

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 3028

(SENATE AUTHORS: BONOFF, Clausen and Miller)

DATE	D-PG	OFFICIAL STATUS
03/21/2016	5157	Introduction and first reading Referred to Higher Education and Workforce Development
04/04/2016		Comm report: To pass as amended Second reading

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A bill for an act

relating to higher education; making various technical and policy changes to higher education-related provisions; amending Minnesota Statutes 2014, section 136A.01, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 136A.1791, subdivisions 4, 5, 6; Laws 2015, chapter 69, article 3, section 20, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 136A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2014, section 136A.01, is amended by adding a subdivision to read:

Subd. 4. **Management of programs.** (a) The commissioner may retain up to five percent of the amount appropriated to the office for a program or pass-through grant if:

(1) the program or grant is first established on or after January 1, 2016; and

(2) the appropriation does not specify an amount for administrative costs.

(b) The amount retained under paragraph (a) is appropriated to the commissioner and must be used for the costs of administering and monitoring programs and pass-through grants established on or after January 1, 2016.

Sec. 2. **[136A.0412] RECEIPT OF DONATIONS; MONEY; GRANTS.**

The commissioner may accept donations, grants, bequests, and other funds to carry out the purposes of section 136A.01. A donation, nonfederal grant, bequest, or other fund received by the commissioner is deposited in a special revenue account and is hereby appropriated to the commissioner for the purpose for which it is granted and is available until expended.

2.1 Sec. 3. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 4,
2.2 is amended to read:

2.3 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness,
2.4 according to rules adopted by the commissioner, shall:

2.5 (1) apply for teacher shortage loan forgiveness and promptly submit any additional
2.6 information required by the commissioner; and

2.7 ~~(2) annually reapply for up to five consecutive school years and submit information~~
2.8 ~~the commissioner requires to determine the applicant's continued eligibility for loan~~
2.9 ~~forgiveness; and~~

2.10 ~~(3)~~ (2) submit to the commissioner a completed affidavit, prescribed by the
2.11 commissioner, affirming the teacher is teaching in: (i) a licensure field and in identified by
2.12 the commissioner as experiencing a teacher shortage; or (ii) an economic development
2.13 region identified by the commissioner as experiencing a teacher shortage.

2.14 Sec. 4. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 5,
2.15 is amended to read:

2.16 Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the
2.17 annual amount of teacher shortage loan forgiveness for an approved applicant shall not
2.18 exceed \$1,000 or the cumulative balance of the applicant's qualified educational loans,
2.19 including principal and interest, whichever amount is less.

2.20 (b) Recipients must secure their own qualified educational loans. Teachers who
2.21 graduate from an approved teacher preparation program or teachers who add a licensure
2.22 field, consistent with the teacher shortage requirements of this section, are eligible to
2.23 apply for the loan forgiveness program.

2.24 (c) No teacher shall receive more than five annual awards.

2.25 Sec. 5. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 6,
2.26 is amended to read:

2.27 Subd. 6. **Disbursement.** (a) The commissioner must make annual disbursements
2.28 directly to the participant of the amount for which a participant is eligible, for each year
2.29 that a participant is eligible.

2.30 (b) Within 60 days of receipt of a the disbursement date, the participant must provide
2.31 the commissioner with verification that the full amount of loan repayment disbursement
2.32 has been applied toward the designated loans. A participant that previously received
2.33 funds under this section but has not provided the commissioner with such verification
2.34 is not eligible to receive additional funds.

3.1 Sec. 6. Laws 2015, chapter 69, article 3, section 20, subdivision 15, is amended to read:

3.2 Subd. 15. **Reporting.** (a) A college must report to the commissioner the following
3.3 information:

3.4 (1) the number of grantees and their race, gender, and ethnicity;

3.5 (2) grantee persistence and completion;

3.6 (3) employment outcomes; and

3.7 (4) other information requested by the commissioner.

3.8 (b) The commissioner shall report ~~annually~~ by January 15, 2017, and January 15,

3.9 2018, to the chairs and ranking minority members of the legislative committees with

3.10 jurisdiction over higher education finance by college and in aggregate on the information

3.11 submitted to the commissioner under paragraph (a). The commissioner may include in the

3.12 report recommendations for changes in the grant program.