CONFERENCE COMMITTEE REPORT ON H. F. No. 3872

A bill for an act relating to higher education; providing for funding and policy changes for the Office of Higher Education, the University of Minnesota, and the Minnesota State Colleges and Universities system; creating and modifying certain student aid programs; creating and modifying certain grants to institutions; modifying certain institutional licensure provisions; creating the Inclusive Higher Education Technical Assistance Center; modifying Board of Regents provisions; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 135A.15, subdivision 8, by adding a subdivision; 136A.121, subdivisions 5, 18; 136A.1701, subdivision 11; 136A.833; 137.023; 137.024; 137.0245, subdivisions 2, 3; 137.0246; Minnesota Statutes 2021 Supplement, sections 135A.137, subdivision 3; 136A.126, subdivisions 1, 4; 136A.1791, subdivision 5; 136A.91, subdivisions 1, 2; 136F.20, subdivision 4; 136F.202, subdivision 1; Laws 2021, First Special Session chapter 2, article 1, section 2, subdivisions 35, 36; article 2, section 45, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 137; repealing Minnesota Rules, part 4880.2500.

May 19, 2022

The Honorable Melissa Hortman
Speaker of the House of Representatives

The Honorable David J. Osmek
President of the Senate

We, the undersigned conferees for H. F. No. 3872 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3872 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. HIGHER EDUCATION APPROPRIATIONS."
The sums shown in the columns marked "Appropriations" are added to the appropriations in Laws 2021, First Special Session chapter 2, article 1, unless otherwise specified, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

### Appropriations

**Available for the Year**

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#### Sec. 2. MINNESOTA OFFICE OF HIGHER EDUCATION

**Subdivision 1. Total Appropriation**

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

**Subd. 2. Student Parent Support Initiative**

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- (a) For the student-parent support initiative under Minnesota Statutes, section 136A.1251.
- The commissioner may use the appropriation for grants, outreach, and administration.
- (b) The base for this appropriation is $750,000 in fiscal year 2024 and later.

**Subd. 3. Operating Expenses of Tribal Colleges**

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- (a) For a grant to Leech Lake Tribal College, White Earth Tribal College, and Red Lake Nation Tribal College, to be used for the Tribal colleges' general operations and maintenance expenses. The commissioner shall apportion the funds equally among the Tribal colleges.
- (b) The base for this appropriation is $3,000,000 in fiscal year 2024 and later.
(c) By September 30, 2023, each Tribal college receiving a grant under this subdivision must submit a report to the commissioner of the Office of Higher Education and to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy. The report must include an accurate and detailed account of how the funds were spent, and a copy of the college's most recent audit report.

Subd. 4. State Grants

(a) $2,414,000 is added to this program's base appropriation in fiscal years 2024 and later. The base for this appropriation is therefore $212,451,000 in fiscal year 2024 and later.

(b) If the amount appropriated for this program is determined by the office to be more than sufficient to fund projected grant demand in the second year of the biennium, the office may reduce the assigned student responsibility in the second year of the biennium by up to an amount that retains sufficient appropriations to fund the projected grant demand. The adjustment may be made one or more times. In making the determination that there are more than sufficient funds, the office shall balance the need for sufficient resources to meet the projected demand for grants with the goal of fully allocating the appropriation for state grants. A reduction in the assigned student responsibility under this subdivision does not carry forward into a subsequent biennium. This paragraph is only effective for fiscal year 2023.
500,000

-0-  500,000

Subd. 5. Grants to Underrepresented Student Teachers

(a) The commissioner may use no more than three percent of this appropriation to administer the program.

(b) $500,000 is added to this program's base appropriation in fiscal year 2024 and later specified in Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 26.

75,000

-0-  75,000

Subd. 6. Hunger-Free Campus Grants

(a) This appropriation is in addition to the amount appropriated in Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 35, as amended by this act.

(b) The base for this appropriation is increased by $75,000 in fiscal year 2024 and later.

500,000

-0-  500,000

Subd. 7. Inclusive Higher Education

(a) Of this amount, $330,000 is for transfer to the inclusive higher education grant account under Minnesota Statutes, section 135A.162, subdivision 4, and $170,000 is to enter into a contract establishing the Inclusive Higher Education Technical Assistance Center under Minnesota Statutes, section 135A.161.

(b) The base for this appropriation is $500,000 beginning in fiscal year 2024 and each year thereafter through fiscal year 2027. The base for this appropriation is $0 for fiscal year 2028 and later.

980,000

-0-  980,000

Subd. 8. Owatonna Learn to Earn Coalition; Office of Higher Education

This appropriation is for a grant to the Owatonna Learn to Earn Coalition to help the Owatonna and Steele County region grow and
retain a talented workforce. This is a onetime appropriation and is available until June 30, 2024. Of this amount:

(1) $900,000 is to develop educational learning spaces with state-of-the-art equipment and student support services in high-demand career pathway programs. Of this amount, $306,000 is to equip the new Owatonna High School's Industrial Technology classrooms with state-of-the-art equipment to introduce students to high-skill, high-wage, technical careers, and $594,000 is to equip the Owatonna Riverland Community College Campus with state-of-the-art instructional equipment to offer credit and noncredit technical programs in automation robotics engineering technology and information technology; and

(2) $80,000 is to create learn to earn opportunities for students and employers by engaging employers in the Owatonna community to offer tuition reimbursement or scholarships and part-time work and school schedules to employees who agree to continue their education while working for them.

Subd. 9. **Owatonna Learn to Earn Coalition; Department of Employment and Economic Development**

For transfer to the commissioner of employment and economic development for a grant to the Owatonna Learn to Earn Coalition to conduct a comprehensive local needs assessment to examine current and future workforce needs in the region. The coalition shall retain a consultant and utilize
state demographer resources to involve
education, business, and community
stakeholders to guide the high school's career
pathways, the college's programs of study, and
the business's support of work-based learning
programs that help them recruit, develop, and
retain a vibrant workforce to keep the regional
economy strong. This is a onetime
appropriation and is available until June 30,
2024.

Subd. 10. Certified Nursing Assistant Program
(a) For the Office of Higher Education, in
partnership with Minnesota State's
HealthForce Minnesota, to administer a
program for the recruitment and training of
students to become certified nursing assistants.
The program shall include a model for
covering student costs, including but not
limited to tuition and fees, necessary materials,
and testing. The program shall also include
marketing and outreach across the state.
Additionally, the program may cover cost for
Nursing Assistant Test-Out (NATO) retraining
and retesting and refresher courses.
(b) No more than $200,000 per year is
available for the coordination and
implementation of this program.
(c) This is a onetime appropriation.

Sec. 3. BOARD OF TRUSTEES OF THE
MINNESOTA STATE COLLEGES AND
UNIVERSITIES

Subdivision 1. Total Appropriation $ -0- $ 8,175,000

The amounts that may be spent for each
purpose are specified in the following
subdivisions.
Subd. 2. **Operations and Maintenance**

(a) $3,125,000 in fiscal year 2023 is to maintain campus operations that deliver excellent, affordable, accessible education that is responsive to changes in the state's educational needs. This is a onetime appropriation.

(b) $5,050,000 in fiscal year 2023 is in addition to the workforce development scholarships amount appropriated in Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 3, paragraph (e). Of this appropriation, up to $200,000 is available in each year to administer the program. Of this appropriation, $800,000 in fiscal year 2023 is for scholarships to students enrolled in their first term in an allied health technician program, which is a category under the workforce development scholarship health care services. A student may receive the allied health technician scholarship only once. The $800,000 is available until June 30, 2025, and of this amount, $24,000 is available for administering the allied health technician scholarships. The base for this appropriation is increased by $3,750,000 in fiscal year 2024 and later.

(c) $1,011,000 is added to the base appropriation for operations and maintenance in fiscal year 2024 and later established in Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 3, paragraph (l).

Sec. 4. **BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA**
8.1 Subdivision 1. **Total Appropriation** $ 3,000,000

8.2 The amounts that may be spent for each purpose are specified in the following subdivision.

8.3 Subd. 2. **Operations and Maintenance** $ 3,000,000

8.4 (a) $1,000,000 is to expand the University of Minnesota's systemwide Promise Program to support students with financial need, including historically underrepresented students. The base for this appropriation is $1,000,000 in fiscal year 2024 and later which is added to the base appropriation for operations and maintenance in fiscal year 2024 and later established in Laws 2021, First Special Session chapter 2, article 1, section 4, subdivision 2, paragraph (f).

8.5 (b) $2,000,000 in fiscal year 2023 is in addition to the Natural Resources Research Institute (NRRI) amount appropriated in Laws 2021, First Special Session chapter 2, article 1, section 4, subdivision 4, paragraph (d). This is a onetime increase.

8.6 Sec. 5. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 35, is amended to read:

8.7 **Subd. 35. Hunger-Free Campus Grants** 205,000 102,000

8.8 For the Office of Higher Education to provide initial and sustaining grants to Minnesota public postsecondary institutions, nonprofit private postsecondary institutions, and Tribal colleges under Minnesota Statutes, section 135A.137, subdivision 43, to meet and maintain the criteria in that same section to address food insecurity on campus.
Sec. 6. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 36, is amended to read:

Subd. 36. Fostering Independence Higher Education Grants

(a) For grants to eligible students under
Minnesota Statutes, section 136A.1241. Of this amount, $238,000 in the first year is for administration costs. The base for fiscal year 2024 and later is $3,761,000.

(b) Beginning in fiscal year 2023, the commissioner of the Office of Higher Education may use no more than three percent of the appropriation to administer the grants under Minnesota Statutes, section 136A.1241.

ARTICLE 2
HIGHER EDUCATION POLICY

Section 1. Minnesota Statutes 2021 Supplement, section 135A.137, subdivision 3, is amended to read:

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

(b) The commissioner shall establish a competitive grant program to distribute grants to eligible institutions to meet and maintain the requirements under subdivision 1, paragraph (a). Initial grants shall be made to institutions that have not earned the designation and demonstrate a need for funding to meet the hunger-free campus designation requirements. Sustaining grants shall be made to institutions that have earned the designation and demonstrate both a partnership with a local food bank or organization that provides regular, on-campus food distributions and a need for funds to maintain the requirements under subdivision 1, paragraph (a).

(c) The commissioner shall give preference to 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 $8,000. The
maximum grant award for sustaining an institution designation is $5,000.

(d) The commissioner, in collaboration with student associations representing eligible
institutions, shall create an application process and establish selection criteria for awarding
the grants.

Sec. 2. Minnesota Statutes 2020, section 135A.15, is amended by adding a subdivision to
read:

Subd. 3a. **Affirmative consent.** (a) The policy required under subdivision 1 shall include
a provision that establishes an affirmative consent standard. An institution's affirmative
consent standard, at a minimum, must incorporate the following elements:

1. all parties to sexual activity must affirmatively express their consent to the activity;
2. affirmative consent is freely and affirmatively communicated words or actions given
   by an individual that a reasonable person under the circumstances would believe communicate
   a willingness to participate in the sexual activity;
3. affirmative consent must be knowing and voluntary and not the result of force,
   coercion, or intimidation;
4. silence, lack of protest, or failure to resist, without active indications of consent, is not consent;
5. consent to any one form of sexual activity does not by itself imply consent to any
   other forms of sexual activity;
6. consent may be withdrawn at any time;
7. a previous relationship or prior consent does not by itself imply consent to future
   sexual acts; and
8. a person is deemed incapable of consenting when that person is:
   i. unable to communicate or understand the nature or extent of a sexual situation due
      to mental or physical incapacitation or impairment; or
   ii. physically helpless, either due to the effects of drugs or alcohol, or because the person
      is asleep.
(b) The affirmative consent standard must at least incorporate all elements of consent
as defined in section 609.341, but is not limited to the standard of consent as defined in that
section.
Sec. 3. Minnesota Statutes 2020, section 135A.15, subdivision 8, is amended to read:

Subd. 8. Comprehensive training. (a) A postsecondary institution must provide campus security officers and campus administrators responsible for investigating or adjudicating complaints of sexual assault with comprehensive training on preventing and responding to sexual assault in collaboration with the Bureau of Criminal Apprehension or another law enforcement agency with expertise in criminal sexual conduct. The training for campus security officers shall include a presentation on the dynamics of sexual assault, neurobiological responses to trauma, and best practices for preventing, responding to, and investigating sexual assault. The training for campus administrators responsible for investigating or adjudicating complaints on sexual assault shall include presentations on preventing sexual assault, responding to incidents of sexual assault, the dynamics of sexual assault, neurobiological responses to trauma, and compliance with state and federal laws on sexual assault.

(b) The following categories of students who attend, or will attend, one or more courses on campus or will participate in on-campus activities must be provided sexual assault training:

(1) students pursuing a degree or certificate;

(2) students who are taking courses through the Postsecondary Enrollment Options Act;

and

(3) any other categories of students determined by the institution.

Students must complete such training no later than ten business days after the start of a student's first semester of classes. Once a student completes the training, institutions must document the student's completion of the training and provide proof of training completion to a student at the student's request. Students enrolled at more than one institution within the same system at the same time are only required to complete the training once.

The training shall include information about topics including but not limited to sexual assault as defined in subdivision 1a; consent as defined in section 609.341, subdivision 4; the affirmative consent standard defined in subdivision 3a; preventing and reducing the prevalence of sexual assault; procedures for reporting campus sexual assault; and campus resources on sexual assault, including organizations that support victims of sexual assault.

(c) A postsecondary institution shall annually train individuals responsible for responding to reports of sexual assault. This training shall include information about best practices for
interacting with victims of sexual assault, including how to reduce the emotional distress resulting from the reporting, investigatory, and disciplinary process.

Sec. 4. [135A.161] INCLUSIVE HIGHER EDUCATION TECHNICAL ASSISTANCE CENTER.

Subdivision 1. Definitions. (a) For purposes of this section and section 135A.162, the following terms have the meanings given.

(b) "Center" means the Inclusive Higher Education Technical Assistance Center.

c) "Commissioner" means the commissioner of the Office of Higher Education.

d) "Comprehensive transition and postsecondary program for students with intellectual disabilities" means a degree, certificate, or nondegree program that is offered by an institute of higher education for students with intellectual disabilities and approved by the United States Department of Education.

e) "Director" means the director of the Inclusive Higher Education Technical Assistance Center.

(f) "Inclusive higher education" means institution-approved access to higher education for students with an intellectual disability that allows for the same rights, privileges, experiences, benefits, and outcomes that result from a college experience the same as a matriculating student, resulting in a meaningful credential conferred by the institution of higher education. Inclusive higher education includes:

1. academic access and inclusive instruction;
2. person-centered planning;
3. career development;
4. campus engagement;
5. self-determination;
6. paid internships and employment;
7. on- or off-campus living, when available to other students;
8. campus community clubs, events, and activity participation;
9. peer mentors and support; and
10. a degree, certificate, or nondegree credential.
(g) "National Coordinating Center" means the federally funded National Coordinating Center providing support, coordination, training, and evaluation services for Transition and Postsecondary Education Programs for Students with Intellectual Disabilities and other inclusive higher education initiatives for students with intellectual disability nationwide.

(h) "Office" means the Office of Higher Education.

(i) "Student with an intellectual disability" means a student with an intellectual disability as defined in Code of Federal Regulations, title 34, section 668.231.

Subd. 2. Establishment. The commissioner must contract with the Institute on Community Integration at the University of Minnesota to establish the Inclusive Higher Education Technical Assistance Center. The purpose of the center is to increase access to self-sustaining postsecondary education options across Minnesota for students with an intellectual disability to earn meaningful credentials through degree, certificate, and nondegree initiatives leading to competitive integrated employment, genuine community membership, and more independent living. The center must:

1. coordinate and facilitate the statewide initiative to expand and enhance inclusive higher education opportunities;
2. provide expertise in inclusive higher education for students with an intellectual disability;
3. provide technical assistance:
   (i) to Minnesota institutions of higher education;
   (ii) to local education agencies; and
   (iii) as requested by the commissioner; and
4. provide information to students with intellectual disabilities and their families.

Subd. 3. Director; advisory committee. (a) The center must name a director. (b) The director must appoint an advisory committee and seek the committee's review and recommendations on broad programmatic direction. The advisory committee must be composed of 50 percent students with an intellectual disability. The remaining positions must be filled by family members, key stakeholders, and allies. The director must convene the advisory committee at least quarterly. The advisory committee shall:

1. review and recommend inclusive higher education offerings;
2. review and recommend updates to state policy and practice;
(3) document existing and potential funding sources; and

(4) identify obstacles and barriers to students with an intellectual disability to access inclusive higher education opportunities.

Subd. 4. Responsibilities. (a) The center must advise all Minnesota institutions of higher education planning or that have an inclusive higher education initiative to follow and maintain the accreditation standards and guiding principles for inclusive higher education as established by the National Coordinating Center, as identified in the United States Code, title 20, section 1140q. The center must offer technical assistance to Minnesota inclusive higher education initiatives to remain in or achieve alignment with federal requirements and with the standards, quality indicators, and benchmarks identified by the National Coordinating Center.

(b) The center must monitor federal and state law related to inclusive higher education and notify the governor, the legislature, and the Office of Higher Education of any change in law which may impact inclusive higher education.

(c) The center must provide technical assistance to institutions of higher education, administrators, faculty, and staff by:

(1) offering institution faculty and staff training and professional development to start, operate, or enhance their inclusive higher education initiative;

(2) providing faculty and staff with information, training, and consultation on the comprehensive transition and postsecondary program requirements, accreditation standards, and guiding principles;

(3) organizing and offering learning community events, an annual inclusive higher education conference and community of practice events to share best practices, provide access to national experts, and address challenges and concerns;

(4) assisting institutions of higher education with identifying existing or potential funding sources for the institution of higher education, student financial aid, and funding for students with an intellectual disability; and

(5) advising faculty and staff with an inclusive higher education option of specific grant applications and funding opportunities.

(d) The center must disseminate information to students with an intellectual disability, their parents, and local education agencies, including but not limited to information about:
(1) postsecondary education options, services, and resources that are available at inclusive institutions of higher education; 

(2) technical assistance and training provided by the center, the National Coordinating Center, and key stakeholder organizations and agencies; and 

(3) mentoring, networking, and employment opportunities.

Subd. 5. Expiration. This section expires October 1, 2027.

Sec. 5. [135A.162] INCLUSIVE HIGHER EDUCATION GRANTS.

Subdivision 1. Establishment. (a) The commissioner of the Office of Higher Education in collaboration with the director of the Inclusive Higher Education Technical Assistance Center must establish a competitive grant program for Minnesota institutions of higher education to develop new or enhance existing inclusive higher education initiatives to enroll or increase enrollment of students with an intellectual disability. The commissioner and director must collaborate to establish the grant program framework, including:

(1) minimum grant requirements;

(2) application format;

(3) criteria for evaluating applications;

(4) grant selection process;

(5) milestones and accountability; and

(6) reporting.

(b) The commissioner must send a description of the competitive grants, including materials describing the grant purpose and goals, an application, compliance requirements, and available funding to each institution of higher education that meets the requirements of subdivision 2, clauses (1) and (2).

Subd. 2. Eligible grantees. A public postsecondary two-year or four-year institution is eligible to apply for a grant under this section if the institution:

(1) is accredited by the Higher Learning Commission; and

(2) meets the eligibility requirements under section 136A.103.

Subd. 3. Application. (a) Applications must be made to the commissioner on a form developed and provided by the commissioner. The commissioner must, to the greatest extent possible, make the application form as short and simple to complete as is reasonably possible.
The commissioner must establish a schedule for applications and grants. The application must include without limitation a written plan to develop or enhance a sustainable inclusive higher education initiative that:

1. offers the necessary supports to students with an intellectual disability to access the same rights, privileges, experiences, benefits, and outcomes of a typically matriculating student;
2. includes the development of a meaningful credential for students with an intellectual disability to attain upon successful completion of the student's postsecondary education;
3. adopts admission standards that do not require a student with an intellectual disability to complete a curriculum-based, achievement college entrance exam that is administered nationwide;
4. ensures that students with an intellectual disability:
   i. have access and choice in a wide array of academic courses to enroll in for credit or audit that align with the student's interest areas and are attended by students without disabilities;
   ii. have the option to live on or off campus in housing that is available to typically matriculating students;
   iii. have access and support for genuine membership in campus life, including events, social activities and organizations, institution facilities, and technology; and
   iv. are able to access and utilize campus resources available to typical matriculating students;
5. provides students with an intellectual disability with the supports and experiences necessary to seek and sustain competitive integrated employment;
6. develops and promotes the self-determination skills of students with an intellectual disability;
7. utilizes peer mentors who support enrolled students with an intellectual disability in academic, campus engagement, residence life, employment, and campus clubs and organizations;
8. provides professional development and resources for university professors and instructors to utilize universal design for learning and differentiated instruction that supports and benefits all students; and

Article 2 Sec. 5.
(9) presents a ten-year plan including student enrollment projections for sustainability of an initiative that is financially accessible and equitable for all interested students with an intellectual disability.

(b) Eligible institutions of higher education may apply for funding in subsequent years for up to a total of ten years of funding.

Subd. 4. Grant account. An inclusive higher education grant 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 grants under this section. The commissioner may use up to five percent of the amount deposited into the account for the administration of this section.

Subd. 5. Grant awards. (a) The commissioner must award grants to eligible institutions of higher education on a competitive basis using criteria established in collaboration with the center. The commissioner must consider and prioritize applicants that have submitted for or received a comprehensive transition and postsecondary program designation, or applicants with documented progress or intent toward submitting for federal approval. An eligible institution of higher education may apply annually for and receive up to $200,000 per year for four years and $100,000 in subsequent years pending performance and the funding limitation in subdivision 3, paragraph (b).

(b) A grant recipient must:

(1) adopt the inclusive higher education national accreditation standards and guiding principles as established by the National Coordinating Center;

(2) provide a 25 percent match for the grant funds, either monetary or in-kind; and

(3) collaborate with the Office of Higher Education, the center, and key stakeholders in the development of the inclusive higher education initiative.

Subd. 6. Grantee reporting. By August 1 and January 1 following a fiscal year in which a grant was received and for five years thereafter, the grantee must submit a report to the director that includes the status and outcomes of the initiative funded. The report must include performance indicators and information deemed relevant by the director and commissioner. The report must include the following performance indicators:

(1) student recruitment and number of students enrolled;

(2) student retention effort and retention rate;
Subd. 7. **Reporting.** The director must evaluate the development and implementation of the Minnesota inclusive higher education initiatives receiving a grant under this section. The director must submit an annual report by October 1 on the progress to expand Minnesota inclusive higher education options for students with intellectual disabilities to the commissioner and chairs and ranking minority members of the legislative committees with jurisdiction over higher education policy and finance. The report must include statutory and budget recommendations.

Subd. 8. **Expiration.** This section expires October 1, 2027.

**EFFECTIVE DATE.** This section is effective June 30, 2022, except that the reporting requirements under subdivision 7 are effective June 30, 2023.

Sec. 6. Minnesota Statutes 2021 Supplement, section 136A.121, subdivision 6, is amended to read:

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no living and miscellaneous expense allowance is established in law, the allowance is equal to 110 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.
(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, “fees” include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

Sec. 7. Minnesota Statutes 2020, section 136A.121, subdivision 18, is amended to read:

Subd. 18. Data. (a) An eligible institution whose students are eligible to receive funding under sections 136A.095 to 136A.246 must provide to the office data on student enrollment and federal and state financial aid.

(b) An institution or its agent must provide to the office aggregate and distributional financial or other data as determined by the commissioner that is directly related to the responsibilities of the office under this chapter. The commissioner may only request aggregate and distributional data after establishing and consulting with a data advisory task force to determine the need, content, and detail of the information. Data provided by nonpublic institutions under this paragraph is considered nonpublic data under chapter 13.

Sec. 8. [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 parents of young children and expectant parents. 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.

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. 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. 4. 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.

Sec. 9. Minnesota Statutes 2020, section 136A.1701, subdivision 11, is amended to read:

Subd. 11. Data. (a) An eligible institution whose students are eligible to receive funding under sections 136A.15 to 136A.1795 and licensed or registered under sections 136A.61 to 136A.834 must provide to the office data on student enrollment and federal and state financial aid.

(b) An institution or its agent must provide to the office aggregate and distributional financial or other data as determined by the commissioner that is directly related to the responsibilities of the office under this chapter. The commissioner may only request aggregate and distributional data after establishing and consulting with a data advisory task force to
determine the need, content, and detail of the information. Data provided by nonpublic institutions under this paragraph is considered nonpublic data under chapter 13.

Sec. 10. Minnesota Statutes 2020, section 136A.833, is amended to read:

136A.833 EXEMPTIONS.

Subdivision 1. Application for exemptions. 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. 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.65, subdivision 8, paragraph (c). If an exemption is denied, the office shall provide notice of the right to appeal under chapter 14. 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.

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 2, 3, and 3a; 136A.657; and 136A.658;
(4) private career schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;
(5) private schools complying with the requirements of section 120A.22, subdivision 4;
(5) (6) courses taught to students in a valid apprenticeship program registered by the United States Department of Labor or Minnesota Department of Labor and taught by or required by a trade union;

(6) (7) private career schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota;

(7) (8) private career schools licensed by boards authorized under Minnesota law to issue licenses for training programs except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(8) (9) private career schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;

(9) (10) private career schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects, including adult basic education, as determined by the office except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names unless the private career school used "academy" or "institute" in its name prior to August 1, 2008;

(10) (11) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

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

(12) (13) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession or by an industry-specific certification entity, and that are offered exclusively to an individual practicing the profession individuals with the professional licensure or certification;
classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational certification, or entrance examinations;

classes, courses, or programs providing 16 or fewer clock hours of instruction that are not part of the curriculum for an occupation or entry level employment except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

classes, courses, or programs providing instruction in personal development, modeling, or acting;

training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment;

private career schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions if the distance education instruction does not include internships, externships, field placements, or clinical placements for residents of Minnesota; and

private career schools providing exclusively training, instructional programs, or courses where tuition, fees, and any other charges for a student to participate do not exceed $100.

Sec. 11. Minnesota Statutes 2021 Supplement, section 136A.91, subdivision 1, is amended to read:

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 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 by:

(i) creating new sections within the same high school;
(ii) offering the existing course in new high schools; or and
(iii) supporting the preparation, recruitment, and success of students who are underrepresented in concurrent enrollment classrooms.

Sec. 12. Minnesota Statutes 2020, section 136F.02, subdivision 1, is amended to read:

Subdivision 1. Membership. The board consists of 15 members appointed by the governor, including three members who are students who have attended an institution for at least one year and are enrolled at the time of appointment at least half time in a degree, diploma, or certificate program in an institution governed by the board. The student members shall include one member from a community college, one member from a state university, and one member from a technical college. One member representing labor must be appointed after considering the recommendations made under section 136F.045. The governor is not bound by the recommendations. Appointments to the board are with the advice and consent of the senate. At least one member of the board must be a resident of each congressional district. All other members must be appointed to represent the state at large. In selecting appointees, the governor must consider the needs of the board and the balance of the board membership with respect to labor and business representation and racial, gender, geographic, and ethnic composition; and occupation and experience. In selecting appointees, the governor must consider the needs of the board for skills relevant to the governance of the Minnesota State Colleges and Universities and the candidate’s ability to discharge the responsibilities of the board.

A commissioner of a state agency may not serve as a member of the board.

Sec. 13. Minnesota Statutes 2020, section 136F.302, subdivision 1, is amended to read:

Subdivision 1. ACT or SAT college ready score; Minnesota Comprehensive Assessment career and college ready benchmarks. (a) A state college or university must not require an individual to take a remedial, developmental, noncredit course in a subject area if the individual has received a college ready ACT or SAT score or met a career and college ready Minnesota Comprehensive Assessment benchmark in that subject area. Only
the ACT and SAT scores an individual received and the Minnesota Comprehensive Assessment benchmarks an individual met in the previous five years are valid for purposes of this section. Each state college and university must post notice of the exemption from remedial developmental course taking on its website explaining student course placement requirements. Prior to enrolling an individual in a developmental course, a college or university must (1) determine if the individual's performance on the ACT, SAT, or Minnesota Comprehensive Assessments exempts the individual from the developmental course under this paragraph, and (2) inform the individual if a developmental course is required.

(b) When deciding if an individual is admitted to or if an individual may enroll in a state college or university, the state college or university must consider the individual's scores on the high school Minnesota Comprehensive Assessments, in addition to other factors determined relevant by the college or university.

Sec. 14. Minnesota Statutes 2020, section 136F.302, subdivision 2, is amended to read:

Subd. 2. Testing Process for determining if remediating developmental education is necessary. (a) A college or university must not place an individual in a developmental, noncredit course based solely on a testing process. A state college or university may use multiple measures to make a holistic determination on whether to place an individual in a developmental course. Multiple measures may include:

(1) testing under paragraph (b);

(2) the individual's scores on the high school Minnesota Comprehensive Assessments, the ACT, or the SAT;

(3) high school grade point average;

(4) teacher recommendations; and

(5) other factors determined relevant by the college or university.

(b) A college or university testing process used to determine whether an individual is placed in a remedial developmental, noncredit course must comply with this subdivision. Prior to taking a test, an individual must be given reasonable time and opportunity to review materials provided by the college or university covering the material to be tested which must include a sample test. An individual who is required to take a remedial developmental, noncredit course as a result of a test given by a college or university must be given an opportunity to retake the test at the earliest time determined by the individual when testing is otherwise offered. The college or university must provide an individual with study materials for the purpose of retaking and passing the test.
Sec. 15. Minnesota Statutes 2021 Supplement, section 136F.38, subdivision 3, is amended to read:

Subd. 3. Program eligibility. (a) Scholarships shall be awarded only to a student eligible for resident tuition, as defined in section 135A.043, who is enrolled in any of the following programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health care services; (4) information technology; (5) early childhood; (6) transportation; or (7) construction; (8) social work; (9) law enforcement; or (10) a program of study under paragraph (b).

(b) Each institution may add one additional area of study or certification, based on a workforce shortage for full-time employment requiring postsecondary education that is unique to the institution's specific region, as reported in the most recent Department of Employment and Economic Development job vacancy survey data for the economic development region in which the institution is located. A workforce shortage area is one in which the job vacancy rate for full-time employment in a specific occupation in a region is higher than the state average vacancy rate for that same occupation. The institution may change the area of study or certification based on new data once every two years.

(c) The student must be enrolled for at least nine credits in a two-year college in the Minnesota State Colleges and Universities system to be eligible for first- and second-year scholarships.

(d) The student is eligible for a one-year transfer scholarship if the student transfers from a two-year college after two or more terms, and the student is enrolled for at least nine credits in a four-year university in the Minnesota State Colleges and Universities system.

Sec. 16. Minnesota Statutes 2020, section 137.022, subdivision 4, is amended to read:

Subd. 4. Mineral research; scholarships. (a) All income credited after July 1, 1992, to the permanent university fund from royalties for mining under state mineral leases from and after July 1, 1991, must be allocated as provided in this subdivision.

(b)(1) Beginning January 1, 2013, 50 percent of the income must be allocated according to this paragraph. One-half of the income under this paragraph, up to $50,000,000, must be credited to the mineral research account of the fund to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral and mineral-related research including mineral-related environmental research. The other one-half of the income under this paragraph, up to $25,000,000, is credited to an endowment for the costs of operating a mining, metallurgical mineral, mineral-related, or related...
engineering science, technology, engineering, and mathematics (STEM) degree programs offered through the University of Minnesota at Mesabi Range Community and Technical College and the Swenson College of Science and Engineering at Duluth to support workforce development and collaborations benefiting regional academics, industry, and natural resources on the Iron Range in northeast Minnesota and for scholarships for Minnesota students to attend the mining, metallurgical, or related engineering programs. The maximum scholarship awarded to attend the mining, metallurgical, or related engineering degree programs funded under this paragraph cannot exceed $6,500 75 percent of current in-state tuition rates per academic year and may be awarded a maximum of four academic years.

(2) The remainder of the income under paragraph (a) plus the amount of any income under clause (1) after $50,000,000 $100,000,000 has been credited to the mineral research account for the Natural Resources Research Institute and the amount of any income over the $25,000,000 for the engineering program programming in clause (1) must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the Board of Regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.

(d) The Board of Regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the disbursement of money from the endowed scholarship account and to the environment and natural resources committees on the use of the mineral research account.

(e) Capital gains and losses and portfolio income of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.

(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived.
Sec. 17. Minnesota Statutes 2020, section 137.024, is amended to read:

137.024 CONGRESSIONAL DISTRICTS REPRESENTED ON BOARD OF REGENTS.

(a) At least one member of the Board of Regents of the university shall be a resident of each congressional district.

(b) If legislative redistricting changes the boundaries of the state's congressional districts, sitting regents representing specific congressional districts may fulfill their elected terms on the Board of Regents. When a seat designated for a congressional district first becomes vacant after redistricting, the legislature shall apply current district boundaries in order to comply with paragraph (a).

(c) If, due to congressional apportionment, the state loses a congressional district, the regent seat designated for that district shall represent the state at large. If the state gains a congressional district, the next vacant at-large seat that is not reserved pursuant to section 137.023 must be assigned to the new district.

Sec. 18. Minnesota Statutes 2020, section 137.0245, subdivision 2, is amended to read:

Subd. 2. Membership. (a) The Regent Candidate Advisory Council shall consist of 24 members. Twelve members shall be appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate. Twelve members shall be appointed by the speaker of the house. Each appointing authority must appoint one member who is a student enrolled in a degree program at the University of Minnesota at the time of appointment. No more than one-third of the members appointed by each appointing authority may be current or former legislators. No more than two-thirds of the members appointed by each appointing authority may belong to the same political party; however, political activity or affiliation is not required for the appointment of any member. Geographical representation must be taken into consideration when making appointments.

(c) Additional members of the council shall include:

(1) one current faculty member from each of the five University of Minnesota system campuses, each of whom shall be appointed by the faculty senate of that faculty member's campus, or, if no campus-specific faculty senate exists, by the university system's faculty senate; and
(2) the current student body president of each of the five University of Minnesota system campuses, or student designees thereof.

(d) Section 15.0575 shall govern the advisory council, except that:

(1) the members, except for a student body president or student designee thereof, shall be appointed to six-year terms with one-third appointed each even-numbered year, and

(2) student members are appointed to two-year terms with two students appointed each even-numbered year.

(e) A member may not serve more than two full terms.

EFFECTIVE DATE. This section is effective the day following final enactment. By September 1, 2022, the house and senate shall appoint one member to a term that expires January 2024, two members to terms that expire January 2026, and two members to full terms that expire January 2028. Members of the Regent Candidate Advisory Council at the time of enactment may be reappointed, but remain subject to the two-term limit imposed by this section.

Sec. 19. Minnesota Statutes 2020, section 137.0246, is amended to read:

137.0246 REGENT NOMINATION AND ELECTION.

Subd. 2. Regent nomination joint committee. (a) The joint legislative committee consists of the members of the higher education budget and policy divisions in each house of the legislature. The chairs of the divisions from each body shall be cochairs of the joint legislative committee. A majority of the members from each house is a quorum of the joint committee.

(b) By February 28 of each odd-numbered year, or at a date agreed to by concurrent resolution, the joint legislative committee shall meet to consider the advisory council’s recommendations for regent of the University of Minnesota for possible presentation to a joint convention of the legislature.

(c) The joint committee may recommend to the joint convention candidates recommended by the advisory council and the other candidates nominated by the joint committee. A candidate other than those recommended by the advisory council may be nominated for consideration by the joint committee only if the nomination receives the support of at least three house of representatives members of the committee and two senate members of the committee. A candidate must receive a majority vote of members from the house of representatives and from the senate on the joint committee to be recommended to the joint
convention. The joint committee may recommend no more than one candidate up to two candidates for each vacancy. In recommending nominees, the joint committee must consider the needs of the board of regents and the balance of the board membership with respect to gender, racial, and ethnic composition.

Sec. 20. **OWATONNA LEARN TO EARN COALITION GRANT FUNDS REPORT.**

By February 1, 2026, the Owatonna Learn to Earn Coalition must report to the commissioner of the Office of Higher Education and to the chairs and ranking minority members of the committees with jurisdiction over higher education on activities funded under article 1, section 2, subdivisions 8 and 9. The report must include but is not limited to information regarding:

1. the impact of the grant funds on high school and technical college student enrollment in technical education courses receiving equipment funded through the grant;
2. the number of grant-related degrees awarded by Owatonna Riverland Community College;
3. the results of the Department of Employment and Economic Development grant to conduct a needs assessment examining current and future workforce needs in the region; and
4. employment impacted in the area associated with the grant, including recruitment and retention.

Sec. 21. **REQUEST TO THE BOARD OF REGENTS.**

The Board of Regents of the University of Minnesota is requested to amend its policies to permit a regent to serve as a compensated university employee.

Sec. 22. **REVISOR INSTRUCTION.**

The revisor of statutes shall substitute the term "developmental" for "remedial" wherever the term refers to remedial education courses at a postsecondary institution. The revisor shall also make grammatical changes related to the changes in terms to preserve the meaning of the text.

Sec. 23. **REPEALER.**

(a) Minnesota Statutes 2020, section 136F.03, is repealed.
(b) Minnesota Rules, part 4880.2500, is repealed.
ARTICLE 3

MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY

Section 1. Minnesota Statutes 2020, section 136A.25, is amended to read:

136A.25 CREATION.

A state agency known as the Minnesota Higher Health and Education Facilities Authority is hereby created.

Sec. 2. Minnesota Statutes 2020, section 136A.26, is amended to read:

136A.26 MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.

Subdivision 1. Membership. The Minnesota Higher Health and Education Facilities Authority shall consist of eight nine members appointed by the governor with the advice and consent of the senate, and a representative of the Office of Higher Education. All members to be appointed by the governor shall be residents of the state. At least two members must reside outside the metropolitan area as defined in section 473.121, subdivision 2. At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; and at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; and at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education; and at least one of the members shall be a trustee, director, officer, or employee of a health care organization.

Subd. 1a. Private College Council member. The president of the Minnesota Private College Council, or the president's designee, shall serve without compensation as an advisory, nonvoting member of the authority.

Subd. 1b. Nonprofit health care association member. The chief executive officer of a Minnesota nonprofit membership association whose members are primarily nonprofit health care organizations, or the chief executive officer's designee, shall serve without compensation as an advisory, nonvoting member of the authority. The identity of the Minnesota nonprofit membership association shall be determined and may be changed from time to time by the members of the authority in accordance with and as shall be provided in the bylaws of the authority.

Subd. 2. Term; compensation; removal. The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the representative of the office, and the president of the Private College Council, or the chief executive officer
of the Minnesota nonprofit membership association described in subdivision 1b shall be as provided in section 15.0575.

Sec. 3. Minnesota Statutes 2020, section 136A.27, is amended to read:

136A.27 POLICY.

It is hereby declared that for the benefit of the people of the state, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions it is essential that health care organizations within the state be provided with appropriate additional means to establish, acquire, construct, improve, and expand health care facilities in furtherance of their purposes; that this and future generations of youth be given the fullest opportunity to learn and to develop their intellectual and mental capacities; that it is essential that institutions of higher education within the state be provided with appropriate additional means to assist such youth in achieving the required levels of learning and development of their intellectual and mental capacities; and that health care organizations and institutions of higher education be enabled to refinance outstanding indebtedness incurred to provide existing facilities used for such purposes in order to preserve and enhance the utilization of facilities for purposes of health care and higher education, to extend or adjust maturities in relation to the resources available for their payment, and to save interest costs and thereby reduce health care costs or higher education tuition, fees, and charges; and. It is hereby further declared that it is the purpose of sections 136A.25 to 136A.42 to provide a measure of assistance and an alternative method to enable health care organizations and institutions of higher education in the state to provide the facilities and structures which are sorely needed to accomplish the purposes of sections 136A.25 to 136A.42, all to the public benefit and good, to the extent and manner provided herein.

Sec. 4. Minnesota Statutes 2020, section 136A.28, is amended to read:

136A.28 DEFINITIONS.

Subdivision 1. Scope. In sections 136A.25 to 136A.42, the following words and terms shall, unless the context otherwise requires, have the meanings ascribed to them.

Subd. 1a. Affiliate. "Affiliate" means an entity that directly or indirectly controls, is controlled by, or is under common control with, another entity. For the purposes of this subdivision, "control" means either the power to elect a majority of the members of the governing body of an entity or the power, whether by contract or otherwise, to direct the management and policies of the entity. Affiliate also means an entity whose business or substantially all of whose property is operated under a lease, management agreement, or
operating agreement by another entity, or an entity who operates the business or substantially
all of the property of another entity under a lease, management agreement, or operating
agreement.

Subd. 2. Authority. "Authority" means the Higher Health and Education Facilities
Authority created by sections 136A.25 to 136A.42.

Subd. 3. Project. "Project" means a structure or structures available for use as a dormitory
or other student housing facility, a dining hall, student union, administration building,
academic building, library, laboratory, research facility, classroom, athletic facility, health
care facility, child care facility, and maintenance, storage, or utility facility and other
structures or facilities related thereto or required or useful for the instruction of students or
the conducting of research or the operation of an institution of higher education, whether
proposed, under construction, or completed, including parking and other facilities or
structures essential or convenient for the orderly conduct of such institution for higher
education, and shall also include landscaping, site preparation, furniture, equipment and
machinery, and other similar items necessary or convenient for the operation of a particular
facility or structure in the manner for which its use is intended but shall not include such
items as books, fuel, supplies, or other items the costs of which are customarily deemed to
result in a current operating charge, and shall a health care facility or an education facility
whether proposed, under construction, or completed, and includes land or interests in land,
apprtenances, site preparation, landscaping, buildings and structures, systems, fixtures,
furniture, machinery, equipment, and parking. Project also includes other structures, facilities,
 Improvements, machinery, equipment, and means of transport of a capital nature that are
necessary or convenient for the operation of the facility. Project does not include: (1) any
facility used or to be used for sectarian instruction or as a place of religious worship nor;
(2) any facility which is used or to be used primarily in connection with any part of the
program of a school or department of divinity for any religious denomination; nor (3) any
books, supplies, medicine, medical supplies, fuel, or other items, the cost of which are
customarily deemed to result in a current operating charge.

Subd. 4. Cost. "Cost," as applied to a project or any portion thereof financed under the
provisions of sections 136A.25 to 136A.42, means all or any part of the cost of construction,
acquisition, alteration, enlargement, reconstruction and remodeling of a project including
all lands, structures, real or personal property, rights, rights-of-way, franchises, easements
and interests acquired or used for or in connection with a project, the cost of demolishing
or removing any buildings or structures on land so acquired, including the cost of acquiring
any lands to which such buildings or structures may be moved, the cost of all machinery
and equipment, financing charges, interest prior to, during and for a period after completion of such construction and acquisition, provisions for reserves for principal and interest and for extensions, enlargements, additions and improvements, the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the project and such other expenses as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition and the placing of the project in operation.

Subd. 5. Bonds. "Bonds," or "revenue bonds" means revenue bonds of the authority issued under the provisions of sections 136A.25 to 136A.42, including revenue refunding bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit of a participating institution for higher education or any other lawfully pledged security of a participating institution for higher education.

Subd. 6. Institution of higher education. "Institution of higher education" means a nonprofit educational institution within the state authorized to provide a program of education beyond the high school level.

Subd. 6a. Health care organization. (a) "Health care organization" means a nonprofit organization located within the state and authorized by law to operate a nonprofit health care facility in the state. Health care organization also means a nonprofit affiliate of a health care organization as defined under this paragraph, provided the affiliate is located within the state or within a state that is geographically contiguous to Minnesota.

(b) Health care organization also means a nonprofit organization located within another state that is geographically contiguous to Minnesota and authorized by law to operate a nonprofit health care facility in that state, provided that the nonprofit organization located within the contiguous state is an affiliate of a health care organization located within the state.

Subd. 6b. Education facility. "Education facility" means a structure or structures available for use as a dormitory or other student housing facility, dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, student health care facility, or child care facility, and includes other facilities or structures related thereto essential or convenient for the orderly conduct of an institution of higher education.

Subd. 6c. Health care facility. (a) "Health care facility" means a structure or structures available for use within this state as a hospital, clinic, psychiatric residential treatment facility, or any other lawfully pledged security of a participating institution for higher education.
facility, birth center, outpatient surgical center, comprehensive outpatient rehabilitation
facility, outpatient physical therapy or speech pathology facility, end-stage renal dialysis
facility, medical laboratory, pharmacy, radiation therapy facility, diagnostic imaging facility,
medical office building, residence for nurses or interns, nursing home, boarding care home,
assisted living facility, residential hospice, intermediate care facility for persons with
developmental disabilities, supervised living facility, housing with services establishment,
board and lodging establishment with special services, adult day care center, day services
facility, prescribed pediatric extended care facility, community residential setting, adult
foster home, or other facility related to medical or health care research, or the delivery or
administration of health care services, and includes other structures or facilities related
thereto essential or convenient for the orderly conduct of a health care organization.

(b) Health care facility also means a facility in a state that is geographically contiguous
to Minnesota operated by a health care organization that corresponds by purpose, function,
or use with a facility listed in paragraph (a).

Subd. 7. Participating institution of higher education. "Participating institution of
higher education" means a health care organization or an institution of higher education
that, under the provisions of sections 136A.25 to 136A.42, undertakes the financing and
construction or acquisition of a project or undertakes the refunding or refinancing of
obligations or of a mortgage or of advances as provided in sections 136A.25 to 136A.42.
Community colleges and technical colleges may be considered participating institutions of
higher education for the purpose of financing and constructing child care facilities and
parking facilities.

Sec. 5. Minnesota Statutes 2020, section 136A.29, subdivision 1, is amended to read:

Subdivision 1. Purpose. The purpose of the authority shall be to assist health care
organizations and institutions of higher education in the construction, financing, and
refinancing of projects. The exercise by the authority of the powers conferred by sections
136A.25 to 136A.42, shall be deemed and held to be the performance of an essential public
function. For the purpose of sections 136A.25 to 136A.42, the authority shall have the
powers and duties set forth in subdivisions 2 to 23.

Sec. 6. Minnesota Statutes 2020, section 136A.29, subdivision 3, is amended to read:

Subd. 3. Employees. The authority is authorized and empowered to appoint and employ
employees as it may deem necessary to carry out its duties, determine the title of the
employees so employed, and fix the salary of said its employees. Employees of the authority
shall participate in retirement and other benefits in the same manner that employees in the
unclassified service of the office managed plan under section 43A.18, subdivision 3,
participate.

Sec. 7. Minnesota Statutes 2020, section 136A.29, subdivision 6, is amended to read:

Subd. 6. Projects; generally. (a) The authority is authorized and empowered to determine
the location and character of any project to be financed under the provisions of sections
136A.25 to 136A.42, and to construct, reconstruct, remodel, maintain, manage, enlarge,
alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, to enter into
contracts for any or all of such purposes, to enter into contracts for the management and
operation of a project, and to designate a participating institution of higher education as its
agent to determine the location and character of a project undertaken by such participating
institution of higher education under the provisions of sections 136A.25 to 136A.42 and as
the agent of the authority, to construct, reconstruct, remodel, maintain, manage, enlarge,
alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, and as the
agent of the authority, to enter into contracts for any or all of such purposes, including
contracts for the management and operation of such project.

(b) Notwithstanding paragraph (a), a project involving a health care facility within the
state financed under sections 136A.25 to 136A.42, must comply with all applicable
requirements in state law related to authorizing construction of or modifications to a health
care facility, including the requirements of sections 144.5509, 144.551, 144A.071, and
252.291.

(c) Contracts of the authority or of a participating institution of higher education to
acquire or to construct, reconstruct, remodel, maintain, enlarge, alter, add to, or repair
projects shall not be subject to the provisions of chapter 16C or section 574.26, or any other
public contract or competitive bid law.

Sec. 8. Minnesota Statutes 2020, section 136A.29, subdivision 9, is amended to read:

Subd. 9. Revenue bonds; limit. (a) The authority is authorized and empowered to issue
revenue bonds whose aggregate principal amount at any time shall not exceed $4,000,000,000
and to issue notes, bond anticipation notes, and revenue refunding bonds
of the authority under the provisions of sections 136A.25 to 136A.42, to provide funds for
acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving,
furnishing, or equipping one or more projects or parts thereof.
(b) Of the $4,000,000,000 limit in paragraph (a), the aggregate principal amount used to fund education facilities may not exceed $1,750,000,000 at any time, and the aggregate principal amount used to fund health care facilities may not exceed $2,250,000,000 at any time.

Sec. 9. Minnesota Statutes 2020, section 136A.29, subdivision 10, is amended to read:

Subd. 10. Revenue bonds; issuance, purpose, conditions. The authority is authorized and empowered to issue revenue bonds to acquire projects from or to make loans to participating institutions of higher education and thereby refinance outstanding indebtedness incurred by participating institutions of higher education to provide funds for the acquisition, construction or improvement of a facility before or after the enactment of sections 136A.25 to 136A.42, but otherwise eligible to be and being a project thereunder, whenever the authority finds that such refinancing will enhance or preserve such participating institutions and such facilities or utilization thereof for health care or educational purposes or extend or adjust maturities to correspond to the resources available for their payment, or reduce charges or fees imposed on patients or occupants, or the tuition, charges, or fees imposed on students for the use or occupancy of the facilities of such participating institutions of higher education or costs met by federal or state public funds, or enhance or preserve health care or educational programs and research or the acquisition or improvement of other facilities eligible to be a project or part thereof by the participating institution of higher education. The amount of revenue bonds to be issued to refinance outstanding indebtedness of a participating institution of higher education shall not exceed the lesser of (a) the fair value of the project to be acquired by the authority from the institution or mortgaged to the authority by the institution or (b) the amount of the outstanding indebtedness including any premium thereon and any interest accrued or to accrue to the date of redemption and any legal, fiscal and related costs in connection with such refinancing and reasonable reserves, as determined by the authority. The provisions of this subdivision do not prohibit the authority from issuing revenue bonds within and charged against the limitations provided in subdivision 9 to provide funds for improvements, alteration, renovation, or extension of the project refinanced.

Sec. 10. Minnesota Statutes 2020, section 136A.29, subdivision 14, is amended to read:

Subd. 14. Rules for use of projects. The authority is authorized and empowered to establish rules for the use of a project or any portion thereof and to designate a participating institution of higher education as its agent to establish rules for the use of a project undertaken for such participating institution of higher education.
Sec. 11. Minnesota Statutes 2020, section 136A.29, subdivision 19, is amended to read:

Subd. 19. Surety. Before the issuance of any revenue bonds under the provisions of sections 136A.25 to 136A.42, any member or officer of the authority authorized by resolution of the authority to handle funds or sign checks of the authority shall be covered under a surety or fidelity bond in an amount to be determined by the authority. Each such bond shall be conditioned upon the faithful performance of the duties of the office of the member or officer, and shall be executed by a surety company authorized to transact business in the state of Minnesota as surety. The cost of each such bond shall be paid by the authority.

Sec. 12. Minnesota Statutes 2020, section 136A.29, subdivision 20, is amended to read:

Subd. 20. Sale, lease, and disposal of property. The authority is authorized and empowered to sell, lease, release, or otherwise dispose of real and personal property or interests therein, or a combination thereof, acquired by the authority under authority of sections 136A.25 to 136A.42 and no longer needed for the purposes of such this chapter or of the authority, and grant such easements and other rights in, over, under, or across a project as will not interfere with its use of such the property. Such The sale, lease, release, disposition, or grant may be made without competitive bidding and in such the manner and for such consideration as the authority in its judgment deems appropriate.

Sec. 13. Minnesota Statutes 2020, section 136A.29, subdivision 21, is amended to read:

Subd. 21. Loans. The authority is authorized and empowered to make loans to any participating institution of higher education for the cost of a project in accordance with an agreement between the authority and the participating institution of higher education; provided that no such loan shall exceed the total cost of the project as determined by the participating institution of higher education and approved by the authority.

Sec. 14. Minnesota Statutes 2020, section 136A.29, subdivision 22, is amended to read:

Subd. 22. Costs, expenses, and other charges. The authority is authorized and empowered to charge to and apportion among participating institutions of higher education its administrative costs and expenses incurred in the exercise of the powers and duties conferred by sections 136A.25 to 136A.42 in the manner as the authority in its judgment deems appropriate.
Sec. 15. Minnesota Statutes 2020, section 136A.29, is amended by adding a subdivision to read:

Subd. 24. Determination of affiliate status. The authority is authorized and empowered to determine whether an entity is an affiliate as defined in section 136A.28, subdivision 1a. A determination by the authority of affiliate status shall be deemed conclusive for the purposes of sections 136A.25 to 136A.42.

Sec. 16. Minnesota Statutes 2020, section 136A.32, subdivision 1, is amended to read:

Subdivision 1. Bonds; generally. (a) The authority may from time to time issue revenue bonds for purposes of sections 136A.25 to 136A.42, and all such revenue bonds, notes, bond anticipation notes or other obligations of the authority issued pursuant to sections 136A.25 to 136A.42 shall be and are hereby declared to be negotiable for all purposes notwithstanding their payment from a limited source and without regard to any other law or laws. In anticipation of the sale of such revenue bonds, the authority may issue negotiable bond anticipation notes and may renew the same from time to time, but the maximum maturity of any such note, including renewals thereof, shall not exceed five years from the date of issue of the original note. Such notes shall be paid from any revenues of the authority available therefor and not otherwise pledged, or from the proceeds of sale of the revenue bonds of the authority in anticipation of which they were issued. The notes shall be issued in the same manner as the revenue bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions or limitations which a bond resolution or the authority may contain.

(b) Before issuing revenue bonds, notes, or other obligations under paragraph (a) on behalf of a health care organization to finance health care facilities, the authority must obtain consent by resolution from each city or town in which the project is located, except that consent need not be obtained in the case of a city or town with a population of less than 100,000. The consent by resolution requirement does not apply to financing under paragraph (a) on behalf of a participating institution which is primarily an institution of higher education.

Sec. 17. Minnesota Statutes 2020, section 136A.32, subdivision 4, is amended to read:

Subd. 4. Provisions of resolution authorizing bonds. Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions, which shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:
(1) pledging all or any part of the revenues of a project or projects, any revenue producing contract or contracts made by the authority with any individual partnership, corporation or association or other body, or one or more partnerships, corporations or associations, or other bodies, public or private, to secure the payment of the revenue bonds or of any particular issue of revenue bonds, subject to such agreements with bondholders as may then exist;

(2) the rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues;

(3) the setting aside of reserves or sinking funds, and the regulation and disposition thereof;

(4) limitations on the right of the authority or its agent to restrict and regulate the use of the project;

(5) limitations on the purpose to which the proceeds of sale of any issue of revenue bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the revenue bonds or any issue of the revenue bonds;

(6) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding bonds;

(7) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(8) limitations on the amount of moneys derived from the project to be expended for operating, administrative or other expenses of the authority;

(9) defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default; or

(10) the mortgaging of a project and the site thereof for the purpose of securing the bondholders.

Sec. 18. Minnesota Statutes 2020, section 136A.33, is amended to read:

136A.33 TRUST AGREEMENT.

In the discretion of the authority any revenue bonds issued under the provisions of sections 136A.25 to 136A.42, may be secured by a trust agreement by and between the authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within the state. Such trust agreement or the resolution
providing for the issuance of such revenue bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged and may convey or mortgage the project or any portion thereof. Such The trust agreement or resolution providing for the issuance of such revenue bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of laws, including particularly such provisions as have hereinabove been specifically authorized to be included in any resolution or resolutions of the authority authorizing revenue bonds thereof. Any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or of revenues or other moneys may furnish such indemnifying bonds or pledges such pledge securities as may be required by the authority. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such the trust agreement or resolution may be treated as a part of the cost of the operation of a project.

Sec. 19. Minnesota Statutes 2020, section 136A.34, subdivision 3, is amended to read:

Subd. 3. Investment. Any such escrowed proceeds, pending such use, may be invested and reinvested in direct obligations of the United States of America, or in certificates of deposit or time deposits secured by direct obligations of the United States of America, or in shares or units in any money market mutual fund whose investment portfolio consists solely of direct obligations of the United States of America, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, of the outstanding revenue bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding revenue bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the authority for use by it in any lawful manner.

Sec. 20. Minnesota Statutes 2020, section 136A.34, subdivision 4, is amended to read:

Subd. 4. Additional purpose; improvements. The portion of the proceeds of any such revenue bonds issued for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a project
may be invested or deposited in time deposits as provided in section 136A.32, subdivision 7.

Sec. 21. Minnesota Statutes 2020, section 136A.36, is amended to read:

136A.36 REVENUES.

The authority may fix, revise, charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by each project and to contract with any person, partnership, association or corporation, or other body, public or private, in respect thereof. Such rates, rents, fees, and charges may vary between projects involving an education facility and projects involving a health care facility and shall be fixed and adjusted in respect of the aggregate of rates, rents, fees, and charges from the project so as to provide funds sufficient with other revenues, if any:

(1) to pay the cost of maintaining, repairing and operating the project and each and every portion thereof, to the extent that the payment of such cost has not otherwise been adequately provided for;

(2) to pay the principal of and the interest on outstanding revenue bonds of the authority issued in respect of such project as the same shall become due and payable; and

(3) to create and maintain reserves required or provided for in any resolution authorizing, or trust agreement securing, such revenue bonds of the authority. Such rates, rents, fees and charges shall not be subject to supervision or regulation by any department, commission, board, body, bureau or agency of this state other than the authority. A sufficient amount of the revenues derived in respect of a project, except such part of such the revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements as may be provided for in the resolution authorizing the issuance of any revenue bonds of the authority or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such the resolution or trust agreement in a sinking or other similar fund which that is hereby pledged to, and charged with, the payment of the principal of and the interest on such revenue bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such The pledge shall be valid and binding from the time when the pledge is made; the rates, rents, fees and charges and other revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such the pledge without physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind against the authority, irrespective of whether such
parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge
is created need be filed or recorded except in the records of the authority. The use and
disposition of moneys to the credit of such sinking or other similar fund shall be subject to
the provisions of the resolution authorizing the issuance of such bonds or of such trust
agreement. Except as may otherwise be provided in such the resolution or such trust
agreement, such the sinking or other similar fund shall be a fund for all such revenue bonds
issued to finance a project or projects at one or more participating institutions of higher
education without distinction or priority of one over another; provided the authority in any
such resolution or trust agreement may provide that such sinking or other similar fund shall
be the fund for a particular project at an a participating institution of higher education and
for the revenue bonds issued to finance a particular project and may, additionally, permit
and provide for the issuance of revenue bonds having a subordinate lien in respect of the
security herein authorized to other revenue bonds of the authority and, in such case, the
authority may create separate or other similar funds in respect of such the subordinate lien
bonds.

Sec. 22. Minnesota Statutes 2020, section 136A.38, is amended to read:

136A.38 BONDS ELIGIBLE FOR INVESTMENT.

Bonds issued by the authority under the provisions of sections 136A.25 to 136A.42, are
hereby made securities in which all public officers and public bodies of the state and its
political subdivisions, all insurance companies, trust companies, banking associations,
investment companies, executors, administrators, trustees and other fiduciaries may properly
and legally invest funds, including capital in their control or belonging to them; it being the
purpose of this section to authorize the investment in such bonds of all sinking, insurance,
retirement, compensation, pension and trust funds, whether owned or controlled by private
or public persons or officers; provided, however, that nothing contained in this section may
be construed as relieving any person, firm, or corporation from any duty of exercising due
care in selecting securities for purchase or investment; and provide further, that in no event
shall assets of pension funds of public employees of the state of Minnesota or any of its
agencies, boards or subdivisions, whether publicly or privately administered, be invested
in bonds issued under the provisions of sections 136A.25 to 136A.42. Such bonds are hereby
constituted "authorized securities" within the meaning and for the purposes of Minnesota
Statutes 1969, section 50.14. Such The bonds are hereby made securities which that may
properly and legally be deposited with and received by any state or municipal officer or any
agency or political subdivision of the state for any purpose for which the deposit of bonds
or obligations of the state now or may hereafter be authorized by law.
Sec. 23. Minnesota Statutes 2020, section 136A.41, is amended to read:

136A.41 CONFLICT OF INTEREST.

Notwithstanding any other law to the contrary it shall not be or constitute a conflict of interest for a trustee, director, officer or employee of any participating institution of higher education, financial institution, investment banking firm, brokerage firm, commercial bank or trust company, architecture firm, insurance company, construction company, or any other firm, person or corporation to serve as a member of the authority, provided such trustee, director, officer or employee shall abstain from deliberation, action and vote by the authority in each instance where the business affiliation of any such trustee, director, officer or employee is involved.

Sec. 24. Minnesota Statutes 2020, section 136A.42, is amended to read:

136A.42 ANNUAL REPORT.

The authority shall keep an accurate account of all of its activities and all of its receipts and expenditures and shall annually report to the office. Each year, the authority shall submit to the Minnesota Historical Society and the Legislative Reference Library a report of the authority's activities in the previous year, including all financial activities.

Sec. 25. REVISOR INSTRUCTION.

The revisor of statutes shall renumber the law establishing and governing the Minnesota Higher Education Facilities Authority, renamed the Minnesota Health and Education Facilities Authority in this act, as Minnesota Statutes, chapter 16F, coded in Minnesota Statutes 2020, sections 136A.25 to 136A.42, as amended or repealed in this act. The revisor of statutes shall also duplicate any required definitions from Minnesota Statutes, chapter 136A, revise any statutory cross-references consistent with the recoding, and report the history in Minnesota Statutes, chapter 16F. The revisor of statutes shall change "Minnesota Health and Education Facilities Authority" to "Minnesota Health and Higher Education Facilities Authority" where it appears in Minnesota Statutes.

Sec. 26. REPEALER.

Minnesota Statutes 2020, section 136A.29, subdivision 4, is repealed.
ARTICLE 4

MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY
CONFORMING AMENDMENTS

Section 1. Minnesota Statutes 2020, section 3.732, subdivision 1, is amended to read:

Subdivision 1. Definitions. As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the Housing Finance Agency, the Minnesota Office of Higher Education, the Health and Education Facilities Authority, the Health Technology Advisory Committee, the Armory Building Commission, the Zoological Board, the Department of Iron Range Resources and Rehabilitation, the Minnesota Historical Society, the State Agricultural Society, the University of Minnesota, the Minnesota State Colleges and Universities, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota National Guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs or other similar hazardous explosives, as defined in section 299C.063, outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor except, for purposes of this section and section 3.736 only, a guardian ad litem acting under court appointment, or members of the Minnesota National Guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. Notwithstanding sections 43A.02 and 611.263, for purposes of this section and section 3.736 only, "employee of the state" includes a district public defender or assistant district public defender in the Second or Fourth Judicial District, a member of the Health Technology Advisory Committee, and any officer, agent, or employee of the state of Wisconsin performing work for the state of Minnesota pursuant to a joint state initiative.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.
Sec. 2. Minnesota Statutes 2021 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. Public official. "Public official" means any:

(1) member of the legislature;

(2) individual employed by the legislature as secretary of the senate, legislative auditor, director of the Legislative Budget Office, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;

(3) constitutional officer in the executive branch and the officer's chief administrative deputy;

(4) solicitor general or deputy, assistant, or special assistant attorney general;

(5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;

(6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

(7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

(8) executive director of the State Board of Investment;

(9) deputy of any official listed in clauses (7) and (8);

(10) judge of the Workers' Compensation Court of Appeals;

(11) administrative law judge or compensation judge in the State Office of Administrative Hearings or unemployment law judge in the Department of Employment and Economic Development;

(12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;

(13) member or chief administrator of a metropolitan agency;

(14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
(15) member or executive director of the Higher Health and Education Facilities Authority;
(16) member of the board of directors or president of Enterprise Minnesota, Inc.;
(17) member of the board of directors or executive director of the Minnesota State High School League;
(18) member of the Minnesota Ballpark Authority established in section 473.755;
(19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
(20) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;
(21) supervisor of a soil and water conservation district;
(22) director of Explore Minnesota Tourism;
(23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056;
(24) citizen member of the Clean Water Council established in section 114D.30;
(25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;
(26) district court judge, appeals court judge, or supreme court justice;
(27) county commissioner;
(28) member of the Greater Minnesota Regional Parks and Trails Commission;
(29) member of the Destination Medical Center Corporation established in section 469.41; or
(30) chancellor or member of the Board of Trustees of the Minnesota State Colleges and Universities.

Sec. 3. Minnesota Statutes 2020, section 136F.67, subdivision 1, is amended to read:

Subdivision 1. Authorization. A technical college or a community college must not seek financing for child care facilities or parking facilities through the Higher Health and Education Facilities Authority, as provided in section 136A.28, subdivision 7, without the explicit authorization of the board.
Sec. 4. Minnesota Statutes 2020, section 354B.20, subdivision 7, is amended to read:

Subd. 7. Employing unit. "Employing unit," if the agency employs any persons covered by the individual retirement account plan under section 354B.211, means:

(1) the board;

(2) the Minnesota Office of Higher Education; and

(3) the Higher Health and Education Facilities Authority.

Delete the title and insert:

"A bill for an act relating to higher education; providing for supplemental funding and modifying policies for the Office of Higher Education, Minnesota State Colleges and Universities, and the University of Minnesota; creating and modifying certain student aid programs; creating and modifying certain grants to institutions; modifying certain institutional licensure provisions; creating the Inclusive Higher Education Technical Assistance Center; modifying Board of Regents provisions; expanding and renaming the Minnesota Higher Education Facilities Authority as the Minnesota Health and Higher Education Facilities Authority; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 3.732, subdivision 1; 135A.15, subdivision 8, by adding a subdivision; 136A.121, subdivision 18; 136A.1701, subdivision 11; 136A.25; 136A.26; 136A.27; 136A.28; 136A.29, subdivisions 1, 3, 6, 9, 10, 14, 19, 20, 21, 22, by adding a subdivision; 136A.32, subdivisions 1, 4; 136A.33; 136A.34, subdivisions 3, 4; 136A.36; 136A.38; 136A.41; 136A.42; 136A.833; 136F.02, subdivision 1; 136F.302, subdivisions 1, 2; 136F.67, subdivision 1; 137.022, subdivision 4; 137.024; 137.0245, subdivision 2; 137.0246; 354B.20, subdivision 7; Minnesota Statutes 2021 Supplement, sections 10A.01, subdivision 35; 135A.137, subdivision 3; 136A.121, subdivision 6; 136A.91, subdivision 1; 136F.38, subdivision 3; Laws 2021, First Special Session chapter 2, article 1, section 2, subdivisions 35, 36; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; repealing Minnesota Statutes 2020, sections 136A.29, subdivision 4; 136F.03; Minnesota Rules, part 4880.2500."
We request the adoption of this report and repassage of the bill.

House Conferees:

Connie Bernardy  Michelle (Shelly) Christensen

Ginny Klevorn  Heather Keeler

Marion O'Neill

Senate Conferees:

David Tomassoni  Jason Rarick

John Jasinski  Karin Housley

Gregory Clausen