

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 4041

(SENATE AUTHORS: HOFFMAN)

DATE
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Introduction and first reading
Referred to Higher Education

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to higher education; establishing loan forgiveness and grants for home
1.3 care worker education; requiring reports; transferring money; 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.1277] HOME CARE WORKER GRANTS.

1.7 Subdivision 1. Establishment. The commissioner of the Office of Higher Education
1.8 must establish a grant program for students working as home care workers.

1.9 Subd. 2. Eligibility. (a) To be eligible for a grant under this section, a student must:

1.10 (1) be enrolled at an eligible institution in a two- or four-year postsecondary program
1.11 that leads to a degree;

1.12 (2) agree to work as a home care worker no less than an average of ten hours per week
1.13 during the academic period for which the grant is awarded; and

1.14 (3) have made satisfactory academic progress as defined under section 136A.101,
1.15 subdivision 10.

1.16 (b) For purposes of this section, "home care worker" means an individual who provides
1.17 to older adults or persons with disabilities in-home, nonprofessional long-term services and
1.18 supports that are funded in whole or in part by medical assistance, including by the home
1.19 and community-based waivers, alternative care, the essential community supports program,
1.20 or community support grants.

2.1 Subd. 3. **Administration.** (a) The commissioner must establish an application process
2.2 and other guidelines for implementing the program. The commissioner must notify grant
2.3 recipients of their award amounts by the following dates:

2.4 (1) for fall academic periods, recipients must be notified by October 15;

2.5 (2) for spring academic periods, recipients must be notified by February 1; and

2.6 (3) for summer academic periods, recipients must be notified by July 1.

2.7 These notification deadlines do not apply in cases where grants are awarded to home care
2.8 workers who applied after application deadlines and grant money was available after the
2.9 initial round of grants were awarded.

2.10 (b) Each academic year, the commissioner must determine each grant amount up to
2.11 \$5,000 based on available funding and the number of eligible applicants.

2.12 (c) The commissioner must give equal consideration to all eligible applicants received
2.13 before the application deadline regardless of the order in which the application was received.

2.14 (d) If there is insufficient grant money to provide a grant to all eligible applicants, the
2.15 commissioner shall prioritize the grants to eligible applicants based on the statewide
2.16 distribution of grant money.

2.17 Subd. 4. **Reporting.** By February 15 of each year, the commissioner must submit a
2.18 report on the details of the program under this section to the legislative committees with
2.19 jurisdiction over higher education and human services finance and policy. The report must
2.20 include the following information:

2.21 (1) the number of eligible applicants and the number of home care workers receiving a
2.22 grant, each broken down by postsecondary institution;

2.23 (2) the total number of grants, the total dollar amount of all grants, and the average grant
2.24 amount; and

2.25 (3) other summary data identified by the commissioner as outcome indicators.

2.26 Sec. 2. **[136A.1786] HOME CARE WORKER LOAN FORGIVENESS PROGRAM.**

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

2.29 (b) "Home care worker" means an individual who provides to older adults or persons
2.30 with disabilities in-home, nonprofessional long-term services and supports that are funded
2.31 in whole or in part by medical assistance, including by the home and community-based

3.1 waivers, alternative care, the essential community supports program, and community support
3.2 grants.

3.3 (c) "Qualified education loan" means a government, commercial, or foundation loan
3.4 used by an individual for actual costs paid for tuition and reasonable educational and living
3.5 expenses related to the postsecondary education of the home care worker.

3.6 Subd. 2. **Creation of account.** (a) A home care worker loan forgiveness program account
3.7 is established in the special revenue fund to provide home care workers with financial
3.8 assistance in repaying qualified education loans. The commissioner must use money from
3.9 the account to establish and administer the home care worker loan forgiveness program.

3.10 (b) Money in the home care worker loan forgiveness program account is appropriated
3.11 to the commissioner for purposes of this section, does not cancel, and is available until
3.12 expended.

3.13 Subd. 3. **Eligibility.** To be eligible to participate in the home care worker loan forgiveness
3.14 program, an individual must:

3.15 (1) have been employed as a home care worker at least an average of three hours per
3.16 week for ... prior to application;

3.17 (2) have qualified education loans;

3.18 (3) reside in Minnesota; and

3.19 (4) submit an application to the commissioner in the form and manner prescribed by the
3.20 commissioner.

3.21 Subd. 4. **Loan forgiveness.** (a) The commissioner may select eligible applicants each
3.22 year for participation in the home care worker loan forgiveness program, within the limits
3.23 of available funding. Applicants are responsible for securing their own qualified education
3.24 loans.

3.25 (b) For each year that the participant meets the eligibility requirements under subdivision
3.26 3, the commissioner must make annual disbursements directly to a home care worker equal
3.27 to the least of (1) \$..... times the average weekly number of hours worked in the preceding
3.28 year as a home care worker, (2) \$....., or (3) the balance of the participant's qualified
3.29 education loans. An individual may receive disbursements under this section for a maximum
3.30 of five years.

3.31 (c) The participant must provide the commissioner with verification that the full amount
3.32 of the loan repayment disbursement received by the participant has been applied toward a

4.1 qualified education loan. After each disbursement, verification must be received by the
4.2 commissioner and approved before the next repayment disbursement is made.

4.3 (d) If the participant receives a disbursement in the participant's fifth year of eligibility
4.4 or ceases to qualify for additional disbursements, the participant must provide the
4.5 commissioner with verification that the full amount of the participant's final loan repayment
4.6 disbursement was applied toward a qualified education loan. If a participant does not provide
4.7 the verification as required under this paragraph within 12 months of receipt of the final
4.8 disbursement, the commissioner must collect from the participant the amount paid in the
4.9 last disbursement to the participant under the home care worker loan forgiveness program
4.10 plus interest at a rate established according to section 270C.40. The commissioner must
4.11 deposit the money collected in the home care worker loan forgiveness program account.

4.12 **Sec. 3. APPROPRIATIONS; HOME CARE WORKER GRANTS.**

4.13 \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner of
4.14 the Office of Higher Education for home care worker grants under Minnesota Statutes,
4.15 section 136A.1277. The commissioner may use up to five percent of this appropriation to
4.16 administer the program. \$..... is added to the base for fiscal year 2026 and later.

4.17 **Sec. 4. TRANSFER; HOME CARE WORKER LOAN FORGIVENESS PROGRAM.**

4.18 \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner of
4.19 the Office of Higher Education for transfer to the home care worker loan forgiveness program
4.20 account established in Minnesota Statutes, section 136A.1786, subdivision 2. The
4.21 commissioner of the Office of Higher Education may use up to five percent of the amount
4.22 transferred in this section to administer the home care worker loan forgiveness program.
4.23 \$..... is added to the base for fiscal year 2026 and later.