

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 3128

(SENATE AUTHORS: KUNESH and Champion)

| DATE | D-PG | OFFICIAL STATUS |
|------------|------|---|
| 04/01/2025 | 1247 | Introduction and first reading Referred to Education Finance |
| 04/03/2025 | 1286 | Comm report: To pass and re-referred to Higher Education |
| | 1355 | Author added Champion |

1.1 A bill for an act

1.2 relating to education; strengthening the Increase Teachers of Color Act; making

1.3 permanent a pilot scholarship program for aspiring teachers of color; establishing

1.4 a special revenue fund account; appropriating money; amending Minnesota Statutes

1.5 2024, section 122A.635, subdivision 3; Laws 2021, First Special Session chapter

1.6 2, article 2, section 45.

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

1.8 Section 1. Minnesota Statutes 2024, section 122A.635, subdivision 3, is amended to read:

1.9 Subd. 3. **Grant program administration.** (a) The Professional Educator Licensing and

1.10 Standards Board may enter into an interagency agreement with the Office of Higher

1.11 Education. The agreement may include a transfer of funds to the Office of Higher Education

1.12 to help establish and administer the competitive grant process. The board must award grants

1.13 to institutions located in various economic development regions throughout the state, but

1.14 must not predetermine the number of institutions to be awarded grants under this section

1.15 or set a limit for the amount that any one institution may receive as part of the competitive

1.16 grant application process.

1.17 ~~(b) The board must establish a standard allowable dollar range for the amount of direct~~

1.18 ~~financial assistance an applicant institution may provide to each candidate. To determine~~

1.19 ~~the range, the board may collect de-identified data from institutions that received a grant~~

1.20 ~~during the previous grant period and calculate the average scholarship amount awarded to~~

1.21 ~~all candidates across all institutions using the most recent fiscal year data available. The~~

1.22 ~~calculation may be used to determine a scholarship range that is no more than 25 percent~~

1.23 ~~of this amount and no less than half the average of this amount. The purpose of direct~~

1.24 ~~financial assistance is to assist candidates matriculating through completing licensure~~

2.1 ~~programs if they demonstrate financial need after considering other grants and scholarships~~
 2.2 ~~provided~~ The amount of direct financial assistance granted for a teacher candidate must not
 2.3 exceed \$5,000 per fiscal year of the awarded grant for each candidate.

2.4 (c) All grants must be awarded by August 15 of the fiscal year in which the grants are
 2.5 to be used or as soon as practicable if changes to the grant program or appropriation impact
 2.6 the timeline for grant awards. An institution that receives a grant under this section may
 2.7 use the grant funds ~~over a two-~~ for up to a four-year period to sustain support for teacher
 2.8 candidates at any stage from recruitment and program admission to graduation and licensure
 2.9 application. An institution may receive grants for overlapping fiscal years. When use of
 2.10 awarded grants from different fiscal years overlap in the same academic year, the maximum
 2.11 combined total of direct financial assistance an institution may provide to the same candidate
 2.12 in the same academic year is \$10,000 from these overlapping grants.

2.13 Sec. 2. Laws 2021, First Special Session chapter 2, article 2, section 45, is amended to
 2.14 read:

2.15 Sec. 45. **ASPIRING MINNESOTA TEACHERS OF COLOR SCHOLARSHIP**
 2.16 **~~PILOT~~ PROGRAM.**

2.17 Subdivision 1. **Scholarship ~~pilot~~ program established.** The commissioner must establish
 2.18 a scholarship ~~pilot~~ program to support undergraduate and graduate students who are preparing
 2.19 to become teachers, have demonstrated financial need, and belong to racial or ethnic groups
 2.20 underrepresented in the state's teacher workforce.

2.21 Subd. 2. **Eligibility.** (a) To be eligible for a scholarship under this section, an applicant
 2.22 must:

2.23 (1) either: (i) be admitted and enrolled in a teacher preparation program approved by
 2.24 the Professional Educator Licensing and Standards Board and be seeking initial licensure;
 2.25 or (ii) be enrolled in an eligible institution under Minnesota Statutes, section 136A.103, and
 2.26 be completing a two-year program specifically designed to prepare early childhood educators
 2.27 an associate's degree in early childhood education, education, or special education;

2.28 (2) affirm to the teacher preparation program or the Office of Higher Education that the
 2.29 applicant is a person of color or American Indian;

2.30 (3) be meeting satisfactory academic progress as defined under Minnesota Statutes,
 2.31 section 136A.101, subdivision 10; and

2.32 (4) demonstrate financial need based on criteria developed by the commissioner.

3.1 (b) An eligible applicant may receive a scholarship award more than once, but may
3.2 receive a total of no more than ~~\$25,000~~ \$30,000 in scholarship awards from the program.

3.3 (c) An applicant may apply for both a scholarship under this section and an
3.4 underrepresented student teacher grant under Minnesota Statutes, section 136A.1274, but
3.5 may not receive an award from both programs during the same academic semester or term
3.6 unless there are sufficient funds appropriated to support all eligible applicants.

3.7 Subd. 3. **Scholarship award amount.** (a) The commissioner must establish a priority
3.8 application deadline and must give equal consideration to all eligible applicants regardless
3.9 of the applicant's attended institution or the order the application was received before the
3.10 priority application deadline. If the funds available for the program are insufficient to make
3.11 full awards to all eligible applicants who apply on or before the deadline, the commissioner
3.12 must make awards based on the ~~expected family contribution~~ Student Aid Index of an
3.13 applicant, prioritizing applicants with the lowest ~~expected family contributions~~ Student Aid
3.14 Indexes. If there are multiple complete applications with identical ~~expected family~~
3.15 ~~contributions~~ Student Aid Indexes, awards must be randomly selected starting with those
3.16 applications ~~may be prioritized by~~ received by the priority application completion date
3.17 deadline established by the commissioner.

3.18 (b) For eligible applicants enrolled in a teacher preparation program as part of a
3.19 baccalaureate or postbaccalaureate degree program, the maximum award amount is \$10,000
3.20 per year for full-time study that may be used to defray a teacher candidate's overall cost of
3.21 attendance as determined by their attended institution. For eligible applicants enrolled in
3.22 an associate's degree program, the maximum award amount is \$6,000 per year for full-time
3.23 study. For undergraduate students, full-time study means enrollment in a minimum of ~~15~~
3.24 12 or more credits per term. For graduate students, full-time study means enrollment in a
3.25 minimum of six graduate credits or the equivalent.

3.26 (c) If an eligible applicant is enrolled full time in a program for only one term during
3.27 the academic year, the applicant may receive no more than half of the applicable maximum
3.28 award amount is \$5,000. If an eligible applicant is enrolled ~~part~~ less than full time, the award
3.29 amount must be prorated on a per-credit basis.

3.30 (d) Subject to the funds available for the program, and subject to the limitation in
3.31 paragraph (e), the minimum award amount established under this section for full-time study
3.32 must be no less than \$1,000 per year.

3.33 (e) An eligible applicant's individual award amount must not exceed the applicant's cost
3.34 of attendance after deducting: (1) the student's ~~expected family contribution~~ Student Aid

4.1 Index; (2) the sum of all state or federal grants and gift aid received, including a Pell Grant
 4.2 and state ~~grant~~ grants; (3) the sum of all institutional grants, scholarships, tuition waivers,
 4.3 and tuition remission amounts; and (4) the amount of any private grants or scholarships.

4.4 (f) Awards are made until available funds are expended. Eligible applicants who
 4.5 completed their applications on or before the priority application deadline but who did not
 4.6 receive an award due to insufficient funds, and eligible applicants who completed their
 4.7 applications after the priority application deadline, shall be placed on an award waiting list
 4.8 by order of application completion date.

4.9 Subd. 4. **Administration.** (a) The commissioner must establish an application process
 4.10 for individual students and institutions on behalf of all eligible students at the institution
 4.11 and other guidelines for implementing the scholarship program.

4.12 (b) A scholarship award must be paid to the eligible applicant's teacher preparation
 4.13 institution on behalf of the eligible applicant. Awards may be paid only when the institution
 4.14 has confirmed to the commissioner the applicant's name, racial or ethnic identity, gender,
 4.15 licensure area sought, and enrollment status.

4.16 Subd. 4a. **Account established.** An aspiring Minnesota teachers of color scholarship
 4.17 program account is created in the special revenue fund for depositing money appropriated
 4.18 to or received by the commissioner for the scholarship program. Money deposited in the
 4.19 account is appropriated to the commissioner, does not cancel, and is continuously available
 4.20 for scholarship awards under this section.

4.21 Subd. 5. **Service expectation.** An applicant who receives a scholarship under this section
 4.22 is expected to serve as a full-time teacher in Minnesota after completing the program for
 4.23 which the scholarship was awarded.

4.24 Subd. 6. **Report.** By December 15 of each year, the commissioner must submit a full
 4.25 report on the details of the scholarship program for the previous fiscal year to the legislative
 4.26 committees with jurisdiction over ~~E-12~~ kindergarten through grade 12 education and higher
 4.27 education finance and policy. The reports must also be made available on the Office of
 4.28 Higher Education's website. The reports must include the following information:

4.29 (1) the number of applicants and the number of award recipients, each broken down by
 4.30 postsecondary institution with ten or more recipients;

4.31 (2) the total number of awards, the total dollar amount of all awards, and the average
 4.32 award amount;

5.1 (3) summary data on the racial or ethnic identity, gender, licensure area sought, and
 5.2 enrollment status of all applicants and award recipients; and

5.3 (4) other summary data identified by the commissioner as outcome indicators.

5.4 Sec. 3. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

5.5 Subdivision 1. Department of Education. The sums indicated in this section are
 5.6 appropriated from the general fund to the Department of Education for the fiscal years
 5.7 designated.

5.8 Subd. 2. Close education opportunity gaps. (a) To support schools in their efforts to
 5.9 close education opportunity gaps under Minnesota Statutes, section 120B.113:

5.10 \$ 3,000,000 2026

5.11 \$ 3,000,000 2027

5.12 (b) The department may retain up to five percent of this appropriation to administer the
 5.13 grant program.

5.14 Sec. 4. **APPROPRIATIONS; OFFICE OF HIGHER EDUCATION.**

5.15 (a) \$10,000,000 in fiscal year 2026 and \$10,000,000 in fiscal year 2027 are appropriated
 5.16 from the general fund for transfer to the aspiring Minnesota teachers of color scholarship
 5.17 program account in the special revenue fund under Laws 2021, First Special Session chapter
 5.18 2, article 2, section 45, as amended by this act. The commissioner of the Office of Higher
 5.19 Education and the commissioner of management and budget shall transfer to the program's
 5.20 special revenue fund account any remaining balance of the amount appropriated for the
 5.21 program in Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 38.

5.22 (b) The commissioner may use no more than \$200,000 of this appropriation to administer
 5.23 the program.

5.24 Sec. 5. **REVISOR INSTRUCTION.**

5.25 The revisor of statutes shall codify Laws 2021, First Special Session chapter 2, article
 5.26 2, section 45, as amended by this act, as a new section in Minnesota Statutes numbered
 5.27 section 136A.1273.