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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2576

01/29/2016 Authored by Murphy, E., The bill was referred to the Committee on Higher Education Policy and Finance

1.1 A bill for an act
1.2 relating to higher education; promoting awareness of loan forgiveness programs;
1.3 proposing coding for new law in Minnesota Statutes, chapters 136A; 181.

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

1.5 Section 1. [136A.1792] PROMOTION OF FEDERAL LOAN FORGIVENESS
1.6 PROGRAMS.

1.7 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms
1.8 have the meanings given.

1.9 (b) "Federal loan forgiveness program" means a loan forgiveness program offered
1.10 under Code of Federal Regulations, title 34, part 685.

1.11 (c) "Public service loan forgiveness program" means the loan forgiveness program
1.12 under Code of Federal Regulations, title 34, part 685, section 219.

1.13 (d) "Public service organization" means a public service organization under Code of
1.14 Federal Regulations, title 34, part 685, section 219.

1.15 Subd. 2. Promotion of federal loan forgiveness programs. (a) The commissioner
1.16 must develop and distribute informational materials designed to increase awareness of
1.17 federal loan forgiveness programs among Minnesota residents who are eligible for such
1.18 programs. At a minimum, the commissioner must develop and distribute informational
1.19 materials that public service organizations may use to promote awareness of the federal
1.20 public service loan forgiveness program, including:

1.21 (1) a one-page letter addressed to individuals who may be eligible for the public
1.22 service loan forgiveness program that briefly summarizes the program, provides
1.23 information on what an eligible individual must do in order to participate, and recommends
1.24 that they contact their student loan servicer or servicers for additional information;

2.1 (2) a detailed fact sheet describing the public service loan forgiveness program; and
 2.2 (3) a document containing answers to frequently asked questions about the public
 2.3 service loan forgiveness program.

2.4 (b) In place of developing and publishing an informational document required under
 2.5 paragraph (a), the commissioner may distribute a document published by a federal agency
 2.6 that meets the requirements of paragraph (a).

2.7 Subd. 3. **Publication of informational materials.** The commissioner must make
 2.8 the informational materials required under subdivision 2 available on the commissioner's
 2.9 Web site and must verify each biennium that the informational materials contain current
 2.10 information. The commissioner must update and correct any informational materials that
 2.11 the commissioner finds to be inaccurate or outdated.

2.12 Sec. 2. **[181.987] DISCLOSURE OF ELIGIBILITY FOR STUDENT LOAN**
 2.13 **FORGIVENESS.**

2.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
 2.15 have the meanings given.

2.16 (b) "Employer" means an organization, agency, or entity that is a public service
 2.17 organization under Code of Federal Regulations, title 34, part 685, section 219, provided
 2.18 that the following are not employers:

2.19 (1) a federal or tribal government organization, agency, or entity;

2.20 (2) a tribal government organization, agency, or entity; and

2.21 (3) a tribal college or university.

2.22 (c) "Employment certification form" means the form used by the United States
 2.23 Department of Education to certify an individual's employment at a public service
 2.24 organization for the purposes of the federal public service loan forgiveness program.

2.25 (d) "Federal public service loan forgiveness program" means the program offered
 2.26 under Code of Federal Regulations, title 34, part 685, section 219.

2.27 Subd. 2. **Disclosure of eligibility for student loan forgiveness.** (a) An employer
 2.28 must provide an employee with information about the employee's potential eligibility
 2.29 for the federal public service loan forgiveness program, as provided in this section. By
 2.30 January 1, 2017, and annually thereafter, an employer must provide to each employee in
 2.31 written or electronic form the one-page letter, fact sheet, and frequently asked questions
 2.32 required under section 136A.1792, subdivision 2.

2.33 (b) An employer must provide an employee hired on or after January 1, 2017, with
 2.34 the informational materials described in paragraph (a) within two weeks of the employee's
 2.35 first day of employment.

- 3.1 (c) At an employee's request, an employer must provide the employee with a copy of
- 3.2 the employment certification form.