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Overview

H.F. 2069 establishes a loan forgiveness program at the Office of Higher Education (OHE) for aircraft technicians and pilots who complete postsecondary degrees in Minnesota. Awards under the program range from \$1,500 to \$5,000, with different amounts depending on the recipient's residency and whether the individual is a pilot or technician.

Section

1 Aviation degree loan forgiveness program.

Subd. 1. Definitions. Defines the following terms as follows:

- ▶ “Qualified aircraft technician” means an individual who earned an associate’s or bachelor’s degree from a Minnesota postsecondary institution and who obtained an aviation mechanic’s certificate from the Federal Aviation Administration.
- ▶ “Qualified education loan” means a government, commercial, or foundation loan used by an individual to pay for actual costs paid for tuition to a postsecondary institution located in Minnesota for a professional flight training degree.
- ▶ “Qualified pilot” means an individual who earned an associate’s or bachelor’s degree from a Minnesota postsecondary institution and who is in the process of obtaining or has obtained an airline transport pilot certificate.

Subd. 2. Creation of account. Establishes an aviation degree loan forgiveness program account. Requires the commissioner to use funds from the account to administer the program. Stipulates that appropriations to the account do not cancel.

Section

Subd. 3. Eligibility. Establishes eligibility requirements for the program. To qualify, an individual must be a qualified pilot with qualified education loans and submit an application to OHE.

Subd. 4. Loan forgiveness. Permits the commissioner to select eligible applicants within the limits of available funding. Specifies the amount of loan forgiveness as follows:

- ▶ For a qualified pilot residing in Minnesota: \$5,000 or the remaining balance on the individual's qualified loans.
- ▶ For a qualified pilot not residing in Minnesota: \$5,000 or the remaining balance on the individual's qualified loans.
- ▶ For a qualified aircraft technician residing in Minnesota: \$3,000 or the remaining balance on the individual's qualified loans.
- ▶ For a qualified aircraft technician not residing in Minnesota: \$1,500 or the remaining balance on the individual's qualified loans.

Prohibits an individual from receiving loan forgiveness through the program more than five times.

Establishes a process for disbursing awards directly to recipients. Requires a recipient to prove that the award amount was applied to the individual's qualified education loans.

Subd. 5. Rules. Requires OHE to adopt rules governing the program.

- 2 **Loan forgiveness; appropriation.** Appropriates an unspecified amount from the general fund to OHE for the aviation degree loan forgiveness program.