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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **993**

02/11/2021 Authored by Bernardy  
The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy  
04/09/2021 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

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

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

1.4 of Minnesota, and the Mayo Clinic; freezing certain tuition rates; creating and

1.5 modifying certain student aid programs; restricting limitations on student access

1.6 to transcripts; modifying certain school accountability provisions; expanding the

1.7 hunger-free campus designation; modifying data provision of the college savings

1.8 plan; establishing pilot projects; requiring reports; appropriating money; amending

1.9 Minnesota Statutes 2020, sections 136A.121, subdivisions 2, 6, 9; 136A.125,

1.10 subdivisions 2, 4; 136A.126, subdivisions 1, 4; 136A.1275; 136A.1704; 136A.246,

1.11 subdivisions 1, 2, 3, 4, 5, 6, 7, 8, by adding a subdivision; 136A.63, subdivision

1.12 2; 136A.645; 136A.653, subdivision 5; 136A.675; 136A.68; 136A.822, subdivision

1.13 12; 136A.8225; 136A.823, by adding a subdivision; 136A.827, subdivisions 4, 8;

1.14 136F.245, subdivisions 1, 2; 136F.305; 136F.38, subdivision 3; 136G.05,

1.15 subdivision 10; proposing coding for new law in Minnesota Statutes, chapters

1.16 135A; 136A; repealing Minnesota Statutes 2020, sections 136A.1703; 136A.823,

1.17 subdivision 2; 136F.245, subdivision 3; Minnesota Rules, parts 4830.9050;

1.18 4830.9060; 4830.9070; 4830.9080; 4830.9090.

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

1.20 **ARTICLE 1**

1.21 **APPROPRIATIONS**

1.22 Section 1. **APPROPRIATIONS.**

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

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

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

1.26 The figures "2022" and "2023" used in this article mean that the appropriations listed under

1.27 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.

1.28 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"

1.29 is fiscal years 2022 and 2023.

2.1		<b><u>APPROPRIATIONS</u></b>	
2.2		<b><u>Available for the Year</u></b>	
2.3		<b><u>Ending June 30</u></b>	
2.4		<b><u>2022</u></b>	<b><u>2023</u></b>
2.5 2.6	<b><u>Sec. 2. MINNESOTA OFFICE OF HIGHER EDUCATION</u></b>		
2.7	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 275,338,000</u></b>	<b><u>\$ 275,198,000</u></b>
2.8 2.9 2.10	<u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
2.11	<b><u>Subd. 2. State Grants</u></b>	<b><u>210,587,000</u></b>	<b><u>210,587,000</u></b>
2.12 2.13 2.14	<u>If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.</u>		
2.15	<b><u>Subd. 3. Child Care Grants</u></b>	<b><u>6,694,000</u></b>	<b><u>6,694,000</u></b>
2.16	<b><u>Subd. 4. State Work-Study</u></b>	<b><u>14,502,000</u></b>	<b><u>14,502,000</u></b>
2.17	<b><u>Subd. 5. Interstate Tuition Reciprocity</u></b>	<b><u>8,500,000</u></b>	<b><u>8,500,000</u></b>
2.18 2.19 2.20 2.21	<u>If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.</u>		
2.22	<b><u>Subd. 6. Safety Officer's Survivors</u></b>	<b><u>100,000</u></b>	<b><u>100,000</u></b>
2.23 2.24 2.25 2.26 2.27	<u>This appropriation is to provide educational benefits under Minnesota Statutes, section 299A.45, to eligible dependent children and to the spouses of public safety officers killed in the line of duty.</u>		
2.28 2.29 2.30	<u>If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.</u>		
2.31	<b><u>Subd. 7. American Indian Scholarships</u></b>	<b><u>3,500,000</u></b>	<b><u>3,500,000</u></b>
2.32 2.33	<u>The commissioner must contract with or employ at least one person with demonstrated</u>		

3.1 competence in American Indian culture and  
 3.2 residing in or near the city of Bemidji to assist  
 3.3 students with the scholarships under  
 3.4 Minnesota Statutes, section 136A.126, and  
 3.5 with other information about financial aid for  
 3.6 which the students may be eligible. Bemidji  
 3.7 State University must provide office space at  
 3.8 no cost to the Office of Higher Education for  
 3.9 purposes of administering the American Indian  
 3.10 scholarship program under Minnesota Statutes,  
 3.11 section 136A.126. This appropriation includes  
 3.12 funding to administer the American Indian  
 3.13 scholarship program.

3.14 **Subd. 8. Tribal College Grants** 150,000 150,000

3.15 For tribal college assistance grants under  
 3.16 Minnesota Statutes, section 136A.1796.

3.17 **Subd. 9. Intervention for College Attendance**  
 3.18 **Program Grants** 1,500,000 1,500,000

3.19 For the intervention for college attendance  
 3.20 program under Minnesota Statutes, section  
 3.21 136A.861.

3.22 The commissioner may use no more than three  
 3.23 percent of this appropriation to administer the  
 3.24 intervention for college attendance program  
 3.25 grants.

3.26 **Subd. 10. Student-Parent Information** 122,000 122,000

3.27 **Subd. 11. Get Ready!** 180,000 180,000

3.28 **Subd. 12. Minnesota Education Equity**  
 3.29 **Partnership** 45,000 45,000

3.30 **Subd. 13. Midwest Higher Education Compact** 115,000 115,000

3.31 **Subd. 14. United Family Medicine Residency**  
 3.32 **Program** 501,000 501,000

3.33 For a grant to United Family Medicine  
 3.34 residency program. This appropriation shall

4.1 be used to support up to 21 resident physicians  
 4.2 each year in family practice at United Family  
 4.3 Medicine residency programs and shall  
 4.4 prepare doctors to practice family care  
 4.5 medicine in underserved rural and urban areas  
 4.6 of the state. It is intended that this program  
 4.7 will improve health care in underserved  
 4.8 communities, provide affordable access to  
 4.9 appropriate medical care, and manage the  
 4.10 treatment of patients in a cost-effective  
 4.11 manner.

4.12 **Subd. 15. MnLINK Gateway and Minitex** 5,905,000 5,905,000

4.13 **Subd. 16. Statewide Longitudinal Education**  
 4.14 **Data System** 1,782,000 1,782,000

4.15 **Subd. 17. Hennepin Healthcare** 645,000 645,000

4.16 For transfer to Hennepin Healthcare for  
 4.17 graduate family medical education programs  
 4.18 at Hennepin Healthcare.

4.19 **Subd. 18. College Possible** 500,000 500,000

4.20 (a) This appropriation is for immediate transfer  
 4.21 to College Possible to support programs of  
 4.22 college admission and college graduation for  
 4.23 low-income students through an intensive  
 4.24 curriculum of coaching and support at both  
 4.25 the high school and postsecondary level.

4.26 (b) This appropriation must, to the extent  
 4.27 possible, be proportionately allocated between  
 4.28 students from greater Minnesota and students  
 4.29 in the seven-county metropolitan area.

4.30 (c) This appropriation must be used by College  
 4.31 Possible only for programs supporting students  
 4.32 who are residents of Minnesota and attending  
 4.33 colleges or universities within Minnesota.

5.1 (d) By February 1 of each year, College  
 5.2 Possible must report to the chairs and ranking  
 5.3 minority members of the legislative  
 5.4 committees and divisions with jurisdiction  
 5.5 over higher education and E-12 education on  
 5.6 activities funded by this appropriation. The  
 5.7 report must include, but is not limited to,  
 5.8 information about the expansion of College  
 5.9 Possible in Minnesota, the number of College  
 5.10 Possible coaches hired, the expansion within  
 5.11 existing partner high schools, the expansion  
 5.12 of high school partnerships, the number of  
 5.13 high school and college students served, the  
 5.14 total hours of community service by high  
 5.15 school and college students, and a list of  
 5.16 communities and organizations benefiting  
 5.17 from student service hours.

5.18 **Subd. 19. Spinal Cord Injury and Traumatic**  
 5.19 **Brain Injury Research Grant Program** 3,000,000 3,000,000

5.20 For transfer to the spinal cord and traumatic  
 5.21 brain injury grant account in the special  
 5.22 revenue fund under Minnesota Statutes,  
 5.23 section 136A.901, subdivision 1.

5.24 The commissioner may use no more than three  
 5.25 percent of the amount transferred under this  
 5.26 subdivision to administer the grant program.

5.27 **Subd. 20. Summer Academic Enrichment**  
 5.28 **Program** 750,000 750,000

5.29 For summer academic enrichment grants under  
 5.30 Minnesota Statutes, section 136A.091.

5.31 The commissioner may use no more than three  
 5.32 percent of this appropriation to administer the  
 5.33 grant program under this subdivision.

5.34 **Subd. 21. Dual Training Competency Grants;**  
 5.35 **Office of Higher Education** 2,000,000 2,000,000

6.1	<u>For transfer to the Dual Training Competency</u>		
6.2	<u>Grants account in the special revenue fund</u>		
6.3	<u>under Minnesota Statutes, section 136A.246,</u>		
6.4	<u>subdivision 10.</u>		
6.5	<b><u>Subd. 22. Campus Sexual Assault Reporting</u></b>	<u>25,000</u>	<u>25,000</u>
6.6	<u>For the sexual assault reporting required under</u>		
6.7	<u>Minnesota Statutes, section 135A.15.</u>		
6.8	<b><u>Subd. 23. Campus Sexual Violence Prevention</u></b>		
6.9	<b><u>and Response Coordinator</u></b>	<u>150,000</u>	<u>150,000</u>
6.10	<u>For the Office of Higher Education to staff a</u>		
6.11	<u>campus sexual violence prevention and</u>		
6.12	<u>response coordinator to serve as a statewide</u>		
6.13	<u>resource providing professional development</u>		
6.14	<u>and guidance on best practices for</u>		
6.15	<u>postsecondary institutions. \$50,000 each year</u>		
6.16	<u>is for administrative funding to conduct</u>		
6.17	<u>trainings and provide materials to</u>		
6.18	<u>postsecondary institutions.</u>		
6.19	<b><u>Subd. 24. Emergency Assistance for</u></b>	<u>825,000</u>	<u>825,000</u>
6.20	<b><u>Postsecondary Students</u></b>		
6.21	<u>(a) This appropriation is for the Office of</u>		
6.22	<u>Higher Education to allocate grant funds on a</u>		
6.23	<u>matching basis to eligible institutions as</u>		
6.24	<u>defined under Minnesota Statutes, section</u>		
6.25	<u>136A.103, located in Minnesota with a</u>		
6.26	<u>demonstrable homeless student population.</u>		
6.27	<u>(b) This appropriation shall be used to meet</u>		
6.28	<u>immediate student needs that could result in</u>		
6.29	<u>a student not completing the term or their</u>		
6.30	<u>program including, but not limited to,</u>		
6.31	<u>emergency housing, food, and transportation.</u>		
6.32	<u>Institutions shall minimize any negative</u>		
6.33	<u>impact on student financial aid resulting from</u>		
6.34	<u>the receipt of emergency funds.</u>		

7.1 (c) The commissioner shall determine the  
 7.2 application process and the grant amounts.  
 7.3 The Office of Higher Education shall partner  
 7.4 with interested postsecondary institutions,  
 7.5 other state agencies, and student groups to  
 7.6 establish the programs.

7.7 **Subd. 25. Grants to Teacher Candidates in**  
 7.8 **Shortage Areas** 500,000 500,000

7.9 For grants to teacher candidates in shortage  
 7.10 areas under Minnesota Statutes, section  
 7.11 136A.1275.

7.12 The commissioner may use no more than three  
 7.13 percent of the appropriation for administration  
 7.14 of the program.

7.15 **Subd. 26. Grants to Underrepresented Teacher**  
 7.16 **Candidates** 2,293,000 2,628,000

7.17 For grants to underrepresented teacher  
 7.18 candidates under Minnesota Statutes, section  
 7.19 136A.1274.

7.20 The commissioner may use no more than three  
 7.21 percent of the appropriation for administration  
 7.22 of the program.

7.23 **Subd. 27. Teacher Shortage Loan Forgiveness** 200,000 200,000

7.24 For transfer to the teacher shortage loan  
 7.25 forgiveness repayment account in the special  
 7.26 revenue fund under Minnesota Statutes,  
 7.27 section 136A.1791, subdivision 8.

7.28 The commissioner may use no more than three  
 7.29 percent of the amount transferred under this  
 7.30 subdivision to administer the program.

7.31 **Subd. 28. Large Animal Veterinarian Loan**  
 7.32 **Forgiveness Program** 375,000 375,000

7.33 For transfer to the large animal veterinarian  
 7.34 loan forgiveness program account in the

8.1	<u>special revenue fund under Minnesota</u>		
8.2	<u>Statutes, section 136A.1795, subdivision 2.</u>		
8.3	<b><u>Subd. 29. Agricultural Educators Loan</u></b>		
8.4	<b><u>Forgiveness</u></b>	<u>50,000</u>	<u>50,000</u>
8.5	<u>For transfer to the agricultural education loan</u>		
8.6	<u>forgiveness account in the special revenue</u>		
8.7	<u>fund under Minnesota Statutes, section</u>		
8.8	<u>136A.1794, subdivision 2.</u>		
8.9	<b><u>Subd. 30. Aviation Degree Loan Forgiveness</u></b>		
8.10	<b><u>Program</u></b>	<u>25,000</u>	<u>25,000</u>
8.11	<u>For transfer to the aviation degree loan</u>		
8.12	<u>forgiveness program account in the special</u>		
8.13	<u>revenue fund under Minnesota Statutes,</u>		
8.14	<u>section 136A.1789, subdivision 2.</u>		
8.15	<b><u>Subd. 31. Grants for Students with Intellectual</u></b>		
8.16	<b><u>and Developmental Disabilities</u></b>	<u>200,000</u>	<u>200,000</u>
8.17	<u>For grants for students with intellectual and</u>		
8.18	<u>developmental disabilities under Minnesota</u>		
8.19	<u>Statutes, section 136A.1215.</u>		
8.20	<b><u>Subd. 32. Loan Repayment Assistance Program</u></b>	<u>25,000</u>	<u>25,000</u>
8.21	<u>For a grant to the Loan Repayment Assistance</u>		
8.22	<u>Program of Minnesota to provide education</u>		
8.23	<u>debt relief to attorneys with full-time</u>		
8.24	<u>employment providing legal advice or</u>		
8.25	<u>representation to low-income clients or support</u>		
8.26	<u>services for this work.</u>		
8.27	<b><u>Subd. 33. Minnesota Independence College and</u></b>		
8.28	<b><u>Community</u></b>	<u>1,000,000</u>	<u>1,000,000</u>
8.29	<u>For a grant to Minnesota Independence</u>		
8.30	<u>College and Community for need-based</u>		
8.31	<u>scholarships and tuition reduction. Beginning</u>		
8.32	<u>with students first enrolled in the fall of 2019,</u>		
8.33	<u>eligibility is limited to resident students as</u>		

9.1	<u>defined in Minnesota Statutes, section</u>		
9.2	<u>136A.101, subdivision 8.</u>		
9.3	<b><u>Subd. 34. Student Loan Debt Counseling</u></b>	<u>200,000</u>	<u>200,000</u>
9.4	<u>For student loan debt counseling under</u>		
9.5	<u>Minnesota Statutes, section 136A.1788.</u>		
9.6	<u>The Office of Higher Education may use no</u>		
9.7	<u>more than three percent of the appropriation</u>		
9.8	<u>to administer the student loan debt counseling</u>		
9.9	<u>program.</u>		
9.10	<b><u>Subd. 35. Hunger-Free Campus Grants</u></b>	<u>275,000</u>	<u>223,000</u>
9.11	<u>(a) For grants to Minnesota postsecondary</u>		
9.12	<u>institutions to meet and maintain the criteria</u>		
9.13	<u>in Minnesota Statutes, section 136F.245, to</u>		
9.14	<u>address food insecurity on campus.</u>		
9.15	<u>(b) Awards must be based on head count for</u>		
9.16	<u>the most recently completed academic year.</u>		
9.17	<u>(c) Institutions must provide matching funds</u>		
9.18	<u>to receive the hunger-free campus grant.</u>		
9.19	<u>(d) The statewide student associations</u>		
9.20	<u>designated in Minnesota Statutes, section</u>		
9.21	<u>136F.245, shall review the designated grant</u>		
9.22	<u>applications and provide final approval for</u>		
9.23	<u>grant disbursements from the Office of Higher</u>		
9.24	<u>Education to the appropriate campuses.</u>		
9.25	<b><u>Subd. 36. Concurrent Enrollment Grants</u></b>	<u>340,000</u>	<u>340,000</u>
9.26	<u>For concurrent enrollment grants under</u>		
9.27	<u>Minnesota Statutes, section 135A.102.</u>		
9.28	<b><u>Subd. 37. Addiction Medicine Graduate Medical</u></b>		
9.29	<b><u>Education Fellowship</u></b>	<u>275,000</u>	<u>275,000</u>
9.30	<u>(a) This appropriation is for transfer to the</u>		
9.31	<u>Hennepin County Medical Center to support</u>		
9.32	<u>up to four physicians enrolled in an addiction</u>		

10.1 medicine fellowship program. This is a  
 10.2 onetime appropriation.  
 10.3 (b) This appropriation shall be used:  
 10.4 (1) to train fellows in: (i) diagnostic  
 10.5 interviewing; (ii) motivational interviewing;  
 10.6 (iii) addiction counseling; (iv) recognition and  
 10.7 care of common acute withdrawal syndromes  
 10.8 and complications; (v) pharmacotherapies of  
 10.9 addictive disorders; (vi) epidemiology and  
 10.10 pathophysiology of addiction; (vii)  
 10.11 identification and treatment of addictive  
 10.12 disorders in special populations; (viii)  
 10.13 secondary interventions; (ix) the use of  
 10.14 screening and diagnostic instruments; (x)  
 10.15 inpatient care; and (xi) working within a  
 10.16 multidisciplinary team; and  
 10.17 (2) to prepare fellows to practice addiction  
 10.18 medicine in rural and underserved areas of the  
 10.19 state.

10.20 **Subd. 38. Aspiring Teachers of Color**  
 10.21 **Scholarships**

2,000,000

2,500,000

10.22 (a) This appropriation is for the aspiring  
 10.23 teachers of color scholarship program under  
 10.24 Minnesota Statutes, section 136A.1273.  
 10.25 (b) The commissioner of the Office of Higher  
 10.26 Education may use no more than three percent  
 10.27 of the appropriation to administer the aspiring  
 10.28 teachers of color scholarship program.

10.29 (c) This is a onetime appropriation. The base  
 10.30 for this appropriation is \$0 in fiscal year 2024  
 10.31 and later.

10.32 **Subd. 39. Direct Admissions**

925,000

75,000

10.33 For the direct admissions pilot program in  
 10.34 article 2, section 39.

11.1	<u>Subd. 40. Agency Administration</u>	<u>4,577,000</u>	<u>4,504,000</u>
11.2	<u>Subd. 41. Balances Forward</u>		
11.3	<u>A balance in the first year under this section</u>		
11.4	<u>does not cancel, but is available for the second</u>		
11.5	<u>year.</u>		
11.6	<u>Subd. 42. Transfers</u>		
11.7	<u>The commissioner of the Office of Higher</u>		
11.8	<u>Education may transfer unencumbered</u>		
11.9	<u>balances from the appropriations in this</u>		
11.10	<u>section to the state grant appropriation, the</u>		
11.11	<u>interstate tuition reciprocity appropriation, the</u>		
11.12	<u>child care grant appropriation, the Indian</u>		
11.13	<u>scholarship appropriation, the state work-study</u>		
11.14	<u>appropriation, the get ready appropriation, the</u>		
11.15	<u>intervention for college attendance</u>		
11.16	<u>appropriation, the student-parent information</u>		
11.17	<u>appropriation, the summer academic</u>		
11.18	<u>enrichment program appropriation, and the</u>		
11.19	<u>public safety officers' survivors appropriation.</u>		
11.20	<u>Transfers from the hunger-free campus</u>		
11.21	<u>appropriation may only be made to the</u>		
11.22	<u>emergency assistance for postsecondary</u>		
11.23	<u>students appropriation. Transfers from the</u>		
11.24	<u>child care or state work-study appropriations</u>		
11.25	<u>may only be made to the extent there is a</u>		
11.26	<u>projected surplus in the appropriation. A</u>		
11.27	<u>transfer may be made only with prior written</u>		
11.28	<u>notice to the chairs and ranking minority</u>		
11.29	<u>members of the senate and house of</u>		
11.30	<u>representatives committees with jurisdiction</u>		
11.31	<u>over higher education finance.</u>		
11.32	<b><u>Sec. 3. BOARD OF TRUSTEES OF THE</u></b>		
11.33	<b><u>MINNESOTA STATE COLLEGES AND</u></b>		
11.34	<b><u>UNIVERSITIES</u></b>		
11.35	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 786,284,000</u></b>	<b><u>\$ 807,384,000</u></b>

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

12.4 **Subd. 2. Central Office and Shared Services**  
 12.5 **Unit**

33,074,000

33,074,000

12.6 For the Office of the Chancellor and the  
 12.7 Shared Services Division.

12.8 **Subd. 3. Operations and Maintenance**

749,095,000

770,195,000

12.9 (a) For the 2021-2022 and 2022-2023  
 12.10 academic years, the tuition rates for  
 12.11 undergraduates at colleges and universities  
 12.12 must not exceed the 2020-2021 academic year  
 12.13 rates.

12.14 (b) \$3,000,000 in fiscal year 2022 and  
 12.15 \$3,000,000 in fiscal year 2023 are to provide  
 12.16 supplemental aid for operations and  
 12.17 maintenance to the president of each two-year  
 12.18 institution in the system with at least one  
 12.19 campus that is not located in a metropolitan  
 12.20 county, as defined in Minnesota Statutes,  
 12.21 section 473.121, subdivision 4. The board  
 12.22 shall transfer \$100,000 for each campus not  
 12.23 located in a metropolitan county in each year  
 12.24 to the president of each institution that  
 12.25 includes such a campus, provided that no  
 12.26 institution may receive more than \$300,000  
 12.27 in total supplemental aid each year.

12.28 (c) The Board of Trustees is requested to help  
 12.29 Minnesota close the attainment gap by funding  
 12.30 activities which improve retention and  
 12.31 completion for students of color.

12.32 (d) \$4,000,000 in fiscal year 2022 and  
 12.33 \$4,000,000 in fiscal year 2023 are for

- 13.1 workforce development scholarships under  
13.2 Minnesota Statutes, section 136F.38.
- 13.3 (e) \$300,000 in fiscal year 2022 and \$300,000  
13.4 in fiscal year 2023 are for transfer to the Cook  
13.5 County Higher Education Board to provide  
13.6 educational programming, workforce  
13.7 development, and academic support services  
13.8 to remote regions in northeastern Minnesota.  
13.9 The Cook County Higher Education Board  
13.10 shall continue to provide information to the  
13.11 Board of Trustees on the number of students  
13.12 served, credit hours delivered, and services  
13.13 provided to students.
- 13.14 (f) This appropriation includes \$40,000 in  
13.15 fiscal year 2022 and \$40,000 in fiscal year  
13.16 2023 to implement the sexual assault policies  
13.17 required under Minnesota Statutes, section  
13.18 135A.15.
- 13.19 (g) This appropriation includes \$8,000,000 in  
13.20 fiscal year 2022 and \$8,000,000 in fiscal year  
13.21 2023 for upgrading the Integrated Statewide  
13.22 Record System.
- 13.23 (h) This appropriation includes \$1,250,000 in  
13.24 fiscal year 2022 and \$1,250,000 in fiscal year  
13.25 2023 to support students in meeting critical  
13.26 needs, including providing online mental  
13.27 health resources and an online information  
13.28 hub to connect students with state and local  
13.29 resources that address basic needs, including  
13.30 housing and food insecurity.
- 13.31 (i) This appropriation includes \$500,000 in  
13.32 fiscal year 2022 and \$500,000 in fiscal year  
13.33 2023 to implement the Z-Degree program

14.1 under Minnesota Statutes, section 136F.305.

14.2 This is a onetime appropriation.

14.3 (j) This appropriation includes \$400,000 in  
 14.4 fiscal year 2022 and \$0 in fiscal year 2023 for  
 14.5 the career and technical educator pilot project  
 14.6 under article 2, section 40. Of this amount,  
 14.7 \$250,000 is for transfer to Winona State  
 14.8 University and \$150,000 is for transfer to  
 14.9 Minnesota State College Southeast for the  
 14.10 purposes listed in article 2, section 40.  
 14.11 Notwithstanding Minnesota Statutes, section  
 14.12 16A.28, unencumbered balances under this  
 14.13 section do not cancel until July 1, 2025.

14.14 (k) \$100,000 in fiscal year 2022 and \$100,000  
 14.15 in fiscal year 2023 are for the mental health  
 14.16 services for students required under Minnesota  
 14.17 Statutes, section 136F.20, subdivision 3.

14.18 (l) The total operations and maintenance base  
 14.19 for fiscal year 2024 and later is \$769,695,000.

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

14.21 **Sec. 4. BOARD OF REGENTS OF THE**  
 14.22 **UNIVERSITY OF MINNESOTA**

14.23 **Subdivision 1. Total Appropriation** **\$ 688,313,000** **\$ 700,563,000**

14.24	<u>Appropriations by Fund</u>		
14.25		<u>2022</u>	<u>2023</u>
14.26	<u>General</u>	<u>686,156,000</u>	<u>698,406,000</u>
14.27	<u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>

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

14.31 **Subd. 2. Operations and Maintenance** 616,718,000 628,968,000

14.32 (a) \$15,000,000 in fiscal year 2022 and  
 14.33 \$15,000,000 in fiscal year 2023 are to: (1)

- 15.1 increase the medical school's research  
15.2 capacity; (2) improve the medical school's  
15.3 ranking in National Institutes of Health  
15.4 funding; (3) ensure the medical school's  
15.5 national prominence by attracting and  
15.6 retaining world-class faculty, staff, and  
15.7 students; (4) invest in physician training  
15.8 programs in rural and underserved  
15.9 communities; and (5) translate the medical  
15.10 school's research discoveries into new  
15.11 treatments and cures to improve the health of  
15.12 Minnesotans.
- 15.13 (b) \$7,800,000 in fiscal year 2022 and  
15.14 \$7,800,000 in fiscal year 2023 are for health  
15.15 training restoration. This appropriation must  
15.16 be used to support all of the following: (1)  
15.17 faculty physicians who teach at eight residency  
15.18 program sites, including medical resident and  
15.19 student training programs in the Department  
15.20 of Family Medicine; (2) the Mobile Dental  
15.21 Clinic; and (3) expansion of geriatric  
15.22 education and family programs.
- 15.23 (c) \$4,000,000 in fiscal year 2022 and  
15.24 \$4,000,000 in fiscal year 2023 are for the  
15.25 Minnesota Discovery, Research, and  
15.26 InnoVation Economy funding program for  
15.27 cancer care research.
- 15.28 (d) \$500,000 in fiscal year 2022 and \$500,000  
15.29 in fiscal year 2023 are for the University of  
15.30 Minnesota, Morris branch, to cover the costs  
15.31 of tuition waivers under Minnesota Statutes,  
15.32 section 137.16.
- 15.33 (e) \$150,000 in fiscal year 2022 and \$150,000  
15.34 in fiscal year 2023 are for the advisory council  
15.35 on rare diseases under Minnesota Statutes,

16.1 section 137.68. The base for this appropriation  
 16.2 is \$0 in fiscal year 2024 and later.

16.3 (f) The total operations and maintenance base  
 16.4 for fiscal year 2024 and later is \$628,818,000.

16.5 **Subd. 3. Primary Care Education Initiatives** 2,157,000 2,157,000

16.6 This appropriation is from the health care  
 16.7 access fund.

16.8 **Subd. 4. Special Appropriations**

16.9 **(a) Agriculture and Extension Service** 42,922,000 42,922,000

16.10 For the Agricultural Experiment Station and  
 16.11 the Minnesota Extension Service:

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

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

16.25 The following areas should be prioritized and  
 16.26 carried out in consultation with Minnesota  
 16.27 producers, renewable energy, and bioenergy  
 16.28 organizations:

16.29 (i) biofuel and other energy production from  
 16.30 perennial crops, small grains, row crops, and  
 16.31 forestry products in conjunction with the  
 16.32 Natural Resources Research Institute (NRRI);

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

18.1 (vi) development of new disease-resistant and  
 18.2 pest-resistant varieties of turf and agronomic  
 18.3 crops;  
 18.4 (vii) utilizing plant and livestock cells to treat  
 18.5 and cure human diseases;  
 18.6 (viii) the development of dairy coproducts;  
 18.7 (ix) a rapid agricultural response fund for  
 18.8 current or emerging animal, plant, and insect  
 18.9 problems affecting production or food safety;  
 18.10 (x) crop pest and animal disease research;  
 18.11 (xi) developing animal agriculture that is  
 18.12 capable of sustainably feeding the world;  
 18.13 (xii) consumer food safety education and  
 18.14 outreach;  
 18.15 (xiii) programs to meet the research and  
 18.16 outreach needs of organic livestock and crop  
 18.17 farmers; and  
 18.18 (xiv) alternative bioenergy crops and cropping  
 18.19 systems; and growing, harvesting, and  
 18.20 transporting biomass plant material; and  
 18.21 (5) by February 1, 2023, the Board of Regents  
 18.22 must submit a report to the legislative  
 18.23 committees and divisions with jurisdiction  
 18.24 over agriculture and higher education finance  
 18.25 on the status and outcomes of research and  
 18.26 initiatives funded in this paragraph.  
 18.27 **(b) Health Sciences**  
 18.28 \$346,000 each year is to support up to 12  
 18.29 resident physicians in the St. Cloud Hospital  
 18.30 family practice residency program. The  
 18.31 program must prepare doctors to practice  
 18.32 primary care medicine in rural areas of the

9,204,000

9,204,000

19.1	<u>state. The legislature intends this program to</u>		
19.2	<u>improve health care in rural communities,</u>		
19.3	<u>provide affordable access to appropriate</u>		
19.4	<u>medical care, and manage the treatment of</u>		
19.5	<u>patients in a more cost-effective manner. The</u>		
19.6	<u>remainder of this appropriation is for the rural</u>		
19.7	<u>physicians associates program; the Veterinary</u>		
19.8	<u>Diagnostic Laboratory; health sciences</u>		
19.9	<u>research; dental care; the Biomedical</u>		
19.10	<u>Engineering Center; and the collaborative</u>		
19.11	<u>partnership between the University of</u>		
19.12	<u>Minnesota and Mayo Clinic for regenerative</u>		
19.13	<u>medicine, research, clinical translation, and</u>		
19.14	<u>commercialization.</u>		
19.15	<b><u>(c) College of Science and Engineering</u></b>	<u>1,140,000</u>	<u>1,140,000</u>
19.16	<u>For the geological survey and the talented</u>		
19.17	<u>youth mathematics program.</u>		
19.18	<b><u>(d) System Special</u></b>	<u>8,181,000</u>	<u>8,181,000</u>
19.19	<u>For general research, the Labor Education</u>		
19.20	<u>Service, Natural Resources Research Institute,</u>		
19.21	<u>Center for Urban and Regional Affairs, Bell</u>		
19.22	<u>Museum of Natural History, and the</u>		
19.23	<u>Humphrey exhibit.</u>		
19.24	<u>\$3,000,000 in fiscal year 2022 and \$3,000,000</u>		
19.25	<u>in fiscal year 2023 are for the Natural</u>		
19.26	<u>Resources Research Institute to invest in</u>		
19.27	<u>applied research for economic development.</u>		
19.28	<u>The base for this appropriation is \$7,181,000</u>		
19.29	<u>in fiscal year 2024 and later and, of this</u>		
19.30	<u>amount, \$2,000,000 per fiscal year is for the</u>		
19.31	<u>Natural Resources Research Institute to invest</u>		
19.32	<u>in applied research for economic development.</u>		
19.33	<b><u>(e) University of Minnesota and Mayo</u></b>		
19.34	<b><u>Foundation Partnership</u></b>	<u>7,991,000</u>	<u>7,991,000</u>

20.1 This appropriation is for the following  
 20.2 activities:  
 20.3 (1) \$7,491,000 in fiscal year 2022 and  
 20.4 \$7,491,000 in fiscal year 2023 are for the  
 20.5 direct and indirect expenses of the  
 20.6 collaborative research partnership between the  
 20.7 University of Minnesota and the Mayo  
 20.8 Foundation for research in biotechnology and  
 20.9 medical genomics. An annual report on the  
 20.10 expenditure of these funds must be submitted  
 20.11 to the governor and the chairs of the legislative  
 20.12 committees responsible for higher education  
 20.13 finance by June 30 of each fiscal year.

20.14 (2) \$500,000 in fiscal year 2022 and \$500,000  
 20.15 in fiscal year 2023 are to award competitive  
 20.16 grants to conduct research into the prevention,  
 20.17 treatment, causes, and cures of Alzheimer's  
 20.18 disease and other dementias.

20.19 **Subd. 5. Academic Health Center**  
 20.20 The appropriation for Academic Health Center  
 20.21 funding under Minnesota Statutes, section  
 20.22 297F.10, is estimated to be \$22,250,000 each  
 20.23 year.

20.24 **Sec. 5. MAYO CLINIC**

20.25 <b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>1,351,000</u></b>	<b><u>\$</u></b>	<b><u>1,351,000</u></b>
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20.26 The amounts that may be spent are specified  
 20.27 in the following subdivisions.

20.28 <b><u>Subd. 2. Medical School</u></b>		<b><u>665,000</u></b>		<b><u>665,000</u></b>
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20.29 The state must pay a capitation each year for  
 20.30 each student who is a resident of Minnesota.  
 20.31 The appropriation may be transferred between  
 20.32 each year of the biennium to accommodate  
 20.33 enrollment fluctuations. It is intended that

21.1 during the biennium the Mayo Clinic use the  
 21.2 capitation money to increase the number of  
 21.3 doctors practicing in rural areas in need of  
 21.4 doctors.

21.5 **Subd. 3. Family Practice and Graduate**  
 21.6 **Residency Program**

686,000

686,000

21.7 The state must pay stipend support for up to  
 21.8 27 residents each year.

21.9 **Sec. 6. CANCELLATIONS; FISCAL YEAR 2021.**

21.10 (a) \$340,000 of the fiscal year 2021 general fund appropriation under Laws 2019, chapter  
 21.11 64, article 1, section 2, subdivisions 11, 25, and 26, is canceled.

21.12 (b) \$5,000,000 of the fiscal year 2021 general fund appropriation under Laws 2019,  
 21.13 chapter 64, article 1, section 2, subdivision 2, is canceled.

21.14 (c) This section is effective the day following final enactment.

21.15 **ARTICLE 2**

21.16 **HIGHER EDUCATION PROVISIONS**

21.17 **Section 1. [135A.102] CONCURRENT ENROLLMENT GRANTS.**

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

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

21.22 (1) eligible students throughout the state have access to concurrent enrollment programs;  
 21.23 and

21.24 (2) preference for grants that expand programs is given to programs already at capacity.

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

21.27 (1) to develop new concurrent enrollment courses under section 124D.09, subdivision  
 21.28 10, that satisfy the elective standard for career and technical education;

21.29 (2) to expand the existing concurrent enrollment programs already offered by the  
 21.30 postsecondary institution by:

- 22.1 (i) creating new sections within the same high school;
- 22.2 (ii) offering the existing course in new high schools; or
- 22.3 (iii) supporting the preparation, recruitment, and success of students who are
- 22.4 underrepresented in concurrent enrollment classrooms;
- 22.5 (3) to create online graduate tracks specifically for high school teachers to receive the
- 22.6 necessary credentials to teach concurrent enrollment courses in various content areas, as
- 22.7 dictated by the Higher Learning Commission; or
- 22.8 (4) to supplement high school teacher tuition support for graduate courses not eligible
- 22.9 for funding under the concurrent enrollment training program.
- 22.10 Subd. 2. **Application.** (a) The commissioner shall develop a grant application process.
- 22.11 A grant applicant must:
- 22.12 (1) specify the purpose under subdivision 1, paragraph (b), for which the institution is
- 22.13 applying;
- 22.14 (2) specify both program and student outcome goals;
- 22.15 (3) include student feedback in the development of new programs or the expansion of
- 22.16 existing programs; and
- 22.17 (4) demonstrate a commitment to equitable access to concurrent enrollment coursework
- 22.18 for all eligible high school students.
- 22.19 (b) A postsecondary institution applying for a grant under subdivision 1, paragraph (b),
- 22.20 clause (3), must provide a 50 percent match for the grant funds.
- 22.21 Subd. 3. **Report.** By December 1 of each year, the office shall submit a report to the
- 22.22 chairs and ranking minority members of the legislative committees with jurisdiction over
- 22.23 higher education regarding:
- 22.24 (1) the amount of funds granted under each clause of subdivision 1, paragraph (b);
- 22.25 (2) the courses developed by grant recipients and the number of students who enrolled
- 22.26 in the courses under subdivision 1, paragraph (b), clause (1);
- 22.27 (3) the programs expanded and the number of students who enrolled in programs under
- 22.28 subdivision 1, paragraph (b), clause (2);
- 22.29 (4) the graduate programs developed by postsecondary institutions and the number of
- 22.30 high school teachers enrolled in these graduate courses under subdivision 1, paragraph (b),
- 22.31 clause (3); and

23.1 (5) the number of teachers provided tuition support under subdivision 1, paragraph (b),  
23.2 clause (4).

23.3 **Sec. 2. [135A.144] TRANSCRIPT ACCESS.**

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

23.5 (b) "Debt" means any money, obligation, claim, or sum, due or owed, or alleged to be  
23.6 due or owed, from a student that appears on the student account. Debt does not include the  
23.7 fee, if any, charged to all students for the actual costs of providing the transcripts.

23.8 (c) "School" means any public institution governed by the Board of Trustees of the  
23.9 Minnesota State Colleges and Universities, private postsecondary educational institution  
23.10 as defined under section 136A.62 or 136A.821, or public or private entity responsible for  
23.11 providing transcripts to current or former students of an educational institution. Institutions  
23.12 governed by the Board of Regents of the University of Minnesota are requested to comply  
23.13 with this section.

23.14 (d) "Transcript" means the statement of an individual's academic record, including  
23.15 official transcripts or the certified statement of an individual's academic record provided  
23.16 by a school, and unofficial transcripts or the uncertified statement of an individual's academic  
23.17 record provided by a school.

23.18 **Subd. 2. Prohibited practices.** A school must not:

23.19 (1) refuse to provide a transcript for a current or former student because the student owes  
23.20 a debt to the school if:

23.21 (i) the debt owed is less than \$500;

23.22 (ii) the student has entered into and, as determined by the institution, is in compliance  
23.23 with a payment plan with the school;

23.24 (iii) the transcript request is made by a prospective employer for the student; or

23.25 (iv) the school has sent the debt for repayment to the Department of Revenue or to a  
23.26 collection agency, as defined in section 332.31, subdivision 3, external to the institution;

23.27 or

23.28 (2) charge an additional or a higher fee for obtaining a transcript or provide less favorable  
23.29 treatment of a transcript request because a student owes a debt to the originating school.

24.1 Subd. 3. **Institutional policy.** (a) Institutions that use transcript issuance as a tool for  
24.2 debt collection must have a policy accessible to students that outlines how the institution  
24.3 collects on debts owed to the institution.

24.4 (b) Institutions shall seek to use transcript issuance as a tool for debt collection for the  
24.5 fewest number of cases possible.

24.6 **Sec. 3. [136A.057] STUDENT TRANSFER REPORTING.**

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

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

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

24.17 **Sec. 4. Minnesota Statutes 2020, section 136A.121, subdivision 2, is amended to read:**

24.18 **Subd. 2. **Eligibility for grants.**** (a) An applicant is eligible to be considered for a grant,  
24.19 regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections  
24.20 136A.095 to 136A.131 if the office finds that the applicant:

24.21 (1) is a resident of the state of Minnesota;

24.22 (2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over,  
24.23 and has met all requirements for admission as a student to an eligible college or technical  
24.24 college of choice as defined in sections 136A.095 to 136A.131;

24.25 (3) has met the financial need criteria established in Minnesota Rules;

24.26 (4) is not in default, as defined by the office, of any federal or state student educational  
24.27 loan; and

24.28 (5) is not more than 30 days in arrears in court-ordered child support that is collected or  
24.29 enforced by the public authority responsible for child support enforcement or, if the applicant  
24.30 is more than 30 days in arrears in court-ordered child support that is collected or enforced

25.1 by the public authority responsible for child support enforcement, but is complying with a  
 25.2 written payment agreement under section 518A.69 or order for arrearages.

25.3 (b) A student ~~who~~ is entitled to an additional semester or the equivalent of grant eligibility  
 25.4 if the student withdraws from enrollment:

25.5 (1) for active military service after December 31, 2002, because the student was ordered  
 25.6 to active military service as defined in section 190.05, subdivision 5b or 5c, ~~or who withdraws~~  
 25.7 ~~from enrollment;~~

25.8 (2) for a ~~major illness~~ serious health condition, while under the care of a medical  
 25.9 professional, that substantially limits the student's ability to complete the term ~~is entitled to~~  
 25.10 ~~an additional semester or the equivalent of grant eligibility;~~ or

25.11 (3) while providing care that substantially limits the student's ability to complete the  
 25.12 term to the student's spouse, child, or parent who has a serious health condition.

25.13 Sec. 5. Minnesota Statutes 2020, section 136A.121, subdivision 6, is amended to read:

25.14 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an  
 25.15 allowance specified in law for living and miscellaneous expenses, and (2) an allowance for  
 25.16 tuition and fees equal to the lesser of the average tuition and fees charged by the institution,  
 25.17 or a tuition and fee maximum if one is established in law. If no living and miscellaneous  
 25.18 expense allowance is established in law, the allowance is equal to ~~106~~ 110 percent of the  
 25.19 federal poverty guidelines for a one person household in Minnesota for nine months. If no  
 25.20 tuition and fee maximum is established in law, the allowance for tuition and fees is equal  
 25.21 to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for  
 25.22 two-year programs, an amount equal to the highest tuition and fees charged at a public  
 25.23 two-year institution, or for four-year programs, an amount equal to the highest tuition and  
 25.24 fees charged at a public university.

25.25 (b) For a student registering for less than full time, the office shall prorate the cost of  
 25.26 attendance to the actual number of credits for which the student is enrolled.

25.27 (c) The recognized cost of attendance for a student who is confined to a Minnesota  
 25.28 correctional institution shall consist of the tuition and fee component in paragraph (a), with  
 25.29 no allowance for living and miscellaneous expenses.

25.30 (d) For the purpose of this subdivision, "fees" include only those fees that are mandatory  
 25.31 and charged to full-time resident students attending the institution. Fees do not include  
 25.32 charges for tools, equipment, computers, or other similar materials where the student retains

26.1 ownership. Fees include charges for these materials if the institution retains ownership. Fees  
26.2 do not include optional or punitive fees.

26.3 Sec. 6. Minnesota Statutes 2020, section 136A.121, subdivision 9, is amended to read:

26.4 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is  
26.5 eligible to apply for and receive a grant in any year of undergraduate study unless the student  
26.6 has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent  
26.7 for eight semesters or the equivalent, excluding (1) courses taken from a Minnesota school  
26.8 or postsecondary institution which is not participating in the state grant program and from  
26.9 which a student transferred no credit, and (2) courses taken that qualify as developmental  
26.10 education or below college-level. A student enrolled in a two-year program at a four-year  
26.11 institution is only eligible for the tuition and fee maximums established by law for two-year  
26.12 institutions.

26.13 Sec. 7. Minnesota Statutes 2020, section 136A.125, subdivision 2, is amended to read:

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

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

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

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

26.23 (4) ~~either has not earned a baccalaureate degree and has been enrolled full time less than~~  
26.24 ~~received child care grant funds for a period of ten semesters or the equivalent, or has earned~~  
26.25 ~~a baccalaureate degree and has been enrolled full time less than ten semesters or the~~  
26.26 ~~equivalent in a graduate or professional degree program;~~

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

26.29 (6) is enrolled in at least ~~six credits~~ one credit in an undergraduate program or one credit  
26.30 in a graduate or professional program in an eligible institution; and

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

27.1 (b) A student ~~who~~ is entitled to an additional semester or equivalent of grant eligibility  
 27.2 and will be considered to be in continuing enrollment status upon return if the student  
 27.3 withdraws from enrollment;

27.4 (1) for active military service after December 31, 2002, because the student was ordered  
 27.5 to active military service as defined in section 190.05, subdivision 5b or 5c;~~or;~~

27.6 (2) for a ~~major illness~~ serious health condition, while under the care of a medical  
 27.7 professional, that substantially limits the student's ability to complete the term ~~is entitled to~~  
 27.8 ~~an additional semester or the equivalent of grant eligibility and will be considered to be in~~  
 27.9 ~~continuing enrollment status upon return;~~ or

27.10 (3) while providing care that substantially limits the student's ability to complete the  
 27.11 term to the student's spouse, child, or parent who has a serious health condition.

27.12 Sec. 8. Minnesota Statutes 2020, section 136A.125, subdivision 4, is amended to read:

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

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

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

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

27.18 ~~(b)~~ (a) The maximum award to the applicant shall be \$3,000 equals the maximum federal  
 27.19 Pell Grant for each eligible child per academic year, except that the campus financial aid  
 27.20 officer may apply to the office for approval to increase grants by up to ten percent to  
 27.21 compensate for higher market charges for infant care in a community. ~~The office shall~~  
 27.22 ~~develop policies to determine community market costs and review institutional requests for~~  
 27.23 ~~compensatory grant increases to ensure need and equal treatment. The office shall prepare~~  
 27.24 ~~a chart to show the amount of a grant that will be awarded per child based on the factors in~~  
 27.25 ~~this subdivision. The chart shall include a range of income and family size.~~

27.26 ~~(c)~~ (b) Applicants with family incomes expected family contributions at or below a  
 27.27 percentage of the federal poverty level the qualifying expected family contribution for the  
 27.28 federal Pell Grant, as determined by the commissioner, will qualify for the maximum award.  
 27.29 ~~The commissioner shall attempt to set the percentage at a level estimated to fully expend~~  
 27.30 ~~the available appropriation for child care grants.~~ Applicants with family incomes expected  
 27.31 family contributions exceeding that threshold will but less than 200 percent of the qualifying  
 27.32 expected family contribution receive ~~the maximum award minus ten percent of their income~~

28.1 ~~exceeding that threshold~~ an amount proportional to their expected family contribution as  
 28.2 determined by the commissioner. If the result is less than zero, the grant is zero.

28.3 ~~(d)~~ (c) The academic year award amount must be disbursed by academic term using the  
 28.4 following formula:

28.5 (1) the academic year amount described in paragraph ~~(b)~~ (a);

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

28.7 ~~(3) divided by 15 for undergraduate students and six for graduate and professional~~  
 28.8 ~~students; and~~

28.9 ~~(4)~~ (3) multiplied by the ~~number of credits for which the student is enrolled that academic~~  
 28.10 ~~term, up to 15 credits for undergraduate students and six for graduate and professional~~  
 28.11 ~~students.~~ applicable enrollment factor:

28.12 (i) 1.00 for undergraduate students enrolled in 12 or more semester credits or the  
 28.13 equivalent;

28.14 (ii) 0.75 for undergraduate students enrolled in nine, ten, or 11 semester credits or the  
 28.15 equivalent;

28.16 (iii) 0.50 for undergraduate students enrolled in six, seven, or eight semester credits or  
 28.17 the equivalent; and

28.18 (iv) 0.25 for undergraduate students enrolled in at least one but less than six semester  
 28.19 credits or the equivalent.

28.20 ~~(e)~~ (d) Payments shall be made each academic term to the student or to the child care  
 28.21 provider, as determined by the institution. Institutions may make payments more than once  
 28.22 within the academic term.

28.23 Sec. 9. Minnesota Statutes 2020, section 136A.126, subdivision 1, is amended to read:

28.24 Subdivision 1. **Student eligibility.** The commissioner shall establish procedures for the  
 28.25 distribution of scholarships to a Minnesota resident student as defined under section  
 28.26 136A.101, subdivision 8, who:

28.27 (1) is of one-fourth or more Indian ancestry or is an enrolled member or citizen of a  
 28.28 federally recognized American Indian or Canadian First Nations tribe;

28.29 (2) has applied for other existing state and federal scholarship and grant programs;

28.30 (3) is meeting satisfactory academic progress as defined under section 136A.101,  
 28.31 subdivision 10;

29.1 (4) is not in default, as defined by the office, of a federal or state student educational  
29.2 loan;

29.3 (5) if enrolled in an undergraduate program, is eligible or would be eligible to receive  
29.4 a federal Pell Grant or a state grant based on the federal needs analysis and is enrolled for  
29.5 nine semester credits per term or more, or the equivalent; and

29.6 (6) if enrolled in a graduate program, demonstrates a remaining financial need in the  
29.7 award amount calculation and is enrolled, per term, on a half-time basis or more as defined  
29.8 by the postsecondary institution.

29.9 Sec. 10. Minnesota Statutes 2020, section 136A.126, subdivision 4, is amended to read:

29.10 Subd. 4. **Award amount.** (a) Each student shall be awarded a scholarship based on the  
29.11 federal need analysis. Applicants are encouraged to apply for all other sources of financial  
29.12 aid. The amount of the award must not exceed the applicant's cost of attendance, as defined  
29.13 in subdivision 3, after deducting:

29.14 (1) the expected family contribution as calculated by the federal need analysis;

29.15 (2) the amount of a federal Pell Grant award for which the applicant is eligible;

29.16 (3) the amount of the state grant;

29.17 (4) the federal Supplemental Educational Opportunity Grant;

29.18 (5) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission  
29.19 amounts;

29.20 (6) the sum of all tribal scholarships;

29.21 (7) the amount of any other state and federal gift aid; and

29.22 (8) the amount of any private grants or scholarships.

29.23 (b) The award shall be paid directly to the postsecondary institution where the student  
29.24 receives federal financial aid.

29.25 (c) Awards are limited as follows:

29.26 (1) the maximum award for an undergraduate is \$4,000 per ~~award~~ academic year;

29.27 (2) the maximum award for a graduate student is \$6,000 per ~~award~~ academic year; and

29.28 (3) the minimum award for all students is \$100 per ~~award~~ academic year.

29.29 (d) Scholarships may not be given to any Indian student for more than three years of  
29.30 study for a two-year degree, certificate, or diploma program or five years of study for a

30.1 four-year degree program at the undergraduate level and for more than five years at the  
30.2 graduate level. Students may acquire only one degree per level and one terminal graduate  
30.3 degree. Scholarships may not be given to any student for more than ten years including five  
30.4 years of undergraduate study and five years of graduate study.

30.5 (e) Scholarships may be given to an eligible student for four quarters, three semesters,  
30.6 or the equivalent during the course of a single fiscal year. In calculating the award amount,  
30.7 the office must use the same calculation it would for any other term.

30.8 Sec. 11. [136A.1273] ASPIRING MINNESOTA TEACHERS OF COLOR  
30.9 SCHOLARSHIP PROGRAM.

30.10 Subdivision 1. Scholarship program established. The commissioner must establish a  
30.11 scholarship program to support undergraduate and graduate students who are preparing to  
30.12 become teachers, have demonstrated financial need, and belong to racial or ethnic groups  
30.13 underrepresented in the state's teacher workforce.

30.14 Subd. 2. Eligibility. (a) To be eligible for a scholarship under this section, an applicant  
30.15 must:

30.16 (1) be admitted and enrolled in a teacher preparation program approved by the  
30.17 Professional Educator Licensing and Standards Board and be seeking initial licensure, or  
30.18 be enrolled in an eligible institution under section 136A.103 and be completing a two-year  
30.19 program specifically designed to prepare early childhood educators;

30.20 (2) affirm to the teacher preparation program or the Office of Higher Education that the  
30.21 applicant is a person of color or American Indian;

30.22 (3) be meeting satisfactory academic progress as defined under section 136A.101,  
30.23 subdivision 10; and

30.24 (4) demonstrate financial need based on criteria developed by the commissioner.

30.25 (b) An eligible applicant may receive a scholarship award more than once, but may  
30.26 receive a total of no more than \$25,000 in scholarship awards from the program.

30.27 Subd. 3. Scholarship award amount. (a) The commissioner shall establish the  
30.28 scholarship award amount based upon the anticipated number of eligible applicants and the  
30.29 funds available for the program. The established award amount is subject to the requirements  
30.30 of paragraphs (b) through (e) of this subdivision. If the funds available for the program are  
30.31 insufficient to make full awards to all eligible applicants, the commissioner must reduce  
30.32 the established scholarship award amount.

31.1 (b) The maximum award amount is \$10,000 per year for full-time study prior to student  
31.2 teaching. For undergraduate students, full-time study means enrollment in a minimum of  
31.3 12 or more credits per term. For graduate students, full-time study means enrollment that  
31.4 the institution deems sufficient to confer full-time graduate student status.

31.5 (c) If an eligible applicant is enrolled in a program for one term during the academic  
31.6 year, the maximum award amount is \$5,000. If an eligible applicant is enrolled part time,  
31.7 the award amount must be prorated on a per-credit basis.

31.8 (d) Subject to the funds available for the program, and subject to the limitation in  
31.9 paragraph (e), the minimum award amount established under this section for full-time study  
31.10 must be no less than \$1,000 per year.

31.11 (e) An eligible applicant's individual award amount must not exceed the applicant's cost  
31.12 of attendance after deducting: (1) the sum of all state or federal grants and gift aid received,  
31.13 including a Pell Grant and state grant; (2) the sum of all institutional grants, scholarships,  
31.14 tuition waivers, and tuition remission amounts; and (3) the amount of any private grants or  
31.15 scholarships.

31.16 (f) Established award amounts are not rulemaking for purposes of chapter 14 or section  
31.17 14.386.

31.18 Subd. 4. **Administration.** (a) The commissioner must establish an application process  
31.19 for individual students and institutions on behalf of all eligible students at the institution  
31.20 and other guidelines for implementing the scholarship program.

31.21 (b) The commissioner must give equal consideration to all eligible applicants regardless  
31.22 of the order the application was received before the application deadline.

31.23 (c) A scholarship award must be paid to the eligible applicant's teacher preparation  
31.24 institution on behalf of the eligible applicant. Awards may be paid only when the institution  
31.25 has confirmed to the commissioner the applicant's name, racial or ethnic identity, gender,  
31.26 licensure area sought, and enrollment status.

31.27 Subd. 5. **Report.** By July 15 of each year, the commissioner must submit an interim  
31.28 report on the scholarship program based on available data to the legislative committees with  
31.29 jurisdiction over higher education finance and policy. By December 15 of each year, the  
31.30 commissioner must submit a full report on the details of the scholarship program for the  
31.31 previous fiscal year to the legislative committees with jurisdiction over higher education  
31.32 finance and policy. The reports must also be made available on the Office of Higher  
31.33 Education's website. The reports must include the following information:

32.1 (1) the number of applicants and the number of award recipients, each broken down by  
32.2 postsecondary institution with ten or more recipients;

32.3 (2) the total number of awards, the total dollar amount of all awards, and the average  
32.4 award amount; and

32.5 (3) summary data on the racial or ethnic identity, gender, licensure area sought, and  
32.6 enrollment status of all applicants and award recipients.

32.7 **EFFECTIVE DATE.** This section is effective July 1, 2021, and initial scholarships  
32.8 must be awarded by November 1, 2021.

32.9 Sec. 12. **[136A.1274] UNDERREPRESENTED TEACHER CANDIDATE GRANTS.**

32.10 Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education  
32.11 must establish a grant program for student teaching stipends for low-income students who  
32.12 belong to an underrepresented racial or ethnic group.

32.13 Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate  
32.14 must:

32.15 (1) be enrolled in a Professional Educator Licensing and Standards Board-approved  
32.16 teacher preparation program at a higher education institution that requires at least 12 weeks  
32.17 of student teaching in order to be recommended for any Tier 3 teaching license;

32.18 (2) demonstrate financial need based on criteria established by the commissioner under  
32.19 subdivision 3;

32.20 (3) be meeting satisfactory academic progress as defined under section 136A.101,  
32.21 subdivision 10; and

32.22 (4) belong to a racial or ethnic group underrepresented in the Minnesota teacher  
32.23 workforce.

32.24 Subd. 3. **Administration.** (a) The commissioner must establish an application process  
32.25 and other guidelines for implementing this program. The commissioner must notify grant  
32.26 recipients of their award amounts by the following dates:

32.27 (1) for fall student teaching placements, recipients must be notified by August 1;

32.28 (2) for spring student teaching placements, recipients must be notified by December 1;  
32.29 and

32.30 (3) for summer student teaching placements, recipients must be notified by May 1.

33.1 These notification deadlines do not apply in cases where grants are awarded to teacher  
33.2 candidates who applied after application deadlines and funds remained after the initial round  
33.3 of grants were awarded.

33.4 (b) The commissioner must determine each academic year the stipend amount up to  
33.5 \$7,500 based on the amount of available funding, the number of eligible applicants, and the  
33.6 financial need of the applicants.

33.7 (c) The commissioner must give equal consideration to all applicants regardless of the  
33.8 order the application was received before the application deadline.

33.9 Subd. 4. **Reporting.** (a) By July 15 of each year, the commissioner must submit a report  
33.10 on the details of the program under this section for the previous fiscal year to the legislative  
33.11 committees with jurisdiction over higher education finance and policy. The report must  
33.12 include the following information:

33.13 (1) the extent of racial or ethnic underrepresentation in the teacher workforce statewide  
33.14 and broken down by economic development region;

33.15 (2) the number of eligible applicants and the number of teacher candidates receiving an  
33.16 award, each broken down by postsecondary institution; and

33.17 (3) the total number of awards, the total dollar amount of all awards, and the average  
33.18 award amount.

33.19 (b) Within 60 days after each round of award notifications required under subdivision  
33.20 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website  
33.21 an interim report with data on the most recent round of grant awards. The report must include  
33.22 the same information required to be included in the report under paragraph (a).

33.23 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that the commissioner  
33.24 may delay notification to student teachers receiving grants for the fall 2021 term until August  
33.25 15, 2021.

33.26 Sec. 13. Minnesota Statutes 2020, section 136A.1275, is amended to read:

33.27 **136A.1275 TEACHER CANDIDATE GRANTS IN SHORTAGE AREAS.**

33.28 Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education  
33.29 must establish a grant program for student teaching stipends for low-income students ~~enrolled~~  
33.30 ~~in a Professional Educator Licensing and Standards Board-approved teacher preparation~~  
33.31 ~~program~~ who intend to teach in a shortage area after graduating and receiving their teaching  
33.32 license ~~or belong to an underrepresented racial or ethnic group.~~

34.1 (b) "Shortage area" means a license field or economic development region within  
 34.2 Minnesota defined as a shortage area by the Professional Educator Licensing and Standards  
 34.3 Board in coordination with the commissioner using data collected for the teacher supply  
 34.4 and demand report under section 122A.091, subdivision 5.

34.5 Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate  
 34.6 must:

34.7 (1) be enrolled in a Professional Educator Licensing and Standards Board-approved  
 34.8 teacher preparation program at a higher education institution that requires at least 12 weeks  
 34.9 of student teaching in order to be recommended for any Tier 3 teaching license;

34.10 (2) demonstrate financial need based on criteria established by the commissioner under  
 34.11 subdivision 3;

34.12 (3) be meeting satisfactory academic progress as defined under section 136A.101,  
 34.13 subdivision 10; and

34.14 (4) intend to teach in a shortage area ~~or belong to a racial or ethnic group underrepresented~~  
 34.15 ~~in the Minnesota teacher workforce~~. Intent can be documented based on the teacher license  
 34.16 field the student is pursuing or a statement of intent to teach in an economic development  
 34.17 region defined as a shortage area in the year the student receives a grant.

34.18 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an  
 34.19 application process and other guidelines for implementing this program. The commissioner  
 34.20 must notify grant recipients of their award amounts by the following dates:

34.21 (1) for fall student teaching placements, recipients must be notified by August 1;

34.22 (2) for spring student teaching placements, recipients must be notified by December 1;  
 34.23 and

34.24 (3) for summer student teaching placements, recipients must be notified by May 1.

34.25 These notification deadlines do not apply in cases where grants are awarded to teacher  
 34.26 candidates who applied after application deadlines and funds remained after the initial round  
 34.27 of grants were awarded.

34.28 (b) The commissioner must determine each academic year the stipend amount up to  
 34.29 \$7,500 based on the amount of available funding, the number of eligible applicants, and the  
 34.30 financial need of the applicants.

34.31 ~~(c) The percentage of the total award funds available at the beginning of the fiscal year~~  
 34.32 ~~reserved for teacher candidates who identify as belonging to a racial or ethnic group~~

35.1 ~~underrepresented in the Minnesota teacher workforce must be equal to or greater than the~~  
35.2 ~~total percentage of students of racial or ethnic groups underrepresented in the Minnesota~~  
35.3 ~~teacher workforce as measured under section 120B.35, subdivision 3. If this percentage~~  
35.4 ~~cannot be met because of a lack of qualifying candidates, the remaining amount may be~~  
35.5 ~~awarded to teacher candidates who intend to teach in a shortage area.~~

35.6 (c) The commissioner must give equal consideration to all applicants regardless of the  
35.7 order the application was received before the application deadline.

35.8 Subd. 4. **Reporting.** (a) By July 15 of each year, the commissioner must submit a report  
35.9 on the details of the program under this section for the previous fiscal year to the legislative  
35.10 committees with jurisdiction over higher education finance and policy. The report must  
35.11 include the following information:

35.12 (1) the licensure shortage areas giving rise to award eligibility, organized by economic  
35.13 development region;

35.14 (2) the number of eligible applicants and the number of student teachers receiving an  
35.15 award, each broken down by postsecondary institution; and

35.16 (3) the total number of awards, the total dollar amount of all awards, and the average  
35.17 award amount.

35.18 (b) Within 60 days after each round of award notifications required under subdivision  
35.19 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website  
35.20 an interim report with data on the most recent round of grant awards. The report must include  
35.21 the same information required to be included in the report under paragraph (a).

35.22 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that the commissioner  
35.23 may delay notification to student teachers receiving grants for the fall 2021 term until August  
35.24 15, 2021.

35.25 Sec. 14. Minnesota Statutes 2020, section 136A.1704, is amended to read:

35.26 **136A.1704 STUDENT LOAN REFINANCING.**

35.27 The office may refinance student and parent loans as provided by this section and on  
35.28 other terms and conditions the office prescribes. The office may establish credit requirements  
35.29 for borrowers and determine what types of student and parent loans will be eligible for  
35.30 refinancing. The refinanced loan need not have been made through a loan program  
35.31 administered by the office. Loans shall be made with available funds in the loan capital  
35.32 fund under section 136A.1785. ~~The~~ A maximum amount of outstanding loans refinanced

36.1 under this section may ~~not exceed \$100,000,000~~ be determined by the office. The maximum  
36.2 loan under this section may not exceed ~~\$70,000~~ \$250,000. In determining the maximum  
36.3 amount of outstanding loans refinanced, the office shall take into consideration funding  
36.4 capacity for the SELF Refi program, delinquency and default loss management, levels of  
36.5 student debt, current financial market conditions, and other considerations to protect the  
36.6 financial stability of the program.

36.7 Sec. 15. Minnesota Statutes 2020, section 136A.246, subdivision 1, is amended to read:

36.8 Subdivision 1. **Program created.** The commissioner shall make grants for the training  
36.9 of employees to achieve the competency standard for an occupation identified by the  
36.10 commissioner of labor and industry under section 175.45 and Laws 2014, chapter 312,  
36.11 article 3, section 21. ~~"Competency standard" has the meaning given in section 175.45,~~  
36.12 ~~subdivision 2.~~ An individual must, no later than the commencement of the training, be an  
36.13 employee of the employer seeking a grant to train that individual.

36.14 Sec. 16. Minnesota Statutes 2020, section 136A.246, is amended by adding a subdivision  
36.15 to read:

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

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

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

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

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

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

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

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

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

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

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

36.30 (1) certificates, diplomas, or degrees issued by a postsecondary institution;

- 37.1 (2) registered apprenticeship certifications or certificates;  
 37.2 (3) occupational licenses or registrations;  
 37.3 (4) certifications issued by, or recognized by, industry or professional associations; and  
 37.4 (5) other certifications as approved by the commissioner.

37.5 Sec. 17. Minnesota Statutes 2020, section 136A.246, subdivision 2, is amended to read:

37.6 Subd. 2. **Eligible grantees.** An employer or an organization representing the employer  
 37.7 is eligible to apply for a grant to train employees if the employer has an employee who is  
 37.8 in or is to be trained to be in an occupation for which a competency standard has been  
 37.9 identified and the employee has not attained the competency standard prior to the  
 37.10 commencement of the planned training. ~~Training need not address all aspects of a competency~~  
 37.11 ~~standard but may address only the competencies of a standard that an employee is lacking.~~  
 37.12 ~~An employee must receive an industry-recognized degree, certificate, or credential upon~~  
 37.13 ~~successful completion of the training. A grantee must have an agreement with an eligible~~  
 37.14 training provider to provide eligible training prior to payment of grant.

37.15 Sec. 18. Minnesota Statutes 2020, section 136A.246, subdivision 3, is amended to read:

37.16 Subd. 3. **Eligible training institution or program provider.** ~~The employer must have~~  
 37.17 ~~an agreement with a training institution or program to provide the employee competency~~  
 37.18 ~~standard training prior to the grant award. The training may be provided by any institution~~  
 37.19 ~~or program having trainers qualified to instruct on the competency standard.~~

37.20 The Office of Higher Education and the Department of Labor and Industry must cooperate  
 37.21 in maintaining an inventory of degree, certificate, and credential programs that provide  
 37.22 training to meet competency standards. The inventory must be posted on each agency's  
 37.23 website with contact information for each program ~~by September 1, 2016.~~ The postings  
 37.24 must be updated periodically.

37.25 Sec. 19. Minnesota Statutes 2020, section 136A.246, subdivision 4, is amended to read:

37.26 Subd. 4. **Application.** Applications must be made to the commissioner on a form provided  
 37.27 by the commissioner. The commissioner must, to the extent possible, make the application  
 37.28 form as short and simple to complete as is reasonably possible. The commissioner shall  
 37.29 establish a schedule for applications and grants. The application must include, without  
 37.30 limitation:

- 37.31 (1) the projected number of employee trainees;

38.1 ~~(2) the number of projected employee trainees who graduated from high school or passed~~  
 38.2 ~~the commissioner of education-selected high school equivalency test in the current or~~  
 38.3 ~~immediately preceding calendar year;~~

38.4 ~~(3)~~ (2) the competency standard for which training will be provided;

38.5 ~~(4)~~ (3) the credential the employee will receive upon completion of training;

38.6 ~~(5)~~ (4) the name and address of the eligible training provider institution or program and  
 38.7 ~~a signed statement by the institution or program that it is able and agrees to provide the~~  
 38.8 ~~training;~~

38.9 ~~(6)~~ (5) the period of the training; and

38.10 ~~(7)~~ (6) the cost of the training charged by the eligible training provider institution or  
 38.11 ~~program and certified by the institution or program.~~ The cost of training includes tuition,  
 38.12 fees, and required books and materials.

38.13 An application may be made for training of employees of multiple employers either by  
 38.14 the employers or by an organization on their behalf.

38.15 Sec. 20. Minnesota Statutes 2020, section 136A.246, subdivision 5, is amended to read:

38.16 Subd. 5. **Grant criteria.** ~~(a) Except as provided in this subdivision, the commissioner~~  
 38.17 ~~shall award grants to employers solely for training employees who graduated from high~~  
 38.18 ~~school or passed commissioner of education-selected high school equivalency tests in the~~  
 38.19 ~~current or immediately preceding calendar year.~~

38.20 ~~(b) If there are not sufficient eligible applications satisfying paragraph (a), the~~  
 38.21 ~~commissioner may award grants to applicants to train employees who do not meet the~~  
 38.22 ~~requirements of paragraph (a).~~

38.23 ~~(c)~~ (a) The commissioner shall, ~~to the extent possible after complying with paragraph~~  
 38.24 ~~(a),~~ make at least an approximately equal dollar amount of grants for training for employees  
 38.25 whose work site is projected to be outside the metropolitan area as defined in section 473.121,  
 38.26 subdivision 2, as for employees whose work site is projected to be within the metropolitan  
 38.27 area.

38.28 ~~(d)~~ (b) In determining the award of grants, the commissioner must consider, among other  
 38.29 factors:

38.30 (1) the aggregate state and regional need for employees with the competency to be  
 38.31 trained;

39.1 (2) the competency standards developed by the commissioner of labor and industry as  
39.2 part of the Minnesota PIPELINE Project;

39.3 (3) the per employee cost of training;

39.4 (4) the additional employment opportunities for employees because of the training;

39.5 (5) the on-the-job training the employee receives;

39.6 (6) the employer's demonstrated ability to recruit, train, and retain employees who are  
39.7 recent high school graduates or who recently passed high school equivalency tests;

39.8 (7) the employer's demonstrated commitment to recruit, train, and retain employees of  
39.9 color, American Indian employees, and employees with disabilities;

39.10 ~~(6)~~ (8) projected increases in compensation for employees receiving the training; and

39.11 ~~(7)~~ (9) the amount of employer training cost match, if required, on both a per employee  
39.12 and aggregate basis.

39.13 Sec. 21. Minnesota Statutes 2020, section 136A.246, subdivision 6, is amended to read:

39.14 Subd. 6. **Employer match.** A large employer must pay for at least 25 percent of the  
39.15 eligible training institution's or program's provider's charge for the eligible training to the  
39.16 training institution or program provider. For the purpose of this subdivision, a "large  
39.17 employer" means a business with more than \$25,000,000 in annual gross revenue in the  
39.18 previous calendar year.

39.19 Sec. 22. Minnesota Statutes 2020, section 136A.246, subdivision 7, is amended to read:

39.20 Subd. 7. **Payment of grant.** (a) The commissioner shall pay the grant to the employer  
39.21 after the employer presents satisfactory evidence to the commissioner that the employer  
39.22 has paid the eligible training institution or program provider.

39.23 (b) If an employer demonstrates that it is not able to pay for the training in advance, the  
39.24 commissioner shall make grant payments directly to the eligible training institution or  
39.25 program provider.

39.26 Sec. 23. Minnesota Statutes 2020, section 136A.246, subdivision 8, is amended to read:

39.27 Subd. 8. **Grant amounts.** (a) The maximum grant for an application is \$150,000. A  
39.28 grant may not exceed \$6,000 per year for a maximum of four years per employee.

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

40.4 Sec. 24. Minnesota Statutes 2020, section 136A.63, subdivision 2, is amended to read:

40.5 Subd. 2. **Sale of an institution.** Within 30 days of a change of its ownership a school  
40.6 must submit a registration renewal application, all usual and ordinary information and  
40.7 materials for an initial registration, and applicable registration fees for a new institution.  
40.8 For purposes of this subdivision, "change of ownership" means a merger or consolidation  
40.9 with a corporation; a sale, lease, exchange, or other disposition of all or substantially all of  
40.10 the assets of a school; the transfer of a controlling interest of at least 51 percent of the  
40.11 school's stock; the school enters receivership; or a change in the nonprofit or for-profit status  
40.12 of a school.

40.13 Sec. 25. Minnesota Statutes 2020, section 136A.645, is amended to read:

40.14 **136A.645 SCHOOL CLOSURE.**

40.15 (a) When a school intends to cease postsecondary education operations, announces its  
40.16 closure, or is informed by the office that the office anticipates the school's closure due to  
40.17 its registration status or ability to meet criteria for approval under section 136A.65, the  
40.18 school must provide the office:

40.19 (1) a notice of closure, including the name of the school, the name of the school owner,  
40.20 an active mailing address and telephone number that the school owner may be reached at  
40.21 after the school physically closes, the name of the school director, and the planned date for  
40.22 termination of postsecondary operations;

40.23 (2) a report of all students currently enrolled and all students enrolled within the prior  
40.24 120 days, including the following information for each student: name, address, school e-mail  
40.25 address, alternate e-mail address, program of study, number of credits completed, number  
40.26 of credits remaining, and enrollment status at closure;

40.27 (3) a report of refunds due to any student and the amount due;

40.28 (4) a written statement from the school's owner or designee affirming that all recruitment  
40.29 efforts, school marketing, advertisement, solicitation, and enrollment of new students has  
40.30 ceased;

40.31 (5) a copy of any communication between the school's accreditors about the school  
40.32 closure;

41.1 (6) confirmation that the requirements for student records under section 136A.68 have  
41.2 been satisfied, including:

41.3 (i) the planned date for the transfer of the student records;

41.4 (ii) confirmation of the name and address of the organization to receive and hold the  
41.5 student records; and

41.6 (iii) the official at the organization receiving the student records who is designated to  
41.7 provide official copies of records or transcripts upon request;

41.8 (7) academic information, including the school's most recent catalog, all course syllabi,  
41.9 and faculty credential information; and

41.10 (8) copies of any teach-out, transfer, or train-out agreement between the school and a  
41.11 new school for students to be able to complete their studies. A teach-out fulfills the original  
41.12 contract or agreement between the closing school and the student. If a teach-out is arranged  
41.13 for another approved school to do the remaining occupational training, that other school  
41.14 must (i) provide comparable education and training and (ii) agree that students transferring  
41.15 from the closing school pay only what the cost of tuition and fees remain unpaid according  
41.16 to the terms and conditions in the enrollment agreement entered into between the student  
41.17 and the closing school.

41.18 (b) Without limitation as to other circumstance, a school shall be deemed to have ceased  
41.19 operations when the school:

41.20 (1) has an unscheduled nonemergency closure or cancellation of classes for more than  
41.21 24 hours without prior notice to the office;

41.22 (2) announces it is closed or closing; ~~or~~

41.23 (3) files for bankruptcy; or

41.24 (4) fails to complete a renewal application when required under section 136A.63,  
41.25 subdivision 2.

41.26 (c) When a school is deemed to have ceased operations, the office shall provide the  
41.27 school a reasonable time to correct student records and grant credentials. After that time,  
41.28 the office must revoke the school's registration. This revocation is not appealable under  
41.29 section 136A.65, subdivision 8.

42.1 Sec. 26. Minnesota Statutes 2020, section 136A.653, subdivision 5, is amended to read:

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

42.7 (1) majors, minors, concentrations, specializations, and areas of emphasis within approved  
 42.8 degrees;

42.9 (2) nondegree programs within approved degrees;

42.10 (3) underlying curriculum or courses;

42.11 (4) modes of delivery; and

42.12 (5) locations.

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

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

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

42.19 Sec. 27. Minnesota Statutes 2020, section 136A.675, is amended to read:

42.20 **136A.675 RISK ANALYSIS.**

42.21 **Subdivision 1. Standard development and usage.** (a) To screen and detect whether an  
 42.22 institution may not be financially or administratively responsible, the office shall develop  
 42.23 ~~a set of financial and programmatic evaluation metrics to aid in the detection of the failure~~  
 42.24 ~~or potential failure of a school to meet the standards established under sections 136A.61 to~~  
 42.25 ~~136A.71~~ nonfinancial indicators. These metrics shall include indicators of financial stability,  
 42.26 ~~changes in the senior management or the financial aid and senior administrative staff of an~~  
 42.27 ~~institution, changes in enrollment, changes in program offerings, and changes in faculty~~  
 42.28 ~~staffing patterns.~~ The development of financial standards and nonfinancial indicators shall  
 42.29 use industry standards as benchmarks guidance. The development of the nonfinancial  
 42.30 ~~standards shall include a measure of trends and dramatic changes in trends or practice.~~

43.1 (b) Annually, the agency office must specify the metrics and standards for each area and  
43.2 provide a copy of the financial and nonfinancial indicators to each registered institution and  
43.3 post them a list of reviewed indicators on the agency office website.

43.4 (c) The agency office shall use regularly reported data submitted to the federal  
43.5 government or other regulatory or accreditation agencies wherever possible. The agency  
43.6 may require more frequent data reporting by an institution to ascertain whether the standards  
43.7 are being met.

43.8 (d) The office must use the indicators in this subdivision to identify institutions at  
43.9 potential risk of being unable to meet the standards established under sections 136A.646;  
43.10 136A.64, subdivision 3; 136A.65, subdivisions 1a and 4, paragraph (a), clauses (1), (2), (3),  
43.11 and (7); and 136A.685 and thus unlikely to meet its financial obligations or complete its  
43.12 academic terms for the next 18 months.

43.13 Subd. 2. Additional reporting. (a) In addition to the information required for the  
43.14 indicators in subdivision 1, an institution must notify the office within ten business days if  
43.15 any of the events in paragraphs (b) to (e) occur.

43.16 (b) Related to revenue, debt, and cash flow, notice is required if:

43.17 (1) the institution defaulted on a debt payment or covenant and has not received a waiver  
43.18 of the violation from the financial institution within 60 days;

43.19 (2) for institutions with a federal composite score of less than 1.5, the institution's owner  
43.20 withdraws equity that directly results in a composite score of less than 1.0, unless the  
43.21 withdrawal is a transfer between affiliated entities included in a common composite score;

43.22 (3) the United States Department of Education requires a 25 percent or greater Letter of  
43.23 Credit, except when the Letter of Credit is imposed due to a change of ownership;

43.24 (4) the United States Department of Education requires Heightened Cash Monitoring 2;

43.25 (5) the institution receives written notification that it violated the United States  
43.26 Department of Education's revenue requirement under United States Code, title 20, section  
43.27 1094(a)(24), as amended; or

43.28 (6) the institution receives written notification by the United States Department of  
43.29 Education that it has fallen below minimum financial standards and that its continued  
43.30 participation in Title IV is conditioned upon satisfying either the Zone Alternative, Code  
43.31 of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit  
43.32 Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c).

44.1 (c) Related to accreditation and licensing, notice is required if:

44.2 (1) the institution receives written notification of probation, warning, show-cause, or  
44.3 loss of institutional accreditation;

44.4 (2) the institution receives written notification that its institutional accreditor lost federal  
44.5 recognition; or

44.6 (3) the institution receives written notification that it has materially violated state  
44.7 authorization or institution licensing requirements in a different state that may lead to or  
44.8 has led to the termination of the institution's ability to continue to provide educational  
44.9 programs or otherwise continue to operate in that state.

44.10 (d) Related to securities, notice is required if:

44.11 (1) the Securities and Exchange Commission (i) issues an order suspending or revoking  
44.12 the registration of the institution's securities, or (ii) suspends trading of the institution's  
44.13 securities on any national securities exchange;

44.14 (2) the national securities exchange on which the institution's securities are traded notifies  
44.15 the institution that it is not in compliance with the exchange's listing requirements and the  
44.16 institution's securities are delisted; or

44.17 (3) the Securities and Exchange Commission is not in timely receipt of a required report  
44.18 and did not issue an extension to file the report.

44.19 (e) Related to criminal and civil investigations, notice is required if:

44.20 (1) the institution receives written notification of a felony criminal indictment or charges  
44.21 of the institution's owner;

44.22 (2) the institution receives written notification of criminal indictment or charges of the  
44.23 institution's officers related to operations of the institution; or

44.24 (3) there has been a criminal, civil, or administrative adjudication of fraud or  
44.25 misrepresentation in Minnesota or in another state or jurisdiction against the institution or  
44.26 its owner, officers, agents, or sponsoring organization.

44.27 Subd. 3. **Determination procedures.** (a) The office shall conduct a systematic evaluation  
44.28 under this paragraph and make a preliminary determination as to whether action under  
44.29 paragraph (e) is necessary, if the office: (1) identifies a potential risk under subdivision 1,  
44.30 paragraph (d); (2) receives notification from an institution under subdivision 2; or (3)  
44.31 identifies other exigent circumstances impacting the institution that may deny students a  
44.32 reasonable opportunity to complete their education program at the institution or through an

45.1 alternate institution with minimal disruption. The systematic evaluation must, to the extent  
45.2 practicable, be a collaboration between the office and the institution. The office must request  
45.3 additional context and information from the institution that demonstrates the administrative  
45.4 and financial responsibility of the institution. If the institution is not financially or  
45.5 administratively responsible, a contingency plan must be implemented either collaboratively  
45.6 or as part of a final determination under paragraph (e), clause (4).

45.7 (b) The office shall provide notice in writing to the institution of the preliminary  
45.8 determination. The notice shall provide the analysis used by the office to make the  
45.9 determination, a request for the institution to provide additional context and information  
45.10 that demonstrates the administrative and financial responsibility of the institution not provided  
45.11 under paragraph (a), any potential action the office may take under paragraph (e), and a  
45.12 deadline for responding to the notice. The institution shall have no fewer than ten business  
45.13 days to respond to the preliminary determination.

45.14 (c) The response from the institution to provide additional context and information must  
45.15 be written and may include a collaborative consultation with the office. In its response, the  
45.16 institution shall provide additional context, financial data, and other information, including  
45.17 but not limited to evidence of sound business practices, institutional financial health,  
45.18 compliance with the requirements of sections 136A.61 to 136A.71, or sufficient and timely  
45.19 plans to cure any noncompliance or to manage financial health and risk.

45.20 (d) If the institution does not respond to the office's notice and request for additional  
45.21 context and information within the time required, the office's preliminary determination  
45.22 shall become final and the office may take any of the actions specified in the notice required  
45.23 by paragraph (e). If the institution responds to the office's notice, the office must reevaluate  
45.24 the preliminary determination. The office shall use the additional context and information  
45.25 provided by the institution to make a final determination and determine which actions under  
45.26 paragraph (e), if any, are necessary to mitigate risk to students and state financial aid under  
45.27 this chapter.

45.28 (e) The office may use a final determination to:

45.29 (1) revoke, suspend, or refuse to renew registration, approval of an institution's degree,  
45.30 or use of a regulated term in its name under section 136A.65, subdivision 8;

45.31 (2) require periodic monitoring and submission of reports on the institution's  
45.32 administrative and financial responsibility to ascertain whether compliance and financial  
45.33 risk improves;

46.1 (3) require periodic collaborative consultations with the institution on noncompliance  
46.2 with sections 136A.61 to 136A.71, or how the institution is managing financial health and  
46.3 risk;

46.4 (4) require the institution to submit contingency plans such as teach-out plans or transfer  
46.5 pathways for students;

46.6 (5) prohibit the institution from accepting tuition and fee payments made through cash,  
46.7 alternative loans, or the equivalent, prior to the add/drop period of the current period of  
46.8 instruction;

46.9 (6) prohibit the institution from enrolling new students;

46.10 (7) initiate alternative processes and communications with students enrolled at the  
46.11 institution;

46.12 (8) require a surety bond under section 136A.646; or

46.13 (9) submit institution closure information under section 136A.645.

46.14 (f) The office shall provide to the institution written notice of the final determination  
46.15 and the actions taken under paragraph (e).

46.16 Subd. 4. **Data classification.** Data under this section shall be classified as financial  
46.17 records under section 136A.64, subdivision 2.

46.18 Sec. 28. Minnesota Statutes 2020, section 136A.68, is amended to read:

46.19 **136A.68 RECORDS.**

46.20 (a) A registered school shall maintain a permanent record for each student for 50 years  
46.21 from the last date of the student's attendance. A registered school offering distance instruction  
46.22 to a student located in Minnesota shall maintain a permanent record for each Minnesota  
46.23 student for 50 years from the last date of the student's attendance. Records include a student's  
46.24 academic transcript, documents, and files containing student data about academic credits  
46.25 earned, courses completed, grades awarded, degrees awarded, and periods of attendance.

46.26 (b) A registered school shall maintain records required for professional licensure in  
46.27 Minnesota that are not included in paragraph (a) for ten years from the last date of the  
46.28 student's attendance or the number of years required by an institutional or programmatic  
46.29 accreditor, whichever is greater.

46.30 (c) To preserve permanent records, a school shall submit a plan that meets the following  
46.31 requirements:

47.1 (1) at least one copy of the records must be held in a secure, fireproof depository or  
47.2 duplicate records must be maintained off site in a secure location and in a manner approved  
47.3 by the office;

47.4 (2) an appropriate official must be designated to provide a student with copies of records  
47.5 or a transcript upon request;

47.6 (3) an alternative method approved by the office of complying with clauses (1) and (2)  
47.7 must be established if the school ceases to exist; and

47.8 (4) if the school has no binding agreement approved by the office for preserving student  
47.9 records, a continuous surety bond or an irrevocable letter of credit issued by a financial  
47.10 institution must be filed with the office in an amount not to exceed \$20,000. The bond or  
47.11 irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure,  
47.12 the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover,  
47.13 maintain, digitize, and destroy academic records.

47.14 Sec. 29. Minnesota Statutes 2020, section 136A.822, subdivision 12, is amended to read:

47.15 Subd. 12. **Permanent student records.** (a) A private career school licensed under  
47.16 sections 136A.82 to 136A.834 and located in Minnesota shall maintain a permanent student  
47.17 record for each student for 50 years from the last date of the student's attendance. A private  
47.18 career school licensed under this chapter and offering distance instruction to a student located  
47.19 in Minnesota shall maintain a permanent record for each Minnesota student for 50 years  
47.20 from the last date of the student's attendance. Records include school transcripts, documents,  
47.21 and files containing student data about academic credits earned, courses completed, grades  
47.22 awarded, degrees awarded, and periods of attendance.

47.23 (b) A private career school licensed under sections 136A.82 to 136A.834 and located  
47.24 in Minnesota shall maintain a permanent student record required for professional licensure  
47.25 in Minnesota for each student for ten years from the last date of the student's attendance or  
47.26 the number of years required by an institutional or programmatic accreditor, whichever is  
47.27 greater. A private career school licensed under this chapter and offering distance instruction  
47.28 to a student located in Minnesota shall maintain records required for professional licensure  
47.29 in Minnesota that are not included in paragraph (a) for each Minnesota student for ten years  
47.30 from the last date of the student's attendance or the number of years required by an  
47.31 institutional or programmatic accreditor, whichever is greater.

47.32 To preserve permanent student records, a private career school shall submit a plan that  
47.33 meets the following requirements:

48.1 (1) at least one copy of the records must be held in a secure, fireproof depository;

48.2 (2) an appropriate official must be designated to provide a student with copies of records  
48.3 or a transcript upon request;

48.4 (3) an alternative method, approved by the office, of complying with clauses (1) and (2)  
48.5 must be established if the private career school ceases to exist; and

48.6 (4) a continuous surety bond or irrevocable letter of credit issued by a financial institution  
48.7 must be filed with the office in an amount not to exceed \$20,000 if the private career school  
48.8 has no binding agreement approved by the office, for preserving student records. The bond  
48.9 or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school  
48.10 closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve,  
48.11 recover, maintain, digitize, and destroy academic records.

48.12 Sec. 30. Minnesota Statutes 2020, section 136A.8225, is amended to read:

48.13 **136A.8225 SCHOOL CLOSURE.**

48.14 (a) When a school intends to cease postsecondary education operations, announces its  
48.15 closure, or is informed by the office that the office anticipates the school's closure due to  
48.16 its licensure status or ability to meet criteria for approval under section 136A.822, subdivision  
48.17 8, the school must provide the office:

48.18 (1) a notice of closure, including the name of the school, the name of the school owner,  
48.19 an active mailing address and telephone number that the school owner may be reached at  
48.20 after the school physically closes, the name of the school director, and the planned date for  
48.21 termination of postsecondary operations;

48.22 (2) a report of all students currently enrolled and all students enrolled within the prior  
48.23 120 days, including the following information for each student: name, address, school e-mail  
48.24 address, alternate e-mail address, program of study, number of credits completed, number  
48.25 of credits remaining, and enrollment status at closure;

48.26 (3) a report of refunds due to any student and the amount due;

48.27 (4) a written statement from the school's owner or designee affirming that all recruitment  
48.28 efforts, school marketing, advertisement, solicitation, and enrollment of new students has  
48.29 ceased;

48.30 (5) a copy of any communication between the school's accreditors about the school  
48.31 closure;

49.1 (6) confirmation that the requirements for student records under section 136A.822,  
49.2 subdivision 12, have been satisfied, including:

49.3 (i) the planned date for the transfer of the student records;

49.4 (ii) confirmation of the name and address of the organization to receive and hold the  
49.5 student records; and

49.6 (iii) the official at the organization receiving the student records who is designated to  
49.7 provide official copies of records or transcripts upon request;

49.8 (7) academic information, including the school's most recent catalog, all course syllabi,  
49.9 and faculty credential information; and

49.10 (8) copies of any teach-out, transfer, or train-out agreement between the school and a  
49.11 new school for students to be able to complete their studies. A teach-out fulfills the original  
49.12 contract or agreement between the closing school and the student. If a teach-out is arranged  
49.13 for another approved school to do the remaining occupational training, that other school  
49.14 must (i) provide comparable education and training and (ii) agree that students transferring  
49.15 from the closing school pay only what the cost of tuition and fees remain unpaid according  
49.16 to the terms and conditions in the enrollment agreement entered into between the student  
49.17 and the closing school.

49.18 (b) Without limitation as to other circumstance, a school shall be deemed to have ceased  
49.19 operations when the school:

49.20 (1) has an unscheduled nonemergency closure or cancellation of classes for more than  
49.21 24 hours without prior notice to the office;

49.22 (2) announces it is closed or closing; ~~or~~

49.23 (3) files for bankruptcy; or

49.24 (4) fails to complete a renewal application when required under section 136A.823,  
49.25 subdivision 3.

49.26 (c) When a school is deemed to have ceased operations, the office shall provide the  
49.27 school a reasonable time to correct student records and grant credentials. After that time,  
49.28 the office must revoke the school's license. This revocation is not appealable under section  
49.29 136A.829, subdivision 2.

50.1 Sec. 31. Minnesota Statutes 2020, section 136A.823, is amended by adding a subdivision  
50.2 to read:

50.3 Subd. 3. **Change of ownership.** Within 30 days of a change of ownership, a school must  
50.4 submit a registration renewal application, the information and materials for an initial  
50.5 registration under section 136A.822, subdivision 4, and the applicable registration fees for  
50.6 a new institution under section 136A.824, subdivision 1. For purposes of this subdivision,  
50.7 "change of ownership" means: a merger or consolidation with a corporation; a sale, lease,  
50.8 exchange, or other disposition of all or substantially all of the assets of a school; the transfer  
50.9 of a controlling interest of at least 51 percent of the school's stock; entering into receivership;  
50.10 or a change in the nonprofit or for-profit status of a school.

50.11 Sec. 32. Minnesota Statutes 2020, section 136A.827, subdivision 4, is amended to read:

50.12 Subd. 4. **Proration.** (a) When a student has been accepted by a private career school  
50.13 and gives notice of cancellation after the program of instruction has begun, but before  
50.14 completion of 75 percent of the program, the amount charged for tuition, fees and all other  
50.15 charges shall be prorated based on the number of days in the term as a portion of the total  
50.16 charges for tuition, fees and all other charges. An additional 25 percent of the total cost of  
50.17 the program may be added but shall not exceed \$100. After completion of 75 percent of the  
50.18 program, no refunds are required. the student is entitled to a refund if, at the last documented  
50.19 date of attendance, the student has not completed at least 75 percent of the entire program  
50.20 of instruction. For purposes of this subdivision, program of instruction is calculated under  
50.21 paragraph (c) or (d). Program of instruction does not mean one term, a payment period, a  
50.22 module, or any other portion of the entire instructional program.

50.23 (b) A notice of cancellation from a student under this subdivision must be confirmed in  
50.24 writing by the private career school and mailed to the student's last known address. The  
50.25 confirmation from the school must state that the school has withdrawn the student from  
50.26 enrollment, and if this action was not the student's intent, the student must contact the school.

50.27 (c) The length of a program of instruction for a program that has a defined calendar start  
50.28 and end date that does not change after the program has begun equals the number of days  
50.29 from the first scheduled date of the program through the last scheduled date of the program.  
50.30 To calculate the completion percentage, divide the number of calendar days from the first  
50.31 date of the program through the student's last documented date of attendance by the length  
50.32 of the program of instruction, and truncate the result after the second digit following the  
50.33 decimal point. If the completion percentage is less than 75 percent, the private career school  
50.34 may retain:

51.1 (1) tuition, fees, and charges equal to the total of tuition, fees, and charges multiplied  
 51.2 by the completion percentage; plus

51.3 (2) the initial program application fees, not to exceed \$50; plus

51.4 (3) the lesser of (i) 25 percent of the total tuition, or (ii) \$100.

51.5 (d) The length of a program of instruction for a program that is measured in clock hours  
 51.6 equals the number of clock hours the student was scheduled to attend. To calculate the  
 51.7 completion percentage, divide the number of clock hours that the student actually attended  
 51.8 by the length of the program of instruction, and truncate the result after the second digit  
 51.9 following the decimal point. If the completion percentage is less than 75 percent, the private  
 51.10 career school may retain:

51.11 (1) tuition, fees, and charges equal to the total of tuition, fees, and charges multiplied  
 51.12 by the completion percentage; plus

51.13 (2) the initial program application fees, not to exceed \$50; plus

51.14 (3) the lesser of (i) 25 percent of the total tuition, or (ii) \$100.

51.15 Sec. 33. Minnesota Statutes 2020, section 136A.827, subdivision 8, is amended to read:

51.16 Subd. 8. **Cancellation occurrence.** ~~Written notice of cancellation shall take place on~~  
 51.17 ~~the date the letter of cancellation is postmarked or, in the cases where the notice is hand~~  
 51.18 ~~carried, it shall occur on the date the notice is delivered to the private career school. Notice~~  
 51.19 of cancellation shall be the date a student notifies a private career school of the student's  
 51.20 intention to withdraw or otherwise leave the program of study. The student is not required  
 51.21 to provide a written notice. The private career school may require a student to provide the  
 51.22 student's notification only to specific offices or personnel at the school as long as this  
 51.23 requirement is documented as part of the "Student's Right to Cancel" in all places that the  
 51.24 information appears, including on the private career school's website. The date of the notice  
 51.25 of cancellation may or may not be the same date as the student's last documented date of  
 51.26 attendance. If a student has not attended class for a period of ~~21~~ 14 consecutive days without  
 51.27 contacting the private career school to ~~indicate an intent to continue in the private career~~  
 51.28 ~~school~~ provide notice of cancellation or otherwise ~~making~~ make arrangements concerning  
 51.29 the absence, the student is considered to have withdrawn from the private career school for  
 51.30 all purposes as of the student's last documented date of attendance.

52.1 Sec. 34. Minnesota Statutes 2020, section 136F.245, subdivision 1, is amended to read:

52.2 Subdivision 1. **Establishment.** A Hunger-Free Campus designation ~~for Minnesota State~~  
 52.3 ~~community and technical colleges~~ is established for public postsecondary institutions and  
 52.4 for nonprofit degree-granting institutions physically located in Minnesota and registered  
 52.5 with the Office of Higher Education under section 136A.63. In order to be awarded the  
 52.6 designation, ~~a campus~~ an institution must meet the following minimum criteria:

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

52.9 (2) provide information to students on SNAP, MFIP, and other programs that reduce  
 52.10 food insecurity;

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

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

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

52.15 Sec. 35. Minnesota Statutes 2020, section 136F.245, subdivision 2, is amended to read:

52.16 Subd. 2. **Designation approval.** (a) The statewide student association associations  
 52.17 representing the state community and technical colleges and the state universities shall  
 52.18 create an application process and ~~a nonmonetary~~ an award, and provide final approval for  
 52.19 the designation at each state college and university, respectively.

52.20 (b) The University of Minnesota statewide student association shall create an application  
 52.21 process and an award, and provide final approval for the designation at each University of  
 52.22 Minnesota campus.

52.23 (c) The Minnesota Association of Private College Students shall create an application  
 52.24 process and an award, and provide final approval for the designation at each nonprofit  
 52.25 degree-granting institution.

52.26 Sec. 36. Minnesota Statutes 2020, section 136F.305, is amended to read:

52.27 **136F.305 Z-DEGREES.**

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

53.1 ~~(b) "Custom textbook" means course materials that are compiled by a publisher at the~~  
 53.2 ~~direction of a faculty member or, if applicable, the other adopting entity in charge of selecting~~  
 53.3 ~~course materials for courses taught at a state college or university. Custom textbooks may~~  
 53.4 ~~include items such as selections from original instructor materials, previously copyrighted~~  
 53.5 ~~publisher materials, copyrighted third-party works, or elements unique to a specific state~~  
 53.6 ~~college or university.~~

53.7 (b) "Course" means a single unit of teaching in one subject area led by one or more  
 53.8 instructors with a definite start and end date and a fixed roster of students.

53.9 (c) "Course materials" means a hard-copy or digital book, printed pages of instructional  
 53.10 material, including consumable workbooks, lab manuals, subscriptions, online homework  
 53.11 and quizzing platforms, and other required physical and digital content.

53.12 (d) "Course section" means an instance of a course.

53.13 ~~(e)~~ (e) "Incentive" means anything provided to faculty to identify, review, adapt, author,  
 53.14 or adopt open textbooks educational resources.

53.15 ~~(d)~~ (f) "Open educational resources" means high-quality teaching, learning, and research  
 53.16 resources materials that reside are in the public domain or have been released under an  
 53.17 intellectual property license that permits their free use and repurposing by others, and may  
 53.18 include other resources that are legally available and free of cost to students. Open  
 53.19 educational resources include course materials, modules, custom and open textbooks, articles,  
 53.20 faculty-created content, streaming videos, tests, software, and any other tools, materials, or  
 53.21 techniques used to support access to knowledge textbooks and curricula, syllabi, lecture  
 53.22 notes, assignments, tests, projects, audio, video, and animation.

53.23 ~~(e)~~ (g) "Open textbook" means a textbook that is distributed using an open copyright a  
 53.24 type of open educational resource released under an intellectual property license that at a  
 53.25 minimum allows a student to obtain, retain, reuse, and redistribute the material at no cost.

53.26 (h) "Library-curated materials" means diverse resources purchases by the library at no  
 53.27 additional cost to the student for the supplementation or replacement of course materials.

53.28 ~~(f)~~ (i) "System office" means the Minnesota State Colleges and Universities system  
 53.29 office.

53.30 ~~(g)~~ (j) "Z-Degree" means a zero-textbook-cost complete associate's or bachelor's degree  
 53.31 program that exclusively uses course materials that are no cost to students such as open  
 53.32 educational resources, open textbooks, and library-curated materials. Students may still  
 53.33 incur costs for printing digital materials or for the following: art supplies, calculators,

54.1 equipment, fees in statute or policy mandated to be charged by all colleges and universities,  
 54.2 campus discretionary fees established by the board and adopted by the college, personal  
 54.3 property, and service charges or course activities having value outside of the classroom.

54.4 Subd. 2. **Requirement.** (a) Three additional colleges must offer the opportunity to earn  
 54.5 a Z-Degree by academic year 2020-2021. A college's Two additional colleges or universities  
 54.6 must offer the opportunity to earn a Z-Degree by academic year 2023-2024. Course offerings  
 54.7 for its in a Z-Degree program must include at least two distinct courses in each transfer  
 54.8 curriculum goal area and at least enough credits in each transfer curriculum goal area to  
 54.9 complete the transfer curriculum package.

54.10 (b) The Minnesota State Colleges and Universities shall support a continuous process  
 54.11 for colleges and universities to implement Z-Degrees, expand Z-Degree courses and sections,  
 54.12 and sustain existing Z-Degrees.

54.13 Subd. 3. **Open educational resource development.** ~~(a) The Minnesota State Colleges~~  
 54.14 ~~and Universities must develop a program to offer a Z-degree at three additional colleges by~~  
 54.15 ~~expanding the use of open educational resources, including custom and open textbooks.~~  
 54.16 The system office must provide opportunities for faculty to identify, review, adapt, ~~author,~~  
 54.17 create, share, and adopt open educational resources. The system office must develop  
 54.18 incentives to academic departments to identify, review, adapt, author, or adopt open  
 54.19 educational resources within their academic programs.

54.20 (b) The programs and incentives developed under this subdivision must be implemented  
 54.21 pursuant to faculty collective bargaining agreements.

54.22 Subd. 4. **Report.** Annually by January 15, the board must submit reports ~~by January 13,~~  
 54.23 ~~2021, and January 12, 2022,~~ to the chairs and ranking minority members of the legislative  
 54.24 committees with jurisdiction over higher education. Each report must include (1) the number  
 54.25 of courses and course sections ~~transitioned to using an open textbook resulting from the~~  
 54.26 ~~programs in this section~~ into a new Z-Degree, and (2) the total amount of student textbook  
 54.27 savings resulting from the transitions.

54.28 Sec. 37. Minnesota Statutes 2020, section 136F.38, subdivision 3, is amended to read:

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

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

55.9 (c) The student must be enrolled for at least nine credits in the Minnesota State Colleges  
55.10 and Universities system.

55.11 Sec. 38. Minnesota Statutes 2020, section 136G.05, subdivision 10, is amended to read:

55.12 Subd. 10. **Data.** (a) Account owner data, account data, and data on beneficiaries of  
55.13 accounts are private data on individuals or nonpublic data as defined in section 13.02, except  
55.14 that the names and addresses of the beneficiaries of accounts that receive matching grants  
55.15 are public unless the data qualifies for the exception in paragraph (b).

55.16 (b) The commissioner may share an account owner's name and Social Security number  
55.17 with the Department of Revenue in order to compile studies under section 270B.04. Data  
55.18 sharing authorized by this paragraph is only for purposes of evaluative research and analysis  
55.19 of the plan in order to make ongoing informed decisions regarding plan administration.

55.20 Sec. 39. **DIRECT ADMISSIONS PILOT PROGRAM.**

55.21 Subdivision 1. **Authorization.** The commissioner of the Office of Higher Education  
55.22 shall develop a pilot program in consultation with stakeholders including Minnesota State  
55.23 Colleges and Universities, the Minnesota Department of Education, the Minnesota  
55.24 Association of Secondary School Principals, and the Minnesota School Board Association,  
55.25 to automatically offer conditional admission to Minnesota public high school seniors based  
55.26 on a student's high school grade point average, high school and college transcript information,  
55.27 standardized tests, statewide assessments, and other measures as determined by stakeholders.

55.28 Subd. 2. **Pilot design and goals.** The pilot program shall establish and, to the extent  
55.29 feasible, implement a process for leveraging existing kindergarten through grade 12 and  
55.30 higher education student information systems to automate the admissions process for students.  
55.31 The pilot program will specifically evaluate the impact this process has on outcomes for  
55.32 students with lower levels of college knowledge, low-income students, and students from

56.1 populations underserved in higher education. Initial pilot program participants must include  
56.2 high schools with a significant number of students of color, low-income students, or both.

56.3 Subd. 3. **Evaluation and report.** By February 1, 2022, the Office of Higher Education  
56.4 shall report to the legislative committees with jurisdiction over kindergarten through grade  
56.5 12 education finance and policy and higher education on activities occurring under this  
56.6 section. The report must include but is not limited to information about the pilot program  
56.7 design, implementation challenges and recommendations, and the feasibility of scaling the  
56.8 program to all public high schools.

56.9 Sec. 40. **CAREER AND TECHNICAL EDUCATOR PILOT PROJECT.**

56.10 By the 2024-2025 academic year, Winona State University must develop a teacher  
56.11 preparation program that leads to initial licensure in at least one license area under Minnesota  
56.12 Rules, parts 8710.8000 to 8710.8080. Winona State University must partner with Minnesota  
56.13 State College Southeast to provide the subject matter training necessary for license areas  
56.14 chosen. If practical, the partnership must result in a candidate earning an associate's degree  
56.15 from Minnesota State College Southeast and a bachelor's degree from Winona State  
56.16 University. Money appropriated for this project under article 1, section 3, subdivision 5,  
56.17 may be used for any of the following purposes:

56.18 (1) analyzing existing course offerings at both institutions to determine compliance with  
56.19 the requirements of Minnesota Rules, chapter 8705, and parts 8710.8000 to 8710.8080;

56.20 (2) determining any courses that need to be adjusted or created by each institution;

56.21 (3) designing and implementing any needed course; and

56.22 (4) providing administrative support for gaining approval of the program from the  
56.23 Professional Educator Licensing and Standards Board.

56.24 Sec. 41. **STUDY AND REPORT ON THE WORK-STUDY PROGRAM.**

56.25 (a) The commissioner of the Office of Higher Education must conduct a study of the  
56.26 work-study program under Minnesota Statutes, sections 136A.231 to 136A.233. The study  
56.27 must analyze how the program could be expanded to meet the needs of college students and  
56.28 enable more students to work on campus. The study should include an assessment of:

56.29 (1) the interplay between state, federal, and institutional work-study programs and funds;

56.30 (2) the impact of minimum wage laws and ordinances on the program;

57.1 (3) the ability of the program to require a wage for student workers that is higher than  
57.2 the prevailing minimum wage set by law;

57.3 (4) the number of hours students should be working on campus; and

57.4 (5) options for legislative and administrative actions to expand the work-study program  
57.5 along with the anticipated costs of those actions.

57.6 (b) By January 15, 2023, the commissioner shall report to the legislature as provided in  
57.7 Minnesota Statutes, section 3.195, and to the chairs and ranking minority members of the  
57.8 legislative committees with jurisdiction over higher education on the results of the study.

57.9 Sec. 42. **REVISOR INSTRUCTION.**

57.10 In Minnesota Statutes, the revisor of statutes shall renumber section 136F.245, as amended  
57.11 by this act, as 135A.137.

57.12 Sec. 43. **REPEALER.**

57.13 (a) Minnesota Statutes 2020, sections 136A.1703; 136A.823, subdivision 2; and 136F.245,  
57.14 subdivision 3, are repealed.

57.15 (b) Minnesota Rules, parts 4830.9050; 4830.9060; 4830.9070; 4830.9080; and 4830.9090,  
57.16 are repealed.

**136A.1703 INCOME-CONTINGENT LOANS.**

The office shall administer an income-contingent loan repayment program to assist graduates of Minnesota schools in medicine, dentistry, pharmacy, chiropractic medicine, public health, and veterinary medicine, and Minnesota residents graduating from optometry and osteopathic medicine programs. Applicant data collected by the office for this program may be disclosed to a consumer credit reporting agency under the same conditions as those that apply to the supplemental loan program under section 136A.162. No new applicants may be accepted after June 30, 1995.

**136A.823 LICENSE RENEWAL.**

Subd. 2. **Conditions.** The office shall adopt rules establishing the conditions for renewal of a license. The conditions shall permit two levels of renewal based on the record of the private career school. A private career school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A private career school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny. The office shall specify minimum longevity standards and performance indicators that must be met before a private career school may be permitted to operate under the relaxed standard of scrutiny. The performance indicators used in this determination shall include, but not be limited to: regional or national accreditation, loan default rates, placement rate of graduates, student withdrawal rates, audit results, student complaints, and school status with the United States Department of Education. Private career schools that meet the requirements established in rule shall be required to submit a full relicensure report once every four years, and in the interim years will be exempt from the requirements of section 136A.822, subdivision 4, clauses (4), (5), and (8), and Minnesota Rules, parts 4880.1700, subpart 6; and 4880.2100, subpart 4.

**136F.245 HUNGER-FREE CAMPUS DESIGNATION.**

Subd. 3. **Expiration.** This section expires July 1, 2023.

**4830.9050 SCOPE.**

Parts 4830.9050 to 4830.9090 govern state grants used as a match to the National Service Scholars Program of the Corporation for National Service.

**4830.9060 DEFINITIONS.**

Subpart 1. **Scope.** For the purposes of parts 4830.9050 to 4830.9090, the terms defined in this part have the meanings given them.

Subp. 2. **Certificate of eligibility.** "Certificate of eligibility" means the certificate issued by the Minnesota Office of Higher Education to a student for proof of eligibility for a Minnesota National Service Scholars Matching Grant after the office receives written notification from the National Service Scholars Program that the student has been awarded a National Service Scholarship.

Subp. 3. **Commissioner.** "Commissioner" means the commissioner of the Minnesota Office of Higher Education.

Subp. 4. **Eligible institution.** "Eligible institution" means a postsecondary institution that is an eligible institution as defined in part 4830.0300, subparts 1 and 2, and Minnesota Statutes, section 136A.101, subdivision 4.

Subp. 5. **Minnesota National Service Scholars Matching Grant.** "Minnesota National Service Scholars Matching Grant" means the award amount under Laws 1997, chapter 183, article 2, section 19.

**4830.9070 ELIGIBLE RECIPIENT.**

To be eligible for a Minnesota National Service Scholars Matching Grant, a student must:

- A. be enrolled in an eligible institution;
  - B. receive a national service scholarship from the Corporation for National Service;
- and
- C. provide a copy of the certificate of eligibility to the eligible institution.

**4830.9080 INSTITUTIONAL REQUEST AND DISBURSEMENT OF FUNDS FOR GRANTS.**

Subpart 1. **Institutional request.** After verifying a student's eligibility, the eligible institution must submit a written request to the commissioner for payment of the Minnesota National Service Scholars Matching Grant for the student. A copy of the student's certificate of eligibility must accompany the institution's request for payment. The request for payment must verify that the student has received a national service scholarship, indicate the name and address of the postsecondary institution enrolled in by the student, and the academic term for which the award will be used.

Subp. 2. **Deadline.** The request for grant money must be received by the commissioner no later than the last day of classes for the fiscal year for which grant money is requested.

Subp. 3. **Disbursement of funds.** An institution must not disburse matching grant money unless the student is attending or has completed an academic term during the fiscal year for which the student received a national service scholarship.

Subp. 4. **Refunds.** A matching grant award is made for a student's attendance at a specific institution for a term or terms within the state fiscal year. If a recipient fails to attend, the institution must refund the entire award to the commissioner. If a recipient withdraws before completing the term, the institution must determine if a refund is due to the commissioner. Refunds to the office are determined by:

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A. calculating the percentage that the matching grant represents of the student's total financial aid package for the applicable term, excluding funds received from federal Title IV programs, United States Code, title 20, sections 1070-1099;

B. calculating the total tuition refund amount using the refund calculation required of schools participating in federal Title IV programs;

C. subtracting the federal aid programs' refund amount from item B to determine the remaining tuition refund amount; and

D. multiplying the percentage in item A by the amount calculated in item C to determine the amount to be refunded to the matching grant program.

Refunded money is available to the commissioner for awards to other eligible students.

**4830.9090 PAYMENTS TO INSTITUTIONS.**

Subpart 1. **Time of payment.** The commissioner shall send a Minnesota National Service Scholars Matching Grant for an eligible student to the eligible institution within 30 days of receipt of a request for payment.

Subp. 2. **Withholding payment.** The commissioner shall withhold payment for a student until the eligible institution's request for payment is complete and the student's eligibility is verified.