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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

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 in this subdivision.

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

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 this state.

1.16 (d) "Teacher" means an individual holding a teaching license issued under chapter
1.17 122A, who is employed by a school district in a nonadministrative teaching position in
1.18 a teacher shortage area.

1.19 (e) "Teacher shortage area" means academic teaching disciplines or subject matter
1.20 designated by the commissioner of education as areas in which a shortage of teachers
1.21 exists in the state.

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

2.1 the program if the teacher is teaching in a teacher shortage area and complies with
2.2 requirements of subdivision 4.

2.3 Subd. 3. **Annual designation of teacher shortage areas.** The commissioner of
2.4 education shall annually designate the teaching disciplines and subject matter areas
2.5 experiencing teacher shortages. The commissioner of education shall periodically conduct
2.6 a survey of school districts and approved teacher preparation programs to determine
2.7 current teacher shortage areas.

2.8 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness
2.9 shall, in accordance with the rules of the commissioner, do the following:

2.10 (1) Complete and file an application for teacher shortage loan forgiveness. The
2.11 individual shall be responsible for the prompt submission of any information required by
2.12 the commissioner.

2.13 (2) File a new application and submit information as required by the commissioner
2.14 annually on the basis of which the applicant's eligibility for the renewed loan forgiveness
2.15 will be evaluated and determined.

2.16 (3) Complete and return on a form approved by the commissioner an affidavit
2.17 verifying that the applicant is teaching in a teacher shortage area.

2.18 Subd. 5. **Amount of loan forgiveness.** Within the limits of available funding, the
2.19 annual amount of teacher shortage loan forgiveness for an approved applicant shall not
2.20 exceed \$..... or the cumulative balance of the applicant's qualified educational loans,
2.21 including principal and interest, whichever amount is less. Applicants are responsible for
2.22 securing their own qualified educational loans. A teacher shall be eligible for the loan
2.23 forgiveness program for not more than five consecutive years following graduation from
2.24 an approved teacher preparation program.

2.25 Subd. 6. **Penalties.** An individual who submits an application or other information
2.26 to the commissioner under this section which contains false or misleading information
2.27 may have the individual's teaching license suspended or revoked pursuant to section
2.28 122A.20 and may be subject to discipline by the individual's employing school district.

2.29 Subd. 7. **Fund established.** A teacher shortage loan forgiveness repayment fund
2.30 is created for deposit of money appropriated to or received by the commissioner for use
2.31 under the program. Money deposited in the fund shall not revert to any fund of the state at
2.32 the end of any fiscal year but shall remain in the loan forgiveness repayment fund and be
2.33 continuously available for loan forgiveness under the program.

2.34 Subd. 8. **Annual reporting.** The commissioner shall, annually by February 1, report
2.35 to the chairs of the higher education committees of the legislature regarding the number of
2.36 individuals who received loan forgiveness pursuant to this section, which teacher shortage

3.1 areas the teachers taught in, the amount paid to each program participant, and other
3.2 information identified by the commissioner as indicators of outcomes from the program.

3.3 Subd. 9. **Rulemaking.** The commissioner shall adopt rules pursuant to chapter 14 to
3.4 administer this section.

3.5 Sec. 2. **APPROPRIATIONS.**

3.6 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from the
3.7 general fund to the commissioner of the Office of Higher Education for the purposes of the
3.8 teacher shortage loan forgiveness program under Minnesota Statutes, section 136A.1791,
3.9 and for creating rules to administer the program.