

A bill for an act

relating to education finance; modifying the postsecondary enrollments options program; amending Minnesota Statutes 2008, section 124D.09, subdivisions 13, 20.

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

Section 1. Minnesota Statutes 2008, section 124D.09, subdivision 13, is amended to read:

Subd. 13. **Financial arrangements.** (a) For a pupil enrolled in a course under this section, the department must make payments according to this subdivision for courses that were taken for secondary credit.

(b) The department must not make payments to a school district or postsecondary institution for a course taken for postsecondary credit only. The department must not make payments to a postsecondary institution for a course from which a student officially withdraws during the first 14 days of the quarter or semester or who has been absent from the postsecondary institution for the first 15 consecutive school days of the quarter or semester and is not receiving instruction in the home or hospital.

(c) The department must not make a payment to a postsecondary institution for a course that is not completed by the student, and the postsecondary institution may bill the student directly for the cost of this course at the payment rate calculated according to paragraph (d).

(d) A postsecondary institution shall receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance minus \$415, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance minus \$415, multiplied by 1.3, and divided by 30.

The department must pay to each postsecondary institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the postsecondary institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department notifies a postsecondary institution that an overpayment has been made, the institution shall promptly remit the amount due.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 2. Minnesota Statutes 2008, section 124D.09, subdivision 20, is amended to read:

Subd. 20. **Textbooks; materials.** All textbooks and equipment provided to a pupil, and paid for under subdivision 13, are the property of the pupil's postsecondary institution. Each pupil is required to return all textbooks and equipment to the postsecondary institution after the course has ended. The postsecondary institution may bill the pupil for any textbooks and equipment that are not promptly returned by the student.

EFFECTIVE DATE. This section is effective July 1, 2009.