

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 1984

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DATE
03/10/2021

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Introduction and first reading
Referred to Higher Education Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to higher education; modifying the teacher candidate grant program and
1.3 the teacher shortage loan forgiveness program; amending Minnesota Statutes 2020,
1.4 sections 136A.1275; 136A.1791.

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

1.6 Section 1. Minnesota Statutes 2020, section 136A.1275, is amended to read:

1.7 **136A.1275 STUDENT TEACHER CANDIDATE GRANTS.**

1.8 Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education
1.9 must establish a grant program for student teaching stipends for low-income students enrolled
1.10 in a Professional Educator Licensing and Standards Board-approved teacher preparation
1.11 program who ~~intend to teach in a shortage area after graduating and receiving their teaching~~
1.12 ~~license or~~ belong to an underrepresented a racial or ethnic group underrepresented in the
1.13 teacher workforce, intend to teach in a rural school district, or intend to work in a license
1.14 shortage area.

1.15 (b) "License shortage area" means a ~~license field or economic development region within~~
1.16 ~~Minnesota defined as a shortage area by the Professional Educator Licensing and Standards~~
1.17 ~~Board in coordination with the commissioner using data collected for the teacher supply~~
1.18 ~~and demand report under section 122A.091, subdivision 5~~ teaching in one of the following
1.19 license fields: (1) special education, (2) English as a second language, (3) physics, (4)
1.20 chemistry, (5) mathematics, and (6) middle level science.

1.21 (c) "Racial or ethnic group underrepresented in the teacher workforce" means a racial
1.22 or ethnic group for which the aggregate percentage of Minnesota teachers of that racial or

2.1 ethnic group is lower than the aggregate percentage of Minnesota kindergarten through
 2.2 grade 12 students of that racial or ethnic group.

2.3 (d) "Rural school district" means a school district with fewer than ten resident pupil
 2.4 units under section 126C.05, subdivision 6, per square mile.

2.5 Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher ~~candidate~~
 2.6 must:

2.7 (1) be enrolled in a Professional Educator Licensing and Standards Board-approved
 2.8 teacher preparation program ~~that requires at least 12 weeks of student teaching in order to~~
 2.9 ~~be recommended for any Tier 3 teaching license;~~

2.10 (2) demonstrate financial need based on criteria established by the commissioner under
 2.11 subdivision 3;

2.12 (3) be meeting satisfactory academic progress as defined under section 136A.101,
 2.13 subdivision 10; and

2.14 (4) ~~intend to teach in a shortage area or~~ belong to a racial or ethnic group underrepresented
 2.15 in the Minnesota teacher workforce, intend to teach in a rural school district, or intend to
 2.16 teach in a license shortage area. Intent can be documented based on the teacher license field
 2.17 the student is pursuing or a statement of intent to teach in ~~an economic development region~~
 2.18 ~~defined as a shortage area~~ a rural school district in the year the student receives a grant.

2.19 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an
 2.20 application process and other guidelines for implementing this program.

2.21 (b) The commissioner must determine each academic year the stipend amount up to
 2.22 \$7,500 based on the amount of available funding, the number of eligible applicants, and the
 2.23 financial need of the applicants.

2.24 (c) If there are insufficient funds to provide an award to all eligible participants, the
 2.25 commissioner shall prioritize the awards to eligible participants based on:

2.26 (1) the financial need of an applicant, considering the applicant's income and household
 2.27 size;

2.28 (2) whether the applicant intends to teach in both a rural school district and a license
 2.29 shortage area; and

2.30 (3) the statewide distribution of funds.

2.31 (d) The percentage of the total award funds available at the beginning of the fiscal year
 2.32 reserved for ~~teacher candidates~~ student teachers who identify as belonging to a racial or

3.1 ethnic group underrepresented in the Minnesota teacher workforce must be equal to or
 3.2 greater than the total percentage of students of racial or ethnic groups underrepresented in
 3.3 the Minnesota teacher workforce as measured under section 120B.35, subdivision 3. If this
 3.4 percentage cannot be met because of a lack of qualifying ~~candidates~~ student teachers, the
 3.5 remaining amount may be awarded to ~~teacher candidates~~ student teachers who intend to
 3.6 teach in a shortage area or rural school district.

3.7 Subd. 4. Annual reporting. By February 1 of each year, the commissioner must report
 3.8 to the chairs and ranking minority members of the senate and house of representatives
 3.9 committees with jurisdiction over E-12 and higher education finance and policy on the
 3.10 number of individuals who received grants under this section, the race or ethnicity of the
 3.11 teachers participating in the program, the licensure areas and school districts in which the
 3.12 teachers taught, the amount paid to student teachers participating in the program, and other
 3.13 summary data identified by the commissioner as outcome indicators.

3.14 Sec. 2. Minnesota Statutes 2020, section 136A.1791, is amended to read:

3.15 **136A.1791 TEACHER SHORTAGE LOAN ~~FORGIVENESS~~ REPAYMENT**
 3.16 **PROGRAM.**

3.17 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given
 3.18 them in this subdivision.

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

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

3.25 (d) "Teacher" means an individual holding a teaching license issued by the Professional
 3.26 Educator Licensing and Standards Board who is employed by a school district to provide
 3.27 classroom instruction.

3.28 (e) "Teacher shortage area" means:

3.29 ~~(1) the licensure fields and economic development regions reported by the Professional~~
 3.30 ~~Educator Licensing and Standards Board in coordination with the commissioner as~~
 3.31 ~~experiencing a teacher shortage; and~~

4.1 ~~(2) economic development regions where there is a shortage of licensed teachers who~~
 4.2 ~~reflect the racial or ethnic diversity of students in the region as reported by the Professional~~
 4.3 ~~Educator Licensing and Standards Board in coordination with the commissioner.~~

4.4 ~~(f)~~ (e) "Commissioner" means the commissioner of the Office of Higher Education
 4.5 unless indicated otherwise.

4.6 (f) "License shortage area" means teaching in one of the following license fields: (1)
 4.7 special education, (2) English as a second language, (3) physics, (4) chemistry, (5)
 4.8 mathematics, and (6) middle level science.

4.9 (g) "Racial or ethnic group underrepresented in the teacher workforce" means a racial
 4.10 or ethnic group for which the aggregate percentage of Minnesota teachers of that racial or
 4.11 ethnic group is lower than the aggregate percentage of Minnesota kindergarten through
 4.12 grade 12 students of that racial or ethnic group.

4.13 (h) "Rural school district" means a school district with fewer than ten resident pupil
 4.14 units under section 126C.05, subdivision 6, per square mile.

4.15 Subd. 2. **Program established; administration.** The commissioner shall establish and
 4.16 administer a teacher shortage loan ~~forgiveness~~ repayment program. ~~A teacher is eligible for~~
 4.17 ~~the program if the teacher is teaching in an identified teacher shortage area under subdivision~~
 4.18 ~~3 and complies with the requirements of this section.~~

4.19 Subd. 3. **Report on teacher shortage areas.** ~~Using data collected for the teacher supply~~
 4.20 ~~and demand report to the legislature under section 122A.091, subdivision 5, the Professional~~
 4.21 ~~Educator Licensing and Standards Board shall identify the licensure fields and economic~~
 4.22 ~~development regions in Minnesota experiencing a teacher shortage.~~

4.23 Subd. 3a. **Eligibility.** To be eligible for a disbursement under this section, a student
 4.24 teacher must belong to a racial or ethnic group underrepresented in the Minnesota teacher
 4.25 workforce, teach in a rural school district, or teach in a license shortage area.

4.26 Subd. 4. **Application for loan ~~forgiveness~~ repayment.** Each applicant for loan
 4.27 ~~forgiveness~~ repayment, according to rules adopted by the commissioner, shall:

4.28 (1) apply for teacher shortage loan ~~forgiveness~~ repayment and promptly submit any
 4.29 additional information required by the commissioner; and

4.30 (2) submit to the commissioner a completed affidavit, prescribed by the commissioner,
 4.31 affirming the teacher is teaching in: (i) a ~~licensure field identified by the commissioner as~~
 4.32 ~~experiencing a teacher~~ license shortage area; or (ii) an ~~economic development region~~
 4.33 ~~identified by the commissioner as experiencing a teacher shortage~~ a rural school district.

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

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

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

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

5.13 (b) Within 60 days of the disbursement date, the participant must provide the
5.14 commissioner with verification that the full amount of loan repayment disbursement has
5.15 been applied toward the designated loans. A participant that previously received funds under
5.16 this section but has not provided the commissioner with such verification is not eligible to
5.17 receive additional funds.

5.18 Subd. 7. **Penalties.** (a) A teacher who submits a false or misleading application or other
5.19 false or misleading information to the commissioner may:

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

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

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

5.25 (b) The commissioner must deposit any repayments received under paragraph (a) in the
5.26 fund established in subdivision 8.

5.27 Subd. 8. **Account established.** A teacher shortage loan ~~forgiveness~~ repayment account
5.28 is created in the special revenue fund for depositing money appropriated to or received by
5.29 the commissioner for the program. Money deposited in the account is appropriated to the
5.30 commissioner, does not cancel, and is continuously available for loan ~~forgiveness~~ repayment
5.31 under this section.

6.1 Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report
6.2 to the chairs of the kindergarten through grade 12 and higher education committees of the
6.3 legislature on the number of individuals who received loan ~~forgiveness~~ repayment under
6.4 this section, the race or ethnicity of the teachers participating in the program, the licensure
6.5 areas and ~~economic development regions~~ school districts in which the teachers taught, the
6.6 average amount paid to a teacher participating in the program, and other summary data
6.7 identified by the commissioner as outcome indicators.

6.8 Subd. 10. **Rulemaking.** The commissioner shall adopt rules under chapter 14 to
6.9 administer this section.