

This Document can be made available  
in alternative formats upon request

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

03/05/2015 Adoption of Report: Amended and re-referred to the Committee on Government Operations and Elections 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 a teacher's education.

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 Minnesota.

1.16 (d) "Teacher" means an individual holding a teaching license issued by the Board of  
1.17 Teaching, 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 a subject area and licensure field designated by  
1.20 the commissioner of education as an area and field in which a shortage of teachers exists  
1.21 in Minnesota.

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 this section.

2.3 Subd. 3. **Annual designation of teacher shortage areas.** The commissioner of  
2.4 education shall annually designate the subject areas and licensure field experiencing  
2.5 teacher shortages. The commissioner of education shall periodically survey school  
2.6 districts and approved teacher preparation programs to identify teacher shortage areas.

2.7 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness,  
2.8 according to the rules of the commissioner, shall:

2.9 (1) complete and file an application for teacher shortage loan forgiveness. The  
2.10 applicant must promptly submit any information required by the commissioner;

2.11 (2) annually file a new application and submit information the commissioner  
2.12 requires to determine the applicant's eligibility for renewing loan forgiveness; and

2.13 (3) submit to the commissioner a completed affidavit, prescribed by the  
2.14 commissioner, verifying that the teacher is teaching in a teacher shortage area.

2.15 Subd. 5. **Amount of loan forgiveness.** Within the limits of available funding, the  
2.16 annual amount of teacher shortage loan forgiveness for an approved recipient shall not  
2.17 exceed \$..... or the cumulative balance of the recipient's qualified educational loans,  
2.18 including principal and interest, whichever amount is less. Recipients must secure  
2.19 their own qualified educational loans. A teacher who graduates from an approved  
2.20 teacher preparation program is eligible to apply for the loan forgiveness program for five  
2.21 consecutive years after graduation. A teacher who adds a licensure field in a teacher  
2.22 shortage area may also apply immediately after adding the licensure field.

2.23 Subd. 6. **Penalties.** A teacher who submits a false or misleading application or  
2.24 other information to the commissioner may have his or her teaching license suspended or  
2.25 revoked under section 122A.20 or may be subject to discipline by the teacher's employing  
2.26 school district.

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

2.32 Subd. 8. **Annual reporting.** The commissioner, annually by February 1, must  
2.33 report to the chairs of the K-12 and higher education committees of the legislature on the  
2.34 number of individuals who received loan forgiveness under this section, which teacher  
2.35 shortage areas teachers taught, the amount paid to each program participant, and other  
2.36 information identified by the commissioner as outcome indicators.

3.1            Subd. 9. **Rulemaking.** The commissioner shall adopt rules under chapter 14 to  
3.2 administer this section.

3.3            Sec. 2. **APPROPRIATIONS.**

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