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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2431

- 03/17/2025 Authored by Wolgamott
- The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy
- 04/21/2025 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 04/24/2025 Adoption of Report: Placed on the General Register as Amended
- Read for the Second Time
- 04/28/2025 Calendar for the Day
- Read for the Third Time
- Passed by the House and transmitted to the Senate
- 05/05/2025 Passed by the Senate as Amended and returned to the House
- Refused to concur and a Conference Committee was appointed
- 05/19/2025 Pursuant to Joint Rule 3.02(a), the Conference Committee was discharged and the bill was laid on the table

1.1 A bill for an act

1.2 relating to higher education; providing funding and policy-related changes for the

1.3 Office of Higher Education, Minnesota State Colleges and Universities, and the

1.4 University of Minnesota; modifying certain scholarship and student aid programs;

1.5 establishing and modifying grant programs to higher education institutions;

1.6 providing authority to the Office of Higher Education for treatment of certain

1.7 appropriations; providing for certain policy changes to student financial aid,

1.8 institution eligibility, institutional licensure provisions, student loan programs,

1.9 and institutional grant programs; requiring reports; appropriating money; canceling

1.10 an appropriation; amending Minnesota Statutes 2024, sections 135A.052,

1.11 subdivision 1; 135A.137; 135A.15, subdivision 2a; 135A.1582; 136A.01, by adding

1.12 a subdivision; 136A.101, subdivision 5a; 136A.103; 136A.121, subdivision 9;

1.13 136A.1465, subdivisions 1, 2, by adding a subdivision; 136A.155; 136A.162;

1.14 136A.1701, subdivision 4; 136A.1796; 136A.246, subdivisions 1a, 3, 6, 8; 136A.65,

1.15 subdivision 4; 136A.653, subdivision 5; 136A.658; 136A.69, subdivision 1;

1.16 136A.82; 136A.821, subdivisions 4, 5, by adding subdivisions; 136A.822,

1.17 subdivisions 3, 6, 8, 13; 136A.824, subdivisions 1, 2, 6, 7; 136A.833; 136A.834,

1.18 subdivisions 1, 5; 136A.901, subdivision 1; proposing coding for new law in

1.19 Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 2024, sections

1.20 5.41, subdivision 2; 136A.057; 136A.091; 136A.1251, subdivisions 1, 2, 3, 4, 5;

1.21 136A.1788; 136A.1789; 136A.1791, subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, 10;

1.22 136A.246, subdivision 9; 136A.69, subdivisions 3, 5; 136A.824, subdivisions 3,

1.23 5; 136A.861, subdivision 7; 136A.901, subdivision 2; 136A.91; Laws 2022, chapter

1.24 42, section 2, as amended; Minnesota Rules, part 4850.0014, subparts 1, 2.

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

1.26 ARTICLE 1

1.27 APPROPRIATIONS

1.28 Section 1. APPROPRIATIONS.

1.29 The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.30 and for the purposes specified in this article. The appropriations are from the general fund,

1.31 or another named fund, and are available for the fiscal years indicated for each purpose.

2.1 The figures "2026" and "2027" used in this article mean that the appropriations listed under
2.2 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
2.3 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
2.4 is fiscal years 2026 and 2027.

2.5	<u>APPROPRIATIONS</u>	
2.6	<u>Available for the Year</u>	
2.7	<u>Ending June 30</u>	
2.8	2026	2027

2.9 **Sec. 2. MINNESOTA OFFICE OF HIGHER**
2.10 **EDUCATION**

2.11	<u>Subdivision 1. Total Appropriation</u>	\$ 312,749,000	\$ 312,968,000
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2.12 The amounts that may be spent for each
2.13 purpose are specified in the following
2.14 subdivisions.

2.15	Subd. 2. State Grants	241,790,000	241,790,000
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2.16 (a) If the appropriation in this subdivision for
2.17 either year is insufficient, the appropriation
2.18 for the other year is available for it.

2.19 (b) For purposes of Minnesota Statutes,
2.20 section 136A.121, subdivision 6, a tuition and
2.21 fee maximum is established for four-year
2.22 programs that is the lesser of: (1) the average
2.23 tuition and fees charged by the institution; or
2.24 (2) an amount equal to the highest tuition and
2.25 fees charged at a public university in the
2.26 2024-2025 academic year plus one percent for
2.27 fiscal year 2026, plus an additional one percent
2.28 for fiscal year 2027.

2.29 (c) The base for this appropriation is
2.30 \$242,707,000 in fiscal year 2028 and
2.31 thereafter.

2.32	Subd. 3. Child Care Grants	6,694,000	6,694,000
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2.33	Subd. 4. State Work-Study	11,752,000	11,752,000
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2.34	Subd. 5. Interstate Tuition Reciprocity	8,500,000	8,500,000
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3.1 If the appropriation in this subdivision for
3.2 either year is insufficient, the appropriation
3.3 for the other year is available to meet
3.4 reciprocity contract obligations.

3.5 Subd. 6. **Safety Officer's Survivors** 100,000 100,000

3.6 This appropriation is to provide educational
3.7 benefits under Minnesota Statutes, section
3.8 299A.45, to eligible dependent children and
3.9 to the spouses of public safety officers killed
3.10 in the line of duty.

3.11 If the appropriation in this subdivision for
3.12 either year is insufficient, the appropriation
3.13 for the other year is available for it.

3.14 Subd. 7. **Indian Scholarships** 3,500,000 3,500,000

3.15 The commissioner must contract with or
3.16 employ at least one person with demonstrated
3.17 competence in American Indian culture and
3.18 residing in or near the city of Bemidji to assist
3.19 students with the scholarships under
3.20 Minnesota Statutes, section 136A.126, and
3.21 with other information about financial aid for
3.22 which the students may be eligible. This
3.23 appropriation includes funding to administer
3.24 the American Indian scholarship program.

3.25 Subd. 8. **Tribal College Supplemental Assistance**
3.26 **Grants** 3,650,000 3,650,000

3.27 For Tribal college assistance grants under
3.28 Minnesota Statutes, section 136A.1796.

3.29 Each eligible Tribal college may receive a
3.30 minimum grant in an amount no less than
3.31 \$1,000,000, subject to available
3.32 appropriations.

4.1 The commissioner may use no more than three
 4.2 percent of this appropriation to administer the
 4.3 program grants.

4.4 **Subd. 9. Intervention for College Attendance**
 4.5 **Program Grants**

1,142,000

1,142,000

4.6 For the intervention for college attendance
 4.7 program under Minnesota Statutes, section
 4.8 136A.861.

4.9 The commissioner may use no more than three
 4.10 percent of this appropriation to administer the
 4.11 intervention for college attendance program
 4.12 grants.

4.13 **Subd. 10. Information for Students and Parents**

122,000

122,000

4.14 **Subd. 11. Get Ready!**

150,000

150,000

4.15 **Subd. 12. Minnesota Education Equity**
 4.16 **Partnership**

45,000

45,000

4.17 **Subd. 13. Midwest Higher Education Compact**

115,000

115,000

4.18 **Subd. 14. United Family Medicine Residency**
 4.19 **Program**

501,000

501,000

4.20 For a grant to United Family Medicine
 4.21 residency program. This appropriation shall
 4.22 be used to support up to 21 resident physicians
 4.23 each year in family practice at United Family
 4.24 Medicine residency programs and shall
 4.25 prepare doctors to practice family care
 4.26 medicine in underserved rural and urban areas
 4.27 of the state. It is intended that this program
 4.28 will improve health care in underserved
 4.29 communities, provide affordable access to
 4.30 appropriate medical care, and manage the
 4.31 treatment of patients in a cost-effective
 4.32 manner.

4.33 **Subd. 15. MnLINK Gateway and Minitex**

6,655,000

6,708,000

5.1	<u>Subd. 16. Statewide Longitudinal Education</u>		
5.2	<u>Data System</u>	<u>2,550,000</u>	<u>2,550,000</u>
5.3	<u>Subd. 17. Hennepin Healthcare</u>	<u>645,000</u>	<u>645,000</u>
5.4	<u>For transfer to Hennepin Healthcare for</u>		
5.5	<u>graduate family medical education programs</u>		
5.6	<u>at Hennepin Healthcare.</u>		
5.7	<u>Subd. 18. Campus Sexual Assault Reporting</u>	<u>25,000</u>	<u>25,000</u>
5.8	<u>For the sexual assault reporting required under</u>		
5.9	<u>Minnesota Statutes, section 135A.15.</u>		
5.10	<u>Subd. 19. Campus Sexual Violence Prevention</u>		
5.11	<u>and Response Coordinator</u>	<u>150,000</u>	<u>150,000</u>
5.12	<u>For the Office of Higher Education to staff a</u>		
5.13	<u>campus sexual violence prevention and</u>		
5.14	<u>response coordinator to serve as a statewide</u>		
5.15	<u>resource providing professional development</u>		
5.16	<u>and guidance on best practices for</u>		
5.17	<u>postsecondary institutions. \$50,000 each year</u>		
5.18	<u>is for administrative funding to conduct</u>		
5.19	<u>trainings and provide materials to</u>		
5.20	<u>postsecondary institutions.</u>		
5.21	<u>Subd. 20. Grants to Student Teachers in</u>		
5.22	<u>Shortage Areas</u>	<u>500,000</u>	<u>500,000</u>
5.23	<u>For grants to student teachers in shortage areas</u>		
5.24	<u>under Minnesota Statutes, section 136A.1275.</u>		
5.25	<u>The commissioner may use no more than three</u>		
5.26	<u>percent of the appropriation for administration</u>		
5.27	<u>of the program.</u>		
5.28	<u>Subd. 21. Grants to Underrepresented Student</u>		
5.29	<u>Teachers</u>	<u>1,125,000</u>	<u>1,125,000</u>
5.30	<u>For grants to underrepresented student teachers</u>		
5.31	<u>under Minnesota Statutes, section 136A.1274.</u>		
5.32	<u>The commissioner may use no more than three</u>		
5.33	<u>percent of the appropriation for administration</u>		
5.34	<u>of the program.</u>		

6.1	<u>Subd. 22. Grants for Students with Intellectual</u>		
6.2	<u>and Developmental Disabilities</u>	<u>200,000</u>	<u>200,000</u>
6.3	<u>For grants for students with intellectual and</u>		
6.4	<u>developmental disabilities under Minnesota</u>		
6.5	<u>Statutes, section 136A.1215.</u>		
6.6	<u>Subd. 23. Loan Repayment Assistance Program</u>	<u>55,000</u>	<u>55,000</u>
6.7	<u>For a grant to the Loan Repayment Assistance</u>		
6.8	<u>Program of Minnesota to provide education</u>		
6.9	<u>debt relief to attorneys with full-time</u>		
6.10	<u>employment providing legal advice or</u>		
6.11	<u>representation to low-income clients or support</u>		
6.12	<u>services for this work.</u>		
6.13	<u>Subd. 24. Hunger-Free Campus Grants</u>	<u>1,000,000</u>	<u>1,000,000</u>
6.14	<u>For the Hunger-Free Campus program under</u>		
6.15	<u>Minnesota Statutes, section 135A.137.</u>		
6.16	<u>Subd. 25. Fostering Independence Higher</u>		
6.17	<u>Education Grants</u>	<u>4,416,000</u>	<u>4,416,000</u>
6.18	<u>For grants to eligible students under Minnesota</u>		
6.19	<u>Statutes, section 136A.1241. The Office of</u>		
6.20	<u>Higher Education may use no more than three</u>		
6.21	<u>percent of the appropriation to administer</u>		
6.22	<u>grants.</u>		
6.23	<u>Subd. 26. Student Parent Support Initiative</u>	<u>1,000,000</u>	<u>1,000,000</u>
6.24	<u>For grants to support student parents under</u>		
6.25	<u>Minnesota Statutes, section 136A.1251. Of</u>		
6.26	<u>this amount, up to \$338,000 each year is for</u>		
6.27	<u>administrative and promotional costs.</u>		
6.28	<u>The base for this appropriation is \$0 in fiscal</u>		
6.29	<u>year 2028 and thereafter.</u>		
6.30	<u>Subd. 27. Director of Tribal Relations</u>	<u>143,000</u>	<u>143,000</u>
6.31	<u>Subd. 28. Direct Admissions Program</u>	<u>650,000</u>	<u>650,000</u>
6.32	<u>For the direct admissions program under</u>		
6.33	<u>Minnesota Statutes, section 136A.84.</u>		

7.1	<u>Subd. 29. American Indian Scholars</u>	<u>8,500,000</u>	<u>8,500,000</u>
7.2	<u>To support implementation of Minnesota</u>		
7.3	<u>Statutes, section 135A.121.</u>		
7.4	<u>\$4,032,000 in fiscal year 2026 and \$4,032,000</u>		
7.5	<u>in fiscal year 2027 are for transfer to the Board</u>		
7.6	<u>of Regents of the University of Minnesota.</u>		
7.7	<u>\$4,468,000 in fiscal year 2026 and \$4,468,000</u>		
7.8	<u>in fiscal year 2027 are for transfer to the Board</u>		
7.9	<u>of Trustees of the Minnesota State Colleges</u>		
7.10	<u>and Universities.</u>		
7.11	<u>Subd. 30. Inclusive Higher Education</u>	<u>250,000</u>	<u>250,000</u>
7.12	<u>To enter into a contract establishing the</u>		
7.13	<u>Inclusive Higher Education Technical</u>		
7.14	<u>Assistance Center under Minnesota Statutes,</u>		
7.15	<u>section 135A.161.</u>		
7.16	<u>Subd. 31. Addiction Medicine Graduate Medical</u>		
7.17	<u>Education Fellowship</u>	<u>270,000</u>	<u>270,000</u>
7.18	<u>(a) For a grant to Hennepin County Medical</u>		
7.19	<u>Center to support up to six physicians enrolled</u>		
7.20	<u>in an addiction medicine fellowship program.</u>		
7.21	<u>If the appropriation for either year is</u>		
7.22	<u>insufficient, the appropriation for the other</u>		
7.23	<u>year is available for it.</u>		
7.24	<u>(b) Each year, in order to receive funds under</u>		
7.25	<u>this subdivision, Hennepin County Medical</u>		
7.26	<u>Center must certify to the commissioner the</u>		
7.27	<u>number of physicians actually enrolled in an</u>		
7.28	<u>addiction medicine fellowship for that year.</u>		
7.29	<u>The commissioner shall transfer to Hennepin</u>		
7.30	<u>County Medical Center \$90,000 for each</u>		
7.31	<u>physician enrolled in an addiction medicine</u>		
7.32	<u>fellowship subject to the total funds</u>		
7.33	<u>appropriated by this subdivision.</u>		

8.1 (c) This appropriation shall be used to prepare
8.2 fellows to practice addiction medicine in rural
8.3 and underserved areas of the state, and to train
8.4 fellows in: diagnostic interviewing;
8.5 motivational interviewing; addiction
8.6 counseling; recognition and care of common
8.7 acute withdrawal syndromes and
8.8 complications; pharmacotherapies of addictive
8.9 disorders; epidemiology and pathophysiology
8.10 of addiction; identification and treatment of
8.11 addictive disorders in special populations;
8.12 secondary interventions; the use of screening
8.13 and diagnostic instruments; inpatient care; and
8.14 working within a multidisciplinary team.

8.15 Subd. 32. **Unemployment Insurance Aid** 158,000 158,000

8.16 For unemployment insurance aid to Tribal
8.17 colleges under Minnesota Statutes, section
8.18 268.193. Of the amount appropriated, \$24,000
8.19 each year is for administration of the
8.20 unemployment insurance aid.

8.21 Subd. 33. **North Star Promise; Administrative**
8.22 **Costs** 202,000 202,000

8.23 For administrative and promotion expenses to
8.24 implement and direct the scholarship awards
8.25 under Minnesota Statutes, section 136A.1465.

8.26 Subd. 34. **Agency Administration** 6,194,000 6,360,000

8.27 Subd. 35. **Balances Forward**

8.28 A balance in the first year under this section
8.29 does not cancel, but is available for the second
8.30 year.

8.31 Subd. 36. **Transfer Authority**

8.32 The commissioner of the Office of Higher
8.33 Education may transfer unencumbered
8.34 balances from the appropriations in this

9.1 section to the state grant appropriation, the
9.2 interstate tuition reciprocity appropriation, the
9.3 child care grant appropriation, the Indian
9.4 scholarship appropriation, the state work-study
9.5 appropriation, the get ready appropriation, the
9.6 intervention for college attendance
9.7 appropriation, the student-parent information
9.8 appropriation, the public safety officers'
9.9 survivors appropriation, and the fostering
9.10 independence higher education grant program.
9.11 The commissioner may transfer unencumbered
9.12 balances from the Hunger-Free Campus
9.13 appropriations to the emergency assistance for
9.14 postsecondary students grant. To the extent
9.15 there is a projected surplus in the appropriation
9.16 for either the student teachers in shortage areas
9.17 grant program or the underrepresented student
9.18 teacher grant program, the commissioner may
9.19 transfer unencumbered balances between the
9.20 two programs as needed to meet demand.
9.21 Transfers from the child care, state
9.22 work-study, or Hunger-Free Campus
9.23 appropriations may only be made to the extent
9.24 there is a projected surplus in the
9.25 appropriation. A transfer may be made only
9.26 with prior written notice to the chairs and
9.27 ranking minority members of the senate and
9.28 house of representatives committees with
9.29 jurisdiction over higher education finance.

9.30 **Sec. 3. BOARD OF TRUSTEES OF THE**
9.31 **MINNESOTA STATE COLLEGES AND**
9.32 **UNIVERSITIES**

9.33 Subdivision 1. Total Appropriation \$ 877,939,000 \$ 877,950,000

9.34 The amounts that may be spent for each
9.35 purpose are specified in the following
9.36 subdivisions.

10.1	<u>Subd. 2. Central Office and Shared Services</u>		
10.2	<u>Unit</u>	<u>36,401,000</u>	<u>36,401,000</u>
10.3	<u>For the Office of the Chancellor and the</u>		
10.4	<u>Shared Services Division.</u>		
10.5	<u>Subd. 3. Operations and Maintenance</u>	<u>836,923,000</u>	<u>836,934,000</u>
10.6	<u>(a) This appropriation includes \$37,500,000</u>		
10.7	<u>in fiscal year 2026 and \$37,500,000 in fiscal</u>		
10.8	<u>year 2027 for student tuition relief.</u>		
10.9	<u>(b) \$5,700,000 in fiscal year 2026 and</u>		
10.10	<u>\$5,700,000 in fiscal year 2027 are to provide</u>		
10.11	<u>supplemental aid for operations and</u>		
10.12	<u>maintenance to the president of each two-year</u>		
10.13	<u>institution in the system with at least one</u>		
10.14	<u>campus that is not located in a metropolitan</u>		
10.15	<u>county, as defined in Minnesota Statutes,</u>		
10.16	<u>section 473.121, subdivision 4. The board</u>		
10.17	<u>shall transfer at least \$158,000 for each</u>		
10.18	<u>campus not located in a metropolitan county</u>		
10.19	<u>in each year to the president of each institution</u>		
10.20	<u>that includes such a campus.</u>		
10.21	<u>(c) The Board of Trustees is requested to help</u>		
10.22	<u>Minnesota close the attainment gap by funding</u>		
10.23	<u>activities which improve retention and</u>		
10.24	<u>completion for students of color.</u>		
10.25	<u>(d) \$4,500,000 in fiscal year 2026 and</u>		
10.26	<u>\$4,500,000 in fiscal year 2027 are for</u>		
10.27	<u>workforce development scholarships under</u>		
10.28	<u>Minnesota Statutes, section 136F.38.</u>		
10.29	<u>(e) \$300,000 in fiscal year 2026 and \$300,000</u>		
10.30	<u>in fiscal year 2027 are for transfer to the Cook</u>		
10.31	<u>County Higher Education Board to provide</u>		
10.32	<u>educational programming, workforce</u>		
10.33	<u>development, and academic support services</u>		
10.34	<u>to remote regions in northeastern Minnesota.</u>		

11.1 The Cook County Higher Education Board
11.2 shall continue to provide information to the
11.3 Board of Trustees on the number of students
11.4 served, credit hours delivered, and services
11.5 provided to students.

11.6 (f) \$40,000 in fiscal year 2026 and \$40,000 in
11.7 fiscal year 2027 are to implement the sexual
11.8 assault policies required under Minnesota
11.9 Statutes, section 135A.15.

11.10 (g) \$9,500,000 in fiscal year 2026 and
11.11 \$9,500,000 in fiscal year 2027 are for
11.12 enterprise-wide technology, including
11.13 upgrading the Integrated Statewide Record
11.14 System and maintaining enterprise-wide
11.15 technology services.

11.16 (h) \$50,000 in fiscal year 2026 and \$50,000
11.17 in fiscal year 2027 are to reduce students'
11.18 out-of-pocket costs by expanding free
11.19 offerings in course materials and resources,
11.20 including through open educational resources,
11.21 open textbooks, and implementation of
11.22 Z-Degrees under Minnesota Statutes, section
11.23 136F.305.

11.24 (i) \$3,158,000 in fiscal year 2026 and
11.25 \$3,158,000 in fiscal year 2027 are to expand
11.26 student support services. This appropriation
11.27 provides funding to campuses to address basic
11.28 needs insecurity, mental health, and other
11.29 high-need student support services by
11.30 increasing the amount of available resources
11.31 to students. In addition, this funding provides
11.32 systemwide resources and coordination,
11.33 including electronic connections for peer
11.34 support and professional clinical support for
11.35 mental health. These systemwide resources

12.1 must be available online 24 hours a day, seven
12.2 days a week.

12.3 (j) \$883,000 in fiscal year 2026 and \$894,000
12.4 in fiscal year 2027 are for costs associated
12.5 with the increased employer contribution rates
12.6 for the higher education individual retirement
12.7 account plan under Minnesota Statutes, section
12.8 354B.23, subdivision 3.

12.9 (k) \$282,000 the first year and \$282,000 the
12.10 second year are to pay the cost of supplies and
12.11 equipment necessary to provide access to
12.12 menstrual products under Minnesota Statutes,
12.13 section 135A.1365.

12.14 (l) \$809,000 in fiscal year 2026 and \$809,000
12.15 in fiscal year 2027 are for unemployment
12.16 insurance aid under Minnesota Statutes,
12.17 section 268.193, to institutions within the
12.18 system.

12.19 (m) \$2,250,000 in fiscal year 2026 and
12.20 \$2,250,000 in fiscal year 2027 are for direct
12.21 emergency grants to students. This
12.22 appropriation must be used for emergency
12.23 grants to students to meet immediate student
12.24 needs that could result in a student not
12.25 completing the term or the program, including
12.26 but not limited to emergency housing, food,
12.27 and transportation. Institutions shall minimize
12.28 any negative impact on student financial aid
12.29 resulting from the receipt of emergency funds.

12.30 Subd. 4. **Learning Network of Minnesota** 4,115,000 4,115,000

12.31 Subd. 5. **Juvenile Detention Alternatives**
12.32 **Initiative** 500,000 500,000

12.33 For transfer to Metropolitan State University.
12.34 Of this amount: \$280,000 each year is to

13.1 provide juvenile justice services and resources,
13.2 including the Juvenile Detention Alternatives
13.3 Initiative, to Minnesota counties and federally
13.4 recognized Tribes; and \$220,000 each year is
13.5 for funding to local units of government,
13.6 federally recognized Tribes, and agencies to
13.7 support local Juvenile Detention Alternative
13.8 Initiatives, including but not limited to
13.9 alternatives to detention. Any unencumbered
13.10 balance remaining in the first year does not
13.11 cancel and is available in the second year.

13.12 **Sec. 4. BOARD OF REGENTS OF THE**
13.13 **UNIVERSITY OF MINNESOTA**

13.14	Subdivision 1. Total Appropriation	\$	756,660,000	\$	741,398,000
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13.15 Appropriations by Fund

13.16		<u>2026</u>	<u>2027</u>
13.17	<u>General</u>	<u>754,503,000</u>	<u>739,241,000</u>
13.18	Health Care Access	2,157,000	2,157,000

13.19 The amounts that may be spent for each
13.20 purpose are specified in the following
13.21 subdivisions.

13.22	Subd. 2. Operations and Maintenance	693,056,000	677,794,000
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13.23 (a) \$15,000,000 in fiscal year 2026 and
13.24 \$15,000,000 in fiscal year 2027 are to: (1)
13.25 increase the medical school's research
13.26 capacity; (2) improve the medical school's
13.27 ranking in National Institutes of Health
13.28 funding; (3) ensure the medical school's
13.29 national prominence by attracting and
13.30 retaining world-class faculty, staff, and
13.31 students; (4) invest in physician training
13.32 programs in rural and underserved
13.33 communities; and (5) translate the medical
13.34 school's research discoveries into new

- 14.1 treatments and cures to improve the health of
14.2 Minnesotans.
- 14.3 (b) \$7,800,000 in fiscal year 2026 and
14.4 \$7,800,000 in fiscal year 2027 are for health
14.5 training restoration. This appropriation must
14.6 be used to support all of the following: (1)
14.7 faculty physicians who teach at eight residency
14.8 program sites, including medical resident and
14.9 student training programs in the Department
14.10 of Family Medicine; (2) the Mobile Dental
14.11 Clinic; and (3) expansion of geriatric
14.12 education and family programs.
- 14.13 (c) \$4,000,000 in fiscal year 2026 and
14.14 \$4,000,000 in fiscal year 2027 are for the
14.15 Minnesota Discovery, Research, and
14.16 InnoVation Economy funding program for
14.17 cancer care research.
- 14.18 (d) \$500,000 in fiscal year 2026 and \$500,000
14.19 in fiscal year 2027 are for the University of
14.20 Minnesota, Morris branch, to cover the costs
14.21 of tuition waivers under Minnesota Statutes,
14.22 section 137.16.
- 14.23 (e) \$1,000,000 in fiscal year 2026 and
14.24 \$1,000,000 in fiscal year 2027 are for
14.25 systemwide safety and security measures on
14.26 University of Minnesota campuses.
- 14.27 (f) \$366,000 in fiscal year 2026 and \$366,000
14.28 in fiscal year 2027 are for unemployment
14.29 insurance aid under Minnesota Statutes,
14.30 section 268.193.
- 14.31 (g) \$110,000 the first year and \$110,000 the
14.32 second year are to pay the cost of supplies and
14.33 equipment necessary to provide access to

15.1 menstrual products under Minnesota Statutes,
15.2 section 135A.1365.

15.3 (h) \$1,500,000 in fiscal year 2026 and
15.4 \$1,500,000 in fiscal year 2027 are for a
15.5 partnership between the University of
15.6 Minnesota Medical School and CentraCare to
15.7 establish and operate new residency programs
15.8 and maintain existing residency programs
15.9 based in CentraCare hospitals and clinics in
15.10 the cities of St. Cloud and Willmar. Eligible
15.11 uses of this appropriation include but are not
15.12 limited to program administration, curriculum
15.13 development, resident recruitment, training,
15.14 and resident stipends.

15.15 (i) \$750,000 in fiscal year 2026 and \$750,000
15.16 in fiscal year 2027 are for direct emergency
15.17 grants to students. This appropriation must be
15.18 used for emergency grants to students to meet
15.19 immediate student needs that could result in
15.20 a student not completing the term or the
15.21 program, including but not limited to
15.22 emergency housing, food, and transportation.

15.23 Institutions shall minimize any negative
15.24 impact on student financial aid resulting from
15.25 the receipt of emergency funds.

15.26 (j) \$15,262,000 in fiscal year 2026 is for a
15.27 collaborative partnership with the Mayo Clinic
15.28 to engage in ongoing research into
15.29 amyotrophic lateral sclerosis (ALS), with the
15.30 goal of bettering the lives of individuals with
15.31 ALS and finding a cure for the disease. This
15.32 is a onetime appropriation. Notwithstanding
15.33 Minnesota Statutes, section 16A.28,
15.34 unencumbered balances under this paragraph
15.35 do not cancel until June 30, 2029. Beginning

16.1 January 15, 2026, and annually thereafter until
16.2 January 15, 2030, or until the money is fully
16.3 expended, whichever occurs first, the Board
16.4 of Regents must submit a report to the
16.5 legislature specifying how the collaborative
16.6 partnership has used money under this
16.7 paragraph.

16.8	<u>Subd. 3. Primary Care Education Initiatives</u>	<u>2,157,000</u>	<u>2,157,000</u>
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16.9 This appropriation is from the health care
16.10 access fund.

16.11 **Subd. 4. Special Appropriations**

16.12	<u>(a) Agriculture and Extension Service</u>	<u>42,922,000</u>	<u>42,922,000</u>
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16.13 For the Agricultural Experiment Station and
16.14 the Minnesota Extension Service:

16.15 (1) the agricultural experiment stations and
16.16 Minnesota Extension Service must convene
16.17 agricultural advisory groups to focus research,
16.18 education, and extension activities on producer
16.19 needs and implement an outreach strategy that
16.20 more effectively and rapidly transfers research
16.21 results and best practices to producers
16.22 throughout the state;

16.23 (2) this appropriation includes funding for
16.24 research and outreach on the production of
16.25 renewable energy from Minnesota biomass
16.26 resources, including agronomic crops, plant
16.27 and animal wastes, and native plants or trees.

16.28 The following areas should be prioritized and
16.29 carried out in consultation with Minnesota
16.30 producers, renewable energy, and bioenergy
16.31 organizations:

16.32 (i) biofuel and other energy production from
16.33 perennial crops, small grains, row crops, and

17.1 forestry products in conjunction with the
17.2 Natural Resources Research Institute (NRRI);
17.3 (ii) alternative bioenergy crops and cropping
17.4 systems; and
17.5 (iii) biofuel coproducts used for livestock feed;
17.6 (3) this appropriation includes funding for the
17.7 College of Food, Agricultural, and Natural
17.8 Resources Sciences to establish and provide
17.9 leadership for organic agronomic,
17.10 horticultural, livestock, and food systems
17.11 research, education, and outreach and for the
17.12 purchase of state-of-the-art laboratory,
17.13 planting, tilling, harvesting, and processing
17.14 equipment necessary for this project;
17.15 (4) this appropriation includes funding for
17.16 research efforts that demonstrate a renewed
17.17 emphasis on the needs of the state's agriculture
17.18 community. The following areas should be
17.19 prioritized and carried out in consultation with
17.20 Minnesota farm organizations:
17.21 (i) vegetable crop research with priority for
17.22 extending the Minnesota vegetable growing
17.23 season;
17.24 (ii) fertilizer and soil fertility research and
17.25 development;
17.26 (iii) soil, groundwater, and surface water
17.27 conservation practices and contaminant
17.28 reduction research;
17.29 (iv) discovering and developing plant varieties
17.30 that use nutrients more efficiently;
17.31 (v) breeding and development of turf seed and
17.32 other biomass resources in all three Minnesota
17.33 biomes;

- 18.1 (vi) development of new disease-resistant and
18.2 pest-resistant varieties of turf and agronomic
18.3 crops;
- 18.4 (vii) utilizing plant and livestock cells to treat
18.5 and cure human diseases;
- 18.6 (viii) the development of dairy coproducts;
- 18.7 (ix) a rapid agricultural response fund for
18.8 current or emerging animal, plant, and insect
18.9 problems affecting production or food safety;
- 18.10 (x) crop pest and animal disease research;
- 18.11 (xi) developing animal agriculture that is
18.12 capable of sustainably feeding the world;
- 18.13 (xii) consumer food safety education and
18.14 outreach;
- 18.15 (xiii) programs to meet the research and
18.16 outreach needs of organic livestock and crop
18.17 farmers; and
- 18.18 (xiv) alternative bioenergy crops and cropping
18.19 systems; and growing, harvesting, and
18.20 transporting biomass plant material; and
- 18.21 (5) by February 1, 2027, the Board of Regents
18.22 must submit a report to the legislative
18.23 committees and divisions with jurisdiction
18.24 over agriculture and higher education finance
18.25 on the status and outcomes of research and
18.26 initiatives funded in this paragraph.
- 18.27 **(b) Health Sciences**
- 18.28 \$346,000 each year is to support up to 12
18.29 resident physicians in the St. Cloud Hospital
18.30 family practice residency program. The
18.31 program must prepare doctors to practice
18.32 primary care medicine in rural areas of the

9,204,0009,204,000

19.1 state. The legislature intends this program to
19.2 improve health care in rural communities,
19.3 provide affordable access to appropriate
19.4 medical care, and manage the treatment of
19.5 patients in a more cost-effective manner. The
19.6 remainder of this appropriation is for the rural
19.7 physicians associates program; the Veterinary
19.8 Diagnostic Laboratory; health sciences
19.9 research; dental care; the Biomedical
19.10 Engineering Center; and the collaborative
19.11 partnership between the University of
19.12 Minnesota and Mayo Clinic for regenerative
19.13 medicine, research, clinical translation, and
19.14 commercialization.

19.15	<u>(c) College of Science and Engineering</u>	<u>1,140,000</u>	<u>1,140,000</u>
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19.16 For the geological survey and the talented
19.17 youth mathematics program.

19.18	<u>(d) System Special</u>	<u>7,181,000</u>	<u>7,181,000</u>
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19.19 (1) For general research, the Labor Education
19.20 Service, Natural Resources Research Institute,
19.21 Center for Urban and Regional Affairs, Bell
19.22 Museum of Natural History, and the
19.23 Humphrey exhibit.

19.24 (2) \$2,000,000 in fiscal year 2026 and
19.25 \$2,000,000 in fiscal year 2027 are for the
19.26 Natural Resources Research Institute to invest
19.27 in applied research in natural resource
19.28 stewardship and economic development to
19.29 attract and retain top talent; provide matching
19.30 funds for federal grants; upgrade facilities,
19.31 equipment, and training; and expand
19.32 entrepreneurial support and outreach efforts.

19.33 **Subd. 5. Academic Health Center**

20.1 The appropriation for Academic Health Center
20.2 funding under Minnesota Statutes, section
20.3 297F.10, is estimated to be \$22,250,000 each
20.4 year.

20.5	<u>Subd. 6. Agriculture Sector; Extreme Weather</u>	<u>1,000,000</u>	<u>1,000,000</u>
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20.6 For a program in the University of Minnesota
20.7 Extension Service that enhances the capacity
20.8 of the state's agriculture sector, land and
20.9 resource managers, and communities to plan
20.10 for and adapt to weather extremes, including
20.11 but not limited to droughts and floods. The
20.12 base for this appropriation in fiscal year 2028
20.13 and later is \$1,000,000. The appropriation
20.14 under this section must be used to support
20.15 existing extension service staff members and
20.16 to hire additional staff members for a program
20.17 with broad geographic reach throughout the
20.18 state. The program must:

20.19 (1) identify, develop, implement, and evaluate
20.20 educational programs that increase the
20.21 capacity of Minnesota's agriculture sector,
20.22 land and resource managers, and communities
20.23 to be prepared for and adapt to projected
20.24 physical changes in temperature, precipitation,
20.25 and other weather parameters that affect crops,
20.26 land, horticulture, pests, and wildlife in ways
20.27 that present challenges to the state's agriculture
20.28 sector and the communities that depend on the
20.29 agriculture sector; and

20.30 (2) communicate and interpret the latest
20.31 research on critical weather trends and the
20.32 scientific basis for critical weather trends to
20.33 further prepare extension service staff
20.34 throughout the state to educate and provide
20.35 technical assistance to the agriculture sector,

21.1 land and resource managers, and community
21.2 members at the local level regarding technical
21.3 information on water resource management,
21.4 agriculture and forestry, engineering and
21.5 infrastructure design, and emergency
21.6 management that is necessary to develop
21.7 strategies to mitigate the effects of extreme
21.8 weather change.

21.9 Sec. 5. **TRANSFERS.**

21.10 (a) \$500,000 in fiscal year 2026 and \$500,000 in fiscal year 2027 are transferred from
21.11 the general fund to the spinal cord and traumatic brain injury grant account in the special
21.12 revenue fund under Minnesota Statutes, section 136A.901, subdivision 1. The commissioner
21.13 may use up to three percent of the amounts transferred under this paragraph to administer
21.14 the program. For fiscal years 2028 through 2031, the commissioner of management and
21.15 budget must include a transfer of \$500,000 each year from the general fund to the spinal
21.16 cord and traumatic brain injury grant account in the special revenue fund under Minnesota
21.17 Statutes, section 136A.901, subdivision 1, when preparing each forecast from the effective
21.18 date of this section through the February 2027 forecast, under Minnesota Statutes, section
21.19 16A.103.

21.20 (b) \$3,882,000 in fiscal year 2026 and \$3,882,000 in fiscal year 2027 are transferred
21.21 from the general fund to the dual training account in the special revenue fund under
21.22 Minnesota Statutes, section 136A.246, subdivision 10. Of the amounts transferred under
21.23 this paragraph:

21.24 (1) \$132,000 each year is for transfer to the Department of Labor and Industry to support
21.25 identification of competency standards and development of dual training programs in the
21.26 transportation and child care industries as required under Minnesota Statutes, section 175.45;
21.27 and

21.28 (2) \$750,000 each year is for grants to employers in the legal cannabis industry. The
21.29 commissioner may use up to six percent of the amounts transferred under this clause to
21.30 administer the program. The commissioner must give priority to applications from employers
21.31 who are, or who are training employees who are, eligible as social equity applicants under
21.32 Minnesota Statutes, section 342.17. After June 30, 2027, any unencumbered balance from
21.33 this transfer may be used for grants to any eligible employer under Minnesota Statutes,
21.34 section 136A.246.

22.1 This transfer is \$3,882,000 in fiscal year 2028 and each year thereafter. For fiscal years
22.2 2028 through 2031, the commissioner of management and budget must include a transfer
22.3 of \$3,882,000 each year from the general fund to the dual training account in the special
22.4 revenue fund under Minnesota Statutes, section 136A.246, subdivision 10, when preparing
22.5 each forecast from the effective date of this section through the February 2027 forecast,
22.6 under Minnesota Statutes, section 16A.103.

22.7 (c) \$325,000 in fiscal year 2026 and \$325,000 in fiscal year 2027 are transferred from
22.8 the general fund to the large animal veterinarian loan forgiveness program account in the
22.9 special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2. For fiscal
22.10 years 2028 through 2031, the commissioner of management and budget must include a
22.11 transfer of \$325,000 each year from the general fund to the large animal veterinarian loan
22.12 forgiveness program account in the special revenue fund under Minnesota Statutes, section
22.13 136A.1795, subdivision 2, when preparing each forecast from the effective date of this
22.14 section through the February 2027 forecast, under Minnesota Statutes, section 16A.103.

22.15 (d) \$45,000 in fiscal year 2026 and \$45,000 in fiscal year 2027 are transferred from the
22.16 general fund to the agricultural education loan forgiveness account in the special revenue
22.17 fund under Minnesota Statutes, section 136A.1794, subdivision 2. For fiscal years 2028
22.18 through 2031, the commissioner of management and budget must include a transfer of
22.19 \$45,000 each year from the general fund to the agricultural education loan forgiveness
22.20 account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision
22.21 2, when preparing each forecast from the effective date of this section through the February
22.22 2027 forecast, under Minnesota Statutes, section 16A.103.

22.23 (e) \$750,000 in fiscal year 2026 and \$750,000 in fiscal year 2027 are transferred from
22.24 the general fund to the inclusive higher education grant account in the special revenue fund
22.25 under Minnesota Statutes, section 135A.162, subdivision 4. The commissioner may use up
22.26 to five percent of the amounts transferred under this paragraph to administer the program.
22.27 For fiscal years 2028 through 2031, the commissioner of management and budget must
22.28 include a transfer of \$750,000 each year from the general fund to the inclusive higher
22.29 education grant account in the special revenue fund under Minnesota Statutes, section
22.30 135A.162, subdivision 4, when preparing each forecast from the effective date of this section
22.31 through the February 2027 forecast, under Minnesota Statutes, section 16A.103.

22.32 (f) \$49,500,000 in fiscal year 2026 and \$49,500,000 in fiscal year 2027 are transferred
22.33 from the general fund to the account in the special revenue fund for North Star Promise
22.34 scholarships under Minnesota Statutes, section 136A.1465, subdivision 8. For fiscal years
22.35 2028 through 2031, the commissioner of management and budget must include a transfer

23.1 of \$49,500,000 each year from the general fund to the account in the special revenue fund
23.2 for North Star Promise scholarships under Minnesota Statutes, section 136A.1465,
23.3 subdivision 8, when preparing each forecast from the effective date of this section through
23.4 the February 2027 forecast, under Minnesota Statutes, section 16A.103.

23.5 Sec. 6. **CANCELLATION; ALS RESEARCH.**

23.6 Of the amount appropriated from the general fund to the commissioner of the Office of
23.7 Higher Education pursuant to Laws 2022, chapter 42, section 2, paragraph (b), as amended
23.8 by Laws 2024, chapter 124, article 1, section 1, and Laws 2024, chapter 127, article 34,
23.9 section 1, \$15,262,263 is canceled.

23.10 Sec. 7. **REPEALER.**

23.11 (a) Laws 2022, chapter 42, section 2, as amended by Laws 2024, chapter 124, article 1,
23.12 section 1, and Laws 2024, chapter 127, article 34, section 1, is repealed.

23.13 (b) Minnesota Statutes 2024, sections 136A.091; 136A.1788; 136A.1789; 136A.1791,
23.14 subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, and 10; and 136A.91, are repealed.

23.15 (c) Minnesota Statutes 2024, section 136A.1251, subdivisions 1, 2, 3, and 4, are repealed.

23.16 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective July 1, 2025. Money for
23.17 programs under Minnesota Statutes 2024, sections 136A.1789 and 136A.1791, may remain
23.18 in their respective special revenue fund accounts to facilitate a close out of the programs.
23.19 Paragraph (c) is effective July 1, 2027.

23.20 **ARTICLE 2**

23.21 **HIGHER EDUCATION PROVISIONS**

23.22 Section 1. Minnesota Statutes 2024, section 135A.052, subdivision 1, is amended to read:

23.23 Subdivision 1. **Statement of missions.** (a) The legislature recognizes each type of public
23.24 postsecondary institution to have a distinctive mission within the overall provision of public
23.25 higher education in the state and a responsibility to cooperate with each other. These missions
23.26 are as follows:

23.27 (1) the technical colleges shall offer vocational training and education to prepare students
23.28 for skilled occupations that do not require a baccalaureate degree;

23.29 (2) the community colleges shall offer lower division instruction in academic programs,
23.30 occupational programs in which all credits earned will be accepted for transfer to a

24.1 baccalaureate degree in the same field of study, and remedial studies, for students transferring
24.2 to baccalaureate institutions and for those seeking associate degrees;

24.3 (3) consolidated community technical colleges shall offer the same types of instruction,
24.4 programs, certificates, diplomas, and degrees as the technical colleges and community
24.5 colleges offer;

24.6 (4) the state universities shall offer undergraduate and graduate instruction through the
24.7 master's degree, including specialist certificates, in the liberal arts and sciences and
24.8 professional education, and may offer applied doctoral degrees in education, business,
24.9 psychology, physical therapy, audiology, cybersecurity, and nursing; and

24.10 (5) the University of Minnesota shall offer undergraduate, graduate, and professional
24.11 instruction through the doctoral degree, and shall be the primary state supported academic
24.12 agency for research and extension services.

24.13 (b) It is part of the mission of each system that within the system's resources the system's
24.14 governing board and chancellor or president shall endeavor to:

24.15 (1) prevent the waste or unnecessary spending of public money;

24.16 (2) use innovative fiscal and human resource practices to manage the state's resources
24.17 and operate the system as efficiently as possible;

24.18 (3) coordinate the system's activities wherever appropriate with the activities of the other
24.19 system and governmental agencies;

24.20 (4) use technology where appropriate to increase system productivity, improve customer
24.21 service, increase public access to information about the system, and increase public
24.22 participation in the business of the system;

24.23 (5) utilize constructive and cooperative labor-management practices to the extent
24.24 otherwise required by chapters 43A and 179A; and

24.25 (6) recommend to the legislature appropriate changes in law necessary to carry out the
24.26 mission of the system.

24.27 Sec. 2. Minnesota Statutes 2024, section 135A.137, is amended to read:

24.28 **135A.137 HUNGER-FREE CAMPUS DESIGNATION.**

24.29 Subdivision 1. **Establishment.** (a) A Hunger-Free Campus designation is established
24.30 for public postsecondary institutions ~~and for~~₂ nonprofit degree-granting institutions physically
24.31 located in Minnesota and registered with the Office of Higher Education under section

25.1 136A.63, and Tribal colleges. In order to be awarded the designation, an institution must
25.2 meet the following minimum criteria:

25.3 (1) have an established on-campus food pantry or partnership with a local food bank to
25.4 provide regular, on-campus food distributions;

25.5 (2) provide information to students on SNAP, MFIP, and other programs that reduce
25.6 food insecurity. The institution shall notify students in work-study employment of their
25.7 potential eligibility for SNAP benefits and provide information to those students that includes
25.8 eligibility criteria and how to apply for benefits;

25.9 (3) hold or participate in one hunger awareness event per academic year;

25.10 (4) have an established emergency assistance grant that is available to students; and

25.11 (5) establish a hunger task force that meets a minimum of three times per academic year.
25.12 The task force must include at least two students currently enrolled at the institution.

25.13 (b) Each institution must reapply at least every four years to maintain the designation.

25.14 Subd. 2. **Designation approval.** The commissioner, in collaboration with the student
25.15 advisory council under section 136A.031, shall create an application process for institutions
25.16 applying for grant funds the designation. The commissioner, in collaboration with the student
25.17 advisory council, shall review applications ~~and make recommendations to the commissioner.~~
25.18 The student advisory council may provide recommendations to the commissioner, but the
25.19 commissioner shall have final approval for the designation and the award amount.

25.20 Subd. 3. **Competitive grant.** ~~(a) Institutions eligible for a grant under this subdivision~~
25.21 ~~include public postsecondary institutions, nonprofit private postsecondary institutions, and~~
25.22 ~~Tribal colleges.~~

25.23 ~~(b)~~ (a) The commissioner shall establish a competitive grant program to distribute grants
25.24 ~~to eligible institutions~~ public postsecondary institutions, nonprofit postsecondary institutions,
25.25 and Tribal colleges to meet and maintain the requirements for the Hunger-Free Campus
25.26 designation under subdivision 1, paragraph (a) this section. Initial grants shall be made to
25.27 institutions that have not earned the designation and demonstrate a need for funding to meet
25.28 the Hunger-Free Campus designation requirements. Sustaining grants shall be made to
25.29 institutions that have earned the designation and demonstrate both a partnership with a local
25.30 food bank or organization that provides regular, on-campus food distributions and a need
25.31 for funds to maintain the requirements under subdivision 1, paragraph (a).

25.32 ~~(c)~~ (b) In awarding competitive grants, the commissioner shall give preference to
25.33 applications for initial grants and to applications from institutions with the highest number

~~of federal Pell Grant eligible students enrolled. The commissioner shall consider the head count at the institution when awarding grants. The maximum grant award for an initial institution designation is \$25,000. The maximum grant award for sustaining an institution designation is \$15,000.~~ must consider, among other factors:

(1) the number of federal Pell Grant eligible students enrolled in the last academic year at the institution; and

(2) the total number of students enrolled at the institution.

~~(d) (c)~~ The commissioner, in collaboration with ~~student associations representing eligible institutions~~ the Student Advisory Council under section 136A.031, shall create an application process and establish selection criteria for awarding the grants.

~~(e) No more than 20 percent of the total grant awards each fiscal year shall be for grants to nonprofit private postsecondary institutions.~~

Subd. 3a. **Grant amounts.** (a) The maximum grant amount for an initial grant is \$25,000 per fiscal year.

(b) The maximum grant amount for a sustaining grant is \$15,000 per fiscal year.

(c) Eligible institutions may only receive one initial grant.

(d) If grant requests exceed the amount of available money, no more than 20 percent of the total grant awards shall be for grants to nonprofit private postsecondary institutions.

Subd. 4. ~~Grant requirements~~ **Match required.** (a) An eligible institution that receives a grant under subdivision 3 must: match at least 50 percent of the grant amount awarded with money or in-kind resources.

~~(1) use the grant funds to meet or maintain the minimum criteria of a hunger-free campus designation under subdivision 1; and~~

~~(2) match at least 50 percent of the grant amount awarded with funds or in-kind resources.~~

~~(b) In addition to the requirements of paragraph (a), in order to receive a sustaining grant, an institution must demonstrate a partnership with a local food bank or organization or other source of funding that ensures regular, on-campus distributions.~~

Sec. 3. Minnesota Statutes 2024, section 135A.15, subdivision 2a, is amended to read:

Subd. 2a. ~~Campus investigation and disciplinary hearing procedures~~ **sexual misconduct grievance procedures.** (a) A postsecondary institution must provide a reporting party an opportunity for an impartial, timely, and thorough investigation of a report of sexual

27.1 misconduct against a student. If an investigation reveals that sexual misconduct has occurred,
27.2 the institution must take prompt and effective steps reasonably calculated to end the sexual
27.3 misconduct, prevent its recurrence, and, as appropriate, remedy its effects.

27.4 (b) An institution must offer and coordinate academic and residential supportive measures
27.5 as needed and equitably to both the reporting and responding parties participating in a
27.6 campus sexual misconduct grievance process, including but not limited to exam or assignment
27.7 extensions, permitted class absence, a change in on-campus residence, and schedule changes.

27.8 (c) An institution must allow the reporting and responding parties to present and review
27.9 relevant evidence. Testimony by the parties and witnesses must be compiled in an
27.10 investigative report.

27.11 (d) Throughout any investigation or disciplinary proceeding, a postsecondary an
27.12 institution must treat the reporting parties, responding parties, witnesses, and other
27.13 participants in the proceeding with dignity and respect.

27.14 ~~(e)~~ (e) If a postsecondary an institution conducts a hearing, an advisor the reporting and
27.15 responding parties may provide opening and closing remarks, or a party's advisor may
27.16 provide opening or closing remarks on behalf of a the party or assist with formulating
27.17 questions to the other party or witnesses about related relevant evidence or credibility.

27.18 (f) An institution must allow equal opportunity during the hearing for the reporting and
27.19 responding parties to consult an additional support person other than the party's advisor,
27.20 such as an advocate, if requested and deemed appropriate by the Title IX coordinator or
27.21 designee.

27.22 (g) The reporting and responding parties must be given equal opportunity to question
27.23 the credibility of the other party and witnesses through a live hearing or questioning by a
27.24 decision-maker, pursuant to paragraph (i).

27.25 (h) If an institution allows for cross-examination of witnesses and parties, the reporting
27.26 party and the responding party are not permitted to personally cross-examine each other or
27.27 any witnesses. Any cross-examination must be performed by the party's advisor or an
27.28 adjudicator of the campus disciplinary proceeding.

27.29 (i) An institution must appoint a decision-maker or panel of decision-makers who are
27.30 not the investigator to assess the credibility of the reporting party, the responding party, and
27.31 any other witnesses through a live hearing or direct questioning.

28.1 (j) If the facts and circumstances rise to a policy violation, an institution must proceed
28.2 with the campus sexual misconduct grievance process concurrently with a criminal
28.3 investigation if requested by the reporting party.

28.4 (k) Personal information of the reporting party such as character witness or sexual
28.5 behavior of the reporting party is allowable if the information is deemed relevant by the
28.6 decision-maker and if the information substantiates that the misconduct may have occurred.
28.7 Mental health and medical information of the reporting party may be considered if: (1) a
28.8 release is signed by the reporting party; and (2) nonrelevant information is redacted. If a
28.9 responding party is found responsible, medical and mental health information of the reporting
28.10 party may be considered to determine sanctions.

28.11 (l) Questions and evidence about the reporting party's sexual predisposition or prior
28.12 sexual behavior are not considered relevant unless such questions and evidence: (1) are
28.13 offered to prove that someone other than the responding party committed the alleged conduct;
28.14 or (2) concern specific incidents of the reporting party's prior sexual behavior with respect
28.15 to the responding party and are offered to prove consent.

28.16 (m) The responding and reporting parties may discuss the investigation and disciplinary
28.17 proceedings with an advisor of choice, the party's parents, or an authorized legal guardian.

28.18 (n) An institution must deliver the outcome of the grievance process simultaneously to
28.19 the reporting and responding parties.

28.20 (o) An institution must inform the reporting and responding parties no later than 24
28.21 hours before a decision is rendered regarding the timeline of the outcome's release. Alongside
28.22 the notice of the outcome, an institution must offer community mental health and, if
28.23 applicable, on-campus resources equitably to a reporting and responding party. The outcome
28.24 must not be delivered to a reporting or responding party at the end of the day or on a weekend
28.25 or holiday to ensure that the reporting and responding parties may access supportive services.

28.26 (p) Institutions must have a policy prohibiting retaliation that specifies what constitutes
28.27 retaliation and possible actions for students and employees if retaliation occurs. Retaliation
28.28 against the reporting party, responding party, or witnesses resulting from a person's
28.29 participation in a campus sexual misconduct investigation is prohibited.

28.30 **EFFECTIVE DATE.** This section is effective January 1, 2026.

29.1 Sec. 4. Minnesota Statutes 2024, section 135A.1582, is amended to read:

29.2 **135A.1582 PROTECTIONS FOR PREGNANT AND PARENTING STUDENTS.**

29.3 Subdivision 1. ~~Definition~~ **Definitions.** (a) For ~~the purpose~~ purposes of this section, the
29.4 following ~~term has~~ terms have the ~~meaning~~ meanings given.

29.5 (b) "Parenting student" means a student enrolled at a public college or university who
29.6 is the parent or legal guardian of or can claim as a dependent a child under the age of 18.

29.7 (c) "Pregnancy or related conditions" has the meaning given in Code of Federal
29.8 Regulations, title 34, section 106.2.

29.9 (d) "Postsecondary institution" means an institution governed by the Board of Trustees
29.10 of the Minnesota State Colleges and Universities or a private postsecondary institution that
29.11 offers in-person courses on a campus located in Minnesota and is an eligible institution as
29.12 defined in section 136A.103. Institutions governed by the Board of Regents of the University
29.13 of Minnesota are requested to comply with this section.

29.14 Subd. 2. **Rights and protections.** (a) A ~~Minnesota state college or university~~
29.15 postsecondary institution may not require and the University of Minnesota is requested not
29.16 to require a pregnant or parenting student, solely because of the student's status as a pregnant
29.17 or parenting student or due to issues related to the student's pregnancy or parenting, to:

29.18 (1) take a leave of absence or withdraw from the student's degree or certificate program;

29.19 (2) limit the student's studies;

29.20 (3) participate in an alternative program;

29.21 (4) change the student's major, degree, or certificate program; or

29.22 (5) refrain from joining or cease participating in any course, activity, or program at the
29.23 college or university.

29.24 (b) A ~~Minnesota state college or university~~ postsecondary institution shall provide and
29.25 the University of Minnesota is requested to provide reasonable modifications to a pregnant
29.26 student, including modifications that:

29.27 (1) would be provided to a student with a temporary medical condition; or

29.28 (2) are related to the health and safety of the student and the student's unborn child, such
29.29 as allowing the student to maintain a safe distance from substances, areas, and activities
29.30 known to be hazardous to pregnant women or unborn children.

30.1 (c) A ~~Minnesota state college or university~~ postsecondary institution must and the
30.2 University of Minnesota is requested to, for reasons related to a student's pregnancy,
30.3 childbirth, or any resulting medical status or condition:

30.4 (1) excuse the student's absence;

30.5 (2) allow the student to make up missed assignments or assessments;

30.6 (3) allow the student additional time to complete assignments in the same manner as the
30.7 institution allows for a student with a temporary medical condition; and

30.8 (4) provide the student with access to instructional materials and video recordings of
30.9 lectures for classes for which the student has an excused absence under this section to the
30.10 same extent that instructional materials and video recordings of lectures are made available
30.11 to any other student with an excused absence.

30.12 (d) A ~~Minnesota state college or university~~ postsecondary institution must and the
30.13 University of Minnesota is requested to allow a pregnant or parenting student to:

30.14 (1) take a leave of absence; and

30.15 (2) if in good academic standing at the time the student takes a leave of absence, return
30.16 to the student's degree or certificate program in good academic standing without being
30.17 required to reapply for admission.

30.18 (e) If a ~~public college or university~~ postsecondary institution provides early registration
30.19 for courses or programs at the institution for any group of students, the ~~Minnesota state~~
30.20 ~~college or university~~ institution must provide and the University of Minnesota is requested
30.21 to provide early registration for those courses or programs for pregnant or parenting students
30.22 in the same manner.

30.23 Subd. 3. **Policy on discrimination.** Each ~~Minnesota state college or university~~
30.24 postsecondary institution must adopt and the University of Minnesota is requested to adopt
30.25 a policy for students on pregnancy and parenting discrimination. The policy must:

30.26 (1) include the contact information of the Title IX coordinator who is the designated
30.27 point of contact for a student requesting each protection or modification under this section.
30.28 Contact information must include the Title IX coordinator's name, phone number, email,
30.29 and office;

30.30 (2) be posted in an easily accessible, straightforward format on the college or university's
30.31 website; and

31.1 (3) be made available annually to faculty, staff, and employees of the college or
31.2 university.

31.3 Subd. 4. **Administration.** The commissioner of the Office of Higher Education must,
31.4 in consultation with the Board of Trustees of the Minnesota State Colleges and Universities
31.5 ~~and~~, the Board of Regents of the University of Minnesota, and other relevant stakeholders,
31.6 establish guidelines, as necessary, to administer this section. The guidelines must establish
31.7 minimum periods for which a pregnant or parenting student must be given a leave of absence
31.8 under subdivision 2, paragraph (d). In establishing the minimum periods, the Office of
31.9 Higher Education shall consider the maximum amount of time a student may be absent
31.10 without significantly interfering with the student's ability to complete the student's degree
31.11 or certificate program.

31.12 Sec. 5. Minnesota Statutes 2024, section 136A.01, is amended by adding a subdivision to
31.13 read:

31.14 Subd. 4. **Treatment of appropriations.** (a) The office may retain up to ten percent of
31.15 competitively awarded grants if another amount is not already designated as administrative
31.16 funding in the appropriation.

31.17 (b) Notwithstanding section 16A.28, beginning in fiscal year 2025, the office may carry
31.18 forward unexpended and unencumbered nongrant operating appropriations from the second
31.19 year of a biennium into the next biennium.

31.20 Sec. 6. **[136A.054] CONSOLIDATED COMPETITIVE GRANT AND STUDENT**
31.21 **LOAN REPAYMENT PROGRAM REPORTING.**

31.22 (a) The commissioner of the Office of Higher Education must report annually by February
31.23 15, to the chairs and ranking minority members of the legislative committees with jurisdiction
31.24 over higher education, on the details of programs administered under sections 135A.137,
31.25 136A.1251, 136A.1794, 136A.1795, 136A.246, 136A.861, and 136A.901, including the
31.26 following, where applicable:

31.27 (1) organizations receiving grant awards;

31.28 (2) grant award amounts and utilization rates;

31.29 (3) grant program activities, goals, and outcomes;

31.30 (4) grant matching sources and funding levels;

31.31 (5) number and amount of loan repayment awards disbursed; and

32.1 (6) demographic data of loan repayment program participants.

32.2 (b) The commissioner must report any additional data and outcomes relevant to the
32.3 evaluation of programs administered under sections 135A.137, 136A.1251, 136A.1794,
32.4 136A.1795, 136A.246, 136A.861, and 136A.901, and as evidenced by activities funded
32.5 under each program.

32.6 Sec. 7. Minnesota Statutes 2024, section 136A.101, subdivision 5a, is amended to read:

32.7 Subd. 5a. **Assigned family responsibility.** (a) "Assigned family responsibility" means
32.8 the amount of a family's contribution to a student's cost of attendance, as determined by a
32.9 federal need analysis. For dependent students, the assigned family responsibility is 79 percent
32.10 of the parental contribution. ~~If the parental contribution is less than \$0, the assigned family~~
32.11 ~~responsibility is 100 percent of the parental contribution.~~ For independent students with
32.12 dependents other than a spouse, the assigned family responsibility is 71 percent of the student
32.13 contribution. For independent students without dependents other than a spouse, the assigned
32.14 family responsibility is 35 percent of the student contribution.

32.15 (b) Notwithstanding paragraph (a), if the parental contribution for dependent students
32.16 or the student contribution for independent students is less than \$0, the assigned family
32.17 responsibility is 100 percent of the student contribution \$0.

32.18 (c) For a student registering for less than full time, the office shall prorate the assigned
32.19 family responsibility using the ratio of the number of credits the student is enrolled in to
32.20 the number of credits for full-time enrollment.

32.21 Sec. 8. Minnesota Statutes 2024, section 136A.103, is amended to read:

32.22 **136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.**

32.23 Subdivision 1. **Eligibility.** (a) A postsecondary institution is eligible for state student
32.24 aid and to receive state student aid on behalf of students under this chapter 136A and sections
32.25 197.791 and 299A.45, if the institution is located in this state and:

32.26 (1) is operated by this state or the Board of Regents of the University of Minnesota; or

32.27 (2) is operated privately and, ~~as determined by the office,~~ meets the requirements of
32.28 paragraph (b).

32.29 (b) A private institution must:

32.30 ~~(1) maintain academic standards substantially equivalent to those of comparable~~
32.31 ~~institutions operated in this state;~~

33.1 ~~(2)~~ (1) be licensed or registered as a postsecondary institution by the office; and

33.2 ~~(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of~~
33.3 ~~the Higher Education Act of 1965, Public Law 89-329, as amended; or~~

33.4 (2) meet one of the following criteria:

33.5 (i) the institution participates in the federal Pell Grant program under Title IV of the
33.6 Higher Education Act of 1965, Public Law 89-329, as amended;

33.7 (ii) if an the institution:

33.8 (A) was participating in state student aid programs as of June 30, 2010, and the institution
33.9 did but does not participate in the federal Pell Grant program by June 30, 2010, the institution
33.10 must require every student who enrolls to sign a disclosure form, provided by the office,
33.11 stating that the institution is not participating in the federal Pell Grant program. under Title
33.12 IV of the Higher Education Act of 1965, Public Law 89-329, as amended;

33.13 (B) requires every student who enrolls to sign a disclosure form, provided by the office,
33.14 stating that the institution is not participating in the federal Pell Grant program; and

33.15 (C) has not had a change in ownership as defined in section 136A.63, subdivision 2; or

33.16 ~~(e) An~~ (iii) the institution that offers only graduate-level degrees or graduate-level
33.17 nondegree programs is an eligible institution if the institution is licensed or registered as a
33.18 postsecondary institution by the office and participates in federal financial aid under Title
33.19 IV of the Higher Education Act of 1965, Public Law 89-329, as amended.

33.20 ~~(d) (c) An eligible institution under paragraph (b), clause (3), item (ii)~~ (2), that changes
33.21 ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell
33.22 Grant program within four calendar years of the first ownership change to continue eligibility
33.23 remains eligible for state student aid for six months following the change in ownership.

33.24 ~~(e) An institution that loses its eligibility for the federal Pell Grant program is not an~~
33.25 ~~eligible institution. The office may terminate an institution's eligibility to participate in state~~
33.26 ~~student aid programs effective the date of the loss of eligibility for the federal Pell Grant~~
33.27 ~~program.~~

33.28 ~~(f) An institution must maintain adequate administrative and financial standards and~~
33.29 ~~compliance with all state statutes, rules, and administrative policies related to state financial~~
33.30 ~~aid programs.~~

33.31 ~~(g) The office may terminate a postsecondary institution's eligibility to participate in~~
33.32 ~~state student aid programs if the institution is~~

34.1 Subd. 2. **Ineligibility.** A postsecondary institution otherwise eligible for state student
34.2 aid under this chapter and sections 197.791 and 299A.45 becomes ineligible if the institution:

34.3 (1) fails to maintain adequate compliance with administrative and financial standards
34.4 and compliance with all state statutes, rules, and administrative policies related to state
34.5 financial aid programs; or

34.6 (2) has been terminated from participating in federal financial aid programs by the United
34.7 States Department of Education for a violation of laws, regulations, or participation
34.8 agreements governing federal financial aid programs.

34.9 Sec. 9. Minnesota Statutes 2024, section 136A.121, subdivision 9, is amended to read:

34.10 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is
34.11 eligible to apply for and receive a grant in any year of undergraduate study unless the student
34.12 has obtained a baccalaureate degree or previously has received a state grant award for ~~180~~
34.13 120 credits or the equivalent, excluding (1) courses taken from a Minnesota school or
34.14 postsecondary institution which is not participating in the state grant program and from
34.15 which a student transferred no credit, and (2) courses taken that qualify as developmental
34.16 education or below college-level. A student enrolled in a two-year program at a four-year
34.17 institution is only eligible for the tuition and fee maximums established by law for two-year
34.18 institutions.

34.19 Sec. 10. Minnesota Statutes 2024, section 136A.1465, subdivision 1, is amended to read:

34.20 Subdivision 1. **Definitions.** The following terms have the meanings given:

34.21 (1) "eligible student" means a resident student under section 136A.101, subdivision 8,
34.22 who is enrolled in any public postsecondary educational institution or Tribal college and
34.23 who meets the eligibility requirements in subdivision 2;

34.24 (2) "gift aid" includes:

34.25 (i) all federal financial aid that is not a loan or pursuant to a work-study program;

34.26 (ii) state financial aid, unless designated for other expenses, that is not a loan or pursuant
34.27 to a work-study program;

34.28 (iii) institutional financial aid, including a grant, scholarship, tuition waiver, fellowship
34.29 stipend, or other payment, unless designated for other expenses, that is not a loan or pursuant
34.30 to a work-study program; and

34.31 (iv) all private financial aid that is not a loan or pursuant to a work-study program.

35.1 Financial aid from the state, public postsecondary educational institutions, and Tribal colleges
35.2 that is specifically designated for other expenses is not gift aid for purposes of the North
35.3 Star Promise scholarship.

35.4 (3) "other expenses" includes books, required supplies, child care, emergency assistance,
35.5 food, and housing;

35.6 (4) "public postsecondary educational institution" means an institution operated by this
35.7 state, or the Board of Regents of the University of Minnesota;

35.8 (5) "recognized cost of attendance" has the meaning given in United States Code, title
35.9 20, chapter 28, subchapter IV, part F, section 1087ll;

35.10 (6) "Tribal college" means a college defined in section 136A.1796, subdivision 1,
35.11 paragraph ~~(e)~~ (d); and

35.12 (7) "tuition and fees" means the ~~actual~~ eligible resident tuition and mandatory fees
35.13 charged by an institution.

35.14 Sec. 11. Minnesota Statutes 2024, section 136A.1465, is amended by adding a subdivision
35.15 to read:

35.16 Subd. 1a. **Resident tuition.** (a) The Board of Regents of the University of Minnesota is
35.17 requested to adopt a policy to charge resident tuition rates for all students eligible for North
35.18 Star Promise.

35.19 (b) The Board of Trustees of Minnesota State Colleges and Universities must adopt a
35.20 policy to charge resident tuition rates for all students eligible for North Star Promise.

35.21 Sec. 12. Minnesota Statutes 2024, section 136A.1465, subdivision 2, is amended to read:

35.22 Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student
35.23 who:

35.24 (1) has completed the Free Application for Federal Student Aid (FAFSA) or the state
35.25 aid application;

35.26 (2) has a family adjusted gross income below \$80,000;

35.27 (3) is a graduate of a secondary school or its equivalent, or is 17 years of age or over
35.28 and has met all requirements for admission as a student to an eligible college or university;

35.29 (4) has not ~~earned a~~ completed the degree requirements for the first baccalaureate degree
35.30 at the time the scholarship is awarded;

36.1 (5) is enrolled in at least one credit per fall, spring, or summer semester;

36.2 (6) is enrolled in a program or course of study that applies to a degree, diploma, or
36.3 certificate;

36.4 (7) is not in default, as defined by the office, of any federal or state student educational
36.5 loan;

36.6 (8) is not more than 30 days in arrears in court-ordered child support that is collected or
36.7 enforced by the public authority responsible for child support enforcement or, if the applicant
36.8 is more than 30 days in arrears in court-ordered child support that is collected or enforced
36.9 by the public authority responsible for child support enforcement, but is complying with a
36.10 written payment agreement under section 518A.69 or order for arrearages;

36.11 (9) has not been convicted of or pled nolo contendere or guilty to a crime involving
36.12 fraud in obtaining federal Title IV funds within the meaning of Code of Federal Regulations,
36.13 subtitle B, chapter VI, part 668, subpart C; and

36.14 (10) is meeting satisfactory academic progress as defined in section 136A.101, subdivision
36.15 10.

36.16 Sec. 13. Minnesota Statutes 2024, section 136A.155, is amended to read:

36.17 **136A.155 ADDITIONAL INSTITUTION ELIGIBILITY REQUIREMENTS.**

36.18 A postsecondary institution is an eligible institution for purposes of sections 136A.15
36.19 to 136A.1702, if the institution:

36.20 (1) meets the eligibility requirements under section 136A.103; or

36.21 (2) is operated publicly or privately in another state, and is approved by the United States
36.22 Secretary of Education, ~~and, as determined by the office, maintains academic standards~~
36.23 ~~substantially equal to those of comparable institutions operated in this state.~~

36.24 Sec. 14. Minnesota Statutes 2024, section 136A.162, is amended to read:

36.25 **136A.162 CLASSIFICATION OF DATA.**

36.26 (a) Except as provided in paragraphs (b) and (c), data on applicants for financial assistance
36.27 collected and used by the office for student financial aid programs administered by that
36.28 office are private data on individuals as defined in section 13.02, subdivision 12.

36.29 (b) Data on applicants may be disclosed to the commissioner of children, youth, and
36.30 families to the extent necessary to determine eligibility under section 136A.121, subdivision
36.31 2, clause (5).

37.1 (c) The following data collected in the Minnesota supplemental loan program under
37.2 sections 136A.1701 and 136A.1704 may be disclosed to a consumer credit reporting agency
37.3 only if the borrower and the cosigner give informed consent, according to section 13.05,
37.4 subdivision 4, at the time of application for a loan:

37.5 (1) the lender-assigned borrower identification number;

37.6 (2) the name and address of borrower;

37.7 (3) the name and address of cosigner;

37.8 (4) the date the account is opened;

37.9 (5) the outstanding account balance;

37.10 (6) the dollar amount past due;

37.11 (7) the number of payments past due;

37.12 ~~(8) the number of late payments in previous 12 months;~~

37.13 ~~(9)~~ (8) the type of account;

37.14 ~~(10)~~ (9) the responsibility for the account; and

37.15 ~~(11)~~ (10) the status or remarks code.

37.16 Sec. 15. Minnesota Statutes 2024, section 136A.1701, subdivision 4, is amended to read:

37.17 Subd. 4. **Terms and conditions of loans.** ~~(a)~~ The office may loan money upon such
37.18 terms and conditions as the office may prescribe. Annually, the office must determine the
37.19 minimum loan amount, the maximum loan amount based on program type, the maximum
37.20 cumulative amount for each program type, and the maximum lifetime limit for an individual.
37.21 The annual amount of the loan must not exceed the cost of attendance as determined by the
37.22 eligible institution less all other financial aid.

37.23 ~~(b) The minimum loan amount and a maximum loan amount to students must be~~
37.24 ~~determined annually by the office. Loan limits are defined based on the type of program~~
37.25 ~~enrollment, such as a certificate, an associate's degree, a bachelor's degree, or a graduate~~
37.26 ~~program. The aggregate principal amount of all loans made subject to this paragraph to a~~
37.27 ~~student as an undergraduate and graduate student must not exceed \$140,000. The amount~~
37.28 ~~of the loan must not exceed the cost of attendance as determined by the eligible institution~~
37.29 ~~less all other financial aid, including PLUS loans or other similar parent loans borrowed on~~
37.30 ~~the student's behalf. A student may borrow up to the maximum amount twice in the same~~
37.31 ~~grade level.~~

~~(e) The cumulative borrowing maximums must be determined annually by the office and are defined based on program enrollment. In determining the cumulative borrowing maximums, the office shall, among other considerations, take into consideration the maximum SELF loan amount, student financing needs, funding capacity for the SELF program, delinquency and default loss management, and current financial market conditions.~~

Sec. 16. Minnesota Statutes 2024, section 136A.1796, is amended to read:

136A.1796 TRIBAL COLLEGE SUPPLEMENTAL GRANT ASSISTANCE.

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given ~~them~~.

(b) "Beneficiary student" means a resident of Minnesota who is enrolled in a certificate, diploma, or degree program in a Tribally controlled college and is an enrolled member of a federally recognized Indian Tribe.

~~(b)~~ (c) "Nonbeneficiary student" means a resident of Minnesota who is enrolled in a certificate, diploma, or degree program in a Tribally controlled college but is not an enrolled member of a federally recognized Indian Tribe.

~~(e)~~ (d) "Tribally controlled college" means an accredited institution of higher education located in this state that is formally controlled by or has been formally sanctioned or chartered by the governing body of a federally recognized Indian Tribe, or a combination of federally recognized Indian Tribes. Tribally controlled college does not include any institution or campus subject to the jurisdiction of the Board of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the University of Minnesota.

Subd. 2. **Eligibility; grant assistance.** (a) A Tribally controlled college is eligible to receive supplemental grant assistance from the office, as provided in this section, for beneficiary and nonbeneficiary student enrollment if the college is not otherwise eligible to receive federal grant funding for those students under United States Code, title 25, section 1808.

(b) The office shall make grants to Tribally controlled colleges to defray the costs of education associated with the enrollment of beneficiary and nonbeneficiary students. Grants made pursuant to this section must be provided directly to the recipient college.

Subd. 3. **Grant application.** To receive a grant under this section, a Tribally controlled college must submit an application in the manner required by the office. Upon submission of a completed application indicating that the Tribally controlled college is eligible, the office shall distribute to the college, during each year of the biennium, a grant of \$5,300

for each beneficiary and nonbeneficiary student on a full-time equivalent basis. If the amount appropriated for grants under this section is insufficient to cover the total amount of grant eligibility, the office shall distribute a prorated amount per beneficiary and nonbeneficiary student on a full-time equivalent basis.

Subd. 4. **Reporting by recipient institutions.** Each Tribally controlled college receiving a grant under this section shall provide to the office, on an annual basis, an accurate and detailed account of the expenditures of the grant funds received by the college, and a copy of the college's most recent audit report and documentation of the enrollment status and ethnic status of each beneficiary and nonbeneficiary student for which grant assistance is sought under this section.

Sec. 17. Minnesota Statutes 2024, section 136A.246, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** (a) The terms defined in this subdivision apply to this section.

(b) "Competency standard" has the meaning given in section 175.45, subdivision 2.

(c) "Eligible training" means training provided by an eligible training provider that:

(1) includes training to meet one or more identified competency standards;

(2) is instructor-led for a majority of the training; and

(3) results in the employee receiving an industry-recognized accredited degree, certificate, or credential.

(d) "Eligible training provider" means an institution:

(1) operated by the Board of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the University of Minnesota;

(2) licensed or registered as a postsecondary institution by the office; or

(3) exempt from the provisions of section 136A.822 to 136A.834 or 136A.61 to 136A.71 as approved by the office.

(e) "Industry-recognized accredited degrees, certificates, or credentials" means:

(1) certificates, diplomas, or degrees issued by ~~a~~ an accredited postsecondary institution;

(2) registered apprenticeship certifications or certificates;

(3) occupational licenses or registrations;

(4) certifications issued by, or recognized by, industry or professional associations; and

(5) other certifications as approved by the commissioner.

40.1 Sec. 18. Minnesota Statutes 2024, section 136A.246, subdivision 3, is amended to read:

40.2 Subd. 3. **Eligible training provider.** The Office of Higher Education and the Department
40.3 of Labor and Industry must cooperate in maintaining an inventory of accredited degree,
40.4 certificate, and credential programs that provide training to meet competency standards.
40.5 The inventory must be posted on each agency's website with contact information for each
40.6 program. The postings must be updated periodically.

40.7 Sec. 19. Minnesota Statutes 2024, section 136A.246, subdivision 6, is amended to read:

40.8 Subd. 6. **Employer match.** A large employer must pay for at least ~~25~~ 50 percent of the
40.9 cost of training. For the purpose of this subdivision, a "large employer" means a business
40.10 with more than \$25,000,000 in annual gross revenue in the previous calendar year.

40.11 Sec. 20. Minnesota Statutes 2024, section 136A.246, subdivision 8, is amended to read:

40.12 Subd. 8. **Grant amounts.** (a) The maximum grant for an application for the cost of
40.13 training is ~~\$150,000~~ \$300,000. The maximum grant for an application for trainee support
40.14 is ten percent of the grant amount for the cost of training. The maximum total grant per
40.15 application is ~~\$165,000~~ \$330,000. A grant may not exceed ~~\$6,000~~ \$12,000 per year for a
40.16 maximum of ~~\$24,000~~ \$48,000 per employee.

40.17 (b) An employee who is attending an eligible training provider that is an institution under
40.18 section 136A.103 must apply for Pell and state grants as a condition of payment for training
40.19 that employee under this section.

40.20 Sec. 21. Minnesota Statutes 2024, section 136A.65, subdivision 4, is amended to read:

40.21 Subd. 4. **Criteria for approval.** (a) A school applying to be registered and to have its
40.22 degree or degrees and name approved must substantially meet the following criteria:

40.23 (1) the school has an organizational framework with administrative and teaching personnel
40.24 to provide the educational programs offered;

40.25 (2) the school has financial resources sufficient to meet the school's financial obligations,
40.26 including refunding tuition and other charges consistent with its stated policy if the institution
40.27 is dissolved, or if claims for refunds are made, to provide service to the students as promised,
40.28 and to provide educational programs leading to degrees as offered;

40.29 (3) the school operates in conformity with generally accepted accounting principles
40.30 according to the type of school;

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

41.1 (5) the school provides appropriate and accessible library, laboratory, and other physical
41.2 facilities to support the educational program offered;

41.3 (6) the school has a policy on freedom or limitation of expression and inquiry for faculty
41.4 and students which is published or available on request;

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

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

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

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

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

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

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

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

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

41.26 (11) the school has a process to receive and act on student complaints;

41.27 (12) if the school is unaccredited, the school includes a joint and several liability provision
41.28 for torts and compliance with the requirements of sections 136A.61 to 136A.71 in any
41.29 contract effective after July 1, 2026, with any individual, entity, or postsecondary school
41.30 located in another state for the purpose of providing educational or training programs or
41.31 awarding postsecondary credits or continuing education credits to Minnesota residents that
41.32 may be applied to a degree program; and

(13) the school must not use nondisclosure agreements or other contracts restricting a student's ability to disclose information in connection with school actions or conduct that would be covered under section 136A.672.

(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;

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

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

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

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

Sec. 22. Minnesota Statutes 2024, section 136A.653, subdivision 5, is amended to read:

Subd. 5. **Higher Learning Commission accredited institutions in Minnesota.** (a) A postsecondary institution accredited by the Higher Learning Commission or its successor with its primary physical location in Minnesota is exempt from the provisions of sections 136A.61 to 136A.71, including related fees, when it creates new or modifies existing:

(1) program degree levels, program degree types, majors, minors, concentrations, specializations, and areas of emphasis within approved degrees;

(2) nondegree programs ~~within approved degrees~~;

(3) underlying curriculum or courses;

(4) modes of delivery; ~~and~~

(5) locations; and

43.1 (6) course or term changes that do not impact the number of instructional hours.

43.2 (b) The institution must annually notify the commissioner of the exempt actions listed
43.3 in paragraph (a) and, upon the commissioner's request, must provide additional information
43.4 about the action.

43.5 (c) The institution must notify the commissioner within 60 days of a program closing.

43.6 (d) Nothing in this subdivision exempts an institution from the annual registration and
43.7 degree approval requirements of sections 136A.61 to 136A.71.

43.8 (e) An institution exempt under this subdivision may advertise, recruit, and enroll students
43.9 while the program is evaluated for an exemption. In the event the program is determined
43.10 not to be exempt, the institution must submit the full review application to the office within
43.11 60 days of notification or cease advertisement, recruitment, and enrollment of students and
43.12 may be subject to the provisions of sections 136A.65, subdivision 8, 136A.705, and 136A.71.

43.13 Sec. 23. Minnesota Statutes 2024, section 136A.658, is amended to read:

43.14 **136A.658 EXEMPTION; STATE AUTHORIZATION RECIPROCITY**
43.15 **AGREEMENT SCHOOLS.**

43.16 (a) The office may participate in an interstate reciprocity agreement regarding
43.17 postsecondary distance education if it determines that participation is in the best interest of
43.18 Minnesota postsecondary students.

43.19 (b) If the office decides to participate in an interstate reciprocity agreement, an institution
43.20 that meets the following requirements is exempt from the provisions of sections 136A.61
43.21 to 136A.71:

43.22 (1) the institution is situated in a state which is also participating in the interstate
43.23 reciprocity agreement;

43.24 (2) the institution has been approved to participate in the interstate reciprocity agreement
43.25 by the institution's home state and other entities with oversight of the interstate reciprocity
43.26 agreement; and

43.27 (3) the institution has elected to participate in and operate in compliance with the terms
43.28 of the interstate reciprocity agreement.

43.29 (c) If the office participates in an interstate reciprocity agreement and the office is
43.30 responsible for the administration of that interstate reciprocity agreement, which may include
43.31 the approval of applications for membership of in-state institutions to participate in the
43.32 interstate reciprocity agreement, the office shall collect reasonable fees sufficient to recover,

but not exceed, its costs to administer the interstate reciprocity agreement. The office processing fees for approving an in-state institution application shall be as follows:

(1) ~~\$750~~ \$1,500 for institutions with ~~fewer than 2,500~~ or fewer full-time equivalent enrollment;

(2) ~~\$3,000~~ \$5,000 for institutions with 2,501 to ~~20,000~~ 12,500 full-time equivalent enrollment; and

(3) \$7,500 for institutions with greater than ~~20,001~~ 12,500 full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

Sec. 24. Minnesota Statutes 2024, section 136A.69, subdivision 1, is amended to read:

Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration fees that are sufficient to recover, but do not exceed, its costs of administering the registration program. The office shall charge the fees listed in paragraphs (b) to (d) for new registrations.

(b) A new school ~~offering no more than one degree at each level during its first year~~ must pay registration fees ~~for each applicable level~~ based on the institution's total full-time equivalent enrollment in the following amounts:

associate degree	\$2,000
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baccalaureate degree	\$2,500
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master's degree	\$3,000
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doctorate degree	\$3,500
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(1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

(2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

(3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

(4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

(5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and for institutions with no data on the previous year's full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

(c) A new school ~~that will offer more than one degree per level during its first year~~ must pay registration fees in an amount equal to the fee ~~for the first degree at each degree level~~ under paragraph (b), plus fees for each ~~additional~~ nondegree program or degree as follows:

nondegree program	\$250
additional associate degree	\$250
additional baccalaureate degree	\$500
additional master's degree program	\$750
additional doctorate degree	\$1,000

(d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for an initial application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or registration requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

(e) The annual renewal registration fee is ~~\$1,500.~~ based on an institution's total full-time equivalent enrollment in the following amounts:

- (1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;
- (2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;
- (3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and
- (4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and for institutions with no data on the previous year's full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or registration requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license

application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 25. Minnesota Statutes 2024, section 136A.82, is amended to read:

136A.82 POLICY; CITATION.

Subdivision 1. **Policy.** The legislature has found and hereby declares that the availability of legitimate vocational programs offered by responsible nonprofit and for-profit private career schools are in the best interests of the people of this state. The legislature has found and declares that the state can provide assistance and protection for persons choosing vocational programs by establishing policies and procedures to ensure the authenticity and legitimacy of vocational programs offered by nonprofit and for-profit private career schools. The legislature has found and declares that this same policy applies to any nonprofit and for-profit private career schools located in another state or country that offers or makes available to a Minnesota resident any vocational program which does not require leaving the state for its completion.

Subd. 2. **Citation.** Sections 136A.82 to 136A.834 may be cited as the "Private Career School Act."

Sec. 26. Minnesota Statutes 2024, section 136A.821, subdivision 4, is amended to read:

Subd. 4. **Person.** "Person" means any individual, partnership, company, firm, society, trust, association, or corporation or any combination thereof. Person does not extend to:

(1) a government body;

(2) a public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17; or

(3) a nonpublic school, religious organization, or home school as defined in section 120A.22, subdivision 4.

Sec. 27. Minnesota Statutes 2024, section 136A.821, subdivision 5, is amended to read:

Subd. 5. **Private career school.** "Private career school" means a person who maintains a physical presence for any program at less than an associate degree level; ~~is not registered~~

47.1 ~~as a private institution under sections 136A.61 to 136A.71;~~ and is not specifically exempted
47.2 by section 136A.833. Private career school does not extend to:

47.3 (1) public postsecondary institutions with a physical presence in Minnesota;

47.4 (2) postsecondary institutions registered under sections 136A.61 to 136A.71;

47.5 (3) postsecondary institutions exempt from registration under section 136A.653,
47.6 subdivisions 1b, 2, 3, and 3a; 136A.657; or 136A.658 due to the nature of the institution's
47.7 programs;

47.8 (4) schools exclusively engaged in training physically or mentally disabled persons;

47.9 (5) courses taught to students in an apprenticeship program registered by the United
47.10 States Department of Labor or Minnesota Department of Labor and taught by or required
47.11 by a trade union in which students are not responsible for tuition, fees, or any other charges,
47.12 regardless of payment or reimbursement method;

47.13 (6) programs contracted by persons or government agencies for the training of their own
47.14 employees for which no fee is charged to the employee, regardless of whether that fee is
47.15 reimbursed by the employer or a third party after the employee successfully completes the
47.16 training, except for institutions or programs required to obtain a limited license exclusively
47.17 to receive the dual training grant;

47.18 (7) schools with no physical presence in Minnesota engaged exclusively in offering
47.19 distance programs that are located in and approved by other states or jurisdictions if the
47.20 distance education program does not include internships, externships, field placements, or
47.21 clinical placements for residents of Minnesota;

47.22 (8) schools licensed or approved by other state boards or agencies authorized under
47.23 Minnesota law to issue licenses for institutions or programs, except for institutions or
47.24 programs required to be licensed exclusively to participate in state financial aid or be listed
47.25 on the eligible training provider list, access WIOA funding, or receive the dual training
47.26 grant;

47.27 (9) review classes, courses, or programs intended to prepare students to sit for
47.28 undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance
47.29 examinations;

47.30 (10) classes, courses, or programs conducted by a bona fide trade, professional, or
47.31 fraternal organization, solely for that organization's membership and not available to the
47.32 public. In making the determination that the organization is bona fide, the office may request

48.1 the school provide three certified letters from persons that qualify as evaluators under section
48.2 136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;

48.3 (11) programs in the fine arts provided by organizations exempt from taxation under
48.4 section 290.05 and registered with the attorney general under chapter 309. For purposes of
48.5 this clause, "fine arts" means activities resulting in artistic creation or artistic performance
48.6 of works of the imagination which are engaged in for the primary purpose of creative
48.7 expression rather than commercial sale, vocational or career advancement, or employment;
48.8 or

48.9 (12) classes, courses, or programs intended to fulfill the continuing education
48.10 requirements for a bona fide licensure or certification in a profession that have been approved
48.11 by a legislatively or judicially established board or agency responsible for regulating the
48.12 practice of the profession or by an industry-specific certification entity and that are offered
48.13 exclusively to individuals with the professional licensure or certification.

48.14 Sec. 28. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
48.15 to read:

48.16 Subd. 21. **Vocational.** "Vocational" means education or training for skills used in the
48.17 labor market.

48.18 Sec. 29. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
48.19 to read:

48.20 Subd. 22. **Trade union.** "Trade union" means an organization of workers in a skilled
48.21 occupation who act together to secure all members favorable wages, hours, or other working
48.22 conditions.

48.23 Sec. 30. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
48.24 to read:

48.25 Subd. 23. **Eligible training provider.** "Eligible training provider" has the meaning given
48.26 in Code of Federal Regulations, title 20, section 680.410.

48.27 Sec. 31. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
48.28 to read:

48.29 Subd. 24. **Eligible training provider list.** "Eligible training provider list" means the list
48.30 of eligible training providers that the state must maintain under Code of Federal Regulations,
48.31 title 20, section 680.430.

49.1 Sec. 32. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
49.2 to read:

49.3 Subd. 25. **State financial aid.** For purposes of sections 136A.82 to 136A.834, "state
49.4 financial aid" includes all financial aid that may be awarded under chapter 136A, with the
49.5 exception of the dual training grant.

49.6 Sec. 33. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
49.7 to read:

49.8 Subd. 26. **WIOA funding.** "WIOA funding" means any funding available through the
49.9 Workforce Innovation and Opportunity Act under Code of Federal Regulations, title 20,
49.10 section 680.

49.11 Sec. 34. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision
49.12 to read:

49.13 Subd. 27. **Dual training grant.** "Dual training grant" means any money awarded under
49.14 section 136A.246.

49.15 Sec. 35. Minnesota Statutes 2024, section 136A.822, subdivision 3, is amended to read:

49.16 Subd. 3. **Refunds.** If a contract is ~~deemed~~ determined by the office to be unenforceable
49.17 under subdivision 2, a private career school must refund tuition, fees, and other charges
49.18 received from a student or on behalf of a student within 30 days of receiving written
49.19 notification and demand for refund from the office.

49.20 Sec. 36. Minnesota Statutes 2024, section 136A.822, subdivision 6, is amended to read:

49.21 Subd. 6. **Bond.** (a) No license shall be issued to any private career school with a physical
49.22 presence within the state of Minnesota for any program, unless the applicant files with the
49.23 office a continuous corporate surety bond written by a company authorized to do business
49.24 in Minnesota conditioned upon the faithful performance of all contracts and agreements
49.25 with students made by the applicant.

49.26 ~~(b)(1)~~ The amount of the surety bond shall be ten percent of the preceding year's net
49.27 revenue from student tuition, fees, and other required institutional charges collected, but in
49.28 no event less than \$10,000, except that a private career school may deposit a greater amount
49.29 at its own discretion. A private career school in each annual application for licensure must
49.30 compute the amount of the surety bond and verify that the amount of the surety bond complies
49.31 with this subdivision. A private career school that operates at two or more locations may

combine net revenue from student tuition, fees, and other required institutional charges collected for all locations for the purpose of determining the annual surety bond requirement. The net revenue from tuition and fees used to determine the amount of the surety bond required for a private career school having a license for the sole purpose of recruiting students in Minnesota shall be only that paid to the private career school by the students recruited from Minnesota.

~~(2) A person required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board, except not including those schools licensed exclusively in order to participate in state grants or SELF loan financial aid programs, shall be required to provide a school bond of \$10,000.~~

(c) The bond shall run to the state of Minnesota and to any person who may have a cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the applicant with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum deposited by the private career school under paragraph (b). The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In lieu of bond, the applicant may deposit with the commissioner of management and budget a sum equal to the amount of the required surety bond in cash, an irrevocable letter of credit issued by a financial institution equal to the amount of the required surety bond, or securities as may be legally purchased by savings banks or for trust funds in an aggregate market value equal to the amount of the required surety bond.

(e) Failure of a private career school to post and maintain the required surety bond or deposit under paragraph (d) may result in denial, suspension, or revocation of the school's license.

Sec. 37. Minnesota Statutes 2024, section 136A.822, subdivision 8, is amended to read:

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

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

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

51.1 (ii) refund all tuition and other charges, within ~~a reasonable period of time~~ 60 days, in
51.2 the event of dissolution of the private career school or in the event of any justifiable claims
51.3 for refund against the private career school by the student body;

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

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

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

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

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

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

51.16 (6) that the premises and conditions where the students work and study and the student
51.17 living quarters which are owned, maintained, recommended, or approved by the applicant
51.18 are sanitary, healthful, and safe, as evidenced by certificate of occupancy issued by the
51.19 municipality or county where the private career school is physically situated, a fire inspection
51.20 by the local or state fire marshal, or another verification deemed acceptable by the office;

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

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

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

51.28 (10) that the private career school or its owners, officers, agents, or sponsoring
51.29 organization has not had a license revoked under section 136A.829 or its equivalent in other
51.30 states or has closed the institution prior to all students, enrolled at the time of the closure,
51.31 completing their program within two years of the effective date of the revocation; and

(11) that the school includes a joint and several liability provision for torts and compliance with the requirements of sections 136A.82 to 136A.834 in any contract effective after July 1, 2026, with any individual, entity, or postsecondary school located in another state for the purpose of providing educational or training programs or awarding postsecondary credits to Minnesota residents that may be applied to a program.

Sec. 38. Minnesota Statutes 2024, section 136A.822, subdivision 13, is amended to read:

Subd. 13. ~~Private career schools licensed by another state agency or board~~ **Limited license.** (a) Unless otherwise exempt under sections 136A.82 to 136A.834:

(1) a private career school licensed by another state agency or board must be required to obtain a private career school limited license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating participate in state financial aid under chapter 136A, and which is also licensed by another state agency or board; and

(2) a private career school exclusively seeking to be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant shall be required to obtain a limited license.

(b) A private career school seeking a limited license under this subdivision shall be required to satisfy only the requirements of subdivisions 4, clauses (1), (2), (3), (5), (7), (8), (9), and (10); 5; 6, paragraph (b), clause (2); 8, clauses (1), (4), (7), (8), and (9), and (10); 9; 10; 11; and 12. If a school is licensed to participate in state financial aid under this chapter, the school must follow the refund policy in section 136A.827, even if that section conflicts with the refund policy of the licensing agency or board. A distance education private career school located in another state, or a school licensed to recruit Minnesota residents for attendance at a school outside of this state, or a school licensed by another state agency as its primary licensing body, may continue to use the school's name as permitted by its home state or its primary licensing body.

Sec. 39. Minnesota Statutes 2024, section 136A.824, subdivision 1, is amended to read:

Subdivision 1. **Initial licensure fee.** (a) The office processing fee for an initial licensure application is:

(1) ~~\$2,500~~ \$3,730 for a private career school that will offer no more than one program during its first year of operation;

(2) ~~\$750~~ \$1,500 for a private career school licensed exclusively ~~due to the use of the term "college," "university," "academy," or "institute" in its name, or licensed exclusively~~ in order to participate in state ~~grant or SELF loan~~ financial aid ~~programs~~, be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant; and

(3) ~~\$2,500~~ \$3,730, plus \$500 for each additional program offered by the private career school, for a private career school during its first year of licensed operation.

(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with additional application submissions. If this fee is paid, the private career school may submit two final application submissions for review prior to application denial under section 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 40. Minnesota Statutes 2024, section 136A.824, subdivision 2, is amended to read:

Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal licensure application is:

(1) for a private career school ~~that offers one program~~, the license renewal fee is ~~\$1,150~~ \$3,160; and

~~(2) for a private career school that offers more than one program, the license renewal fee is \$1,150, plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;~~

~~(3) for a private career school licensed exclusively due to the use of the term "college," "university," "academy," or "institute" in its name, the license renewal fee is \$750; and~~

~~(4)~~ (2) for a private career school licensed by another state agency and also licensed with the office exclusively in order to participate in state ~~student~~ financial aid programs, be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant, the license renewal fee is ~~\$750~~ \$1,500.

(b) If a license renewal application is not received by the office by ~~the close of business at least 60 days before~~ the expiration of the current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

(c) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with additional application submissions. If this fee is paid, the private career school may submit two final application submissions for review prior to application denial under section 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 41. Minnesota Statutes 2024, section 136A.824, subdivision 6, is amended to read:

Subd. 6. **Solicitor permit fee.** The solicitor permit fee is ~~\$350~~ \$500 and must be paid annually.

Sec. 42. Minnesota Statutes 2024, section 136A.824, subdivision 7, is amended to read:

Subd. 7. **Multiple location fee.** Private career schools wishing to operate at multiple locations must pay the greater of:

(1) ~~\$250~~ \$500 per location, ~~for locations two to five; and; or~~

(2) ~~an additional \$100 for each location over five;~~ the actual cost of travel expenses, lodging, and customary meals incurred for an in-person site visit, should the office determine one is necessary.

Sec. 43. Minnesota Statutes 2024, section 136A.833, is amended to read:

136A.833 EXEMPTIONS.

Subdivision 1. **Application for exemptions.** (a) A school that seeks an exemption from the provisions of sections 136A.822 to 136A.834 for the school and all of its programs or some of its programs must apply to the office to establish that the school or program meets the requirements of an exemption. An exemption for the school or program expires two years from the date of approval or when a school adds a new program or makes a

modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires. If a school fails to apply within 90 days of expiration, the school is subject to fees and penalties under sections 136A.831 and 136A.832.

This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school or its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.829. If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

(b) A school that meets any of the exemptions in this section and exclusively seeks to be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant, is exempt from sections 136A.822 to 136A.834, except the school must satisfy the requirements of section 136A.822, subdivisions 4, clauses (1), (2), and (3); 8, clauses (9) and (10); 10, clause (8); and 12.

Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the following:

~~(1) public postsecondary institutions;~~

~~(2) postsecondary institutions registered under sections 136A.61 to 136A.71;~~

~~(3) postsecondary institutions exempt from registration under sections 136A.653, subdivisions 1b, 2, 3, and 3a; 136A.657; and 136A.658;~~

~~(4) private schools complying with the requirements of section 120A.22, subdivision 4;~~

~~(5) courses taught to students in an apprenticeship program registered by the United States Department of Labor or Minnesota Department of Labor and taught by or required by a trade union. A trade union is an organization of workers in the same skilled occupation or related skilled occupations who act together to secure all members favorable wages, hours, and other working conditions;~~

~~(6) private career schools exclusively engaged in training physically or mentally disabled persons;~~

~~(7) private career schools licensed or approved by boards authorized under Minnesota law to issue licenses for training programs except private career schools required to obtain~~

56.1 ~~a private career school license due to the use of "academy," "institute," "college," or~~
56.2 ~~"university" in their names;~~

56.3 ~~(8) private career schools and educational programs, or training programs, contracted~~
56.4 ~~for by persons, firms, corporations, government agencies, or associations, for the training~~
56.5 ~~of their own employees, for which no fee is charged the employee, regardless of whether~~
56.6 ~~that fee is reimbursed by the employer or third party after the employee successfully~~
56.7 ~~completes the training;~~

56.8 ~~(9) (1) private career schools engaged exclusively in the teaching of purely avocational~~
56.9 ~~programs that are engaged primarily for personal development, recreational recreation, or~~
56.10 ~~remedial subjects that education, and are not advertised or maintained generally intended~~
56.11 ~~for vocational or career advancement, including adult basic education, exercise or fitness~~
56.12 ~~teacher programs, modeling, or acting, as determined by the office except private career~~
56.13 ~~schools required to obtain a private career school license due to the use of "college" or~~
56.14 ~~"university" in their names;~~

56.15 ~~(10) classes, courses, or programs conducted by a bona fide trade, professional, or~~
56.16 ~~fraternal organization, solely for that organization's membership and not available to the~~
56.17 ~~public. In making the determination that the organization is bona fide, the office may request~~
56.18 ~~the school provide three certified letters from persons that qualify as evaluators under section~~
56.19 ~~136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;~~

56.20 ~~(11) programs in the fine arts provided by organizations exempt from taxation under~~
56.21 ~~section 290.05 and registered with the attorney general under chapter 309. For the purposes~~
56.22 ~~of this clause, "fine arts" means activities resulting in artistic creation or artistic performance~~
56.23 ~~of works of the imagination which are engaged in for the primary purpose of creative~~
56.24 ~~expression rather than commercial sale, vocational or career advancement, or employment.~~
56.25 ~~In making this determination the office may seek the advice and recommendation of the~~
56.26 ~~Minnesota Board of the Arts;~~

56.27 ~~(12) classes, courses, or programs intended to fulfill the continuing education~~
56.28 ~~requirements for a bona fide licensure or certification in a profession, that have been approved~~
56.29 ~~by a legislatively or judicially established board or agency responsible for regulating the~~
56.30 ~~practice of the profession or by an industry-specific certification entity, and that are offered~~
56.31 ~~exclusively to individuals with the professional licensure or certification. In making the~~
56.32 ~~determination that the licensure or certification is bona fide, the office may request the~~
56.33 ~~school provide three certified letters from persons that qualify as evaluators under section~~

57.1 ~~136A.828, subdivision 3, paragraph (1), that the licensure and certification is recognized in~~
57.2 ~~Minnesota;~~

57.3 ~~(13) review classes, courses, or programs intended to prepare students to sit for~~
57.4 ~~undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance~~
57.5 ~~examinations and does not include the instruction to prepare students for that license,~~
57.6 ~~occupation, certification, or exam;~~

57.7 ~~(14)~~ (2) classes, courses, or programs providing ~~16~~ 40 or fewer clock hours of instruction;
57.8 and

57.9 ~~(15) classes, courses, or programs providing instruction in personal development that is~~
57.10 ~~not advertised or maintained for vocational or career advancement, modeling, or acting;~~

57.11 ~~(16) private career schools with no physical presence in Minnesota engaged exclusively~~
57.12 ~~in offering distance instruction that are located in and regulated by other states or jurisdictions~~
57.13 ~~if the distance education instruction does not include internships, externships, field~~
57.14 ~~placements, or clinical placements for residents of Minnesota; and~~

57.15 ~~(17)~~ (3) private career schools providing ~~exclusively~~ training, instructional programs,
57.16 or courses where tuition, fees, and any other charges, ~~regardless of payment or reimbursement~~
57.17 ~~method,~~ for a student to participate do not exceed ~~\$100~~ \$500.

57.18 Sec. 44. Minnesota Statutes 2024, section 136A.834, subdivision 1, is amended to read:

57.19 Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections
57.20 136A.821 to 136A.832 if it is:

57.21 (1) offered by a ~~private career~~ school or any department or branch of a ~~private career~~
57.22 school that is substantially owned, operated, or supported by a bona fide church or religious
57.23 organization;

57.24 (2) primarily designed for, aimed at, and attended by persons who sincerely hold or seek
57.25 to learn the particular religious faith or beliefs of that church or religious organization; and

57.26 (3) primarily intended to prepare its students to become ministers of, to enter into some
57.27 other vocation closely related to, or to conduct their lives in consonance with the particular
57.28 faith of that church or religious organization.

57.29 (b) Any ~~private career~~ school or any department or branch of a ~~private career~~ school is
57.30 exempt from the provisions of sections 136A.821 to 136A.832 if all of its programs are
57.31 exempt under paragraph (a).

58.1 Sec. 45. Minnesota Statutes 2024, section 136A.834, subdivision 5, is amended to read:

58.2 Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections
58.3 136A.82 to 136A.834 must apply to the office to establish that the school meets the
58.4 requirements of an exemption. An exemption expires two years from the date of approval
58.5 or when a school adds a new program or makes a modification equal to or greater than 25
58.6 percent to an existing educational program. If a school is reapplying for an exemption, the
58.7 application must be submitted to the office 90 days before the current exemption expires.
58.8 If a school fails to apply within 90 days of expiration, the school is subject to the fees and
58.9 penalties under sections 136A.831 and 136A.832.

58.10 Sec. 46. Minnesota Statutes 2024, section 136A.901, subdivision 1, is amended to read:

58.11 Subdivision 1. **Grant program.** (a) The commissioner shall establish a grant program
58.12 to award grants to institutions in Minnesota for research into spinal cord injuries and traumatic
58.13 brain injuries. Grants shall be awarded to conduct research into new and innovative treatments
58.14 and rehabilitative efforts for the functional improvement of people with spinal cord and
58.15 traumatic brain injuries. Research topics may include, but are not limited to, pharmaceutical,
58.16 medical device, brain stimulus, and rehabilitative approaches and techniques. The
58.17 commissioner, in consultation with the advisory council established under section 136A.902,
58.18 shall award 50 percent of the grant funds for research involving spinal cord injuries and 50
58.19 percent to research involving traumatic brain injuries. In addition to the amounts appropriated
58.20 by law, the commissioner may accept additional funds from private and public sources.
58.21 Amounts received from these sources are appropriated to the commissioner for the purposes
58.22 of issuing grants under this section.

58.23 (b) Institutions that are eligible to apply for a grant under this section include
58.24 postsecondary institutions and nonprofit organizations.

58.25 (c) A spinal cord and traumatic brain injury grant account is established in the special
58.26 revenue fund. Money in the account is appropriated to the commissioner to make grants
58.27 and to administer the grant program under this section. Appropriations to the commissioner
58.28 for the program are for transfer to the account. Appropriations from the account do not
58.29 cancel and are available until expended.

58.30 Sec. 47. **REVISOR INSTRUCTIONS.**

58.31 Subdivision 1. **Student parent support.** The revisor of statutes must renumber Minnesota
58.32 Statutes, section 136A.1251, as Minnesota Statutes, section 136A.915. The revisor must
58.33 also make cross-reference changes consistent with the renumbering.

59.1 Subd. 2. **Inclusive higher education.** The revisor of statutes must renumber Minnesota
59.2 Statutes, section 135A.161, as Minnesota Statutes, section 136A.921. The revisor of statutes
59.3 must renumber Minnesota Statutes, section 135A.162, as Minnesota Statutes, section
59.4 136A.922. The revisor must also make cross-reference changes consistent with the
59.5 renumbering.

59.6 Subd. 3. **Hunger-Free Campus designation.** The revisor of statutes must renumber
59.7 Minnesota Statutes, section 135A.137, as Minnesota Statutes, section 136A.912. The revisor
59.8 must also make cross-reference changes consistent with the renumbering.

59.9 Sec. 48. **REPEALER.**

59.10 (a) Minnesota Statutes 2024, sections 5.41, subdivision 2; 136A.057; 136A.1251,
59.11 subdivision 5; 136A.246, subdivision 9; 136A.69, subdivisions 3 and 5; 136A.824,
59.12 subdivisions 3 and 5; 136A.861, subdivision 7; and 136A.901, subdivision 2, are repealed.

59.13 (b) Minnesota Rules, part 4850.0014, subparts 1 and 2, are repealed.

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5.41 STUDY ABROAD PROGRAMS.

Subd. 2. **Report.** (a) A postsecondary institution must file by November 1 of each year a report on its programs with the secretary of state. The report must contain the following information from the previous academic year, including summer terms:

(1) deaths of program participants that occurred during program participation as a result of program participation;

(2) accidents and illnesses that occurred during program participation as a result of program participation and that required hospitalization; and

(3) country, primary program host, and program type for all incidents reported in clauses (1) and (2).

(b) For purposes of paragraph (a), "primary program host" is the institution or organization responsible for or in control of the majority of decisions being made on the program including, but not limited to, student housing, local transportation, and emergency response and support.

(c) Information reported under paragraph (a), clause (1), may be supplemented by a brief explanatory statement.

(d) A postsecondary institution must request, but not mandate, hospitalization and incident disclosure from students upon completion of the program.

(e) A postsecondary institution must report to the secretary of state annually by November 1 whether its program complies with health and safety standards set by the Forum on Education Abroad or a similar study abroad program standard setting agency.

136A.057 STUDENT TRANSFER REPORTING.

(a) The commissioner must report on the office's website summary data on students who, within the most recent academic year, withdrew from enrollment without completing a degree or credential program at a public postsecondary institution in Minnesota. The summary data must include whether the students who withdrew transferred to another institution and the institutions transferred to and from.

(b) Summary data must be aggregated by postsecondary institution and degree or credential program. Summary data must be disaggregated by race, ethnicity, Pell eligibility, and age.

(c) The commissioner must post the initial data on the office's website on or before February 15, 2022, and must update the data at least annually thereafter.

136A.091 SUMMER ACADEMIC ENRICHMENT PROGRAM.

Subdivision 1. **Establishment.** The summer academic enrichment program is established to enable elementary and secondary students to attend academic summer programs sponsored by postsecondary institutions and nonprofit organizations.

Subd. 2. **Eligibility.** To be eligible for a program stipend, a student shall:

(1) be a resident of Minnesota;

(2) attend an eligible office-approved program;

(3) be in grades 3 through 12, but not have completed high school;

(4) meet income requirements for free or reduced-price school meals; and

(5) be 19 years of age or younger.

Subd. 3. **Financial need.** Need for financial assistance is based on student eligibility for free or reduced-price school meals under the national school lunch program. Student eligibility shall be verified by sponsors of approved academic programs. The office shall award stipends for students within the limits of available appropriations for this section. If the amount appropriated is insufficient, the office shall allocate the available appropriation in the manner it determines. A stipend must not exceed \$1,000 per student.

Subd. 4. **Eligible program sponsors.** (a) A program stipend may be used only at an eligible sponsor that is a postsecondary institution or nonprofit educational organization. A Minnesota public postsecondary institution is an eligible program sponsor. A private postsecondary institution is an eligible program sponsor if it:

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(1) is accredited by an agency recognized by the United States Department of Education for purposes of eligibility to participate in title IV federal financial aid programs;

(2) offers an associate or baccalaureate degree program approved under sections 136A.61 to 136A.71; and

(3) is located in Minnesota.

(b) A nonprofit educational organization is an eligible program sponsor if it:

(1) is incorporated;

(2) has had favorable financial performance with federal or state funds; and

(3) has not had significant audit findings.

Subd. 5. **Eligible programs.** A program stipend may be used only for an eligible program. To be eligible, a program must:

(1) provide, as its primary purpose, academic instruction for student enrichment in core curricular areas of English and language arts, humanities, social studies, science, mathematics, fine arts, performing arts, and world languages and culture;

(2) not be offered for credit to postsecondary students;

(3) not provide remedial instruction;

(4) meet any other program requirements established by the office; and

(5) be approved by the commissioner.

Subd. 6. **Information.** The office shall assemble and distribute information about eligible student participants, program stipends, and eligible programs.

Subd. 7. **Administration.** The office shall determine the time and manner of program applications, program approval, stipend applications, and final awards.

Subd. 8. **Program evaluation.** Each program sponsor must annually submit a report to the office stating its program goals, activities, and stipend recipient eligibility and demographic information.

Subd. 9. **Report.** Annually, the office shall submit a report to the legislative committees with jurisdiction over higher education finance regarding the program providers, stipend recipients, and program activities. The report shall include information about the students served, the organizations providing services, program goals and outcomes, and student outcomes.

136A.1251 STUDENT-PARENT SUPPORT INITIATIVE.

Subdivision 1. **Grants.** (a) To address the needs and support the educational goals of expectant and parenting college students across Minnesota, the commissioner shall award grants and provide support services to institutions and partnering entities that assist expectant parents and parents or legal guardians of young children. Grants shall be awarded to postsecondary institutions, professional organizations, community-based organizations, or other applicants deemed appropriate by the commissioner. Grants must be used to offer services to support the academic goals, health, and well-being of student parents. Services and costs eligible for grant funding include but are not limited to:

(1) program development costs;

(2) costs related to the start-up of on-campus child care;

(3) evaluation and data collection; and

(4) direct assistance to student parents including:

(i) scholarships;

(ii) basic needs support; and

(iii) expenses related to child care.

(b) Postsecondary institutions may act as the fiscal agents in partnership with a local nongovernmental agency, child care center, or other organization that serves student parents.

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Subd. 2. **Application process.** The commissioner shall develop a grant application process. The commissioner shall support projects in a manner that attempts to ensure eligible students throughout the state have access to program services.

Subd. 3. **Postsecondary institution reporting.** Each postsecondary institution shall allow students to identify whether the student is a parent, a legal guardian, acting as a parent, or an expectant parent on an annual basis on a form used to collect demographic data from students. The postsecondary institution shall provide the information to the commissioner annually on a date and in a manner prescribed by the commissioner.

Subd. 4. **Health-related supports.** The commissioner, in partnership with the Department of Health, shall provide health-related supports. Activities for health-related supports include:

(1) ensuring programs, services, and materials are medically accurate, age appropriate, culturally and linguistically appropriate, and inclusive of all populations;

(2) working with community health care providers and other service support organizations that serve the target population for this program; and

(3) providing technical assistance and training for institutional parent support center staff on how to conduct screenings and referrals for the health concerns of student parents, including alcohol misuse, substance use disorders, depression, anxiety, intimate partner violence, tobacco and nicotine, and other health concerns.

Subd. 5. **Report and evaluation.** By August 1 of each odd-numbered year, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance regarding the grant recipients and their activities. The report shall include information about the students served, the organizations providing services, program activities, program goals, and outcomes.

136A.1788 STUDENT LOAN DEBT COUNSELING.

Subdivision 1. **Grant.** A program is established under the Office of Higher Education to provide a grant to a Minnesota-based nonprofit qualified debt counseling organization to provide individual student loan debt repayment counseling to borrowers who are Minnesota residents concerning loans obtained to attend a postsecondary institution. The number of individuals receiving counseling may be limited to those capable of being served with available appropriations for that purpose. A goal of the counseling program is to provide two counseling sessions to at least 75 percent of borrowers receiving counseling.

The purpose of the counseling is to assist borrowers to:

(1) understand their loan and repayment options;

(2) manage loan repayment; and

(3) develop a workable budget based on the borrower's full financial situation regarding income, expenses, and other debt.

Subd. 2. **Qualified debt counseling organization.** A qualified debt counseling organization is an organization that:

(1) has experience in providing individualized student loan counseling;

(2) employs certified financial counselors; and

(3) is based in Minnesota and has offices at multiple rural and metropolitan area locations in the state to provide in-person counseling.

Subd. 3. **Grant application and award.** (a) Applications for a grant shall be on a form created by the commissioner and on a schedule set by the commissioner. Among other provisions, the application must include a description of:

(1) the characteristics of borrowers to be served;

(2) the services to be provided and a timeline for implementation of the services;

(3) how the services provided will help borrowers manage loan repayment;

(4) specific program outcome goals and performance measures for each goal; and

(5) how the services will be evaluated to determine whether the program goals were met.

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(b) The commissioner shall select one grant recipient for a two-year award every two years. A grant may be renewed biennially.

Subd. 4. **Program evaluation.** (a) The grant recipient must submit a report to the commissioner by January 15 of the second year of the grant award. The report must evaluate and measure the extent to which program outcome goals have been met.

(b) The grant recipient must collect, analyze, and report on participation and outcome data that enable the office to verify the outcomes.

(c) The evaluation must include information on the number of borrowers served with on-time student loan payments, the number who brought their loans into good standing, the number of student loan defaults, the number who developed a monthly budget plan, and other information required by the commissioner. Recipients of the counseling must be surveyed on their opinions about the usefulness of the counseling and the survey results must be included in the report.

Subd. 5. **Report to legislature.** By February 1 of the second year of each grant award, the commissioner must submit a report to the committees in the legislature with jurisdiction over higher education finance regarding grant program outcomes.

136A.1789 AVIATION DEGREE LOAN FORGIVENESS PROGRAM.

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

(b) "Qualified aircraft technician" means an individual who (1) has earned an associate's or bachelor's degree preparing individuals to obtain an aviation mechanic's certificate from the Federal Aviation Administration from a postsecondary institution located in Minnesota, and (2) has obtained an aviation mechanic's certificate from the Federal Aviation Administration.

(c) "Qualified education loan" means a government, commercial, or foundation loan used by an individual for actual costs paid for tuition and reasonable educational and living expenses related to the postsecondary education of the qualified aircraft technician or qualified pilot.

(d) "Qualified pilot" means an individual who (1) has earned an associate's or bachelor's degree preparing individuals to obtain an airline transport pilot certificate from a postsecondary institution located in Minnesota, and (2) is in the process of obtaining or has obtained an airline transport pilot certificate.

Subd. 2. **Creation of account.** (a) An aviation degree loan forgiveness program account is established in the special revenue fund to provide qualified pilots and qualified aircraft technicians with financial assistance in repaying qualified education loans. The commissioner must use money from the account to establish and administer the aviation degree loan forgiveness program.

(b) Money in the aviation degree loan forgiveness program account is appropriated to the commissioner for purposes of this section, does not cancel, and is available until expended.

Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program under this section, an individual must:

- (1) be a qualified pilot or qualified aircraft technician;
- (2) have qualified education loans;
- (3) reside in Minnesota; and

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

(b) An applicant selected to participate must sign a contract to agree to serve a five-year full-time service obligation according to subdivision 4. To complete the service obligation, the applicant must work full time in Minnesota as a qualified pilot or qualified aircraft technician. A participant must complete one year of service under this paragraph for each year the participant receives an award under this section.

Subd. 4. **Service obligation.** (a) Before receiving loan repayment disbursements and as requested, a participant must verify to the commissioner that the participant is employed in a position that fulfills the service obligation as required under subdivision 3, paragraph (b).

(b) If a participant does not fulfill the required service obligation, the commissioner must collect from the participant the total amount paid to the participant under the loan forgiveness program

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plus interest at a rate established according to section 270C.40. The commissioner must deposit the money collected in the aviation degree loan forgiveness account. The commissioner must allow waivers of all or part of the money owed the commissioner as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the minimum service commitment.

Subd. 5. **Loan forgiveness.** (a) The commissioner may select eligible applicants each year for participation in the aviation degree loan forgiveness program, within the limits of available funding. Applicants are responsible for securing their own qualified education loans.

(b) For each year that the participant meets the eligibility requirements under subdivision 3, the commissioner must make annual disbursements directly to:

(1) a selected qualified pilot of \$5,000 or the balance of the participant's qualified education loans, whichever is less; and

(2) a selected qualified aircraft technician of \$3,000 or the balance of the participant's qualified education loans, whichever is less.

(c) An individual may receive disbursements under this section for a maximum of five years.

(d) The participant must provide the commissioner with verification that the full amount of the loan repayment disbursement received by the participant has been applied toward the designated qualified education loan. After each disbursement, verification must be received by the commissioner and approved before the next repayment disbursement is made.

(e) If the participant receives a disbursement in the participant's fifth year of eligibility, the participant must provide the commissioner with verification that the full amount of the participant's final loan repayment disbursement was applied toward the designated qualified education loan. If a participant does not provide the verification as required under this paragraph within 12 months of receipt of the final disbursement, the commissioner must collect from the participant the total amount paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner must deposit the money collected in the aviation degree loan forgiveness program account.

Subd. 6. **Rules.** The commissioner may adopt rules to implement this section.

136A.1791 TEACHER SHORTAGE LOAN REPAYMENT PROGRAM.

Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "Qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational and living expenses related to a teacher's preparation or further education, only if the further education will result in the teacher decreasing the gap in a new shortage area.

(c) "School district" means an independent school district, special school district, intermediate district, education district, special education cooperative, service cooperative, a cooperative center for vocational education, or a charter school located in Minnesota.

(d) "Teacher" means an individual holding a teaching license issued by the Professional Educator Licensing and Standards Board who is employed by a school district to provide classroom instruction.

(e) "Commissioner" means the commissioner of the Office of Higher Education unless indicated otherwise.

(f) "License shortage area" has the meaning given in section 136A.1275, subdivision 1, paragraph (b).

(g) "Racial or ethnic group underrepresented in the teacher workforce" means a racial or ethnic group for which the aggregate percentage of Minnesota teachers of that racial or ethnic group is lower than the aggregate percentage of Minnesota kindergarten through grade 12 students of that racial or ethnic group.

(h) "Rural school district" means a school district with fewer than 30 resident pupil units under section 126C.05, subdivision 6, per square mile.

Subd. 2. **Program established; administration.** The commissioner shall establish and administer a teacher shortage loan repayment program.

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Subd. 3a. **Eligibility.** To be eligible for a disbursement under this section, a teacher must belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce. To the extent that funds are available, eligibility extends to teachers who teach in a rural school district or teach in a license shortage area.

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

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

(2) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the teacher is teaching in: (i) a license shortage area; or (ii) a rural school district.

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

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

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

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

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

Subd. 7. **Penalties.** (a) A teacher who submits a false or misleading application or other false or misleading information to the commissioner may:

(1) have his or her teaching license suspended or revoked under section 122A.20;

(2) be disciplined by the teacher's employing school district; or

(3) be required by the commissioner to repay the total amount of the loan repayment he or she received under this program, plus interest at a rate established under section 270C.40.

(b) The commissioner must deposit any repayments received under paragraph (a) in the fund established in subdivision 8.

Subd. 8. **Account established.** A teacher shortage loan repayment account is created in the special revenue fund for depositing money appropriated to or received by the commissioner for the program. Money deposited in the account is appropriated to the commissioner, does not cancel, and is continuously available for loan repayment under this section.

Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report to the chairs of the kindergarten through grade 12 and higher education committees of the legislature on the number of individuals who received loan repayment under this section, the race or ethnicity of the teachers participating in the program, the licensure areas and school districts in which the teachers taught, the average amount paid to a teacher participating in the program, and other summary data identified by the commissioner as outcome indicators.

Subd. 10. **Rulemaking.** The commissioner shall adopt rules under chapter 14 to administer this section.

136A.246 DUAL TRAINING COMPETENCY GRANTS.

Subd. 9. **Reporting.** Commencing in 2017, the commissioner shall annually by February 1 report on the activity of the grant program for the preceding fiscal year to the chairs of the legislative committees with jurisdiction over workforce policy and finance. At a minimum, the report must include:

(1) research and analysis on the costs and benefits of the grants for employees and employers;

(2) the number of employees who commenced training and the number who completed training; and

(3) recommendations, if any, for changes to the program.

136A.69 FEES.

Subd. 3. **Degree or nondegree program addition fee.** The office processing fees for adding a degree or nondegree program are as follows:

nondegree program that is part of existing degree	-0-
nondegree program that is not a part of an existing degree	\$250 each
majors, specializations, emphasis areas, concentrations, and other similar areas of emphasis	\$250 each
associate degrees	\$500 each
baccalaureate degrees	\$500 each
master's degrees	\$750 each
doctorate degrees	\$2,000 each

Subd. 5. **Modification fee.** The fee for modification of any existing degree or nondegree program is \$100 and is due if there is:

(1) an increase or decrease of 25 percent or more from the original date of program approval, in clock hours, credit hours, or calendar length of an existing degree or nondegree program;

(2) a change in academic measurement from clock hours to credit hours or vice versa; or

(3) an addition or alteration of courses that represent a 25 percent change or more in the objectives, content, or methods of delivery.

136A.824 FEES.

Subd. 3. **Program addition fee.** The office processing fee for adding a program to those that are currently offered by the private career school is \$500 per program.

Subd. 5. **Modification fee.** The fee for modification of any existing program is \$100 and is due if there is:

(1) an increase or decrease of 25 percent or more, from the original date of program approval, in clock hours, credit hours, or calendar length of an existing program;

(2) a change in academic measurement from clock hours to credit hours or vice versa; or

(3) an addition or alteration of courses that represent a 25 percent change or more in the objectives, content, or methods of delivery.

136A.861 INTERVENTION FOR COLLEGE ATTENDANCE PROGRAM GRANTS.

Subd. 7. **Report.** By January 15 of each odd-numbered year, the office shall submit a report to the committees in the legislature with jurisdiction over higher education finance regarding the grant recipients and their activities. The report shall include information about the students served, the organizations providing services, program activities, program goals and outcomes, and program revenue sources and funding levels.

136A.901 SPINAL CORD INJURY AND TRAUMATIC BRAIN INJURY RESEARCH GRANT PROGRAM.

Subd. 2. **Report.** By January 15, 2016, and each January 15 thereafter, the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over the Office of Higher Education, specifying the institutions receiving grants under this section and the purposes for which the grant funds were used.

136A.91 CONCURRENT ENROLLMENT GRANTS.

Subdivision 1. **Grants.** (a) The Office of Higher Education must establish a competitive grant program for postsecondary institutions to expand concurrent enrollment opportunities. To the extent

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that there are qualified applicants, the commissioner of the Office of Higher Education shall distribute grant funds to ensure:

- (1) eligible students throughout the state have access to concurrent enrollment programs; and
- (2) preference for grants that expand programs is given to programs already at capacity.

(b) The commissioner may award grants under this section to postsecondary institutions for any of the following purposes:

(1) to develop new concurrent enrollment courses under section 124D.09, subdivision 10, that satisfy the elective standard for career and technical education; or

(2) to expand the existing concurrent enrollment programs already offered by the postsecondary institution and support the preparation, recruitment, and success of students who are underrepresented in concurrent enrollment classrooms by:

- (i) creating new sections within the same high school; or
- (ii) offering the existing course in new high schools.

Subd. 2. **Application.** The commissioner shall develop a grant application process. A grant applicant must:

- (1) specify the purpose under subdivision 1, paragraph (b), for which the institution is applying;
- (2) specify both program and student outcome goals;
- (3) include student feedback in the development of new programs or the expansion of existing programs; and
- (4) demonstrate a commitment to equitable access to concurrent enrollment coursework for all eligible high school students.

Subd. 3. **Report.** By December 1 of each year, the office shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education regarding:

- (1) the amount of funds granted under each clause of subdivision 1, paragraph (b);
- (2) the courses developed by grant recipients and the number of students who enrolled in the courses under subdivision 1, paragraph (b), clause (1); and
- (3) the programs expanded and the number of students who enrolled in programs under subdivision 1, paragraph (b), clause (2).

APPENDIX
Repealed Minnesota Session Laws: H2431-2

Laws 2022, chapter 42, section 2, as amended by Laws 2024, chapter 124, article 1, section 1; as amended by Laws 2024, chapter 127, article 34, section 1

Section 1. Laws 2022, chapter 42, section 2, is amended to read:

Sec. 2. APPROPRIATION; ALS RESEARCH.

(a) \$396,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of the Office of Higher Education to award competitive grants to applicants for research into amyotrophic lateral sclerosis (ALS). The commissioner may work with the Minnesota Department of Health to administer the grant program, including identifying clinical and translational research and innovations, developing outcomes and objectives with the goal of bettering the lives of individuals with ALS and finding a cure for the disease, and application review and grant recipient selection. Not more than \$396,000 may be used by the commissioner to administer the grant program. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, unencumbered balances under this section do not cancel until June 30, 2026.

(b) \$19,604,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of the Office of Higher Education to award competitive grants to applicants for research into amyotrophic lateral sclerosis (ALS). The commissioner may work with the Minnesota Department of Health to administer the grant program, including identifying clinical and translational research and innovations, developing outcomes and objectives with the goal of bettering the lives of individuals with ALS and finding a cure for the disease, and application review and grant recipient selection. Up to \$15,000,000 may be used by the commissioner for grants to the Amyotrophic Lateral Sclerosis Association, Never Surrender, or other similar organizations to award and administer competitive grants to applicants for research into ALS under this section. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, unencumbered balances under this section do not cancel until June 30, 2029. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner, the Amyotrophic Lateral Sclerosis Association, Never Surrender, and other similar organizations may use up to a total of five percent of this appropriation for administrative costs.

(c) Grants shall be awarded to support clinical and translational research related to ALS. Research topics may include but are not limited to environmental factors, disease mechanisms, disease models, biomarkers, drug development, clinical studies, precision medicine, medical devices, assistive technology, and cognitive studies.

(d) Eligible applicants for the grants are research facilities, universities, and health systems located in Minnesota. Applicants must submit proposals to the commissioner in the time, form, and manner established by the commissioner. Applicants may coordinate research endeavors and submit a joint application. When reviewing the proposals, the commissioner shall make an effort to avoid approving a grant for an applicant whose research is duplicative of an existing grantee's research.

(e) Beginning January 15, 2023, and annually thereafter until January 15, 2030, the commissioner shall submit a report to the legislature specifying the applicants receiving grants under this section, the amount of each grant, the purposes for which the grant funds were used, and the amount of the appropriation that is unexpended. The report must also include relevant findings, results, and outcomes of the grant program, and any other information which the commissioner deems significant or useful.

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

4850.0014 AMOUNT AND TERMS.

Subpart 1. **Loan amounts.** The minimum SELF Loan amount is \$500.

Subp. 2. **Multiple loans at the same grade level.** A student may borrow up to the maximum amount twice in the same grade level, as long as:

- A. a total of seven months elapses from the beginning of the first loan period to the beginning of the second loan period;
 - B. the cumulative SELF Loan debt maximum for that grade level is not exceeded;
- and
- C. the amount approved is at least \$500.