

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2214**

**(SENATE AUTHORS: FISCHBACH)**

<b>DATE</b>	<b>D-PG</b>	<b>OFFICIAL STATUS</b>
03/20/2017	1582	Introduction and first reading Referred to Higher Education Finance and Policy
03/23/2017	1800a	Comm report: To pass as amended and re-refer to Finance
03/27/2017	1951a	Comm report: To pass as amended
	1963	Second reading
03/28/2017		Special Order: Amended Third reading Passed

1.1 A bill for an act

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

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

1.4 University of Minnesota, and other related programs; modifying state grant program

1.5 calculation parameters; requiring reports; appropriating money; amending

1.6 Minnesota Statutes 2016, sections 135A.031, subdivision 7; 135A.15, subdivision

1.7 1a; 136A.101, subdivision 5a; 136A.1275; 136A.685; 148.89, subdivision 5; Laws

1.8 2014, chapter 312, article 1, section 15; proposing coding for new law in Minnesota

1.9 Statutes, chapters 136A; 148; 298.

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

1.11 **ARTICLE 1**

1.12 **HIGHER EDUCATION APPROPRIATIONS**

1.13 Section 1. **APPROPRIATIONS.**

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

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

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

1.17 The figures "2018" and "2019" used in this article mean that the appropriations listed under

1.18 them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively.

1.19 "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium"

1.20 is fiscal years 2018 and 2019.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2018</u></b>	<b><u>2019</u></b>
1.21		
1.22		
1.23		
1.24		

1.25 **Sec. 2. MINNESOTA OFFICE OF HIGHER**

1.26 **EDUCATION**

2.1	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$ 244,044,000</u>	<u>\$ 240,573,000</u>
2.2	<u>The amounts that may be spent for each</u>		
2.3	<u>purpose are specified in the following</u>		
2.4	<u>subdivisions.</u>		
2.5	<u>Subd. 2. <b>State Grants</b></u>	<u>185,174,000</u>	<u>185,394,000</u>
2.6	<u>If the appropriation in this subdivision for</u>		
2.7	<u>either year is insufficient, the appropriation</u>		
2.8	<u>for the other year is available for it.</u>		
2.9	<u>Subd. 3. <b>Child Care Grants</b></u>	<u>6,684,000</u>	<u>6,684,000</u>
2.10	<u>Subd. 4. <b>State Work-Study</b></u>	<u>14,502,000</u>	<u>14,502,000</u>
2.11	<u>Subd. 5. <b>Interstate Tuition Reciprocity</b></u>	<u>11,018,000</u>	<u>11,018,000</u>
2.12	<u>If the appropriation in this subdivision for</u>		
2.13	<u>either year is insufficient, the appropriation</u>		
2.14	<u>for the other year is available to meet</u>		
2.15	<u>reciprocity contract obligations.</u>		
2.16	<u>Subd. 6. <b>Safety Officer's Survivors</b></u>	<u>100,000</u>	<u>100,000</u>
2.17	<u>This appropriation is to provide educational</u>		
2.18	<u>benefits under Minnesota Statutes, section</u>		
2.19	<u>299A.45, to eligible dependent children and</u>		
2.20	<u>to the spouses of public safety officers killed</u>		
2.21	<u>in the line of duty.</u>		
2.22	<u>If the appropriation in this subdivision for</u>		
2.23	<u>either year is insufficient, the appropriation</u>		
2.24	<u>for the other year is available for it.</u>		
2.25	<u>Subd. 7. <b>Indian Scholarships</b></u>	<u>3,500,000</u>	<u>3,500,000</u>
2.26	<u>The commissioner must contract with or</u>		
2.27	<u>employ at least one person with demonstrated</u>		
2.28	<u>competence in American Indian culture and</u>		
2.29	<u>residing in or near the city of Bemidji to assist</u>		
2.30	<u>students with the scholarships under</u>		
2.31	<u>Minnesota Statutes, section 136A.126, and</u>		
2.32	<u>with other information about financial aid for</u>		
2.33	<u>which the students may be eligible. Bemidji</u>		

3.1	<u>State University must provide office space at</u>		
3.2	<u>no cost to the Office of Higher Education for</u>		
3.3	<u>purposes of administering the American Indian</u>		
3.4	<u>scholarship program under Minnesota Statutes,</u>		
3.5	<u>section 136A.126. This appropriation includes</u>		
3.6	<u>funding to administer the American Indian</u>		
3.7	<u>scholarship program.</u>		
3.8	<b><u>Subd. 8. Tribal College Grants</u></b>	<u>150,000</u>	<u>150,000</u>
3.9	<u>For tribal college assistance grants under</u>		
3.10	<u>Minnesota Statutes, section 136A.1796.</u>		
3.11	<b><u>Subd. 9. Intervention for College Attendance</u></b>		
3.12	<b><u>Program Grants</u></b>	<u>671,000</u>	<u>671,000</u>
3.13	<u>For the intervention for college attendance</u>		
3.14	<u>program under Minnesota Statutes, section</u>		
3.15	<u>136A.861.</u>		
3.16	<u>The commissioner may use no more than two</u>		
3.17	<u>percent of this appropriation to administer the</u>		
3.18	<u>intervention for college attendance program</u>		
3.19	<u>grants.</u>		
3.20	<b><u>Subd. 10. Student-Parent Information</u></b>	<u>122,000</u>	<u>122,000</u>
3.21	<b><u>Subd. 11. Get Ready!</u></b>	<u>180,000</u>	<u>180,000</u>
3.22	<b><u>Subd. 12. Minnesota Education Equity</u></b>		
3.23	<b><u>Partnership</u></b>	<u>45,000</u>	<u>45,000</u>
3.24	<b><u>Subd. 13. Midwest Higher Education Compact</u></b>	<u>115,000</u>	<u>115,000</u>
3.25	<b><u>Subd. 14. United Family Medicine Residency</u></b>		
3.26	<b><u>Program</u></b>	<u>501,000</u>	<u>501,000</u>
3.27	<u>For a grant to United Family Medicine</u>		
3.28	<u>residency program. This appropriation shall</u>		
3.29	<u>be used to support up to 21 resident physicians</u>		
3.30	<u>each year in family practice at United Family</u>		
3.31	<u>Medicine residency programs and shall</u>		
3.32	<u>prepare doctors to practice family care</u>		
3.33	<u>medicine in underserved rural and urban areas</u>		
3.34	<u>of the state. It is intended that this program</u>		
3.35	<u>will improve health care in underserved</u>		

4.1 communities, provide affordable access to  
 4.2 appropriate medical care, and manage the  
 4.3 treatment of patients in a cost-effective  
 4.4 manner.

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

4.6 **Subd. 16. Statewide Longitudinal Education**  
 4.7 **Data System** 882,000 882,000

4.8 **Subd. 17. Hennepin County Medical Center** 645,000 645,000

4.9 For transfer to Hennepin County Medical  
 4.10 Center for graduate family medical education  
 4.11 programs at Hennepin County Medical Center.

4.12 **Subd. 18. MNSCU Two-Year Public College**  
 4.13 **Program** 3,481,000 -0-

4.14 (a) \$2,780,000 in fiscal year 2018 is for  
 4.15 two-year public college program grants under  
 4.16 Laws 2015, chapter 69, article 3, section 20.

4.17 (b) \$545,000 in fiscal year 2018 is to provide  
 4.18 mentoring and outreach as specified under  
 4.19 Laws 2015, chapter 69, article 3, section 20.

4.20 (c) \$156,000 in fiscal year 2018 is for  
 4.21 information technology and administrative  
 4.22 costs associated with implementation of the  
 4.23 grant program.

4.24 **Subd. 19. College Possible** 250,000 250,000

4.25 (a) This appropriation is for immediate transfer  
 4.26 to College Possible to support programs of  
 4.27 college admission and college graduation for  
 4.28 low-income students through an intensive  
 4.29 curriculum of coaching and support at both  
 4.30 the high school and postsecondary level.

4.31 (b) This appropriation must, to the extent  
 4.32 possible, be proportionately allocated between  
 4.33 students from greater Minnesota and students  
 4.34 in the seven-county metropolitan area.

5.1 (c) This appropriation must be used by College  
 5.2 Possible only for programs supporting students  
 5.3 who are residents of Minnesota and attending  
 5.4 colleges or universities within Minnesota.

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

5.22 **Subd. 20. Spinal Cord Injury and Traumatic**  
 5.23 **Brain Injury Research Grant Program**

3,000,000

3,000,000

5.24 For spinal cord injury and traumatic brain  
 5.25 injury research grants authorized under  
 5.26 Minnesota Statutes, section 136A.901.

5.27 The commissioner may use no more than two  
 5.28 percent of this appropriation to administer the  
 5.29 grant program under this subdivision.

5.30 **Subd. 21. Summer Academic Enrichment**  
 5.31 **Program**

125,000

125,000

5.32 For summer academic enrichment grants under  
 5.33 Minnesota Statutes, section 136A.091.

6.1 The commissioner may use no more than two  
 6.2 percent of this appropriation to administer the  
 6.3 grant program under this subdivision.

6.4 Subd. 22. Dual Training Competency Grants;  
 6.5 OHE

2,000,000

2,000,000

6.6 For training grants under Minnesota Statutes,  
 6.7 section 136A.246.

6.8 The commissioner may use no more than two  
 6.9 percent of this appropriation to administer the  
 6.10 grant program under this subdivision.

6.11 Subd. 23. Dual Training Competency Grants;  
 6.12 DOLI

200,000

200,000

6.13 For transfer to the commissioner of labor and  
 6.14 industry for identification of competency  
 6.15 standards for dual training under Minnesota  
 6.16 Statutes, section 175.45.

6.17 Subd. 24. Concurrent Enrollment Courses

340,000

340,000

6.18 (a) \$225,000 in fiscal year 2018 and \$225,000  
 6.19 in fiscal year 2019 are for grants to develop  
 6.20 new concurrent enrollment courses under  
 6.21 Minnesota Statutes, section 124D.09,  
 6.22 subdivision 10, that satisfy the elective  
 6.23 standard for career and technical education.

6.24 Any balance in the first year does not cancel  
 6.25 but is available in the second year.

6.26 (b) \$115,000 in fiscal year 2018 and \$115,000  
 6.27 in fiscal year 2019 are for grants to  
 6.28 postsecondary institutions currently  
 6.29 sponsoring a concurrent enrollment course to  
 6.30 expand existing programs. The commissioner  
 6.31 shall determine the application process and  
 6.32 the grant amounts. The commissioner must  
 6.33 give preference to expanding programs that  
 6.34 are at capacity. Any balance in the first year

7.1 does not cancel but is available in the second  
 7.2 year.

7.3 (c) By December 1 of each year, the office  
 7.4 shall submit a brief report to the chairs and  
 7.5 ranking minority members of the legislative  
 7.6 committees with jurisdiction over higher  
 7.7 education regarding:

7.8 (1) the courses developed by grant recipients  
 7.9 and the number of students who enrolled in  
 7.10 the courses under paragraph (a); and

7.11 (2) the programs expanded and the number of  
 7.12 students who enrolled in programs under  
 7.13 paragraph (b).

7.14 **Subd. 25. Campus Sexual Assault Reporting** 25,000 25,000

7.15 For the sexual assault reporting required under  
 7.16 Minnesota Statutes, section 135A.15.

7.17 **Subd. 26. Campus Sexual Violence Prevention**  
 7.18 **and Response Coordinator** 150,000 150,000

7.19 For the Office of Higher Education to staff a  
 7.20 campus sexual violence prevention and  
 7.21 response coordinator to serve as a statewide  
 7.22 resource providing professional development  
 7.23 and guidance on best practices for  
 7.24 postsecondary institutions. \$50,000 each year  
 7.25 are for administrative funding to conduct  
 7.26 trainings and provide materials to  
 7.27 postsecondary institutions.

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

7.29 For the loan forgiveness program under  
 7.30 Minnesota Statutes, section 136A.1791.

7.31 The commissioner may use no more than two  
 7.32 percent of this appropriation to administer the  
 7.33 program under this subdivision.

8.1	<b><u>Subd. 28. Addiction Medicine Graduate</u></b>		
8.2	<b><u>Fellowship Program</u></b>	<u>210,000</u>	<u>-0-</u>
8.3	<u>For implementing a grant program used to</u>		
8.4	<u>support up to four physicians who are enrolled</u>		
8.5	<u>each year in an addiction medicine fellowship</u>		
8.6	<u>program. A grant recipient must be enrolled</u>		
8.7	<u>in a program that trains fellows in diagnostic</u>		
8.8	<u>interviewing, motivational interviewing,</u>		
8.9	<u>addiction counseling, recognition and care of</u>		
8.10	<u>common acute withdrawal syndromes and</u>		
8.11	<u>complications, pharmacotherapies of addictive</u>		
8.12	<u>disorders, epidemiology and pathophysiology</u>		
8.13	<u>of addiction, addictive disorders in special</u>		
8.14	<u>populations, secondary interventions, use of</u>		
8.15	<u>screening and diagnostic instruments, inpatient</u>		
8.16	<u>care, and working within a multidisciplinary</u>		
8.17	<u>team, and prepares doctors to practice</u>		
8.18	<u>addiction medicine in rural and underserved</u>		
8.19	<u>areas of the state.</u>		
8.20	<b><u>Subd. 29. Student and Employer Connection</u></b>		
8.21	<b><u>Information System</u></b>	<u>405,000</u>	<u>405,000</u>
8.22	<u>For a grant to the Saint Paul Foundation for</u>		
8.23	<u>the creation of a web-based job and</u>		
8.24	<u>intern-seeking software tool that blind matches</u>		
8.25	<u>the needs of employers located in Minnesota</u>		
8.26	<u>with the individual profiles of high school</u>		
8.27	<u>seniors and postsecondary students attending</u>		
8.28	<u>Minnesota high schools and postsecondary</u>		
8.29	<u>institutions. No more than two percent of this</u>		
8.30	<u>appropriation may be used for administrative</u>		
8.31	<u>expenses of the foundation. The foundation</u>		
8.32	<u>must report by January 15, 2019, on activities</u>		
8.33	<u>under this subdivision to the chairs and</u>		
8.34	<u>ranking minority members of the legislative</u>		
8.35	<u>committees with jurisdiction over higher</u>		
8.36	<u>education finance.</u>		

9.1	<u>Subd. 30. <b>Emergency Assistance for</b></u>	<u>175,000</u>	<u>175,000</u>
9.2	<u><b>Postsecondary Students</b></u>		
9.3	<u>(a) This appropriation is for the Office of</u>		
9.4	<u>Higher Education to allocate grant funds on a</u>		
9.5	<u>matching basis to schools with a demonstrable</u>		
9.6	<u>homeless student population.</u>		
9.7	<u>(b) This appropriation shall be used to meet</u>		
9.8	<u>immediate student needs that could result in</u>		
9.9	<u>a student not completing the term or their</u>		
9.10	<u>program including, but not limited to,</u>		
9.11	<u>emergency housing, food, and transportation.</u>		
9.12	<u>Emergency assistance does not impact the</u>		
9.13	<u>amount of state financial aid received.</u>		
9.14	<u>(c) The commissioner shall determine the</u>		
9.15	<u>application process and the grant amounts.</u>		
9.16	<u>Any balance in the first year does not cancel</u>		
9.17	<u>but shall be available in the second year. The</u>		
9.18	<u>Office of Higher Education shall partner with</u>		
9.19	<u>interested postsecondary institutions, other</u>		
9.20	<u>state agencies, and student groups to establish</u>		
9.21	<u>the programs.</u>		
9.22	<u>Subd. 31. <b>Large Animal Veterinarian Loan</b></u>		
9.23	<u><b>Forgiveness Program</b></u>	<u>375,000</u>	<u>375,000</u>
9.24	<u>For the large animal veterinarian loan</u>		
9.25	<u>forgiveness program under Minnesota Statutes,</u>		
9.26	<u>section 136A.1795. The base for fiscal year</u>		
9.27	<u>2028 is \$0.</u>		
9.28	<u>Subd. 32. <b>Grants to Teacher Candidates</b></u>	<u>500,000</u>	<u>500,000</u>
9.29	<u>For grants to teacher candidates under</u>		
9.30	<u>Minnesota Statutes, section 136A.1275. This</u>		
9.31	<u>appropriation is in addition to the money</u>		
9.32	<u>available under Laws 2016, chapter 189,</u>		
9.33	<u>article 25, section 62, subdivision 11.</u>		

10.1 The commissioner may use no more than two  
 10.2 percent of the appropriation for administration  
 10.3 of the program.

10.4 **Subd. 33. Loan Repayment Assistance Program** 25,000 25,000

10.5 For a grant to the Loan Repayment Assistance  
 10.6 Program of Minnesota to provide education  
 10.7 debt relief to attorneys with full-time  
 10.8 employment providing legal advice or  
 10.9 representation to low-income clients or support  
 10.10 services for this work.

10.11 **Subd. 34. Agency Administration** 2,389,000 2,389,000

10.12 **Subd. 35. Balances Forward**

10.13 A balance in the first year under this section  
 10.14 does not cancel, but is available for the second  
 10.15 year.

10.16 **Subd. 36. Transfers**

10.17 The commissioner of the Office of Higher  
 10.18 Education may transfer unencumbered  
 10.19 balances from the appropriations in this  
 10.20 section to the state grant appropriation, the  
 10.21 interstate tuition reciprocity appropriation, the  
 10.22 child care grant appropriation, the Indian  
 10.23 scholarship appropriation, the state work-study  
 10.24 appropriation, the get ready appropriation, and  
 10.25 the public safety officers' survivors  
 10.26 appropriation. Transfers from the child care  
 10.27 or state work-study appropriations may only  
 10.28 be made to the extent there is a projected  
 10.29 surplus in the appropriation. A transfer may  
 10.30 be made only with prior written notice to the  
 10.31 chairs and ranking minority members of the  
 10.32 senate and house of representatives  
 10.33 committees with jurisdiction over higher  
 10.34 education finance.



- 12.1 (d) \$260,000 in fiscal year 2018 and \$140,000  
12.2 in fiscal year 2019 are for transfer to the Cook  
12.3 County Higher Education Board to provide  
12.4 educational programming and academic  
12.5 support services to remote regions in  
12.6 northeastern Minnesota. The project shall  
12.7 continue to provide information to the Board  
12.8 of Trustees on the number of students served,  
12.9 credit hours delivered, and services provided  
12.10 to students.
- 12.11 (e) \$50,000 in fiscal year 2018 and \$50,000  
12.12 in fiscal year 2019 are for developing and  
12.13 teaching online agricultural courses by farm  
12.14 business management faculty at colleges that  
12.15 offer farm business management.
- 12.16 (f) \$175,000 in fiscal year 2018 and \$175,000  
12.17 in fiscal year 2019 are to implement the  
12.18 veterans-to-agriculture pilot program. The  
12.19 appropriation shall be used to continue this  
12.20 program at South Central College, North  
12.21 Mankato campus, and to support, in equal  
12.22 amounts, up to six program sites statewide.  
12.23 No more than two percent of the total  
12.24 appropriation provided by this section may be  
12.25 used for administrative purposes at the system  
12.26 level.
- 12.27 The veterans-to-agriculture pilot program shall  
12.28 be designed to facilitate the entrance of  
12.29 military veterans into careers related to  
12.30 agriculture and food production, processing,  
12.31 and distribution through intensive, four- to  
12.32 eight-week academic training in relevant fields  
12.33 of study, job development programs and  
12.34 outreach to potential employers, and  
12.35 appropriate career-building skills designed to

- 13.1 assist returning veterans in entering the  
13.2 civilian workforce. Upon successful  
13.3 completion, a student shall be awarded a  
13.4 certificate of completion or another  
13.5 appropriate academic credit.
- 13.6 No later than December 15, 2018, the program  
13.7 shall report to the committees of the house of  
13.8 representatives and the senate with jurisdiction  
13.9 over issues related to agriculture, veterans  
13.10 affairs, and higher education on program  
13.11 operations, including information on  
13.12 participation rates, new job placements, and  
13.13 any unmet needs.
- 13.14 (g) This appropriation includes \$40,000 in  
13.15 fiscal year 2018 and \$40,000 in fiscal year  
13.16 2019 to implement the sexual assault policies  
13.17 required under Minnesota Statutes, section  
13.18 135A.15.
- 13.19 (h) \$2,500,000 in fiscal year 2018 and  
13.20 \$2,500,000 in fiscal year 2019 are for  
13.21 upgrading the Integrated Statewide Record  
13.22 System. The base for this appropriation in  
13.23 fiscal year 2024 is \$0.
- 13.24 (i) \$100,000 in fiscal year 2018 is for use by  
13.25 Winona State University for HealthForce  
13.26 Minnesota to develop educational materials  
13.27 that increase awareness of career opportunities  
13.28 available in the field of senior care. The  
13.29 educational materials developed under this  
13.30 provision must be appropriate for students in  
13.31 K-12 education settings, dislocated workers,  
13.32 and rural communities. Materials must be  
13.33 developed in collaboration with employers  
13.34 and trade organizations representing  
13.35 employers in the field of senior care.

14.1 Winona State University shall submit a report  
 14.2 by February 1, 2019, to the chairs and ranking  
 14.3 minority members of the legislative  
 14.4 committees with jurisdiction over higher  
 14.5 education finance and policy. The report must  
 14.6 include information about the materials  
 14.7 developed and to whom materials were  
 14.8 distributed; and identify any collaborations  
 14.9 with employers and trade organizations.

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

14.11 Sec. 4. **BOARD OF REGENTS OF THE**  
 14.12 **UNIVERSITY OF MINNESOTA**

14.13 Subdivision 1. **Total Appropriation** \$ 643,318,000 \$ 643,318,000

14.14 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
14.15		
14.16 <u>General</u>	<u>641,161,000</u>	<u>641,161,000</u>
14.17 <u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>

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

14.21 Subd. 2. **Operations and Maintenance** 573,723,000 573,723,000

14.22 (a) The Board of Regents is requested to set  
 14.23 tuition rates for academic year 2017-2018 at  
 14.24 levels not to exceed the rates for academic  
 14.25 year 2016-2017.

14.26 The Board of Regents is requested to set  
 14.27 tuition rates for academic year 2018-2019 at  
 14.28 levels not to exceed the rates for academic  
 14.29 year 2017-2018.

14.30 (b) \$15,000,000 in fiscal year 2018 and  
 14.31 \$15,000,000 in fiscal year 2019 are to: (1)  
 14.32 increase the medical school's research  
 14.33 capacity; (2) improve the medical school's  
 14.34 ranking in National Institutes of Health

15.1 funding; (3) ensure the medical school's  
 15.2 national prominence by attracting and  
 15.3 retaining world-class faculty, staff, and  
 15.4 students; (4) invest in physician training  
 15.5 programs in rural and underserved  
 15.6 communities; and (5) translate the medical  
 15.7 school's research discoveries into new  
 15.8 treatments and cures to improve the health of  
 15.9 Minnesotans.

15.10 (c) \$800,000 in fiscal year 2018 and \$800,000  
 15.11 in fiscal year 2019 are for health training  
 15.12 restoration. This appropriation must be used  
 15.13 to support all of the following: (1) faculty  
 15.14 physicians who teach at eight residency  
 15.15 program sites, including medical resident and  
 15.16 student training programs in the Department  
 15.17 of Family Medicine; (2) the Mobile Dental  
 15.18 Clinic; and (3) expansion of geriatric  
 15.19 education and family programs.

15.20 (d) \$2,000,000 in fiscal year 2018 and  
 15.21 \$2,000,000 in fiscal year 2019 are for the  
 15.22 Minnesota Discovery, Research, and  
 15.23 InnoVation Economy funding program for  
 15.24 cancer care research.

15.25 <b><u>Subd. 3. Primary Care Education Initiatives</u></b>	<u>2,157,000</u>	<u>2,157,000</u>
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15.26 This appropriation is from the health care  
 15.27 access fund.

15.28 **Subd. 4. Special Appropriations**

15.29 <b><u>(a) Agriculture and Extension Service</u></b>	<u>42,922,000</u>	<u>42,922,000</u>
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15.30 For the Agricultural Experiment Station and  
 15.31 the Minnesota Extension Service:

15.32 (1) the agricultural experiment stations and  
 15.33 Minnesota Extension Service must convene  
 15.34 agricultural advisory groups to focus research,

16.1 education, and extension activities on producer  
16.2 needs and implement an outreach strategy that  
16.3 more effectively and rapidly transfers research  
16.4 results and best practices to producers  
16.5 throughout the state;

16.6 (2) this appropriation includes funding for  
16.7 research and outreach on the production of  
16.8 renewable energy from Minnesota biomass  
16.9 resources, including agronomic crops, plant  
16.10 and animal wastes, and native plants or trees.  
16.11 The following areas should be prioritized and  
16.12 carried out in consultation with Minnesota  
16.13 producers, renewable energy, and bioenergy  
16.14 organizations:

16.15 (i) biofuel and other energy production from  
16.16 perennial crops, small grains, row crops, and  
16.17 forestry products in conjunction with the  
16.18 Natural Resources Research Institute (NRRI);

16.19 (ii) alternative bioenergy crops and cropping  
16.20 systems; and

16.21 (iii) biofuel coproducts used for livestock feed;

16.22 (3) this appropriation includes funding for the  
16.23 College of Food, Agricultural, and Natural  
16.24 Resources Sciences to establish and provide  
16.25 leadership for organic agronomic,  
16.26 horticultural, livestock, and food systems  
16.27 research, education, and outreach and for the  
16.28 purchase of state-of-the-art laboratory,  
16.29 planting, tilling, harvesting, and processing  
16.30 equipment necessary for this project;

16.31 (4) this appropriation includes funding for  
16.32 research efforts that demonstrate a renewed  
16.33 emphasis on the needs of the state's agriculture  
16.34 community. The following areas should be

- 17.1 prioritized and carried out in consultation with  
17.2 Minnesota farm organizations:
- 17.3 (i) vegetable crop research with priority for  
17.4 extending the Minnesota vegetable growing  
17.5 season;
- 17.6 (ii) fertilizer and soil fertility research and  
17.7 development;
- 17.8 (iii) soil, groundwater, and surface water  
17.9 conservation practices and contaminant  
17.10 reduction research;
- 17.11 (iv) discovering and developing plant varieties  
17.12 that use nutrients more efficiently;
- 17.13 (v) breeding and development of turf seed and  
17.14 other biomass resources in all three Minnesota  
17.15 biomes;
- 17.16 (vi) development of new disease-resistant and  
17.17 pest-resistant varieties of turf and agronomic  
17.18 crops;
- 17.19 (vii) utilizing plant and livestock cells to treat  
17.20 and cure human diseases;
- 17.21 (viii) the development of dairy coproducts;
- 17.22 (ix) a rapid agricultural response fund for  
17.23 current or emerging animal, plant, and insect  
17.24 problems affecting production or food safety;
- 17.25 (x) crop pest and animal disease research;
- 17.26 (xi) developing animal agriculture that is  
17.27 capable of sustainably feeding the world;
- 17.28 (xii) consumer food safety education and  
17.29 outreach;
- 17.30 (xiii) programs to meet the research and  
17.31 outreach needs of organic livestock and crop  
17.32 farmers; and

18.1	<u>(xiv) alternative bioenergy crops and cropping</u>		
18.2	<u>systems; and growing, harvesting, and</u>		
18.3	<u>transporting biomass plant material; and</u>		
18.4	<u>(5) by February 1, 2019, the Board of Regents</u>		
18.5	<u>must submit a report to the legislative</u>		
18.6	<u>committees and divisions with jurisdiction</u>		
18.7	<u>over agriculture and higher education finance</u>		
18.8	<u>on the status and outcomes of research and</u>		
18.9	<u>initiatives funded in this paragraph.</u>		
18.10	<b><u>(b) Health Sciences</u></b>	<u>9,204,000</u>	<u>9,204,000</u>
18.11	<u>\$346,000 each year is to support up to 12</u>		
18.12	<u>resident physicians in the St. Cloud Hospital</u>		
18.13	<u>family practice residency program. The</u>		
18.14	<u>program must prepare doctors to practice</u>		
18.15	<u>primary care medicine in rural areas of the</u>		
18.16	<u>state. The legislature intends this program to</u>		
18.17	<u>improve health care in rural communities,</u>		
18.18	<u>provide affordable access to appropriate</u>		
18.19	<u>medical care, and manage the treatment of</u>		
18.20	<u>patients in a more cost-effective manner. The</u>		
18.21	<u>remainder of this appropriation is for the rural</u>		
18.22	<u>physicians associates program; the Veterinary</u>		
18.23	<u>Diagnostic Laboratory; health sciences</u>		
18.24	<u>research; dental care; the Biomedical</u>		
18.25	<u>Engineering Center; and the collaborative</u>		
18.26	<u>partnership between the University of</u>		
18.27	<u>Minnesota and Mayo Clinic for regenerative</u>		
18.28	<u>medicine, research, clinical translation, and</u>		
18.29	<u>commercialization.</u>		
18.30	<b><u>(c) Institute of Technology</u></b>	<u>1,140,000</u>	<u>1,140,000</u>
18.31	<u>For the geological survey and the talented</u>		
18.32	<u>youth mathematics program.</u>		
18.33	<b><u>(d) System Special</u></b>	<u>6,181,000</u>	<u>6,181,000</u>

19.1 For general research, the Labor Education  
 19.2 Service, Natural Resources Research Institute,  
 19.3 Center for Urban and Regional Affairs, Bell  
 19.4 Museum of Natural History, and the  
 19.5 Humphrey exhibit.

19.6 \$1,000,000 in fiscal year 2018 and \$1,000,000  
 19.7 in fiscal year 2019 are for the Natural  
 19.8 Resources Research Institute to invest in  
 19.9 applied research for economic development.

19.10 **(e) University of Minnesota and Mayo**  
 19.11 **Foundation Partnership**

7,991,000

7,991,000

19.12 This appropriation is for the following  
 19.13 activities:

19.14 (1) \$7,491,000 in fiscal year 2018 and  
 19.15 \$7,491,000 in fiscal year 2019 are for the  
 19.16 direct and indirect expenses of the  
 19.17 collaborative research partnership between the  
 19.18 University of Minnesota and the Mayo  
 19.19 Foundation for research in biotechnology and  
 19.20 medical genomics. An annual report on the  
 19.21 expenditure of these funds must be submitted  
 19.22 to the governor and the chairs of the legislative  
 19.23 committees responsible for higher education  
 19.24 finance by June 30 of each fiscal year.

19.25 (2) \$500,000 in fiscal year 2018 and \$500,000  
 19.26 in fiscal year 2019 are to award competitive  
 19.27 grants to conduct research into the prevention,  
 19.28 treatment, causes, and cures of Alzheimer's  
 19.29 disease and other dementias.

19.30 **Subd. 5. Academic Health Center**

19.31 The appropriation for Academic Health Center  
 19.32 funding under Minnesota Statutes, section  
 19.33 297F.10, is estimated to be \$22,250,000 each  
 19.34 year.

20.1 Sec. 5. MAYO CLINIC

20.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>1,351,000</u>	<u>\$</u>	<u>1,351,000</u>
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20.3 The amounts that may be spent are specified  
 20.4 in the following subdivisions.

20.5	<u>Subd. 2. Medical School</u>		<u>665,000</u>		<u>665,000</u>
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20.6 The state must pay a capitation each year for  
 20.7 each student who is a resident of Minnesota.

20.8 The appropriation may be transferred between  
 20.9 each year of the biennium to accommodate  
 20.10 enrollment fluctuations. It is intended that  
 20.11 during the biennium the Mayo Clinic use the  
 20.12 capitation money to increase the number of  
 20.13 doctors practicing in rural areas in need of  
 20.14 doctors.

20.15	<u>Subd. 3. Family Practice and Graduate</u>				
20.16	<u>Residency Program</u>		<u>686,000</u>		<u>686,000</u>

20.17 The state must pay stipend support for up to  
 20.18 27 residents each year.

20.19 **ARTICLE 2**20.20 **HIGHER EDUCATION POLICY**

20.21 Section 1. Minnesota Statutes 2016, section 135A.031, subdivision 7, is amended to read:

20.22 Subd. 7. **Reports.** (a) The University of Minnesota and the Minnesota State Colleges  
 20.23 and Universities systems shall include in their biennial budget proposals to the legislature:

20.24 (1) a five-year history of systemwide expenditures, reported by:

20.25 (i) functional areas, including instruction, research, public service, student financial aid,  
 20.26 and auxiliary services, and including direct costs and indirect costs, such as institutional  
 20.27 support, academic support, student services, and facilities management, associated with  
 20.28 each functional area; and

20.29 (ii) objects of expenditure, such as salaries, benefits, supplies, and equipment;

20.30 (2) a five-year history of the system's total instructional expenditures per full-year  
 20.31 equivalent student, by level of instruction, including upper-division undergraduate,

21.1 lower-division undergraduate, graduate, professional, and other categories of instructional  
21.2 programs offered by the system;

21.3 (3) a five-year history of the system's total revenues by funding source, including tuition,  
21.4 state operations and maintenance appropriations, state special appropriations, other restricted  
21.5 state funds, federal appropriations, sponsored research funds, gifts, auxiliary revenue, indirect  
21.6 cost recovery, and any other revenue sources;

21.7 (4) an explanation describing how state appropriations made to the system in the previous  
21.8 biennium were allocated and the methodology used to determine the allocation;

21.9 (5) data describing how the institution reallocated resources to advance the priorities set  
21.10 forth in the budget submitted under section 135A.034 and the statewide objectives under  
21.11 section 135A.011. The information must indicate whether instruction and support programs  
21.12 received a reduction in or additional resources. The total amount reallocated must be clearly  
21.13 explained;

21.14 (6) the tuition rates and fees established by the governing board in each of the past ten  
21.15 years and comparison data for peer institutions and national averages;

21.16 (7) data on the number and proportion of students graduating within four, five, and six  
21.17 years from universities and within three years from colleges as reported in the integrated  
21.18 postsecondary education data system. These data must be provided for each institution by  
21.19 race, ethnicity, and gender. Data and information must be submitted that describe the system's  
21.20 plan and progress toward attaining the goals set forth in the plan to increase the number and  
21.21 proportion of students that graduate within four, five, or six years from a university or within  
21.22 three years from a college;

21.23 (8) data on, and the methodology used to measure, the number of students traditionally  
21.24 underrepresented in higher education enrolled at the system's institutions. Data and  
21.25 information must be submitted that describe the system's plan and progress toward attaining  
21.26 the goals set forth in the plan to increase the recruitment, retention, and timely graduation  
21.27 of students traditionally underrepresented in higher education; ~~and~~

21.28 (9) data on the revenue received from all sources to support research or workforce  
21.29 development activities or the system's efforts to license, sell, or otherwise market products,  
21.30 ideas, technology, and related inventions created in whole or in part by the system. Data  
21.31 and information must be submitted that describe the system's plan and progress toward  
21.32 attaining the goals set forth in the plan to increase the revenue received to support research  
21.33 or workforce development activities or revenue received from the licensing, sale, or other  
21.34 marketing and technology transfer activities by the system;

22.1 (10) data on work completed by any consultant who is not an employee of the system  
 22.2 for which the system paid in excess of \$500,000. Data must include the name of the  
 22.3 consultant, the total cost incurred, a description of the work completed, and a description  
 22.4 of the reasons for using an outside consultant and not internal staff;

22.5 (11) aggregate data on the following:

22.6 (i) student demographics;

22.7 (ii) student enrollment history, including student enrollment by legislative district;

22.8 (iii) degrees and certificates awarded by region, as defined in section 462.385, subdivision  
 22.9 1;

22.10 (iv) student debt history;

22.11 (v) student academics, including completion rates by preparedness and financial need;

22.12 (vi) human resources, including employee head count and employee demographics;

22.13 (vii) facilities, including physical space overview, condition, square footage and  
 22.14 distribution by region, any deferred maintenance, and capital bonding requested and received;

22.15 (viii) administrative costs, including administrators as a percent of total employee head  
 22.16 count, system office budget as a percent of total system general fund revenue, institutional  
 22.17 support spending as a percent of total expenses, and institutional spending per college and  
 22.18 university; and

22.19 (ix) finances, including system expenditures and revenues, college and university  
 22.20 operating budgets, allocation method, and results; and

22.21 (12) a comparison of the expenditure categories from the most recent fiscal year to the  
 22.22 prior fiscal year for both functional areas and objects of expenditure, including a full  
 22.23 explanation of all material changes to the expenditure categories.

22.24 (b) Data required by this subdivision shall be submitted by the public postsecondary  
 22.25 systems to the Minnesota Office of Higher Education and the Department of Management  
 22.26 and Budget and included in the biennial budget document. Representatives from each system,  
 22.27 in consultation with the commissioner of management and budget and the commissioner  
 22.28 of the Office of Higher Education, shall develop consistent reporting practices for this  
 22.29 purpose.

22.30 (c) To the extent practicable, each system shall develop the ability to respond to legislative  
 22.31 requests for financial analyses that are more detailed than those required by this subdivision,  
 22.32 including but not limited to analyses that show expenditures or revenues by institution or

23.1 program, or in multiple categories of expenditures or revenues, and analyses that show  
 23.2 revenue sources for particular types of expenditures.

23.3 Sec. 2. Minnesota Statutes 2016, section 135A.15, subdivision 1a, is amended to read:

23.4 Subd. 1a. **Sexual assault definition.** For the purposes of this section, "sexual assault"  
 23.5 means ~~foreible sex offenses~~ rape, sex offenses - fondling, sex offenses - incest, or sex  
 23.6 offenses - statutory rape as defined in Code of Federal Regulations, title 34, part 668, subpart  
 23.7 D, appendix A, as amended.

23.8 Sec. 3. Minnesota Statutes 2016, section 136A.101, subdivision 5a, is amended to read:

23.9 Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the  
 23.10 amount of a family's contribution to a student's cost of attendance, as determined by a federal  
 23.11 need analysis. For dependent students, the assigned family responsibility is 94 percent of  
 23.12 the parental contribution. For independent students with dependents other than a spouse,  
 23.13 the assigned family responsibility is 86 percent of the student contribution. For independent  
 23.14 students without dependents other than a spouse, the assigned family responsibility is 50  
 23.15 percent of the student contribution. For all student types, the assigned family responsibility  
 23.16 equals the modified contribution for that student minus \$158.

23.17 Sec. 4. Minnesota Statutes 2016, section 136A.1275, is amended to read:

23.18 ~~**136A.1275 GRANTS TO STUDENT TEACHERS IN SHORTAGE AREAS**~~  
 23.19 **TEACHER CANDIDATE GRANTS.**

23.20 Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education  
 23.21 must establish a grant program for student teaching stipends for low-income students enrolled  
 23.22 in a Board of Teaching-approved teacher preparation program who ~~are interested in teaching~~  
 23.23 ~~in a high needs subject area or region~~ intend to teach in a shortage area after graduating and  
 23.24 receiving their teaching license or belong to an underrepresented racial or ethnic group. For  
 23.25 purposes of this section, "high needs subject area or region" means a shortage of teachers  
 23.26 teaching in particular subject areas or a shortage of teachers teaching in particular regions  
 23.27 of the state identified in the commissioner of education's biennial survey of districts under  
 23.28 section 127A.05, subdivision 6, or in another Department of Education survey on teacher  
 23.29 shortages.

23.30 (b) "Shortage area" means a license field or economic development region within  
 23.31 Minnesota defined as a shortage area by the Department of Education using data collected  
 23.32 for the teacher supply and demand report under section 127A.05, subdivision 6, or other

24.1 surveys conducted by the Department of Education that provide indicators for teacher supply  
 24.2 and demand.

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

24.5 (1) be enrolled in a Board of Teaching-approved teacher preparation program that requires  
 24.6 at least 12 weeks of student teaching ~~and results in the teacher candidate receiving in order~~  
 24.7 to be recommended for a full professional teaching license enabling the licensee to teach  
 24.8 ~~in a high needs subject area or region; and~~

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

24.11 (3) intend to teach in a shortage area or belong to an underrepresented racial or ethnic  
 24.12 group; and

24.13 (4) be meeting satisfactory academic progress as defined under section 136A.101,  
 24.14 subdivision 10.

24.15 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an  
 24.16 application process and other guidelines for implementing this program, including repayment  
 24.17 responsibilities for stipend recipients who do not complete student teaching or who leave  
 24.18 Minnesota to teach in another state during the first year after student teaching.

24.19 (b) The commissioner must determine each academic year the stipend amount up to  
 24.20 \$7,500 based on the amount of available funding ~~and~~, the number of eligible applicants,  
 24.21 and the financial need of the applicants.

24.22 (c) The percentage of the total award reserved for teacher candidates who identify as  
 24.23 belonging to an underrepresented racial or ethnic group must be equal to or greater than the  
 24.24 total percentage of students of underrepresented racial or ethnic groups as measured under  
 24.25 section 120B.35, subdivision 3. If this percentage cannot be met because of a lack of  
 24.26 qualifying candidates, the remaining amount may be awarded to teacher candidates who  
 24.27 intend to teach in a shortage area.

24.28 Sec. 5. **[136A.1705] STUDENT LOAN DEBT COUNSELING.**

24.29 Subdivision 1. **Grant.** A program is established under the Office of Higher Education  
 24.30 to provide a grant to a Minnesota-based nonprofit qualified debt counseling organization  
 24.31 to provide individual student loan debt repayment counseling to borrowers who are Minnesota  
 24.32 residents concerning loans obtained to attend a postsecondary institution. The number of

25.1 individuals receiving counseling may be limited to those capable of being served with  
25.2 available appropriations for that purpose. A goal of the counseling program is to provide  
25.3 two counseling sessions to at least 75 percent of borrowers receiving counseling.

25.4 The purpose of the counseling is to assist borrowers to:

25.5 (1) understand their loan and repayment options;

25.6 (2) manage loan repayment; and

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

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

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

25.12 (2) employs certified financial loan counselors; and

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

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

25.18 (1) the characteristics of borrowers to be served;

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

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

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

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

25.24 (b) The commissioner shall select one grant recipient for a two-year award every two  
25.25 years, as funds are available. A grant may be renewed biennially.

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

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

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

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

26.10 **Sec. 6. [136A.659] EXEMPTION; ACCREDITED NONPROFIT SCHOOLS.**

26.11 Except as provided in this section, a regionally accredited nonprofit postsecondary  
 26.12 institution with its primary physical location in Minnesota shall not be subject to the  
 26.13 requirements of sections 136A.61 to 136A.71 related to approval or preapproval of degree  
 26.14 programs within approved degrees, majors, minors, concentrations, areas of emphasis,  
 26.15 nondegree programs within approved degrees, courses, new locations, and underlying  
 26.16 curriculum, including modifications thereof and fees related thereto.

26.17 Regionally accredited nonprofit postsecondary institutions shall notify the commissioner  
 26.18 of the Office of Higher Education about new locations, new majors, and new degrees within  
 26.19 existing degrees and upon request, shall provide additional information to the commissioner  
 26.20 of the Office of Higher Education about new locations, new majors, and new degrees.  
 26.21 Regionally accredited nonprofit postsecondary institutions must notify the commissioner  
 26.22 of the Office of Higher Education within 60 days of a program closing. Nothing in this  
 26.23 section exempts a regionally accredited nonprofit postsecondary institution from the annual  
 26.24 registration and degree approval requirements of sections 136A.61 to 136A.71.

26.25 Sec. 7. Minnesota Statutes 2016, section 136A.685, is amended to read:

26.26 **136A.685 PRIVATE INSTITUTIONS; ADJUDICATION OF FRAUD OR**  
 26.27 **MISREPRESENTATION.**

26.28 The office ~~shall not provide~~ may revoke, or deny an application for, registration or degree  
 26.29 or name approval to a school if there has been a criminal, civil, or administrative adjudication  
 26.30 of fraud or misrepresentation in Minnesota or in another state or jurisdiction against the  
 26.31 school or its owner, officers, agents, or sponsoring organization. If the adjudication was  
 26.32 related to a particular academic program, the office may revoke degree approval, or deny  
 26.33 an application for degree approval, for that program only.

27.1 The adjudication of fraud or misrepresentation is sufficient cause for the office to  
27.2 determine that a school:

27.3 (1) does not qualify for exemption under section 136A.657; or

27.4 (2) is not approved to grant degrees or to use the term "academy," "college," "institute,"  
27.5 or "university" in its name.

27.6 Sec. 8. Minnesota Statutes 2016, section 148.89, subdivision 5, is amended to read:

27.7 Subd. 5. **Practice of psychology.** "Practice of psychology" means the observation,  
27.8 description, evaluation, interpretation, or modification of human behavior by the application  
27.9 of psychological principles, methods, or procedures for any reason, including to prevent,  
27.10 eliminate, or manage symptomatic, maladaptive, or undesired behavior and to enhance  
27.11 interpersonal relationships, work, life and developmental adjustment, personal and  
27.12 organizational effectiveness, behavioral health, and mental health. The practice of psychology  
27.13 includes, but is not limited to, the following services, regardless of whether the provider  
27.14 receives payment for the services:

27.15 (1) psychological research and teaching of psychology subject to the exemptions in  
27.16 section 148.9075;

27.17 (2) assessment, including psychological testing and other means of evaluating personal  
27.18 characteristics such as intelligence, personality, abilities, interests, aptitudes, and  
27.19 neuropsychological functioning;

27.20 (3) a psychological report, whether written or oral, including testimony of a provider as  
27.21 an expert witness, concerning the characteristics of an individual or entity;

27.22 (4) psychotherapy, including but not limited to, categories such as behavioral, cognitive,  
27.23 emotive, systems, psychophysiological, or insight-oriented therapies; counseling; hypnosis;  
27.24 and diagnosis and treatment of:

27.25 (i) mental and emotional disorder or disability;

27.26 (ii) alcohol and substance dependence or abuse;

27.27 (iii) disorders of habit or conduct;

27.28 (iv) the psychological aspects of physical illness or condition, accident, injury, or  
27.29 disability, including the psychological impact of medications;

27.30 (v) life adjustment issues, including work-related and bereavement issues; and

27.31 (vi) child, family, or relationship issues;

28.1 (5) psychoeducational services and treatment; and

28.2 (6) consultation and supervision.

28.3 **Sec. 9. [148.9075] LICENSURE EXEMPTIONS.**

28.4 Subdivision 1. **Teaching and research.** Nothing in sections 148.88 to 148.98 shall be  
 28.5 construed to prevent a person employed in a secondary, postsecondary, or graduate institution  
 28.6 from teaching and conducting research in psychology within an educational institution that  
 28.7 is recognized by a regional accrediting organization or by a federal, state, county, or local  
 28.8 government institution, agency, or research facility, so long as:

28.9 (1) the institution, agency, or facility provides appropriate oversight mechanisms to  
 28.10 ensure public protections; and

28.11 (2) the person is not providing direct clinical services to a client or clients as defined in  
 28.12 sections 148.88 to 148.98.

28.13 Subd. 2. **Students.** Nothing in sections 148.88 to 148.98 shall prohibit the practice of  
 28.14 psychology under qualified supervision by practicum psychology students, predoctoral  
 28.15 psychology interns, or an individual who has earned a doctoral degree in psychology and  
 28.16 is in the process of completing their postdoctoral supervised psychological employment.

28.17 **Sec. 10. [298.2215] COUNTY SCHOLARSHIP PROGRAM.**

28.18 Subdivision 1. **Establishment.** A county may establish a scholarship fund from any  
 28.19 unencumbered revenue received pursuant to section 298.018, 298.28, 298.39, 298.396, or  
 28.20 298.405 or any law imposing a tax upon severed mineral values. Scholarships must be used  
 28.21 at a two-year Minnesota State Colleges and Universities institution within the county. The  
 28.22 county shall establish procedures for applying for and distributing the scholarships.

28.23 Subd. 2. **Eligibility.** An applicant for a scholarship under this section must be a resident  
 28.24 of the county at the time of the applicant's high school graduation. The county may establish  
 28.25 additional eligibility criteria.

28.26 Sec. 11. Laws 2014, chapter 312, article 1, section 15, is amended to read:

28.27 **Sec. 15. UNIVERSITY OF MINNESOTA BASE ADJUSTMENT.**

28.28 (a) For fiscal years 2016 to ~~2041~~ 2017, \$3,500,000 is added to the base operations and  
 28.29 maintenance appropriation to the Board of Regents of the University of Minnesota in Laws  
 28.30 2013, chapter 99, article 1, section 5.

29.1 (b) For fiscal years 2018 to 2040, \$3,312,000 is added to the base operations and  
29.2 maintenance appropriation to the Board of Regents of the University of Minnesota in Laws  
29.3 2013, chapter 99, article 1, section 5.

29.4 **Sec. 12. DEVELOPMENTAL EDUCATION REFORM.**

29.5 (a) The Board of Trustees of the Minnesota State Colleges and Universities shall create  
29.6 a plan to reform developmental education offerings on system campuses aimed at reducing  
29.7 the number of students placed into developmental education. The plan must include, but is  
29.8 not limited to:

29.9 (1) a systemwide multiple measures placement plan to guide campuses in placement of  
29.10 students into developmental education courses;

29.11 (2) uniform cut scores for student placement, where appropriate, which will lead to fewer  
29.12 students being placed into developmental education courses;

29.13 (3) other identified system policy changes, including an appeals process, that will decrease  
29.14 the number of students being placed into developmental education courses;

29.15 (4) accelerated pathways in mathematics, reading, and composition to ensure students  
29.16 can complete developmental education work in no more than one year, including allowing  
29.17 for students to complete college-level gateway courses in one year whenever possible;

29.18 (5) a comprehensive examination of the cost structure of developmental education,  
29.19 including potential financial incentives for students or other mechanisms to lower the cost  
29.20 of developmental offerings for students; and

29.21 (6) identified best practices and targeted support strategies such as the use of supplemental  
29.22 instruction, that may be used on every system campus around developmental education  
29.23 offerings.

29.24 (b) The plan must include deadlines for implementation of proposed changes and must  
29.25 be submitted to the chairs and ranking minority members of the legislative committees with  
29.26 jurisdiction over higher education finance and policy by February 15, 2018.

29.27 (c) The plan, in its entirety, shall be implemented by the start of the 2020-2021 academic  
29.28 term, with individual provisions being implemented earlier as dictated by the plan.

29.29 **Sec. 13. GREATER MINNESOTA OUTREACH AND RECRUITMENT.**

29.30 The Board of Regents of the University of Minnesota is requested to develop a plan to  
29.31 conduct outreach and recruitment of students from Minnesota, specifically identifying

30.1 mechanisms to increase the number of students from greater Minnesota who are admitted  
30.2 to the university campus located in the metropolitan area. Greater Minnesota is defined as  
30.3 any area other than the area described in Minnesota Statutes, section 473.121, subdivision  
30.4 4. The plan must be submitted to the chairs and ranking members of the senate and house  
30.5 of representatives legislative committees with jurisdiction over higher education finance  
30.6 and policy by February 15, 2018.

30.7 Sec. 14. **SCHOOL DISTRICT GRADUATE REPORTING.**

30.8 (a) The commissioner of the Office of Higher Education must report on its Web site the  
30.9 following aggregate information on students graduating from Minnesota high schools,  
30.10 limited to the most recent academic year:

30.11 (1) the number and percent of students from each high school placed in supplemental  
30.12 or developmental education;

30.13 (2) the number and percent of students from each high school who complete supplemental  
30.14 or developmental education within one academic year;

30.15 (3) the number and percent of students from each high school that complete gateway  
30.16 courses in one academic year; and

30.17 (4) time to complete a degree or certificate.

30.18 (b) Reporting must be aggregated by school district and must disaggregate student data  
30.19 by race, ethnicity, free or reduced lunch eligibility, and age. The commissioner of the Office  
30.20 of Higher Education must post the report on its Web site on or before February 1, 2018,  
30.21 and update the report at least annually thereafter.

30.22 Sec. 15. **SUPPLEMENTAL AID FOR TWO-YEAR MNSCU INSTITUTIONS.**

30.23 The Board of Trustees of the Minnesota State Colleges and Universities shall provide  
30.24 supplemental aid for operations and maintenance to the president of each two-year institution  
30.25 in the system with at least one campus that is not located in a metropolitan county, as defined  
30.26 in Minnesota Statutes, section 473.121, subdivision 4. The board shall transfer \$50,000 for  
30.27 each campus not located in a metropolitan county in each year to the president of each  
30.28 institution that includes such a campus, provided that no institution may receive more than  
30.29 \$150,000 in total supplemental aid each year.

31.1      Sec. 16. **STATE GRANT TUITION CAPS; LIVING AND MISCELLANEOUS**  
31.2      **EXPENSE ALLOWANCE.**

31.3           (a) For the purposes of the state grant program under Minnesota Statutes, section  
31.4      136A.121, for the biennium ending June 30, 2019, the tuition maximum is \$14,186 in each  
31.5      fiscal year of the biennium for students in four-year programs, and \$5,736 in each fiscal  
31.6      year of the biennium for students in two-year programs.

31.7           (b) The living and miscellaneous expense allowance for the state grant program under  
31.8      Minnesota Statutes, section 136A.121, for the biennium ending June 30, 2019, is set at  
31.9      \$9,320 for each fiscal year of the biennium.

31.10     Sec. 17. **ONGOING APPROPRIATION.**

31.11           The appropriation under Laws 2016, chapter 189, article 25, section 62, subdivision 11,  
31.12      may be used to provide grants for any purpose under Minnesota Statutes, section 136A.1275.

APPENDIX  
Article locations in S2214-2

ARTICLE 1 HIGHER EDUCATION APPROPRIATIONS ..... Page.Ln 1.11  
ARTICLE 2 HIGHER EDUCATION POLICY ..... Page.Ln 20.19