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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2226

03/08/2017 Authored by Poppe and Johnson, C., The bill was read for the first time and referred to the Committee on Higher Education and Career Readiness Policy and Finance

1.1 A bill for an act
1.2 relating to higher education; providing loan forgiveness to individuals teaching in
1.3 agricultural education; appropriating money; proposing coding for new law in
1.4 Minnesota Statutes, chapter 136A.

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

1.6 Section 1. [136A.1794] AGRICULTURAL EDUCATION LOAN FORGIVENESS
1.7 PROGRAM.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the terms in this subdivision
1.9 have the meanings given.

1.10 (b) "Qualified education loan" means a government, commercial, or foundation loan for
1.11 actual costs paid for tuition, reasonable education expenses, and reasonable living expenses
1.12 related to the graduate or undergraduate education of a qualified teacher.

1.13 (c) "Qualified teacher" means a teacher licensed under chapter 122A who:

1.14 (1) is employed in a nonadministrative position teaching agricultural education in any
1.15 grade from grades 5 through 12 at a Minnesota school during the current year; and

1.16 (2) has completed an undergraduate or graduate program in agricultural education at a
1.17 college or university approved by the state of Minnesota to prepare persons for teacher
1.18 licensure.

1.19 (d) "School" means the following:

1.20 (1) a school or program operated by a school district or a group of school districts;

1.21 (2) a tribal contract school eligible to receive aid according to section 124D.83;

2.1 (3) a charter school; or

2.2 (4) a private school.

2.3 Subd. 2. **Account; appropriation.** An agricultural education loan forgiveness account
 2.4 is established in the special revenue fund to provide qualified teachers with financial
 2.5 assistance to repay qualified education loans. Money in the account, including interest, is
 2.6 appropriated to the commissioner for purposes of this section.

2.7 Subd. 3. **Eligibility.** To be eligible to participate in the loan forgiveness program under
 2.8 this section, an individual must:

2.9 (1) be a qualified teacher;

2.10 (2) have qualified education loans; and

2.11 (3) submit an application to the commissioner in the form and manner prescribed by the
 2.12 commissioner.

2.13 Subd. 4. **Loan forgiveness.** (a) The commissioner may select eligible applicants each
 2.14 year for participation in the agricultural education loan forgiveness program, within the
 2.15 limits of available funding. Applicants are responsible for securing their own qualified
 2.16 education loans.

2.17 (b) The commissioner must make annual disbursements directly to the eligible participant
 2.18 of \$3,000 or the balance of the participant's qualified education loans, whichever is less,
 2.19 for each year that the participant meets the eligibility requirements under subdivision 3, up
 2.20 to a maximum of five years.

2.21 (c) The participant must provide the commissioner with verification that the full amount
 2.22 of the loan repayment disbursement received by the participant has been applied toward the
 2.23 designated qualified education loan. After each disbursement, verification must be received
 2.24 by the commissioner and approved before the next repayment disbursement is made.

2.25 Sec. 2. **LOAN FORGIVENESS; APPROPRIATION.**

2.26 \$500,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are transferred from the
 2.27 general fund to the commissioner of the Office of Higher Education for deposit in the
 2.28 agricultural education loan forgiveness account.