

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1084

(SENATE AUTHORS: JENSEN, Eken and Sparks)

DATE	D-PG	OFFICIAL STATUS
02/23/2015	401	Introduction and first reading Referred to Higher Education and Workforce Development
03/12/2015	706a	Comm report: To pass as amended and re-refer to State and Local Government

1.1 A bill for an act
 1.2 relating to education; postsecondary; providing loan forgiveness to individuals
 1.3 teaching in agricultural education; authorizing rulemaking; appropriating money;
 1.4 proposing 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] AGRICULTURAL EDUCATION LOAN FORGIVENESS
 1.7 PROGRAM.

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

1.10 (b) "Qualified education loan" means a government, commercial, or foundation loan
 1.11 for actual costs paid for tuition, reasonable education expenses, and reasonable living
 1.12 expenses 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
 1.15 any grade from grades 5 through 12 at a Minnesota school during the current year; and

1.16 (2) has after July 1, 2015, completed an undergraduate or graduate program in
 1.17 agricultural education at a college or university approved by the Board of Teaching to
 1.18 prepare persons for teacher 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;

1.22 (3) a charter school; or

1.23 (4) a private school.

2.1 Subd. 2. **Creation of account.** (a) An agricultural education loan forgiveness
2.2 program account is established as a separate account in the special revenue fund of the
2.3 state treasury to provide qualified teachers with financial assistance in repaying qualified
2.4 education loans. The commissioner shall use money from the account to establish and
2.5 administer a loan forgiveness program and the money in the account is continuously
2.6 appropriated to the commissioner for that purpose.

2.7 (b) Appropriations made to the agricultural education loan forgiveness program
2.8 account do not cancel and are available until expended.

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

2.11 (1) be a qualified teacher;

2.12 (2) have qualified education loans; and

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

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

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

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

2.28 Subd. 5. **Rules.** The commissioner may adopt rules to implement this section.

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

2.30 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from the
2.31 general fund to the commissioner of the Office of Higher Education for deposit in the
2.32 agriculture education loan forgiveness program account for the loan forgiveness program
2.33 under section 1, to be deposited in the agricultural education loan forgiveness program
2.34 account.