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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1170

02/23/2015 Authored by Bennett, Davids, Selcer, Mariani, Loon and others

The bill was read for the first time and referred to the Committee on Education Innovation Policy

03/05/2015 Adoption of Report: Amended and re-referred to the Committee on Government Operations and Elections Policy

03/19/2015 Adoption of Report: Amended and re-referred to the Committee on Higher Education Policy and Finance

03/26/2015 Adoption of Report: Re-referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education; postsecondary; providing a teacher shortage loan
1.3 forgiveness program; authorizing rulemaking; appropriating money; proposing
1.4 coding for new law in Minnesota Statutes, chapter 136A.

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

1.6 Section 1. **[136A.1791] TEACHER SHORTAGE LOAN FORGIVENESS**
1.7 **PROGRAM.**

1.8 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings
1.9 given them.

1.10 (b) "Qualified educational loan" means a government, commercial, or foundation
1.11 loan for actual costs paid for tuition and reasonable educational and living expenses
1.12 related to a teacher's preparation or further education.

1.13 (c) "School district" means an independent school district, special school district,
1.14 intermediate district, education district, special education cooperative, service cooperative,
1.15 a cooperative center for vocational education, or a charter school located in Minnesota.

1.16 (d) "Teacher" means an individual issued a teaching license by the Board of
1.17 Teaching who is employed by a school district to provide classroom instruction in
1.18 a teacher shortage area.

1.19 (e) "Teacher shortage area" means the licensure fields and economic development
1.20 regions reported by the commissioner of education as experiencing a teacher shortage.

1.21 (f) "Commissioner" means the commissioner of the Office of Higher Education
1.22 unless indicated otherwise.

1.23 Subd. 2. **Program established; administration.** The commissioner shall establish
1.24 and administer a teacher shortage loan forgiveness program. A teacher is eligible for the

2.1 program if the teacher is teaching in a licensure field and in an economic development
2.2 region with an identified teacher shortage under subdivision 3 and complies with the
2.3 requirements of this section.

2.4 Subd. 3. **Annual report on teacher shortage areas.** The commissioner of
2.5 education shall use the annual teacher supply and demand report to the legislature to
2.6 identify the licensure fields and economic development regions in Minnesota experiencing
2.7 a teacher shortage.

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

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

2.12 (2) annually reapply for up to five consecutive school years and submit information
2.13 the commissioner requires to determine the applicant's continued eligibility for loan
2.14 forgiveness; and

2.15 (3) submit to the commissioner a completed affidavit, prescribed by the
2.16 commissioner, affirming the teacher is teaching in a licensure field and in an economic
2.17 development region identified by the commissioner as experiencing a teacher shortage.

2.18 Subd. 5. **Amount of loan forgiveness.** To the extent funding is available, the annual
2.19 amount of teacher shortage loan forgiveness for an approved recipient shall not exceed
2.20 \$..... or the cumulative balance of the recipient's qualified educational loans, including
2.21 principal and interest, whichever amount is less. Recipients must secure their own
2.22 qualified educational loans. Teachers who graduate from an approved teacher preparation
2.23 program or teachers who add a licensure field, consistent with the teacher shortage
2.24 requirements of this section, are eligible to apply for the loan forgiveness program.

2.25 Subd. 6. **Penalties.** (a) A teacher who submits a false or misleading application or
2.26 other false or misleading information to the commissioner may:

2.27 (1) have his or her teaching license suspended or revoked under section 122A.20;

2.28 (2) be disciplined by the teacher's employing school district; or

2.29 (3) be required by the commissioner to repay the total amount of the loan forgiveness
2.30 he or she received under this program, plus interest at a rate established under section
2.31 270C.40.

2.32 (b) The commissioner must deposit any repayments received under paragraph (a)
2.33 in the fund established in subdivision 7.

2.34 Subd. 7. **Fund established.** A teacher shortage loan forgiveness repayment fund is
2.35 created for depositing money appropriated to or received by the commissioner for this
2.36 program. Money deposited in the fund shall not revert to any state fund at the end of

3.1 any fiscal year but remains in the loan forgiveness repayment fund and is continuously
3.2 available for loan forgiveness under this section.

3.3 Subd. 8. **Annual reporting.** The commissioner, annually by February 1, must
3.4 report to the chairs of the K-12 and higher education committees of the legislature on the
3.5 number of individuals who received loan forgiveness under this section, the licensure
3.6 areas and economic development regions in which the teachers taught, the average amount
3.7 paid to a teacher participating in the program, and other summary data identified by the
3.8 commissioner as outcome indicators.

3.9 Subd. 9. **Rulemaking.** The commissioner shall adopt rules under chapter 14 to
3.10 administer this section.

3.11 Sec. 2. **APPROPRIATIONS.**

3.12 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from the
3.13 general fund to the commissioner of the Office of Higher Education for the teacher
3.14 shortage loan forgiveness program under Minnesota Statutes, section 136A.1791, and for
3.15 adopting rules to administer the program.