qualified applicant engaged in qualified
21 employment on a less than full-time basis may be prorated to reflect the amounts provided in this
22 section;

23 (8) "Resident", any person who has lived in this state for one or more years for any
24 purpose other than the attending of an educational institution located within this state.

335.233. The department shall establish schedules for repayment of the principal and
2 interest on any financial assistance made under the provisions of sections 335.212 to 335.242.
3 Interest at the rate of nine and one-half percent per annum shall be charged on all financial
4 assistance made under the provisions of sections 335.212 to 335.242, but [twenty-five percent
5 of] the interest and principal of the total financial assistance granted to a qualified applicant at
6 the time of the successful completion of a nursing degree, diploma program or a practical nursing
7 program shall be forgiven [for each year of] **through** qualified employment.

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