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REVISOR

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State of Minnesota

HOUSE OF REPRESENTATIVES 777 NINETIETH SESSION H. F. No.

02/27/2017

Authored by Heintzeman The bill was read for the first time and referred to the Committee on Higher Education and Career Readiness Policy and Finance

1.1	A bill for an act
1.2	relating to higher education; establishing variable tuition rates at public
1.3 1.4	postsecondary institutions based upon employment outcomes; amending Minnesota Statutes 2016, sections 135A.04; 136A.103.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.6	Section 1. Minnesota Statutes 2016, section 135A.04, is amended to read:
1.7	135A.04 VARIABLE TUITION AT PUBLIC INSTITUTIONS.
1.8	Subdivision 1. Variable tuition. The Board of Regents of the University of Minnesota
1.9	and the Board of Trustees of the Minnesota State Colleges and Universities shall each
1.10	establish tuition. Tuition may vary by program, level of instruction, cost of instruction, or
1.11	other classifications determined by each board. Tuition may be set at any percentage of
1.12	instructional cost established by the respective boards.
1.13	Subd. 2. Tuition tied to employment rates. (a) The Board of Trustees of the Minnesota
1.14	State Colleges and Universities must, and the Board of Regents of the University of
1.15	Minnesota is requested to, establish variable undergraduate tuition rates based on the
1.16	employment outcomes of graduates, in accordance with this section.
1.17	(b) Each board must determine the employment rates of graduates of each of its
1.18	undergraduate fields of study. The board must designate each field of study as belonging
1.19	to one of three groups representing the bottom tercile, middle tercile, and upper tercile of
1.20	employment outcomes.
1.21	(c) In identifying employment outcomes by major, each board may consider data from:
1.22	(1) the Statewide Longitudinal Education Data System;

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2.1	(2) the United States Census Bureau	ı American Com	munity Survey;	
2.2	(3) surveys of graduates; and			
2.3	(4) other employment data the board	d deems relevant.	<u>-</u>	
2.4	(d) For coursework other than gener	ral education requ	uirements, each board	must set
2.5	variable tuition rates as follows:			
2.6	(1) for coursework in a field of stud	y that is in the bo	ottom tercile of employ	yment
2.7	outcomes, the tuition rate must be at lea	ast 15 percent, bu	it no more than 25 percent	cent, greater
2.8	than the base tuition rate;			
2.9	(2) for coursework in a field of stud	y that is in the m	iddle tercile of employ	ment
2.10	outcomes, the tuition rate must be equa	l to the base tuiti	on rate; and	
2.11	(3) for coursework in a field of stud	y that is in the top	tercile of employmen	<u>nt outcomes,</u>
2.12	the tuition rate must be at least 15 perce	nt, but no more th	an 25 percent, lower th	han the base
2.13	tuition rate.			
2.14	(e) Each board must charge a studen	t the base tuition	rate for any courseworl	k completed
2.15	in order to fulfill a general education re	equirement.		
2.16	Sec. 2. Minnesota Statutes 2016, sect	ion 136A.103, is	amended to read:	
2.17	136A.103 INSTITUTION ELIGI	BILITY REQUI	REMENTS.	
2.18	(a) A postsecondary institution is el	igible for state st	udent aid under chapte	er 136A and
2.19	sections 197.791 and 299A.45, if the in	stitution is locate	ed in this state and:	
2.20	(1) is operated by this state or the B	oard of Regents of	of the University of M	innesota; or
2.21	(2) is operated privately and, as dete	ermined by the of	ffice, meets the require	ments of
2.22	paragraph (b).			
2.23	(b) A private institution must:			
2.24	(1) maintain academic standards sul	bstantially equiva	lent to those of compa	arable
2.25	institutions operated in this state;			
2.26	(2) be licensed or registered as a po	stsecondary instit	tution by the office; an	ld
2.27	(3)(i) by July 1, 2010, participate in	the federal Pell	Grant program under T	Title IV of
2.28	the Higher Education Act of 1965, Pub	lic Law 89-329, a	as amended; or	
2.29	(ii) if an institution was participatin	g in state student	aid programs as of Jur	ne 30, 2010,
2.30	and the institution did not participate in	the federal Pell	Grant program by June	e 30, 2010,

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3.1 3.2	the institution must require every stud- by the office, stating that the institution	C			
3.3 3.4	(c) An institution that offers only g programs, or that offers only degrees of	C	C	e	
3.5 3.6	program length to participate in the federal Pell Grant program, is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.				
3.7 3.8	(d) An eligible institution under paragraph (b), clause (3), item (ii), that changes ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell				
3.9 3.10	Grant program within four calendar yea (e) An institution that loses its elig	Ĩ	C	0	
3.113.12	eligible institution. (f) A public postsecondary instituti	on that does not establis	sh variable tuition ra	tes based	

- 3.13 upon employment outcomes in accordance with section 135A.04, subdivision 2, is not an
- 3.14 <u>eligible institution</u>.