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State of Minnesota

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HOUSE OF REPRESENTATIVES

Unofficial Engrossment

House Engrossment of a Senate File

NINETY-SECOND SESSION

S. F. No. 975

- 04/15/2021 Companion to House File No. 993. (Authors:Bernardy)
Read First Time
R/S Rules Suspended: Read Second Time
- 04/19/2021 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 04/21/2021 Refused to concur and a Conference Committee was appointed

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.101, subdivision 5a; 136A.121,

1.10 subdivisions 2, 6, 9; 136A.125, subdivisions 2, 4; 136A.126, subdivisions 1, 4;

1.11 136A.1275; 136A.1704; 136A.246, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, by adding a

1.12 subdivision; 136A.63, subdivision 2; 136A.645; 136A.653, subdivision 5;

1.13 136A.675; 136A.68; 136A.822, subdivision 12; 136A.8225; 136A.823, by adding

1.14 a subdivision; 136A.827, subdivisions 4, 8; 136F.245, subdivisions 1, 2; 136F.305;

1.15 136F.38, subdivision 3; 136G.05, subdivision 10; proposing coding for new law

1.16 in Minnesota Statutes, chapters 135A; 136A; repealing Minnesota Statutes 2020,

1.17 sections 136A.1703; 136A.823, subdivision 2; 136F.245, subdivision 3; Minnesota

1.18 Rules, parts 4830.9050; 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		<u>APPROPRIATIONS</u>	
2.2		<u>Available for the Year</u>	
2.3		<u>Ending June 30</u>	
2.4		<u>2022</u>	<u>2023</u>
2.5 2.6	<u>Sec. 2. MINNESOTA OFFICE OF HIGHER EDUCATION</u>		
2.7	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 275,338,000</u>	<u>\$ 275,198,000</u>
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	<u>Subd. 2. State Grants</u>	<u>210,587,000</u>	<u>210,587,000</u>
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	<u>Subd. 3. Child Care Grants</u>	<u>6,694,000</u>	<u>6,694,000</u>
2.16	<u>Subd. 4. State Work-Study</u>	<u>14,502,000</u>	<u>14,502,000</u>
2.17	<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>8,500,000</u>	<u>8,500,000</u>
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	<u>Subd. 6. Safety Officer's Survivors</u>	<u>100,000</u>	<u>100,000</u>
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	<u>Subd. 7. American Indian Scholarships</u>	<u>3,500,000</u>	<u>3,500,000</u>
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	<u>Subd. 15. MnLINK Gateway and Minitex</u>	<u>5,905,000</u>	<u>5,905,000</u>
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4.13	<u>Subd. 16. Statewide Longitudinal Education</u>		
4.14	<u>Data System</u>	<u>1,782,000</u>	<u>1,782,000</u>

4.15	<u>Subd. 17. Hennepin Healthcare</u>	<u>645,000</u>	<u>645,000</u>
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4.16 For transfer to Hennepin Healthcare for
 4.17 graduate family medical education programs
 4.18 at Hennepin Healthcare.

4.19	<u>Subd. 18. College Possible</u>	<u>500,000</u>	<u>500,000</u>
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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	<u>Subd. 22. Campus Sexual Assault Reporting</u>	<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	<u>Subd. 23. Campus Sexual Violence Prevention</u>		
6.9	<u>and Response Coordinator</u>	<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	<u>Subd. 24. Emergency Assistance for</u>	<u>825,000</u>	<u>825,000</u>
6.20	<u>Postsecondary Students</u>		
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	<u>Subd. 29. Agricultural Educators Loan</u>		
8.4	<u>Forgiveness</u>	<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	<u>Subd. 30. Aviation Degree Loan Forgiveness</u>		
8.10	<u>Program</u>	<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	<u>Subd. 31. Grants for Students with Intellectual</u>		
8.16	<u>and Developmental Disabilities</u>	<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	<u>Subd. 32. Loan Repayment Assistance Program</u>	<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	<u>Subd. 33. Minnesota Independence College and</u>		
8.28	<u>Community</u>	<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	<u>Subd. 34. Student Loan Debt Counseling</u>	<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	<u>Subd. 35. Hunger-Free Campus Grants</u>	<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 commissioner of the Office of Higher</u>		
9.20	<u>Education, in collaboration with the statewide</u>		
9.21	<u>student associations designated in Minnesota</u>		
9.22	<u>Statutes, section 136F.245, subdivision 2, shall</u>		
9.23	<u>create an application process and selection</u>		
9.24	<u>criteria for awarding the grants.</u>		
9.25	<u>Subd. 36. Concurrent Enrollment Grants</u>	<u>340,000</u>	<u>340,000</u>
9.26	<u>For concurrent enrollment grants under</u>		
9.27	<u>Minnesota Statutes, section 136A.91.</u>		
9.28	<u>Subd. 37. Addiction Medicine Graduate Medical</u>		
9.29	<u>Education Fellowship</u>	<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	<u>Sec. 3. BOARD OF TRUSTEES OF THE</u>		
11.33	<u>MINNESOTA STATE COLLEGES AND</u>		
11.34	<u>UNIVERSITIES</u>		
11.35	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 786,284,000</u>	<u>\$ 807,384,000</u>

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 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
14.25 <u>General</u>	<u>686,156,000</u>	<u>698,406,000</u>
14.26 <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	<u>(c) College of Science and Engineering</u>	<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	<u>(d) System Special</u>	<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	<u>(e) University of Minnesota and Mayo</u>		
19.34	<u>Foundation Partnership</u>	<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 <u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>1,351,000</u>	<u>\$</u>	<u>1,351,000</u>
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20.26 The amounts that may be spent are specified
 20.27 in the following subdivisions.

20.28 <u>Subd. 2. Medical School</u>		<u>665,000</u>		<u>665,000</u>
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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 **Sec. 7. FEDERAL FUNDS REPLACEMENT; APPROPRIATION.**

21.16 (a) Notwithstanding any law to the contrary, the commissioner of management and
21.17 budget must determine whether the expenditures authorized under this act are eligible uses
21.18 of federal funding received under the Coronavirus State Fiscal Recovery Fund or any other
21.19 federal funds received by the state under the American Rescue Plan Act, Public Law 117-2.
21.20 If the commissioner of management and budget determines an expenditure is eligible for
21.21 funding under Public Law 117-2, the amount of the eligible expenditure is appropriated
21.22 from the account where those amounts have been deposited and the corresponding general
21.23 fund amounts appropriated under this act are canceled to the general fund.

21.24 (b) This section does not apply to federal funding received by postsecondary institutions
21.25 from the Higher Education Emergency Relief Fund under division H, title III, section 314
21.26 of the Consolidated Appropriations Act, 2021, as provided by Public Law 116-260, and
21.27 section 2003 of the American Rescue Plan Act, as provided by Public Law 117-2.

ARTICLE 2

HIGHER EDUCATION PROVISIONS

21.28
21.29
21.30 **Section 1. [135A.144] TRANSCRIPT ACCESS.**

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

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

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

22.10 (d) "Transcript" means the statement of an individual's academic record, including
22.11 official transcripts or the certified statement of an individual's academic record provided
22.12 by a school, and unofficial transcripts or the uncertified statement of an individual's academic
22.13 record provided by a school.

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

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

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

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

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

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

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

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

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

23.1 Sec. 2. **[136A.057] STUDENT TRANSFER REPORTING.**

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

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

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

23.12 Sec. 3. Minnesota Statutes 2020, section 136A.101, subdivision 5a, is amended to read:

23.13 Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the
23.14 amount of a family's contribution to a student's cost of attendance, as determined by a federal
23.15 need analysis. For dependent students, the assigned family responsibility is 82 percent of
23.16 the parental contribution. For independent students with dependents other than a spouse,
23.17 the assigned family responsibility is ~~74~~ 73 percent of the student contribution. For
23.18 independent students without dependents other than a spouse, the assigned family
23.19 responsibility is ~~38~~ 37 percent of the student contribution.

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

23.21 Subd. 2. **Eligibility for grants.** (a) An applicant is eligible to be considered for a grant,
23.22 regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections
23.23 136A.095 to 136A.131 if the office finds that the applicant:

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

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

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

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

24.1 (5) is not more than 30 days in arrears in court-ordered child support that is collected or
24.2 enforced by the public authority responsible for child support enforcement or, if the applicant
24.3 is more than 30 days in arrears in court-ordered child support that is collected or enforced
24.4 by the public authority responsible for child support enforcement, but is complying with a
24.5 written payment agreement under section 518A.69 or order for arrearages.

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

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

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

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

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

24.17 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an
24.18 allowance specified in law for living and miscellaneous expenses, and (2) an allowance for
24.19 tuition and fees equal to the lesser of the average tuition and fees charged by the institution,
24.20 or a tuition and fee maximum if one is established in law. If no living and miscellaneous
24.21 expense allowance is established in law, the allowance is equal to ~~106~~ 113 percent of the
24.22 federal poverty guidelines for a one person household in Minnesota for nine months. If no
24.23 tuition and fee maximum is established in law, the allowance for tuition and fees is equal
24.24 to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for
24.25 two-year programs, an amount equal to the highest tuition and fees charged at a public
24.26 two-year institution, or for four-year programs, an amount equal to the highest tuition and
24.27 fees charged at a public university.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26.29 ~~(c) (b) Applicants with family incomes~~ expected family contributions at or below a
26.30 ~~percentage of the federal poverty level~~ the qualifying expected family contribution for the
26.31 federal Pell Grant, as determined by the commissioner, ~~will~~ qualify for the maximum award.
26.32 ~~The commissioner shall attempt to set the percentage at a level estimated to fully expend~~

27.1 ~~the available appropriation for child care grants.~~ Applicants with family incomes expected
27.2 family contributions exceeding that threshold ~~will~~ but less than 200 percent of the qualifying
27.3 expected family contribution receive ~~the maximum award minus ten percent of their income~~
27.4 ~~exceeding that threshold~~ an amount proportional to their expected family contribution as
27.5 determined by the commissioner. ~~If the result is less than zero, the grant is zero.~~

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

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

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

27.10 ~~(3) divided by 15 for undergraduate students and six for graduate and professional~~
27.11 ~~students; and~~

27.12 ~~(4)~~ (3) multiplied by the ~~number of credits for which the student is enrolled that academic~~
27.13 ~~term, up to 15 credits for undergraduate students and six for graduate and professional~~
27.14 ~~students.~~ applicable enrollment factor:

27.15 (i) 1.00 for undergraduate students enrolled in 12 or more semester credits or the
27.16 equivalent or for graduate students enrolled in six or more semester credits or the equivalent;

27.17 (ii) 0.75 for undergraduate students enrolled in nine, ten, or 11 semester credits or the
27.18 equivalent or for graduate students enrolled in five semester credits or the equivalent;

27.19 (iii) 0.50 for undergraduate students enrolled in six, seven, or eight semester credits or
27.20 the equivalent or for graduate students enrolled in three or four semester credits or the
27.21 equivalent; and

27.22 (iv) 0.25 for undergraduate students enrolled in at least one but less than six semester
27.23 credits or the equivalent or for graduate students enrolled in one or two semester credits or
27.24 the equivalent.

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

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

27.29 Subdivision 1. **Student eligibility.** The commissioner shall establish procedures for the
27.30 distribution of scholarships to a Minnesota resident student as defined under section
27.31 136A.101, subdivision 8, who:

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

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

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

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

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

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

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

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

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

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

28.21 (3) the amount of the state grant;

28.22 (4) the federal Supplemental Educational Opportunity Grant;

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

28.25 (6) the sum of all tribal scholarships;

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

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

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

28.30 (c) Awards are limited as follows:

- 29.1 (1) the maximum award for an undergraduate is \$4,000 per ~~award~~ academic year;
- 29.2 (2) the maximum award for a graduate student is \$6,000 per ~~award~~ academic year; and
- 29.3 (3) the minimum award for all students is \$100 per ~~award~~ academic year.
- 29.4 (d) Scholarships may not be given to any Indian student for more than three years of
- 29.5 study for a two-year degree, certificate, or diploma program or five years of study for a
- 29.6 four-year degree program at the undergraduate level and for more than five years at the
- 29.7 graduate level. Students may acquire only one degree per level and one terminal graduate
- 29.8 degree. Scholarships may not be given to any student for more than ten years including five
- 29.9 years of undergraduate study and five years of graduate study.
- 29.10 (e) Scholarships may be given to an eligible student for four quarters, three semesters,
- 29.11 or the equivalent during the course of a single fiscal year. In calculating the award amount,
- 29.12 the office must use the same calculation it would for any other term.

29.13 Sec. 11. **[136A.1273] ASPIRING MINNESOTA TEACHERS OF COLOR**

29.14 **SCHOLARSHIP PROGRAM.**

29.15 Subdivision 1. **Scholarship program established.** The commissioner must establish a

29.16 scholarship program to support undergraduate and graduate students who are preparing to

29.17 become teachers, have demonstrated financial need, and belong to racial or ethnic groups

29.18 underrepresented in the state's teacher workforce.

29.19 Subd. 2. **Eligibility.** (a) To be eligible for a scholarship under this section, an applicant

29.20 must:

29.21 (1) be admitted and enrolled in a teacher preparation program approved by the

29.22 Professional Educator Licensing and Standards Board and be seeking initial licensure, or

29.23 be enrolled in an eligible institution under section 136A.103 and be completing a two-year

29.24 program specifically designed to prepare early childhood educators;

29.25 (2) affirm to the teacher preparation program or the Office of Higher Education that the

29.26 applicant is a person of color or American Indian;

29.27 (3) be meeting satisfactory academic progress as defined under section 136A.101,

29.28 subdivision 10; and

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

29.30 (b) An eligible applicant may receive a scholarship award more than once, but may

29.31 receive a total of no more than \$25,000 in scholarship awards from the program.

30.1 Subd. 3. **Scholarship award amount.** (a) The commissioner shall establish the
30.2 scholarship award amount based upon the anticipated number of eligible applicants and the
30.3 funds available for the program. The established award amount is subject to the requirements
30.4 of paragraphs (b) through (e) of this subdivision. If the funds available for the program are
30.5 insufficient to make full awards to all eligible applicants, the commissioner must reduce
30.6 the established scholarship award amount.

30.7 (b) The maximum award amount is \$10,000 per year for full-time study prior to student
30.8 teaching. For undergraduate students, full-time study means enrollment in a minimum of
30.9 12 or more credits per term. For graduate students, full-time study means enrollment that
30.10 the institution deems sufficient to confer full-time graduate student status.

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

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

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

30.22 (f) Established award amounts are not rulemaking for purposes of chapter 14 or section
30.23 14.386.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32.6 and

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

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

32.11 (b) The commissioner must determine each academic year the stipend amount up to
32.12 \$7,500 based on the amount of available funding, the number of eligible applicants, and the
32.13 financial need of the applicants.

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

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

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

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

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

32.26 (b) Within 60 days after each round of award notifications required under subdivision
32.27 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website
32.28 an interim report with data on the most recent round of grant awards. The report must include
32.29 the same information required to be included in the report under paragraph (a).

32.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that the commissioner
32.31 may delay notification to student teachers receiving grants for the fall 2021 term until August
32.32 15, 2021.

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

33.2 **136A.1275 TEACHER CANDIDATE GRANTS IN SHORTAGE AREAS.**

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

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

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

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

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

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

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

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

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

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

33.30 and

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

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

34.4 (b) The commissioner must determine each academic year the stipend amount up to
34.5 \$7,500 based on the amount of available funding, the number of eligible applicants, and the
34.6 financial need of the applicants.

34.7 ~~(e) The percentage of the total award funds available at the beginning of the fiscal year~~
34.8 ~~reserved for teacher candidates who identify as belonging to a racial or ethnic group~~
34.9 ~~underrepresented in the Minnesota teacher workforce must be equal to or greater than the~~
34.10 ~~total percentage of students of racial or ethnic groups underrepresented in the Minnesota~~
34.11 ~~teacher workforce as measured under section 120B.35, subdivision 3. If this percentage~~
34.12 ~~cannot be met because of a lack of qualifying candidates, the remaining amount may be~~
34.13 ~~awarded to teacher candidates who intend to teach in a shortage area.~~

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

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

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

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

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

34.26 (b) Within 60 days after each round of award notifications required under subdivision
34.27 3, paragraph (a), the commissioner must publish on the Office of Higher Education's website
34.28 an interim report with data on the most recent round of grant awards. The report must include
34.29 the same information required to be included in the report under paragraph (a).

34.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that the commissioner
34.31 may delay notification to student teachers receiving grants for the fall 2021 term until August
34.32 15, 2021.

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

35.2 **136A.1704 STUDENT LOAN REFINANCING.**

35.3 The office may refinance student and parent loans as provided by this section and on
35.4 other terms and conditions the office prescribes. The office may establish credit requirements
35.5 for borrowers and determine what types of student and parent loans will be eligible for
35.6 refinancing. The refinanced loan need not have been made through a loan program
35.7 administered by the office. Loans shall be made with available funds in the loan capital
35.8 fund under section 136A.1785. ~~The~~ A maximum amount of outstanding loans refinanced
35.9 under this section may ~~not exceed \$100,000,000~~ be determined by the office. The maximum
35.10 loan under this section may not exceed ~~\$70,000~~ \$250,000. In determining the maximum
35.11 amount of outstanding loans refinanced, the office shall take into consideration funding
35.12 capacity for the SELF Refi program, delinquency and default loss management, levels of
35.13 student debt, current financial market conditions, and other considerations to protect the
35.14 financial stability of the program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36.8 (2) registered apprenticeship certifications or certificates;

36.9 (3) occupational licenses or registrations;

36.10 (4) certifications issued by, or recognized by, industry or professional associations; and

36.11 (5) other certifications as approved by the commissioner.

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

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

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

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

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

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

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

37.7 (1) the projected number of employee trainees;

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

37.11 ~~(3)~~ (2) the competency standard for which training will be provided;

37.12 ~~(4)~~ (3) the credential the employee will receive upon completion of training;

37.13 ~~(5)~~ (4) the name and address of the eligible training provider institution or program and
37.14 ~~a signed statement by the institution or program that it is able and agrees to provide the~~
37.15 ~~training;~~

37.16 ~~(6)~~ (5) the period of the training; and

37.17 ~~(7)~~ (6) the cost of the training charged by the eligible training provider institution or
37.18 ~~program and certified by the institution or program.~~ The cost of training includes tuition,
37.19 fees, and required books and materials.

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

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

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

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

37.30 ~~(c)~~ (a) The commissioner shall, to the extent possible after complying with paragraph
37.31 ~~(a)~~, make at least an approximately equal dollar amount of grants for training for employees

38.1 whose work site is projected to be outside the metropolitan area as defined in section 473.121,
38.2 subdivision 2, as for employees whose work site is projected to be within the metropolitan
38.3 area.

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

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

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

38.10 (3) the per employee cost of training;

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

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

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

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

38.17 ~~(6)~~ (8) projected increases in compensation for employees receiving the training; and

38.18 ~~(7)~~ (9) the amount of employer training cost match, if required, on both a per employee
38.19 and aggregate basis.

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

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

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

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

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

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

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

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

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

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

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

39.20 **136A.645 SCHOOL CLOSURE.**

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

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

39.29 (2) a report of all students currently enrolled and all students enrolled within the prior
39.30 120 days, including the following information for each student: name, address, school e-mail

40.1 address, alternate e-mail address, program of study, number of credits completed, number
40.2 of credits remaining, and enrollment status at closure;

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

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

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

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

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

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

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

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

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

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

40.28 (1) has an unscheduled nonemergency closure or cancellation of classes for more than
40.29 24 hours without prior notice to the office;

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

40.31 (3) files for bankruptcy; or

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

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

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

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

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

41.15 (2) nondegree programs within approved degrees;

41.16 (3) underlying curriculum or courses;

41.17 (4) modes of delivery; and

41.18 (5) locations.

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

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

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

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

41.26 **136A.675 RISK ANALYSIS.**

41.27 Subdivision 1. Standard development and usage. (a) To screen and detect whether an
41.28 institution may not be financially or administratively responsible, the office shall develop
41.29 a set of financial and programmatic evaluation metrics to aid in the detection of the failure
41.30 or potential failure of a school to meet the standards established under sections 136A.61 to

42.1 ~~136A.71 nonfinancial indicators. These metrics shall include indicators of financial stability,~~
42.2 ~~changes in the senior management or the financial aid and senior administrative staff of an~~
42.3 ~~institution, changes in enrollment, changes in program offerings, and changes in faculty~~
42.4 ~~staffing patterns. The development of financial standards and nonfinancial indicators shall~~
42.5 ~~use industry standards as benchmarks guidance. The development of the nonfinancial~~
42.6 ~~standards shall include a measure of trends and dramatic changes in trends or practice.~~

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

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

42.14 (d) The office must use the indicators in this subdivision to identify institutions at
42.15 potential risk of being unable to meet the standards established under sections 136A.646;
42.16 136A.64, subdivision 3; 136A.65, subdivisions 1a and 4, paragraph (a), clauses (1), (2), (3),
42.17 and (7); and 136A.685 and thus unlikely to meet its financial obligations or complete its
42.18 academic terms for the next 18 months.

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

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

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

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

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

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

42.31 (5) the institution receives written notification that it violated the United States
42.32 Department of Education's revenue requirement under United States Code, title 20, section
42.33 1094(a)(24), as amended; or

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

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

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

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

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

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

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

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

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

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

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

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

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

44.1 Subd. 3. **Determination procedures.** (a) The office shall conduct a systematic evaluation
44.2 under this paragraph and make a preliminary determination as to whether action under
44.3 paragraph (e) is necessary, if the office: (1) identifies a potential risk under subdivision 1,
44.4 paragraph (d); (2) receives notification from an institution under subdivision 2; or (3)
44.5 identifies other exigent circumstances impacting the institution that may deny students a
44.6 reasonable opportunity to complete their education program at the institution or through an
44.7 alternate institution with minimal disruption. The systematic evaluation must, to the extent
44.8 practicable, be a collaboration between the office and the institution. The office must request
44.9 additional context and information from the institution that demonstrates the administrative
44.10 and financial responsibility of the institution. If the institution is not financially or
44.11 administratively responsible, a contingency plan must be implemented either collaboratively
44.12 or as part of a final determination under paragraph (e), clause (4).

44.13 (b) The office shall provide notice in writing to the institution of the preliminary
44.14 determination. The notice shall provide the analysis used by the office to make the
44.15 determination, a request for the institution to provide additional context and information
44.16 that demonstrates the administrative and financial responsibility of the institution not provided
44.17 under paragraph (a), any potential action the office may take under paragraph (e), and a
44.18 deadline for responding to the notice. The institution shall have no fewer than ten business
44.19 days to respond to the preliminary determination.

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

44.26 (d) If the institution does not respond to the office's notice and request for additional
44.27 context and information within the time required, the office's preliminary determination
44.28 shall become final and the office may take any of the actions specified in the notice required
44.29 by paragraph (e). If the institution responds to the office's notice, the office must reevaluate
44.30 the preliminary determination. The office shall use the additional context and information
44.31 provided by the institution to make a final determination and determine which actions under
44.32 paragraph (e), if any, are necessary to mitigate risk to students and state financial aid under
44.33 this chapter.

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

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

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

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

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

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

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

45.15 (7) initiate alternative processes and communications with students enrolled at the
45.16 institution;

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

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

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

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

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

45.24 **136A.68 RECORDS.**

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

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

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

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

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

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

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

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

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

46.29 (b) A private career school licensed under sections 136A.82 to 136A.834 and located
46.30 in Minnesota shall maintain a permanent student record required for professional licensure
46.31 in Minnesota for each student for ten years from the last date of the student's attendance or
46.32 the number of years required by an institutional or programmatic accreditor, whichever is
46.33 greater. A private career school licensed under this chapter and offering distance instruction

47.1 to a student located in Minnesota shall maintain records required for professional licensure
47.2 in Minnesota that are not included in paragraph (a) for each Minnesota student for ten years
47.3 from the last date of the student's attendance or the number of years required by an
47.4 institutional or programmatic accreditor, whichever is greater.

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

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

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

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

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

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

47.19 **136A.8225 SCHOOL CLOSURE.**

47.20 (a) When a school intends to cease postsecondary education operations, announces its
47.21 closure, or is informed by the office that the office anticipates the school's closure due to
47.22 its licensure status or ability to meet criteria for approval under section 136A.822, subdivision
47.23 8, the school must provide the office:

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

47.28 (2) a report of all students currently enrolled and all students enrolled within the prior
47.29 120 days, including the following information for each student: name, address, school e-mail
47.30 address, alternate e-mail address, program of study, number of credits completed, number
47.31 of credits remaining, and enrollment status at closure;

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

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

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

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

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

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

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

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

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

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

48.25 (1) has an unscheduled nonemergency closure or cancellation of classes for more than
48.26 24 hours without prior notice to the office;

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

48.28 (3) files for bankruptcy; or

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

48.31 (c) When a school is deemed to have ceased operations, the office shall provide the
48.32 school a reasonable time to correct student records and grant credentials. After that time,

49.1 the office must revoke the school's license. This revocation is not appealable under section
49.2 136A.829, subdivision 2.

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

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

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

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

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

49.29 (c) The length of a program of instruction for a program that has a defined calendar start
49.30 and end date that does not change after the program has begun equals the number of days
49.31 from the first scheduled date of the program through the last scheduled date of the program.
49.32 To calculate the completion percentage, divide the number of calendar days from the first
49.33 date of the program through the student's last documented date of attendance by the length

50.1 of the program of instruction, and truncate the result after the second digit following the
50.2 decimal point. If the completion percentage is less than 75 percent, the private career school
50.3 may retain:

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

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

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

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

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

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

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

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

50.19 Subd. 8. **Cancellation occurrence.** ~~Written notice of cancellation shall take place on~~
50.20 ~~the date the letter of cancellation is postmarked or, in the cases where the notice is hand~~
50.21 ~~carried, it shall occur on the date the notice is delivered to the private career school. Notice~~
50.22 of cancellation shall be the date a student notifies a private career school of the student's
50.23 intention to withdraw or otherwise leave the program of study. The student is not required
50.24 to provide a written notice. The private career school may require a student to provide the
50.25 student's notification only to specific offices or personnel at the school as long as this
50.26 requirement is documented as part of the "Student's Right to Cancel" in all places that the
50.27 information appears, including on the private career school's website. The date of the notice
50.28 of cancellation may or may not be the same date as the student's last documented date of
50.29 attendance. If a student has not attended class for a period of 21 14 consecutive days without
50.30 contacting the private career school to indicate an intent to continue in the private career
50.31 school provide notice of cancellation or otherwise making make arrangements concerning
50.32 the absence, the student is considered to have withdrawn from the private career school for
50.33 all purposes as of the student's last documented date of attendance.

51.1 Sec. 34. [136A.91] CONCURRENT ENROLLMENT GRANTS.

51.2 Subdivision 1. Grants. (a) The Office of Higher Education must establish a competitive
51.3 grant program for postsecondary institutions to expand concurrent enrollment opportunities.
51.4 To the extent that there are qualified applicants, the commissioner of the Office of Higher
51.5 Education shall distribute grant funds to ensure:

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

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

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

51.11 (1) to develop new concurrent enrollment courses under section 124D.09, subdivision
51.12 10, that satisfy the elective standard for career and technical education;

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

51.15 (i) creating new sections within the same high school;

51.16 (ii) offering the existing course in new high schools; or

51.17 (iii) supporting the preparation, recruitment, and success of students who are
51.18 underrepresented in concurrent enrollment classrooms;

51.19 (3) to create online graduate tracks specifically for high school teachers to receive the
51.20 necessary credentials to teach concurrent enrollment courses in various content areas, as
51.21 dictated by the Higher Learning Commission; or

51.22 (4) to supplement high school teacher tuition support for graduate courses not eligible
51.23 for funding under the concurrent enrollment training program.

51.24 Subd. 2. Application. (a) The commissioner shall develop a grant application process.
51.25 A grant applicant must:

51.26 (1) specify the purpose under subdivision 1, paragraph (b), for which the institution is
51.27 applying;

51.28 (2) specify both program and student outcome goals;

51.29 (3) include student feedback in the development of new programs or the expansion of
51.30 existing programs; and

52.1 (4) demonstrate a commitment to equitable access to concurrent enrollment coursework
52.2 for all eligible high school students.

52.3 (b) A postsecondary institution applying for a grant under subdivision 1, paragraph (b),
52.4 clause (3), must provide a 50 percent match for the grant funds.

52.5 Subd. 3. **Report.** By December 1 of each year, the office shall submit a report to the
52.6 chairs and ranking minority members of the legislative committees with jurisdiction over
52.7 higher education regarding:

52.8 (1) the amount of funds granted under each clause of subdivision 1, paragraph (b);

52.9 (2) the courses developed by grant recipients and the number of students who enrolled
52.10 in the courses under subdivision 1, paragraph (b), clause (1);

52.11 (3) the programs expanded and the number of students who enrolled in programs under
52.12 subdivision 1, paragraph (b), clause (2);

52.13 (4) the graduate programs developed by postsecondary institutions and the number of
52.14 high school teachers enrolled in these graduate courses under subdivision 1, paragraph (b),
52.15 clause (3); and

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

52.18 Sec. 35. Minnesota Statutes 2020, section 136F.245, subdivision 1, is amended to read:

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

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

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

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

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

52.30 (5) establish a hunger task force that meets a minimum of three times per academic year.

52.31 The task force must include at least two students currently enrolled at the ~~college~~ institution.

53.1 Sec. 36. Minnesota Statutes 2020, section 136F.245, subdivision 2, is amended to read:

53.2 Subd. 2. **Designation approval.** (a) The statewide student associations
53.3 representing the state community and technical colleges and the state universities shall
53.4 create an application process and a nonmonetary award, and provide final approval for
53.5 the designation at each state college and university, respectively.

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

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

53.12 Sec. 37. Minnesota Statutes 2020, section 136F.305, is amended to read:

53.13 **136F.305 Z-DEGREES.**

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

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

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

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

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

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

53.30 ~~(d)~~ (f) "Open educational resources" means high-quality teaching, learning, and research
53.31 resources materials that reside are in the public domain or have been released under an
53.32 intellectual property license that permits their free use and repurposing by others, and may

54.1 ~~include other resources that are legally available and free of cost to students.~~ Open
54.2 educational resources include ~~course materials, modules, custom and open textbooks, articles,~~
54.3 ~~faculty-created content, streaming videos, tests, software, and any other tools, materials, or~~
54.4 ~~techniques used to support access to knowledge~~ textbooks and curricula, syllabi, lecture
54.5 notes, assignments, tests, projects, audio, video, and animation.

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

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

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

54.13 ~~(g)~~ (j) "Z-Degree" means a ~~zero-textbook-cost~~ complete associate's or bachelor's degree
54.14 program that exclusively uses course materials that are no cost to students such as open
54.15 educational resources, open textbooks, and library-curated materials. Students may still
54.16 incur costs for printing digital materials or for the following: art supplies, calculators,
54.17 equipment, fees in statute or policy mandated to be charged by all colleges and universities,
54.18 campus discretionary fees established by the board and adopted by the college, personal
54.19 property, and service charges or course activities having value outside of the classroom.

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

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

54.29 Subd. 3. **Open educational resource development.** ~~(a)~~ The Minnesota State Colleges
54.30 and Universities must develop a program to offer a Z-degree at three additional colleges by
54.31 expanding the use of open educational resources, including custom and open textbooks.
54.32 The system office must provide opportunities for faculty to identify, review, adapt, ~~author,~~
54.33 create, share, and adopt open educational resources. The system office must develop

55.1 incentives to academic departments to identify, review, adapt, author, or adopt open
55.2 educational resources within their academic programs.

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

55.5 Subd. 4. **Report.** Annually by January 15, the board must submit reports ~~by January 13,~~
55.6 ~~2021, and January 12, 2022,~~ to the chairs and ranking minority members of the legislative
55.7 committees with jurisdiction over higher education. Each report must include (1) the number
55.8 of courses and course sections transitioned to using an open textbook resulting from the
55.9 ~~programs in this section~~ into a new Z-Degree, and (2) the total amount of student textbook
55.10 savings resulting from the transitions.

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

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

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

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

55.27 Sec. 39. Minnesota Statutes 2020, section 136G.05, subdivision 10, is amended to read:

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

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

56.5 Sec. 40. **DIRECT ADMISSIONS PILOT PROGRAM.**

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

56.13 Subd. 2. **Pilot design and goals.** The pilot program shall establish and, to the extent
56.14 feasible, implement a process for leveraging existing kindergarten through grade 12 and
56.15 higher education student information systems to automate the admissions process for students.
56.16 The pilot program will specifically evaluate the impact this process has on outcomes for
56.17 students with lower levels of college knowledge, low-income students, and students from
56.18 populations underserved in higher education. Initial pilot program participants must include
56.19 high schools with a significant number of students of color, low-income students, or both.

56.20 Subd. 3. **Evaluation and report.** By February 1, 2022, the Office of Higher Education
56.21 shall report to the legislative committees with jurisdiction over kindergarten through grade
56.22 12 education finance and policy and higher education on activities occurring under this
56.23 section. The report must include but is not limited to information about the pilot program
56.24 design, implementation challenges and recommendations, and the feasibility of scaling the
56.25 program to all public high schools.

56.26 Sec. 41. **CAREER AND TECHNICAL EDUCATOR PILOT PROJECT.**

56.27 By the 2024-2025 academic year, Winona State University must develop a teacher
56.28 preparation program that leads to initial licensure in at least one license area under Minnesota
56.29 Rules, parts 8710.8000 to 8710.8080. Winona State University must partner with Minnesota
56.30 State College Southeast to provide the subject matter training necessary for license areas
56.31 chosen. If practical, the partnership must result in a candidate earning an associate's degree
56.32 from Minnesota State College Southeast and a bachelor's degree from Winona State

57.1 University. Money appropriated for this project under article 1, section 3, subdivision 5,
57.2 may be used for any of the following purposes:

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

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

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

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

57.9 **Sec. 42. STUDY AND REPORT ON THE WORK-STUDY PROGRAM.**

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

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

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

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

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

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

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

57.24 **Sec. 43. REVISOR INSTRUCTION.**

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

57.27 **Sec. 44. REPEALER.**

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

- 58.1 (b) Minnesota Rules, parts 4830.9050; 4830.9060; 4830.9070; 4830.9080; and 4830.9090,
58.2 are repealed.

APPENDIX
Repealed Minnesota Statutes: UES0975-1

No active language found for: 136A.1703

136A.823 LICENSE RENEWAL.

No active language found for: 136A.823.2

No active language found for: 136F.245.3

APPENDIX
Repealed Minnesota Rules: UES0975-1

4830.9050 [Repealed, L 2021 1Sp2 art 2 s 47]

4830.9060 [Repealed, L 2021 1Sp2 art 2 s 47]

4830.9070 [Repealed, L 2021 1Sp2 art 2 s 47]

4830.9080 [Repealed, L 2021 1Sp2 art 2 s 47]

4830.9090 [Repealed, L 2021 1Sp2 art 2 s 47]