

State of Minnesota

H. F. No. **4036**

1.1 A bill for an act

1.2 relating to higher education; amending certain institutional approval provisions;

1.3 amending Minnesota Statutes 2018, sections 136A.65, subdivision 4; 136A.822,

1.4 subdivision 8.

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

1.6 Section 1. Minnesota Statutes 2018, section 136A.65, subdivision 4, is amended to read:

1.7 Subd. 4. **Criteria for approval.** (a) A school applying to be registered and to have its

1.8 degree or degrees and name approved must substantially meet the following criteria:

1.9 (1) the school has an organizational framework with administrative and teaching personnel

1.10 to provide the educational programs offered;

1.11 (2) the school has financial resources sufficient to meet the school's financial obligations,

1.12 including refunding tuition and other charges consistent with its stated policy if the institution

1.13 is dissolved, or if claims for refunds are made, to provide service to the students as promised,

1.14 and to provide educational programs leading to degrees as offered;

1.15 (3) the school operates in conformity with generally accepted accounting principles

1.16 according to the type of school;

1.17 (4) the school provides an educational program leading to the degree it offers;

1.18 (5) the school provides appropriate and accessible library, laboratory, and other physical

1.19 facilities to support the educational program offered;

1.20 (6) the school has a policy on freedom or limitation of expression and inquiry for faculty

1.21 and students which is published or available on request;

(7) the school uses only publications and advertisements which are truthful and do not give any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school, its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment;

(8) the school's compensated recruiting agents who are operating in Minnesota identify themselves as agents of the school when talking to or corresponding with students and prospective students;

(9) the school provides information to students and prospective students concerning:

(i) comprehensive and accurate policies relating to student admission, evaluation, suspension, and dismissal;

(ii) clear and accurate policies relating to granting credit for prior education, training, and experience and for courses offered by the school;

(iii) current schedules of fees, charges for tuition, required supplies, student activities, housing, and all other standard charges;

(iv) policies regarding refunds and adjustments for withdrawal or modification of enrollment status; and

(v) procedures and standards used for selection of recipients and the terms of payment and repayment for any financial aid program; ~~and~~

(10) the school must not withhold a student's official transcript because the student is in arrears or in default on any loan issued by the school to the student if the loan qualifies as an institutional loan under United States Code, title 11, section 523(a)(8)(b); and

(11) the school must not require mandatory predispute arbitration clauses with students.

(b) An application for degree approval must also include:

(i) title of degree and formal recognition awarded;

(ii) location where such degree will be offered;

(iii) proposed implementation date of the degree;

(iv) admissions requirements for the degree;

(v) length of the degree;

(vi) projected enrollment for a period of five years;

(vii) the curriculum required for the degree, including course syllabi or outlines;

3.1 (viii) statement of academic and administrative mechanisms planned for monitoring the
3.2 quality of the proposed degree;

3.3 (ix) statement of satisfaction of professional licensure criteria, if applicable;

3.4 (x) documentation of the availability of clinical, internship, externship, or practicum
3.5 sites, if applicable; and

3.6 (xi) statement of how the degree fulfills the institution's mission and goals, complements
3.7 existing degrees, and contributes to the school's viability.

3.8 Sec. 2. Minnesota Statutes 2018, section 136A.822, subdivision 8, is amended to read:

3.9 Subd. 8. **Minimum standards.** A license shall be issued if the office first determines:

3.10 (1) that the applicant has a sound financial condition with sufficient resources available
3.11 to:

3.12 (i) meet the private career school's financial obligations;

3.13 (ii) refund all tuition and other charges, within a reasonable period of time, in the event
3.14 of dissolution of the private career school or in the event of any justifiable claims for refund
3.15 against the private career school by the student body;

3.16 (iii) provide adequate service to its students and prospective students; and

3.17 (iv) maintain and support the private career school;

3.18 (2) that the applicant has satisfactory facilities with sufficient tools and equipment and
3.19 the necessary number of work stations to prepare adequately the students currently enrolled,
3.20 and those proposed to be enrolled;

3.21 (3) that the applicant employs a sufficient number of qualified teaching personnel to
3.22 provide the educational programs contemplated;

3.23 (4) that the private career school has an organizational framework with administrative
3.24 and instructional personnel to provide the programs and services it intends to offer;

3.25 (5) that the quality and content of each occupational course or program of study provides
3.26 education and adequate preparation to enrolled students for entry level positions in the
3.27 occupation for which prepared;

3.28 (6) that the premises and conditions where the students work and study and the student
3.29 living quarters which are owned, maintained, recommended, or approved by the applicant
3.30 are sanitary, healthful, and safe, as evidenced by certificate of occupancy issued by the

4.1 municipality or county where the private career school is physically situated, a fire inspection
4.2 by the local or state fire marshal, or another verification deemed acceptable by the office;

4.3 (7) that the contract or enrollment agreement used by the private career school complies
4.4 with the provisions in section 136A.826;

4.5 (8) that contracts and agreements do not contain a wage assignment provision or a
4.6 confession of judgment clause; ~~and~~

4.7 (9) that there has been no adjudication of fraud or misrepresentation in any criminal,
4.8 civil, or administrative proceeding in any jurisdiction against the private career school or
4.9 its owner, officers, agents, or sponsoring organization; and

4.10 (10) that the school must not require mandatory predispute arbitration clauses with
4.11 students.