

IC 21-13-10

Chapter 10. Teacher Loan Repayment Program and Fund

IC 21-13-10-1

"Critical shortage area"

Sec. 1. As used in this chapter, "critical shortage area" means a geographic area determined annually by the department of education established by IC 20-19-3-1 to have, or projected within the next twelve (12) months to have, a shortage of licensed, full-time elementary or high school teachers.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to the teacher loan repayment fund established by section 3 of this chapter.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-3

Teacher loan repayment fund established; purpose; administration

Sec. 3. (a) The teacher loan repayment fund is established.

(b) The purpose of the fund is to attract qualified teachers who:

(1) graduated from an accredited Indiana high school after June 30, 2014, and either:

(A) were in the highest twenty percent (20%) of students in their high school graduating classes; or

(B) received scores in the top twentieth percentile on the SAT or ACT examination;

(2) graduated from a four (4) year postsecondary educational institution with at least a 3.5 grade point average on a 4.0 scale or its equivalent; and

(3) teach, for at least three (3) consecutive years in public schools in Indiana:

(A) science, technology, engineering, mathematics, or special education classes; or

(B) in a critical shortage area;

by granting loan repayment assistance authorized under this chapter to eligible applicants.

(c) The fund consists of appropriations to the fund and gifts, grants, devises, or bequests made to the state to achieve the purposes of the fund.

(d) The fund shall be administered by the commission. The expenses of administering the fund shall be paid from money in the fund.

(e) Loan repayment assistance payments shall be made from the fund by the treasurer of state upon a warrant issued by the auditor of state in accordance with rules adopted by the commission.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-4

Commission to consider applications

Sec. 4. The commission shall receive and consider all applications for loan repayment assistance received from qualified teachers with outstanding guaranteed student loans made, issued, or guaranteed under a program authorized by Title IV of the federal Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

As added by P.L.46-2014, SEC.4.

IC 21-13-10-5

Teacher qualifications for loan repayment; requirements

Sec. 5. (a) To qualify for loan repayment assistance for student loans under this chapter, an applicant must:

- (1) hold a license to teach under IC 20-28-5;
- (2) agree in writing to the employment requirements set forth in section 7 of this chapter; and
- (3) meet any additional criteria established by the commission.

(b) At the end of the third consecutive school year in which a teacher who qualifies under subsection (a) has taught, the commission shall pay directly to the financial institution that holds the qualified teacher's student loans an amount not to exceed the lesser of:

- (1) the total principal and interest of the guaranteed student loans owed by the teacher at the end of the third year; or
- (2) an amount determined by the commission based on the funds appropriated to the program;

which must be used to reduce the principal and interest on a guaranteed student loan owed by that qualified teacher.

(c) The commission may pay a qualified teacher's student loans under subsection (b) only if the following requirements are met:

- (1) The qualified teacher received the student loans for an undergraduate degree that was necessary for either the subject area in which the qualified teacher teaches or for the qualified teacher to receive a teaching license.
- (2) The qualified teacher's repayment of the loans is current at the time the commission makes the payment under subsection (b).

The requirements under this subsection are in addition to the requirements set forth in section 7 of this chapter.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-6

Loan repayment application form

Sec. 6. A qualified teacher must apply for a loan repayment on a form supplied by the commission. The commission shall consider each application and determine the eligibility of the applicant for the loan repayment assistance.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-7

Requirement for contract; conditions

Sec. 7. (a) Before being granted loan repayment assistance under this chapter, a teacher must:

- (1) apply for the loan repayment assistance not later than twenty-four (24) months after graduating from a postsecondary educational institution; and
- (2) enter into a contract with the commission agreeing to the terms and conditions upon which the loan repayment assistance will be granted to the teacher.

(b) As a condition of being granted loan repayment assistance under this chapter, a teacher must agree to employment for a period of at least three (3) consecutive years as a licensed teacher in a public school in Indiana in science, technology, engineering, mathematics, or special education, or in a critical shortage area. The teacher is not required to teach at the same public school for three (3) consecutive years.

(c) Service rendered by a teacher in a public school before the teacher becomes a participant in the program may not be considered to have fulfilled the employment commitment required by subsection (b).

As added by P.L.46-2014, SEC.4.

IC 21-13-10-8

Eligibility for repayment only if appropriation has been made

Sec. 8. A teacher is eligible to receive loan repayment assistance under this chapter only if an appropriation has been made to carry out the specific purposes of this chapter.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-9

Records

Sec. 9. The commission shall maintain complete and accurate records in implementing the fund, including records of the following:

- (1) The receipt, disbursement, and uses of money from the fund.
- (2) The number of applications for loan repayment assistance.
- (3) The number and amount of loans for which loan repayment assistance has been provided by the department.
- (4) Other pertinent information requested by the commission.

As added by P.L.46-2014, SEC.4.

IC 21-13-10-10

Rules

Sec. 10. The commission may adopt rules under IC 4-22-2 necessary to carry out this chapter, including rules governing the enforcement of any employment requirements.

As added by P.L.46-2014, SEC.4.