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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3237

03/16/2016 Authored by Nornes

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance

04/15/2016 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to higher education; providing policy and finance for the Office of
1.3 Higher Education, the Minnesota State Colleges and Universities, and the
1.4 University of Minnesota, including programs for student loans, college readiness
1.5 and remediation, students with disabilities, fetal tissue research, psychiatric drug
1.6 trials, and collegiate recovery; modifying appropriations; requiring reports;
1.7 amending Minnesota Statutes 2014, sections 136A.01, by adding a subdivision;
1.8 136A.101, subdivision 10; 245.92; 245.94; 245.945; 245.95, subdivision
1.9 1; 245.97, subdivision 5; Minnesota Statutes 2015 Supplement, sections
1.10 120B.30, subdivision 1; 136A.121, subdivision 7a; 136A.125, subdivisions 2, 4;
1.11 136A.1791, subdivisions 4, 5, 6; 136A.87; 136F.302, subdivision 1; Laws 2015,
1.12 chapter 69, article 1, section 5, subdivision 2; article 3, section 20, subdivision
1.13 15; proposing coding for new law in Minnesota Statutes, chapters 136A; 136F;
1.14 137; 181.

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

1.16 **ARTICLE 1**

1.17 **OFFICE OF HIGHER EDUCATION**

1.18 Section 1. Minnesota Statutes 2014, section 136A.01, is amended by adding a
1.19 subdivision to read:

1.20 Subd. 4. **Management of programs.** (a) The commissioner may retain up to five
1.21 percent of the amount appropriated to the office for a program or pass-through grant if:

1.22 (1) the program or grant is first established on or after January 1, 2016; and

1.23 (2) the appropriation does not specify an amount for administrative costs.

1.24 (b) The amount retained under paragraph (a) is appropriated to the commissioner and
1.25 must be used for the costs of administering and monitoring programs and pass-through
1.26 grants established on or after January 1, 2016.

2.1 Sec. 2. **[136A.0412] RECEIPT OF DONATIONS; MONEY; GRANTS.**

2.2 The commissioner may accept donations, grants, bequests, and other funds to carry
2.3 out the purposes of section 136A.01. A donation, nonfederal grant, bequest, or other fund
2.4 received by the commissioner is deposited in an account in the special revenue fund.
2.5 Funds in the account are appropriated to the commissioner for the purpose for which they
2.6 were granted and are available until expended.

2.7 Sec. 3. Minnesota Statutes 2015 Supplement, section 136A.121, subdivision 7a,
2.8 is amended to read:

2.9 Subd. 7a. **Surplus appropriation.** If the amount appropriated is determined by the
2.10 office to be more than sufficient to fund projected grant demand in the second year of the
2.11 biennium, the office may increase the living and miscellaneous expense allowance ~~or the~~
2.12 ~~tuition and fee maximums~~ in the second year of the biennium by up to an amount that
2.13 retains sufficient appropriations to fund the projected grant demand. The adjustment may
2.14 be made one or more times. In making the determination that there are more than sufficient
2.15 funds, the office shall balance the need for sufficient resources to meet the projected
2.16 demand for grants with the goal of fully allocating the appropriation for state grants. An
2.17 increase in the living and miscellaneous expense allowance under this subdivision does
2.18 not carry forward into a subsequent biennium.

2.19 Sec. 4. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 2, is
2.20 amended to read:

2.21 Subd. 2. **Eligible students.** (a) An applicant is eligible for a child care grant if
2.22 the applicant:

2.23 (1) is a resident of the state of Minnesota or the applicant's spouse is a resident
2.24 of the state of Minnesota;

2.25 (2) has a child 12 years of age or younger, or 14 years of age or younger who is
2.26 disabled as defined in section 125A.02, and who is receiving or will receive care on a
2.27 regular basis from a licensed or legal, nonlicensed caregiver;

2.28 (3) is income eligible as determined by the office's policies and rules, but is not a
2.29 recipient of assistance from the Minnesota family investment program;

2.30 (4) either has not earned a baccalaureate degree and has been enrolled full time less
2.31 than eight semesters or the equivalent, or has earned a baccalaureate degree and has been
2.32 enrolled full time less than eight semesters or the equivalent in a graduate or professional
2.33 degree program;

3.1 (5) is pursuing a nonsectarian program or course of study that applies to an
3.2 undergraduate, graduate, or professional degree, diploma, or certificate;

3.3 (6) is enrolled in at least ~~half-time~~ six credits in an undergraduate program or one
3.4 credit in a graduate or professional program in an eligible institution; and

3.5 (7) is in good academic standing and making satisfactory academic progress.

3.6 (b) A student who withdraws from enrollment for active military service after
3.7 December 31, 2002, because the student was ordered to active military service as defined
3.8 in section 190.05, subdivision 5b or 5c, or for a major illness, while under the care of a
3.9 medical professional, that substantially limits the student's ability to complete the term
3.10 is entitled to an additional semester or the equivalent of grant eligibility and will be
3.11 considered to be in continuing enrollment status upon return.

3.12 Sec. 5. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 4, is
3.13 amended to read:

3.14 Subd. 4. **Amount and length of grants.** (a) The amount of a child care grant
3.15 must be based on:

3.16 (1) the income of the applicant and the applicant's spouse;

3.17 (2) the number in the applicant's family, as defined by the office; and

3.18 (3) the number of eligible children in the applicant's family.

3.19 (b) The maximum award to the applicant shall be \$2,800 for each eligible child per
3.20 academic year, except that the campus financial aid officer may apply to the office for
3.21 approval to increase grants by up to ten percent to compensate for higher market charges
3.22 for infant care in a community. The office shall develop policies to determine community
3.23 market costs and review institutional requests for compensatory grant increases to ensure
3.24 need and equal treatment. The office shall prepare a chart to show the amount of a grant
3.25 that will be awarded per child based on the factors in this subdivision. The chart shall
3.26 include a range of income and family size.

3.27 (c) Applicants with family incomes at or below a percentage of the federal poverty
3.28 level, as determined by the commissioner, will qualify for the maximum award. The
3.29 commissioner shall attempt to set the percentage at a level estimated to fully expend the
3.30 available appropriation for child care grants. Applicants with family incomes exceeding
3.31 that threshold will receive the maximum award minus ten percent of their income
3.32 exceeding that threshold. If the result is less than zero, the grant is zero.

3.33 (d) The academic year award amount must be disbursed by academic term using the
3.34 following formula:

3.35 (1) the academic year amount described in paragraph (b);

4.1 (2) divided by the number of terms in the academic year;

4.2 (3) divided by 15 for undergraduate students and six for graduate and professional
4.3 students; and

4.4 (4) multiplied by the number of credits for which the student is enrolled that
4.5 academic term, up to 15 credits for undergraduate students and six for graduate and
4.6 professional students.

4.7 (e) Payments shall be made each academic term to the student or to the child care
4.8 provider, as determined by the institution. Institutions may make payments more than
4.9 once within the academic term.

4.10 Sec. 6. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 4,
4.11 is amended to read:

4.12 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness,
4.13 according to rules adopted by the commissioner, shall:

4.14 (1) apply for teacher shortage loan forgiveness and promptly submit any additional
4.15 information required by the commissioner; and

4.16 ~~(2) annually reapply for up to five consecutive school years and submit information~~
4.17 ~~the commissioner requires to determine the applicant's continued eligibility for loan~~
4.18 ~~forgiveness; and~~

4.19 ~~(3)~~ (2) submit to the commissioner a completed affidavit, prescribed by the
4.20 commissioner, affirming the teacher is teaching in: (i) a licensure field and in identified by
4.21 the commissioner as experiencing a teacher shortage; or (ii) an economic development
4.22 region identified by the commissioner as experiencing a teacher shortage.

4.23 Sec. 7. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 5,
4.24 is amended to read:

4.25 Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the
4.26 annual amount of teacher shortage loan forgiveness for an approved applicant shall not
4.27 exceed \$1,000 or the cumulative balance of the applicant's qualified educational loans,
4.28 including principal and interest, whichever amount is less.

4.29 (b) Recipients must secure their own qualified educational loans. Teachers who
4.30 graduate from an approved teacher preparation program or teachers who add a licensure
4.31 field, consistent with the teacher shortage requirements of this section, are eligible to
4.32 apply for the loan forgiveness program.

4.33 (c) No teacher shall receive more than five annual awards.

5.1 Sec. 8. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 6,
5.2 is amended to read:

5.3 Subd. 6. **Disbursement.** (a) The commissioner must make annual disbursements
5.4 directly to the participant of the amount for which a participant is eligible, for each year
5.5 that a participant is eligible.

5.6 (b) Within 60 days of receipt of a the disbursement date, the participant must provide
5.7 the commissioner with verification that the full amount of loan repayment disbursement
5.8 has been applied toward the designated loans. A participant that previously received
5.9 funds under this section but has not provided the commissioner with such verification
5.10 is not eligible to receive additional funds.

5.11 Sec. 9. **[136A.1792] PROMOTION OF FEDERAL LOAN FORGIVENESS**
5.12 **PROGRAMS.**

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

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

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

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

5.21 Subd. 2. **Promotion of federal loan forgiveness programs.** (a) The commissioner
5.22 must develop and distribute informational materials designed to increase awareness of
5.23 federal loan forgiveness programs among Minnesota residents who are eligible for such
5.24 programs. At a minimum, the commissioner must develop and distribute informational
5.25 materials that public service organizations may use to promote awareness of the federal
5.26 public service loan forgiveness program, including:

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

5.31 (2) a detailed fact sheet describing the public service loan forgiveness program; and

5.32 (3) a document containing answers to frequently asked questions about the public
5.33 service loan forgiveness program.

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

6.4 Subd. 3. **Publication of informational materials.** The commissioner must make
6.5 the informational materials required under subdivision 2 available on the office's Web
6.6 site and must verify each biennium that the informational materials contain current
6.7 information. The commissioner must update and correct any informational materials that
6.8 the commissioner finds to be inaccurate or outdated.

6.9 Sec. 10. Minnesota Statutes 2015 Supplement, section 136A.87, is amended to read:

6.10 **136A.87 PLANNING INFORMATION FOR POSTSECONDARY**
6.11 **EDUCATION.**

6.12 (a) The office shall make available to all residents beginning in 7th grade through
6.13 adulthood information about planning and preparing for postsecondary opportunities.
6.14 Information must be provided to all 7th grade students and their parents annually
6.15 by September 30 about planning for their postsecondary education. The office may
6.16 also provide information to high school students and their parents, to adults, and to
6.17 out-of-school youth.

6.18 (b) The office shall gather and share information with students and parents about
6.19 the dual credit acceptance policies of each Minnesota public and private college and
6.20 university. The office shall gather and share information related to the acceptance policies
6.21 for concurrent enrollment courses, postsecondary enrollment options courses, advanced
6.22 placement courses, and international baccalaureate courses. This information must be
6.23 shared on the office's Web site and included in the information under paragraph (a).

6.24 (c) The information provided under paragraph (a) may include the following:

6.25 (1) the need to start planning early;

6.26 (2) the availability of assistance in educational planning from educational institutions
6.27 and other organizations;

6.28 (3) suggestions for studying effectively during high school;

6.29 (4) high school courses necessary to be adequately prepared for postsecondary
6.30 education;

6.31 (5) encouragement to involve parents actively in planning for all phases of education;

6.32 (6) information about postsecondary education and training opportunities existing
6.33 in the state, their respective missions and expectations for students, their preparation
6.34 requirements, admission requirements, and student placement;

6.35 (7) ways to evaluate and select postsecondary institutions;

7.1 (8) the process of transferring credits among Minnesota postsecondary institutions
7.2 and systems;

7.3 (9) the costs of postsecondary education and the availability of financial assistance
7.4 in meeting these costs, including specific information about the Minnesota Promise;

7.5 (10) the interrelationship of assistance from student financial aid, public assistance,
7.6 and job training programs; and

7.7 (11) financial planning for postsecondary education.

7.8 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
7.9 later.

7.10 Sec. 11. **[181.987] DISCLOSURE OF ELIGIBILITY FOR STUDENT LOAN**
7.11 **FORGIVENESS.**

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

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

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

7.18 (2) a tribal college or university.

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

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

7.24 Subd. 2. Disclosure of eligibility for student loan forgiveness. (a) An employer
7.25 must provide an employee with information about the employee's potential eligibility
7.26 for the federal public service loan forgiveness program. An employer must annually
7.27 provide to each employee in written or electronic form the one-page letter, fact sheet,
7.28 and frequently asked questions required under section 136A.1792, subdivision 2. An
7.29 employer must provide a newly hired employee with that information within two weeks of
7.30 the employee's first day of employment.

7.31 (b) At an employee's request, an employer must provide the employee with a copy
7.32 of the employment certification form.

8.1 **EFFECTIVE DATE.** This section is effective January 1, 2017. An employer must
8.2 provide information to current employees, as required by subdivision 2, by January 15,
8.3 2017.

8.4 Sec. 12. Laws 2015, chapter 69, article 3, section 20, subdivision 15, is amended to read:

8.5 Subd. 15. **Reporting.** (a) A college must report to the commissioner the following
8.6 information:

8.7 (1) the number of grantees and their race, gender, and ethnicity;

8.8 (2) grantee persistence and completion;

8.9 (3) employment outcomes; and

8.10 (4) other information requested by the commissioner.

8.11 (b) The commissioner shall report ~~annually~~ by January 15, 2017, and January 15,
8.12 2018, to the chairs and ranking minority members of the legislative committees with
8.13 jurisdiction over higher education finance by college and in aggregate on the information
8.14 submitted to the commissioner under paragraph (a). The commissioner may include in the
8.15 report recommendations for changes in the grant program.

8.16 Sec. 13. **MNSCU TWO-YEAR COLLEGE PROGRAM; ADMINISTRATIVE**
8.17 **COSTS.**

8.18 The appropriation made by Laws 2015, chapter 69, article 1, section 3, subdivision
8.19 18, paragraph (c), for fiscal year 2017 for information technology and administrative costs
8.20 is available on the effective date of this section and until June 30, 2017.

8.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

8.22 **ARTICLE 2**

8.23 **HIGH SCHOOL TESTING; COLLEGE READINESS AND REMEDIATION**

8.24 Section 1. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1, is
8.25 amended to read:

8.26 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts
8.27 with appropriate technical qualifications and experience and stakeholders, consistent with
8.28 subdivision 1a, shall include in the comprehensive assessment system, for each grade
8.29 level to be tested, state-constructed tests developed as computer-adaptive reading and
8.30 mathematics assessments for students that are aligned with the state's required academic
8.31 standards under section 120B.021, include multiple choice questions, and are administered
8.32 annually to all students in grades 3 through 8. State-developed high school tests aligned

9.1 with the state's required academic standards under section 120B.021 and administered
9.2 to all high school students in a subject other than writing must include multiple choice
9.3 questions. The commissioner shall establish one or more months during which schools
9.4 shall administer the tests to students each school year.

9.5 (1) Students enrolled in grade 8 through the 2009-2010 school year are eligible
9.6 to be assessed under (i) the graduation-required assessment for diploma in reading,
9.7 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1,
9.8 paragraphs (c), clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii)
9.9 the Compass college placement test, (iv) the ACT assessment for college admission, (v) a
9.10 nationally recognized armed services vocational aptitude test.

9.11 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are
9.12 eligible to be assessed under (i) the graduation-required assessment for diploma in reading,
9.13 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision
9.14 1, paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the
9.15 Compass college placement test, (iv) the ACT assessment for college admission, (v) a
9.16 nationally recognized armed services vocational aptitude test.

9.17 (3) For students under clause (1) or (2), a school district may substitute a score from
9.18 an alternative, equivalent assessment to satisfy the requirements of this paragraph.

9.19 (b) The state assessment system must be aligned to the most recent revision of
9.20 academic standards as described in section 120B.023 in the following manner:

9.21 (1) mathematics;

9.22 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

9.23 (ii) high school level beginning in the 2013-2014 school year;

9.24 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
9.25 school year; and

9.26 (3) language arts and reading; grades 3 through 8 and high school level beginning in
9.27 the 2012-2013 school year.

9.28 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
9.29 state graduation requirements, based on a longitudinal, systematic approach to student
9.30 education and career planning, assessment, instructional support, and evaluation, include
9.31 the following:

9.32 (1) an opportunity to participate on a nationally normed college entrance exam,
9.33 in grade 11 or grade 12;

9.34 (2) achievement and career and college readiness in mathematics, reading, and
9.35 writing, consistent with paragraph ~~(j)~~ (k) and to the extent available, to monitor students'
9.36 continuous development of and growth in requisite knowledge and skills; analyze

10.1 students' progress and performance levels, identifying students' academic strengths and
10.2 diagnosing areas where students require curriculum or instructional adjustments, targeted
10.3 interventions, or remediation; and, based on analysis of students' progress and performance
10.4 data, determine students' learning and instructional needs and the instructional tools and
10.5 best practices that support academic rigor for the student; and

10.6 (3) consistent with this paragraph and section 120B.125, age-appropriate exploration
10.7 and planning activities and career assessments to encourage students to identify personally
10.8 relevant career interests and aptitudes and help students and their families develop a
10.9 regularly reexamined transition plan for postsecondary education or employment without
10.10 need for postsecondary remediation.

10.11 Based on appropriate state guidelines, students with an individualized education program
10.12 may satisfy state graduation requirements by achieving an individual score on the
10.13 state-identified alternative assessments.

10.14 (d) Expectations of schools, districts, and the state for career or college readiness
10.15 under this subdivision must be comparable in rigor, clarity of purpose, and rates of
10.16 student completion.

10.17 A student under paragraph (c), clause (2), must receive targeted, relevant,
10.18 academically rigorous, and resourced instruction, which may include a targeted instruction
10.19 and intervention plan focused on improving the student's knowledge and skills in core
10.20 subjects so that the student has a reasonable chance to succeed in a career or college
10.21 without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09,
10.22 124D.091, 124D.49, and related sections, an enrolling school or district must actively
10.23 encourage a student in grade 11 or 12 who is identified as academically ready for a career
10.24 or college to participate in courses and programs awarding college credit to high school
10.25 students. Students are not required to achieve a specified score or level of proficiency on
10.26 an assessment under this subdivision to graduate from high school.

10.27 (e) Though not a high school graduation requirement, students are encouraged to
10.28 participate in a nationally recognized college entrance exam. With funding provided by
10.29 the state, a district must pay the cost, one time, for an interested student in grade 11 or 12
10.30 to take a nationally recognized college entrance exam before graduating. A student must
10.31 be able to take the exam under this paragraph at the student's high school during the school
10.32 day and at any one of the multiple exam administrations available to students in the district.

10.33 (f) The commissioner and the chancellor of the Minnesota State Colleges and
10.34 Universities must collaborate in aligning instruction and assessments for adult basic
10.35 education students and English learners to provide the students with diagnostic information
10.36 about any targeted interventions, accommodations, modifications, and supports they

11.1 need so that assessments and other performance measures are accessible to them and
11.2 they may seek postsecondary education or employment without need for postsecondary
11.3 remediation. When administering formative or summative assessments used to measure
11.4 the academic progress, including the oral academic development, of English learners
11.5 and inform their instruction, schools must ensure that the assessments are accessible to
11.6 the students and students have the modifications and supports they need to sufficiently
11.7 understand the assessments.

11.8 (g) Districts and schools, on an annual basis, must use career exploration elements
11.9 to help students, beginning no later than grade 9, and their families explore and plan
11.10 for postsecondary education or careers based on the students' interests, aptitudes, and
11.11 aspirations. Districts and schools must use timely regional labor market information and
11.12 partnerships, among other resources, to help students and their families successfully
11.13 develop, pursue, review, and revise an individualized plan for postsecondary education or a
11.14 career. This process must help increase students' engagement in and connection to school,
11.15 improve students' knowledge and skills, and deepen students' understanding of career
11.16 pathways as a sequence of academic and career courses that lead to an industry-recognized
11.17 credential, an associate's degree, or a bachelor's degree and are available to all students,
11.18 whatever their interests and career goals.

11.19 (h) A student who demonstrates attainment of required state academic standards,
11.20 which include career and college readiness benchmarks, on high school assessments
11.21 under subdivision 1a is academically ready for a career or college and is encouraged to
11.22 participate in courses awarding college credit to high school students. Such courses and
11.23 programs may include sequential courses of study within broad career areas and technical
11.24 skill assessments that extend beyond course grades.

11.25 (i) As appropriate, students through grade 12 must continue to participate in targeted
11.26 instruction, intervention, or remediation and be encouraged to participate in courses
11.27 awarding college credit to high school students.

11.28 (j) In developing, supporting, and improving students' academic readiness for a
11.29 career or college, schools, districts, and the state must have a continuum of empirically
11.30 derived, clearly defined benchmarks focused on students' attainment of knowledge and
11.31 skills so that students, their parents, and teachers know how well students must perform to
11.32 have a reasonable chance to succeed in a career or college without need for postsecondary
11.33 remediation. The commissioner, in consultation with local school officials and educators,
11.34 and Minnesota's public postsecondary institutions must ensure that the foundational
11.35 knowledge and skills for students' successful performance in postsecondary employment

12.1 or education and an articulated series of possible targeted interventions are clearly
12.2 identified and satisfy Minnesota's postsecondary admissions requirements.

12.3 (k) For students in grade 8 in the 2012-2013 school year and later, a school, district,
12.4 or charter school must record on the high school transcript a student's progress toward
12.5 career and college readiness, and for other students as soon as practicable.

12.6 (l) The school board granting students their diplomas may formally decide to include
12.7 a notation of high achievement on the high school diplomas of those graduating seniors
12.8 who, according to established school board criteria, demonstrate exemplary academic
12.9 achievement during high school.

12.10 (m) The 3rd through 8th grade computer-adaptive assessment results and high school
12.11 test results shall be available to districts for diagnostic purposes affecting student learning
12.12 and district instruction and curriculum, and for establishing educational accountability.
12.13 The commissioner must establish empirically derived benchmarks on adaptive assessments
12.14 in grades 3 through 8 and the high school tests that reveal a trajectory toward career and
12.15 college readiness. The chancellor of the Minnesota State Colleges and Universities must
12.16 review and confirm the benchmarks established by the commissioner as indicating students
12.17 can be expected to successfully complete credit-bearing coursework at a Minnesota
12.18 state college or university. The commissioner must disseminate to the public the
12.19 computer-adaptive assessments and high school test results upon receiving those results.

12.20 (n) The grades 3 through 8 computer-adaptive assessments and high school tests
12.21 must be aligned with state academic standards. The commissioner shall determine the
12.22 testing process and the order of administration. The statewide results shall be aggregated
12.23 at the site and district level, consistent with subdivision 1a.

12.24 (o) The commissioner shall include the following components in the statewide
12.25 public reporting system:

12.26 (1) uniform statewide computer-adaptive assessments of all students in grades 3
12.27 through 8 and testing at the high school levels that provides appropriate, technically sound
12.28 accommodations or alternate assessments;

12.29 (2) educational indicators that can be aggregated and compared across school
12.30 districts and across time on a statewide basis, including average daily attendance, high
12.31 school graduation rates, and high school drop-out rates by age and grade level;

12.32 (3) state results on the American College Test; and

12.33 (4) state results from participation in the National Assessment of Educational
12.34 Progress so that the state can benchmark its performance against the nation and other
12.35 states, and, where possible, against other countries, and contribute to the national effort
12.36 to monitor achievement.

13.1 (p) For purposes of statewide accountability, "career and college ready" means a
 13.2 high school graduate has the knowledge, skills, and competencies to successfully pursue a
 13.3 career pathway, including postsecondary credit leading to a degree, diploma, certificate, or
 13.4 industry-recognized credential and employment. Students who are career and college ready
 13.5 are able to successfully complete credit-bearing coursework at a two- or four-year college
 13.6 or university or other credit-bearing postsecondary program without need for remediation.

13.7 (q) For purposes of statewide accountability, "cultural competence," "cultural
 13.8 competency," or "culturally competent" means the ability and will to interact effectively
 13.9 with people of different cultures, native languages, and socioeconomic backgrounds.

13.10 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 13.11 later.

13.12 Sec. 2. Minnesota Statutes 2015 Supplement, section 136F.302, subdivision 1, is
 13.13 amended to read:

13.14 Subdivision 1. **ACT college ready score.** A state college or university ~~may~~ must not
 13.15 require an individual to take a remedial, noncredit course in a subject area if the individual
 13.16 has received a college ready ACT score in that subject area.

13.17 Sec. 3. **[136F.3025] MCA COLLEGE-READY BENCHMARK.**

13.18 When deciding if an individual must take a remedial, noncredit course, a state
 13.19 college or a university must consider, alongside other relevant factors as determined by
 13.20 the college or university, whether the individual received a college-ready Minnesota
 13.21 Comprehensive Assessment benchmark in that subject area, consistent with section
 13.22 120B.30, subdivision 1, paragraph (m).

13.23 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and
 13.24 later.

13.25 ARTICLE 3

13.26 MNSCU PILOT PROGRAM; STUDENTS WITH DISABILITIES

13.27 Section 1. Minnesota Statutes 2014, section 136A.101, subdivision 10, is amended to
 13.28 read:

13.29 Subd. 10. **Satisfactory academic progress.** "Satisfactory academic progress"
 13.30 means satisfactory academic progress as defined under Code of Federal Regulations, title
 13.31 34, sections 668.16(e), 668.32(f), and 668.34, except that a student with an intellectual
 13.32 disability as defined in Code of Federal Regulations, title 34, section 668.231, enrolled

14.1 in an approved comprehensive transition and postsecondary program under that section
14.2 is subject to the institution's published satisfactory academic process standards for that
14.3 program as approved by the Office of Higher Education.

14.4 **Sec. 2. MNSCU PROGRAM FOR STUDENTS WITH INTELLECTUAL AND**
14.5 **DEVELOPMENTAL DISABILITIES; PLAN REQUIRED.**

14.6 Subdivision 1. **Development of plan required.** The Board of Trustees of the
14.7 Minnesota State Colleges and Universities must develop a plan for offering an academic
14.8 program for students with intellectual and developmental disabilities, consistent with the
14.9 principles established in subdivisions 2 to 4.

14.10 Subd. 2. **Program locations.** The plan developed must assume the program will be
14.11 offered at up to four college or university campuses chosen based on (1) their ability to
14.12 offer a robust program using existing facilities and resources and (2) a goal to provide the
14.13 program in diverse geographic regions of the state.

14.14 Subd. 3. **Enrollment and admission.** The plan developed must assume an
14.15 enrollment goal for each campus's program of at least ten incoming students per academic
14.16 year. The plan may allow for students to be admitted based on an application process
14.17 that includes an in-person interview; an independent assessment of an applicant's
14.18 interest, motivation, and likelihood of success in the program; and any other eligibility
14.19 requirements established by the board. Upon successful completion, a student must be
14.20 awarded a certificate, diploma, or other appropriate academic credential.

14.21 Subd. 4. **Curriculum and activities.** (a) The plan developed must assume a
14.22 program that provides an inclusive, two-year full-time residential college experience
14.23 for students with intellectual and developmental disabilities. The required curriculum
14.24 must include core courses that develop life skills, financial literacy, and the ability to
14.25 live independently; rigorous academic work in a student's chosen field of study; and an
14.26 internship, apprenticeship, or other skills-based experience to prepare for meaningful
14.27 employment upon completion of the program.

14.28 (b) In addition to academic requirements, the plan developed must allow
14.29 participating students the opportunity to engage fully in campus life. Program activities
14.30 must include but are not limited to (1) the establishment of on-campus mentoring and
14.31 peer support communities and (2) opportunities for personal growth through leadership
14.32 development and other community engagement activities.

14.33 (c) A participating campus may tailor its program curriculum and activities to
14.34 highlight academic programs, student and community life experiences, and employment
14.35 opportunities unique to that campus or the region of the state where the campus is located.

15.1 Subd. 5. **Report to legislature.** The board must submit a report on the plan required
 15.2 to be developed by this section to the chairs and ranking minority members of the
 15.3 committees of the legislature with jurisdiction over higher education finance and policy and
 15.4 human services finance and policy no later than January 15, 2017. The report must describe
 15.5 program plans, including strategies for recruitment of applicants, and strategies to address
 15.6 anticipated program needs that cannot be filled using existing campus or system resources.

15.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.8 **ARTICLE 4**

15.9 **FETAL TISSUE RESEARCH**

15.10 Section 1. **[137.45] FETAL TISSUE RESEARCH.**

15.11 Subdivision 1. **Fetal tissue research center.** In addition to the purposes designated
 15.12 in Laws 2015, chapter 69, article 1, section 5, subdivision 2, appropriations in fiscal year
 15.13 2017 to the Board of Regents to enhance and strengthen the university's medical school
 15.14 are also designated for the purpose of establishing a fetal tissue research center. The
 15.15 purpose of the center must be to:

15.16 (1) provide oversight of all research activities at the university that request the use
 15.17 of fetal tissue; and

15.18 (2) ensure compliance with applicable laws and policies governing the ethical
 15.19 acquisition, sale, handling, and disposal of fetal tissue.

15.20 The center may only procure fetal tissue for use in research if the tissue is available due
 15.21 to the natural death of the fetus.

15.22 Subd. 2. **Disposal of fetal tissue.** Disposal of any fetal tissue acquired, or currently
 15.23 maintained, by the university on or after the effective date of this section must comply
 15.24 with the requirements of section 145.1621.

15.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.26 Sec. 2. **UNIVERSITY OF MINNESOTA FETAL TISSUE RESEARCH;**
 15.27 **LEGISLATIVE AUDITOR REVIEW.**

15.28 (a) The legislative auditor is requested to complete a comprehensive review of
 15.29 the use of fetal tissue in research activities at the University of Minnesota. The review
 15.30 must include:

15.31 (1) the total number of research activities in which fetal tissue is currently or has been
 15.32 previously used, including those that are in progress and those that have been completed;

16.1 (2) the cost of acquiring fetal tissues for use in research activities, itemized by the
 16.2 source of funds used for procurement, including funds from federal, state, and other public
 16.3 sources, and funds derived from student tuition and fees;

16.4 (3) the extent to which the conduct of the research activities complies with
 16.5 applicable federal and state laws related to acquisition, sale, handling, and disposition
 16.6 of human tissues, including fetal tissues;

16.7 (4) the extent to which the conduct of the research activities complies with
 16.8 applicable Board of Regents policies and procedures related to acquisition, sale, handling,
 16.9 and disposition of human tissues, including fetal tissues; and

16.10 (5) whether applicable Board of Regents policies include provisions to ensure fetal
 16.11 tissue is used in research activities only when necessary, and to ensure that the research
 16.12 activities are conducted in an ethical manner, including whether procedures and protocols
 16.13 for oversight have been implemented to verify compliance with these policies.

16.14 (b) As used in this section, "research activities" include any academic fetal tissue
 16.15 research or fetal tissue transplantation research activity or program conducted in a
 16.16 University of Minnesota facility, or that is supported, directly or indirectly, by University
 16.17 of Minnesota funds.

16.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.
 16.19 The legislative auditor is requested to complete the review no later than 60 days following
 16.20 final enactment.

16.21 **ARTICLE 5**

16.22 **MONITORING OF PSYCHIATRIC DRUG TRIALS**

16.23 Section 1. Minnesota Statutes 2014, section 245.92, is amended to read:

16.24 **245.92 OFFICE OF OMBUDSMAN; CREATION; QUALIFICATIONS;** 16.25 **FUNCTION.**

16.26 The ombudsman for persons receiving services or treatment for mental illness,
 16.27 developmental disabilities, chemical dependency, or emotional disturbance shall promote
 16.28 the highest attainable standards of treatment, competence, efficiency, and justice. The
 16.29 ombudsman may gather information and data about decisions, acts, and other matters of an
 16.30 agency, facility, or program, and shall monitor the treatment of individuals participating in
 16.31 a University of Minnesota Department of Psychiatry clinical drug trial. The ombudsman
 16.32 is appointed by the governor, serves in the unclassified service, and may be removed only
 16.33 for just cause. The ombudsman must be selected without regard to political affiliation and
 16.34 must be a person who has knowledge and experience concerning the treatment, needs,

17.1 and rights of clients, and who is highly competent and qualified. No person may serve as
17.2 ombudsman while holding another public office.

17.3 Sec. 2. Minnesota Statutes 2014, section 245.94, is amended to read:

17.4 **245.94 POWERS OF OMBUDSMAN; REVIEWS AND EVALUATIONS;**
17.5 **RECOMMENDATIONS.**

17.6 Subdivision 1. **Powers.** (a) The ombudsman may prescribe the methods by which
17.7 complaints to the office are to be made, reviewed, and acted upon. The ombudsman may
17.8 not levy a complaint fee.

17.9 (b) The ombudsman may mediate or advocate on behalf of a client.

17.10 (c) The ombudsman may investigate the quality of services provided to clients and
17.11 determine the extent to which quality assurance mechanisms within state and county
17.12 government work to promote the health, safety, and welfare of clients, other than clients
17.13 in acute care facilities who are receiving services not paid for by public funds. The
17.14 ombudsman is a health oversight agency as defined in Code of Federal Regulations,
17.15 title 45, section 164.501.

17.16 (d) At the request of a client, or upon receiving a complaint or other information
17.17 affording reasonable grounds to believe that the rights of a client who is not capable
17.18 of requesting assistance have been adversely affected, the ombudsman may gather
17.19 information and data about and analyze, on behalf of the client, the actions of an agency,
17.20 facility, or program.

17.21 (e) The ombudsman may gather, on behalf of a client, records of an agency, facility,
17.22 or program, or records related to clinical drug trials from the University of Minnesota
17.23 Department of Psychiatry, if the records relate to a matter that is within the scope of the
17.24 ombudsman's authority. If the records are private and the client is capable of providing
17.25 consent, the ombudsman shall first obtain the client's consent. The ombudsman is
17.26 not required to obtain consent for access to private data on clients with developmental
17.27 disabilities. The ombudsman is not required to obtain consent for access to private data
17.28 on decedents who were receiving services for mental illness, developmental disabilities,
17.29 or emotional disturbance. All data collected, created, received, or maintained by the
17.30 ombudsman are governed by chapter 13 and other applicable law.

17.31 (f) Notwithstanding any law to the contrary, the ombudsman may subpoena a person
17.32 to appear, give testimony, or produce documents or other evidence that the ombudsman
17.33 considers relevant to a matter under inquiry. The ombudsman may petition the appropriate
17.34 court in Ramsey County to enforce the subpoena. A witness who is at a hearing or is part
17.35 of an investigation possesses the same privileges that a witness possesses in the courts or

18.1 under the law of this state. Data obtained from a person under this paragraph are private
18.2 data as defined in section 13.02, subdivision 12.

18.3 (g) The ombudsman may, at reasonable times in the course of conducting a review,
18.4 enter and view premises within the control of an agency, facility, or program.

18.5 (h) The ombudsman may attend Department of Human Services Review Board
18.6 and Special Review Board proceedings; proceedings regarding the transfer of patients
18.7 or residents, as defined in section 246.50, subdivisions 4 and 4a, between institutions
18.8 operated by the Department of Human Services; and, subject to the consent of the affected
18.9 client, other proceedings affecting the rights of clients. The ombudsman is not required to
18.10 obtain consent to attend meetings or proceedings and have access to private data on clients
18.11 with developmental disabilities.

18.12 (i) The ombudsman shall gather data of agencies, facilities, or programs classified
18.13 as private or confidential as defined in section 13.02, subdivisions 3 and 12, regarding
18.14 services provided to clients with developmental disabilities.

18.15 (j) To avoid duplication and preserve evidence, the ombudsman shall inform
18.16 relevant licensing or regulatory officials before undertaking a review of an action of
18.17 the facility or program.

18.18 (k) The ombudsman shall monitor the treatment of individuals participating in
18.19 a University of Minnesota Department of Psychiatry clinical drug trial and ensure that
18.20 all protections for human subjects required by federal law and the Institutional Review
18.21 Board are provided.

18.22 (l) Sections 245.91 to 245.97 are in addition to other provisions of law under which
18.23 any other remedy or right is provided.

18.24 Subd. 2. **Matters appropriate for review.** (a) In selecting matters for review by the
18.25 office, the ombudsman shall give particular attention to unusual deaths or injuries of a
18.26 client or reports of emergency use of manual restraint as identified in section 245D.061,
18.27 served by an agency, facility, or program, or actions of an agency, facility, or program that:

18.28 (1) may be contrary to law or rule;

18.29 (2) may be unreasonable, unfair, oppressive, or inconsistent with a policy or order of
18.30 an agency, facility, or program;

18.31 (3) may be mistaken in law or arbitrary in the ascertainment of facts;

18.32 (4) may be unclear or inadequately explained, when reasons should have been
18.33 revealed;

18.34 (5) may result in abuse or neglect of a person receiving treatment;

18.35 (6) may disregard the rights of a client or other individual served by an agency
18.36 or facility;

19.1 (7) may impede or promote independence, community integration, and productivity
19.2 for clients; or

19.3 (8) may impede or improve the monitoring or evaluation of services provided to
19.4 clients.

19.5 (b) The ombudsman shall, in selecting matters for review and in the course of the
19.6 review, avoid duplicating other investigations or regulatory efforts.

19.7 (c) The ombudsman shall give particular attention to the death or unusual injury of
19.8 any individual who is participating in a University of Minnesota Department of Psychiatry
19.9 clinical drug trial.

19.10 Subd. 2a. **Mandatory reporting.** Within 24 hours after a client suffers death or
19.11 serious injury, the agency, facility, ~~or~~ program director, or lead investigator of a clinical
19.12 drug trial at the University of Minnesota Department of Psychiatry shall notify the
19.13 ombudsman of the death or serious injury. The emergency use of manual restraint must
19.14 be reported to the ombudsman as required under section 245D.061, subdivision 8. The
19.15 ombudsman is authorized to receive identifying information about a deceased client
19.16 according to Code of Federal Regulations, title 42, section 2.15, paragraph (b).

19.17 Subd. 3. **Complaints.** (a) The ombudsman may receive a complaint from any
19.18 source concerning an action of an agency, facility, or program. After completing a review,
19.19 the ombudsman shall inform the complainant and the agency, facility, or program.
19.20 No client may be punished nor may the general condition of the client's treatment be
19.21 unfavorably altered as a result of an investigation, a complaint by the client, or by another
19.22 person on the client's behalf. An agency, facility, or program shall not retaliate or take
19.23 adverse action against a client or other person, who in good faith makes a complaint or
19.24 assists in an investigation. The ombudsman may classify as confidential, the identity of a
19.25 complainant, upon request of the complainant.

19.26 (b) The ombudsman shall receive a complaint from any source concerning an
19.27 action or inaction of the University of Minnesota Department of Psychiatry related
19.28 to an individual who is enrolled in a department-approved clinical drug trial. No
19.29 individual participating in the trial may be punished, nor may the general condition of
19.30 the individual's treatment be unfavorably altered, as a result of an investigation or a
19.31 complaint by the individual or the individual's advocate. The university shall not retaliate
19.32 or take adverse action against any person who in good faith makes a complaint or assists
19.33 in an investigation. The ombudsman may classify the identity of the complainant as
19.34 confidential, upon request of the complainant.

19.35 Subd. 4. **Recommendations to agency.** (a) If, after reviewing a complaint or
19.36 conducting an investigation and considering the response of an agency, facility, or

20.1 program and any other pertinent material, the ombudsman determines that the complaint
 20.2 has merit or the investigation reveals a problem, the ombudsman may recommend that
 20.3 the agency, facility, or program:

- 20.4 (1) consider the matter further;
- 20.5 (2) modify or cancel its actions;
- 20.6 (3) alter a rule, order, or internal policy;
- 20.7 (4) explain more fully the action in question; or
- 20.8 (5) take other action.

20.9 (b) At the ombudsman's request, the agency, facility, or program shall, within a
 20.10 reasonable time, inform the ombudsman about the action taken on the recommendation
 20.11 or the reasons for not complying with it.

20.12 Subd. 5. Recommendations to University of Minnesota. If, after reviewing a
 20.13 complaint or conducting an investigation and considering the response of the clinical drug
 20.14 trial's primary investigator or the Department of Psychiatry, the ombudsman determines
 20.15 that the complaint has merit or the investigation reveals noncompliance with the federal
 20.16 protection of human subjects requirements or the requirements of the Institutional Review
 20.17 Board, the ombudsman shall recommend that the Board of Regents of the University of
 20.18 Minnesota take corrective action to remedy the violations.

20.19 Sec. 3. Minnesota Statutes 2014, section 245.945, is amended to read:

20.20 **245.945 REIMBURSEMENT TO OMBUDSMAN FOR MENTAL HEALTH**
 20.21 **AND DEVELOPMENTAL DISABILITIES.**

20.22 (a) The commissioner shall obtain federal financial participation for eligible activity
 20.23 by the ombudsman for mental health and developmental disabilities. The ombudsman
 20.24 shall maintain and transmit to the Department of Human Services documentation that is
 20.25 necessary in order to obtain federal funds.

20.26 (b) The Board of Regents of the University of Minnesota shall reimburse the Office
 20.27 of the Ombudsman for Mental Health and Developmental Disabilities for the oversight
 20.28 costs incurred in monitoring participants in Department of Psychiatry clinical drug trials.
 20.29 The ombudsman shall maintain and transmit documentation of costs incurred to the Board
 20.30 of Regents of the University of Minnesota.

20.31 Sec. 4. Minnesota Statutes 2014, section 245.95, subdivision 1, is amended to read:

20.32 Subdivision 1. **Specific reports.** The ombudsman may send conclusions and
 20.33 suggestions concerning any matter reviewed to the governor. Before making public a
 20.34 conclusion or recommendation that expressly or implicitly criticizes an agency, facility,

21.1 program, or any person, the ombudsman shall consult with the governor and the agency,
21.2 facility, program, or person concerning the conclusion or recommendation. When sending
21.3 a conclusion or recommendation to the governor that is adverse to an agency, facility,
21.4 program, or any person, the ombudsman shall include any statement of reasonable length
21.5 made by that agency, facility, program, or person in defense or mitigation of the office's
21.6 conclusion or recommendation. For purposes of this subdivision, "agency, facility,
21.7 program, or any person" includes the University of Minnesota Department of Psychiatry
21.8 and its employees working in clinical drug trials.

21.9 Sec. 5. Minnesota Statutes 2014, section 245.97, subdivision 5, is amended to read:

21.10 Subd. 5. **Medical Review Subcommittee.** At least five members of the committee,
21.11 including at least three physicians, one of whom is a psychiatrist, must be designated by
21.12 the governor to serve as a Medical Review Subcommittee. Terms of service, vacancies,
21.13 and compensation are governed by subdivision 2. The governor shall designate one of
21.14 the members to serve as chair of the subcommittee. The Medical Review Subcommittee
21.15 may have access to private and confidential data collected or created by the ombudsman
21.16 that are necessary to fulfill the duties of the Medical Review Subcommittee under this
21.17 section and may:

21.18 (1) make a preliminary determination of whether the death of a client that has been
21.19 brought to its attention is unusual or reasonably appears to have resulted from causes other
21.20 than natural causes and warrants investigation;

21.21 (2) review the causes of and circumstances surrounding the death;

21.22 (3) request the county coroner or medical examiner to conduct an autopsy;

21.23 (4) assist an agency in its investigations of unusual deaths and deaths from causes
21.24 other than natural causes; ~~and~~

21.25 (5) make a preliminary determination of whether the death of a participant in a
21.26 clinical drug trial conducted by the University of Minnesota Department of Psychiatry
21.27 appears to have resulted from causes other than natural causes and warrants investigation
21.28 and reporting as required by federal laws on the protection of human subjects; and

21.29 (6) submit a report regarding the death of a client to the committee, the ombudsman,
21.30 the client's next-of-kin, and the facility where the death occurred and, where appropriate,
21.31 make recommendations to prevent recurrence of similar deaths to the head of each affected
21.32 agency or facility, or the Board of Regents of the University of Minnesota.

ARTICLE 6

COLLEGIATE RECOVERY PROGRAM

Section 1. [137.175] ROCHESTER CAMPUS; COLLEGIATE RECOVERY PROGRAM.

(a) The Board of Regents is requested to establish a collegiate recovery program on its Rochester campus. The purpose of the program must be to provide structured support for students in recovery from alcohol or chemical addiction or other addictive behaviors. Program activities may include, but are not limited to, specialized professional support through academic, career, and financial advising; establishment of on-campus or residential peer support communities; and opportunities for personal growth through leadership development and other community engagement activities.

(b) No later than January 1, 2020, the Board of Regents must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy on campus recovery program outcomes, if the program is established. Based on available data, the report must describe, in summary form, the number of students participating in the program and the success rate of participants, including retention and graduation rates and long-term recovery and relapse rates.

Sec. 2. Laws 2015, chapter 69, article 1, section 5, subdivision 2, is amended to read:

Subd. 2. **Operations and Maintenance** 559,111,000 559,111,000

This appropriation includes funding for operation and maintenance of the system. Of the amount appropriated in this subdivision:

\$11,100,000 in fiscal year 2016 and \$11,100,000 in fiscal year 2017 are to minimize any increase in a student's cost of attendance; for research to solve the challenges facing our state, nation, and world; to educate a diverse population of Minnesotans from every community who show the greatest promise; and for public service that builds lasting partnerships with communities across the state to address our

23.1 most complex and pressing issues. The

23.2 Board of Regents is requested to:

23.3 (1) maintain a low cost of mission and

23.4 advance operational excellence;

23.5 (2) increase the diversity of the university's

23.6 students, faculty, and staff; and

23.7 (3) strengthen the university's relationships

23.8 with the agriculture industry and the

23.9 communities of greater Minnesota.

23.10 \$15,000,000 in fiscal year 2016 and

23.11 \$15,000,000 in fiscal year 2017 are to:

23.12 (1) increase the medical school's research

23.13 capacity;

23.14 (2) improve the medical school's ranking in

23.15 National Institutes of Health funding;

23.16 (3) ensure the medical school's national

23.17 prominence by attracting and retaining

23.18 world-class faculty, staff, and students;

23.19 (4) invest in physician training programs in

23.20 rural and underserved communities; and

23.21 (5) translate the medical school's research

23.22 discoveries into new treatments and cures to

23.23 improve the health of Minnesotans.

23.24 The Board of Regents is requested to

23.25 consider hiring additional faculty to conduct

23.26 research related to regenerative medicine.

23.27 \$257,200 in fiscal year 2017 is for design

23.28 and implementation of a collegiate recovery

23.29 program on the University of Minnesota,

23.30 Rochester campus consistent with Minnesota

23.31 Statutes, section 137.175. This is a onetime

23.32 appropriation and is available until June

23.33 30, 2019. Beginning in fiscal year 2020,

24.1 \$179,000 is added to the base to support
24.2 operation and growth of the program.

24.3 Five percent of the fiscal year 2017
24.4 appropriation specified in this subdivision
24.5 is available according to the schedule in
24.6 clauses (1) to (5) in fiscal year 2017 when
24.7 the Board of Regents of the University of
24.8 Minnesota demonstrates to the commissioner
24.9 of management and budget that the board
24.10 has met the following specified number of
24.11 performance goals:

24.12 (1) 100 percent if the board meets three, four,
24.13 or five goals;

24.14 (2) 67 percent if two of the goals are met;

24.15 (3) 33 percent if one of the goals are met; and

24.16 (4) zero percent if none of the goals are met.

24.17 The performance goals are:

24.18 (1) increase by at least one percent
24.19 the four-year, five-year, or six-year
24.20 undergraduate graduation rates, averaged
24.21 over three years, for students of color
24.22 systemwide at the University of Minnesota
24.23 reported in fall 2016 over fall 2014. The
24.24 average rate for fall 2014 is calculated with
24.25 the graduation rates reported in fall 2012,
24.26 2013, and 2014;

24.27 (2) increase by at least two percent the
24.28 total number of undergraduate STEM
24.29 degrees, averaged over three years, conferred
24.30 systemwide by the University of Minnesota
24.31 reported in fiscal year 2016 over fiscal year
24.32 2014. The averaged number for fiscal year
24.33 2014 is calculated with the fiscal year 2012,
24.34 2013, and 2014 numbers;

25.1 (3) increase by at least one percent the
25.2 four-year undergraduate graduation rate at
25.3 the University of Minnesota reported in fall
25.4 2016 over fall 2014. The average rate for
25.5 fall 2014 is calculated with the graduation
25.6 rates reported in fall 2012, 2013, and 2014.
25.7 The averaged number for fiscal year 2014 is
25.8 calculated with the fiscal year 2012, 2013,
25.9 and 2014 numbers;

25.10 (4) for fiscal year 2016, reallocate
25.11 \$15,000,000 of administrative costs. The
25.12 Board of Regents is requested to redirect
25.13 those funds to invest in direct mission
25.14 activities, stem growth in cost of attendance,
25.15 and to programs that benefit students; and

25.16 (5) increase licensing disclosures by three
25.17 percent for fiscal year 2016 over fiscal year
25.18 2015.

25.19 By August 1, 2015, the Board of Regents and
25.20 the Office of Higher Education must agree on
25.21 specific numerical indicators and definitions
25.22 for each of the five goals that will be used to
25.23 demonstrate the University of Minnesota's
25.24 attainment of each goal. On or before April
25.25 1, 2016, the Board of Regents must report
25.26 to the legislative committees with primary
25.27 jurisdiction over higher education finance
25.28 and policy the progress of the University of
25.29 Minnesota toward attaining the goals. The
25.30 appropriation base for the next biennium shall
25.31 include appropriations not made available
25.32 under this subdivision for failure to meet
25.33 performance goals. All of the appropriation
25.34 that is not available due to failure to meet
25.35 performance goals is appropriated to the

26.1 commissioner of the Office of Higher
26.2 Education for fiscal year 2017 for the purpose
26.3 of the state grant program under Minnesota
26.4 Statutes, section 136A.121.
26.5 Performance metrics are intended to facilitate
26.6 progress towards the attainment goal under
26.7 Minnesota Statutes, section 135A.012.
26.8 Beginning in fiscal year 2018, the operations
26.9 and maintenance base appropriation is
26.10 \$559,111,000.

APPENDIX
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