

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

S.F. No. 687

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DATE
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D-PG

371 Introduction and first reading
Referred to Higher Education
See HF2073

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to higher education; modifying parameters in the state grant program;
1.3 modifying restrictions on developmental education in state colleges and universities;
1.4 creating new grant programs within the Office of Higher Education; requiring
1.5 reports; appropriating money; amending Minnesota Statutes 2022, sections
1.6 136A.121, subdivisions 5, 6, 9; 136F.302, subdivisions 1, 2.

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

1.8 Section 1. Minnesota Statutes 2022, section 136A.121, subdivision 5, is amended to read:

1.9 Subd. 5. **Grant stipends.** The grant stipend shall be based on a sharing of responsibility
1.10 for covering the recognized cost of attendance by the applicant, the applicant's family, and
1.11 the government. The amount of a financial stipend must not exceed a grant applicant's
1.12 recognized cost of attendance, as defined in subdivision 6, after deducting the following:

1.13 (1) the assigned student responsibility of at least ~~50~~ 46 percent of the cost of attending
1.14 the institution of the applicant's choosing;

1.15 (2) the assigned family responsibility as defined in section 136A.101; and

1.16 (3) the amount of a federal Pell grant award for which the grant applicant is eligible.

1.17 The minimum financial stipend is \$100 per academic year.

1.18 Sec. 2. Minnesota Statutes 2022, section 136A.121, subdivision 6, is amended to read:

1.19 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an
1.20 allowance specified in law for living and miscellaneous expenses, and (2) an allowance for
1.21 tuition and fees equal to the lesser of the average tuition and fees charged by the institution,
1.22 or a tuition and fee maximum if one is established in law. If no living and miscellaneous

2.1 expense allowance is established in law, the allowance is equal to ~~109~~ 115 percent of the
 2.2 federal poverty guidelines for a one person household in Minnesota for nine months. If no
 2.3 tuition and fee maximum is established in law, the allowance for tuition and fees is equal
 2.4 to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for
 2.5 two-year programs, an amount equal to the highest tuition and fees charged at a public
 2.6 two-year institution, or for four-year programs, an amount equal to the highest tuition and
 2.7 fees charged at a public university.

2.8 (b) For a student registering for less than full time, the office shall prorate the cost of
 2.9 attendance to the actual number of credits for which the student is enrolled.

2.10 (c) The recognized cost of attendance for a student who is confined to a Minnesota
 2.11 correctional institution shall consist of the tuition and fee component in paragraph (a), with
 2.12 no allowance for living and miscellaneous expenses.

2.13 (d) For the purpose of this subdivision, "fees" include only those fees that are mandatory
 2.14 and charged to full-time resident students attending the institution. Fees do not include
 2.15 charges for tools, equipment, computers, or other similar materials where the student retains
 2.16 ownership. Fees include charges for these materials if the institution retains ownership. Fees
 2.17 do not include optional or punitive fees.

2.18 Sec. 3. Minnesota Statutes 2022, section 136A.121, subdivision 9, is amended to read:

2.19 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is
 2.20 eligible to apply for and receive a grant in any year of undergraduate study unless the student
 2.21 has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent
 2.22 for ~~eight~~ ten semesters or the equivalent, excluding (1) courses taken from a Minnesota
 2.23 school or postsecondary institution which is not participating in the state grant program and
 2.24 from which a student transferred no credit, and (2) courses taken that qualify as
 2.25 developmental education or below college-level. A student enrolled in a two-year program
 2.26 at a four-year institution is only eligible for the tuition and fee maximums established by
 2.27 law for two-year institutions.

2.28 Sec. 4. Minnesota Statutes 2022, section 136F.302, subdivision 1, is amended to read:

2.29 Subdivision 1. **ACT or SAT college ready score; Minnesota Comprehensive**
 2.30 **Assessment career and college ready benchmarks.** (a) A state college or university must
 2.31 not require an individual to take a ~~remedial~~ developmental, noncredit course in a subject
 2.32 area if the individual has received a college ready ACT or SAT score or met a career and
 2.33 college ready Minnesota Comprehensive Assessment benchmark in that subject area. Only

3.1 the ACT and SAT scores an individual received and the Minnesota Comprehensive
 3.2 Assessment benchmarks an individual met in the previous five years are valid for purposes
 3.3 of this section. Each state college and university must post notice of the exemption from
 3.4 ~~remedial~~ developmental course taking on its website explaining student course placement
 3.5 requirements. Prior to enrolling an individual in a developmental course, a college or
 3.6 university must (1) determine if the individual's performance on the ACT, SAT, or Minnesota
 3.7 Comprehensive Assessments exempts the individual from the developmental course under
 3.8 this paragraph, and (2) inform the individual if a developmental course is required.

3.9 (b) When deciding if an individual is admitted to or if an individual may enroll in a state
 3.10 college or university, the state college or university must consider the individual's scores
 3.11 on the high school Minnesota Comprehensive Assessments, in addition to other factors
 3.12 determined relevant by the college or university.

3.13 Sec. 5. Minnesota Statutes 2022, section 136F.302, subdivision 2, is amended to read:

3.14 Subd. 2. **Testing Process for determining if ~~remediating~~ developmental education**
 3.15 **is necessary.** (a) A college or university must not place an individual in a developmental,
 3.16 noncredit course based solely on a testing process. A state college or university may use
 3.17 multiple measures to make a holistic determination on whether to place an individual in a
 3.18 developmental course. Multiple measures may include:

3.19 (1) testing under paragraph (b);

3.20 (2) the individual's scores on the high school Minnesota Comprehensive Assessments,
 3.21 the ACT, or the SAT;

3.22 (3) high school grade point average;

3.23 (4) teacher recommendations; and

3.24 (5) other factors determined relevant by the college or university.

3.25 (b) A college or university testing process used to determine whether an individual is
 3.26 placed in a ~~remedial~~ developmental, noncredit course must comply with this subdivision.
 3.27 Prior to taking a test, an individual must be given reasonable time and opportunity to review
 3.28 materials provided by the college or university covering the material to be tested which
 3.29 must include a sample test. An individual who is required to take a ~~remedial~~ developmental,
 3.30 noncredit course as a result of a test given by a college or university must be given an
 3.31 opportunity to retake the test at the earliest time determined by the individual when testing
 3.32 is otherwise offered. The college or university must provide an individual with study materials
 3.33 for the purpose of retaking and passing the test.

4.1 Sec. 6. **STUDY AND REPORT ON THE WORK-STUDY PROGRAM.**

4.2 (a) The commissioner of the Office of Higher Education must conduct a study of the
4.3 work-study program under Minnesota Statutes, sections 136A.231 to 136A.233. The study
4.4 must analyze how the program could be expanded to meet the needs of college students and
4.5 enable more students to work on campus. The study should include an assessment of:

4.6 (1) the interplay between state, federal, and institutional work-study programs and funds;

4.7 (2) the impact of minimum wage laws and ordinances on the program;

4.8 (3) the ability of the program to require a wage for student workers that is higher than
4.9 the prevailing minimum wage set by law;

4.10 (4) the number of hours students should be working on campus; and

4.11 (5) options for legislative and administrative actions to expand the work-study program
4.12 along with the anticipated costs of those actions.

4.13 (b) By January 15, 2024, the commissioner shall report to the legislature as provided in
4.14 Minnesota Statutes, section 3.195, and to the chairs and ranking minority members of the
4.15 legislative committees with jurisdiction over higher education on the results of the study.

4.16 Sec. 7. **CHALLENGE GRANTS FOR INCREASING DEGREE COMPLETION;**
4.17 **APPROPRIATION.**

4.18 (a) \$...... in fiscal year 2024 is appropriated from the general fund to the commissioner
4.19 of the Office of Higher Education for grants to Minnesota State Colleges and Universities
4.20 system campuses to pursue innovations in student transfer aimed at shortening the time to
4.21 degree completion and minimizing excess credits. Innovations eligible under this grant
4.22 include but are not limited to counselor-navigator hubs in which three or more navigators
4.23 work with one counselor to assist students transferring. Priority shall be given to proposals
4.24 that partner two-year colleges and four-year universities. The commissioner may use no
4.25 more than five percent of the amount appropriated under this subdivision to administer the
4.26 program.

4.27 (b) By January 1, 2025, the commissioner shall report to the legislature as provided in
4.28 Minnesota Statutes, section 3.195, and to the chairs and ranking minority members of the
4.29 legislative committees with jurisdiction over higher education on the results of the grant
4.30 program. The report must include information about funded projects and their outcomes.

5.1 Sec. 8. **REVISOR INSTRUCTION.**

5.2 The revisor of statutes shall substitute the term "developmental" for "remedial" wherever
5.3 the term refers to remedial education courses at a postsecondary institution. The revisor
5.4 shall also make grammatical changes related to the changes in terms to preserve the meaning
5.5 of the text.