

CHAPTER 69--S.F.No. 5

An act relating to higher education; establishing a budget for higher education; appropriating money to the Office of Higher Education, the Board of Trustees of the Minnesota State Colleges and Universities, the Board of Regents of the University of Minnesota, and the Mayo Clinic; appropriating money for tuition relief; making various policy and technical changes to higher-education-related provisions; regulating the policies of postsecondary institutions relating to sexual harassment and sexual violence; providing goals, standards, programs, and grants; requiring reports; authorizing refinancing of certain bonds; amending Minnesota Statutes 2014, sections 5.41, subdivisions 2, 3; 13.32, subdivision 6; 13.322, by adding a subdivision; 16C.075; 122A.09, subdivision 4; 124D.09, by adding subdivisions; 124D.091, subdivision 1; 135A.15; 136A.01, by adding a subdivision; 136A.031, subdivision 4; 136A.0411; 136A.101, subdivision 8; 136A.121, subdivisions 6, 7a, 20; 136A.125, subdivisions 2, 4, 4b; 136A.1701, subdivision 4; 136A.61; 136A.63, subdivision 2; 136A.65, subdivisions 4, 7; 136A.657, subdivisions 1, 3; 136A.67; 136A.861, subdivision 1; 136A.87; 136G.05, subdivision 7; 137.54; 141.21, subdivisions 5, 6a, 9; 141.25; 141.251, subdivision 2; 141.255; 141.26; 141.265; 141.271, subdivisions 1a, 1b, 3, 5, 7, 8, 9, 10, 12, 13, 14; 141.28; 141.29; 141.30; 141.32; 141.35; 197.75, subdivision 1; 261.23; Laws 2014, chapter 312, article 13, section 47; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 136F; 175; 626; repealing Minnesota Statutes 2014, sections 136A.127, subdivisions 1, 2, 3, 4, 5, 6, 7, 9, 9b, 10, 10a, 11, 14; 136A.862; 141.271, subdivisions 4, 6; 158.01; 158.02; 158.03; 158.04; 158.05; 158.06; 158.07; 158.08; 158.09; 158.091; 158.10; 158.11; 158.12; Minnesota Rules, part 4830.7500, subparts 2a, 2b.

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

ARTICLE 1

HIGHER EDUCATION APPROPRIATIONS

Section 1. **SUMMARY OF APPROPRIATIONS.**

Subdivision 1. **Summary By Fund.** The amounts shown in this subdivision summarize direct appropriations, by fund, made in this article.

	SUMMARY BY FUND		
	2016	2017	Total
General	\$ 1,530,668,000	\$ 1,536,256,000	\$ 3,066,924,000
Health Care Access	2,157,000	2,157,000	4,314,000
Total	\$ 1,532,825,000	\$ 1,538,413,000	\$ 3,071,238,000

Subd. 2. **Summary By Agency - All Funds.** The amounts shown in this subdivision summarize direct appropriations, by agency, made in this article.

	SUMMARY BY AGENCY - ALL FUNDS		
	2016	2017	Total
Minnesota Office of Higher Education	\$ 230,843,000	\$ 236,630,000	\$ 467,473,000

<u>Board of Trustees of the Minnesota State Colleges and Universities</u>	<u>672,925,000</u>	<u>672,726,000</u>	<u>1,345,651,000</u>
<u>Board of Regents of the University of Minnesota</u>	<u>627,706,000</u>	<u>627,706,000</u>	<u>1,251,098,000</u>
<u>Mayo Clinic</u>	<u>1,351,000</u>	<u>1,351,000</u>	<u>2,702,000</u>
Total	\$ <u>1,532,825,000</u>	\$ <u>1,538,413,000</u>	\$ <u>3,066,924,000</u>

Sec. 2. HIGHER EDUCATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.

APPROPRIATIONS

Available for the Year

Ending June 30

2016

2017

Sec. 3. MINNESOTA OFFICE OF HIGHER EDUCATION

Subdivision 1. Total Appropriation **\$ 230,843,000** **\$ 236,630,000**

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

Subd. 2. State Grants 180,281,000 180,281,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. Child Care Grants 6,684,000 6,684,000

Subd. 4. State Work-Study 14,502,000 14,502,000

Subd. 5. Interstate Tuition Reciprocity 11,018,000 11,018,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 6. Safety Officer's Survivors 100,000 100,000

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.

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

<u>Subd. 7. Indian Scholarships</u>	<u>3,500,000</u>	<u>3,500,000</u>
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The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the city of Bemidji to assist students with the scholarships under Minnesota Statutes, section 136A.126, and with other information about financial aid for which the students may be eligible. Bemidji State University must provide office space at no cost to the Minnesota Office of Higher Education for purposes of administering the American Indian scholarship program under Minnesota Statutes, section 136A.126. This appropriation includes funding to administer the American Indian scholarship program.

<u>Subd. 8. Tribal College Grants</u>	<u>150,000</u>	<u>150,000</u>
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For tribal college assistance grants under Minnesota Statutes, section 136A.1796.

<u>Subd. 9. Intervention for College Attendance Program Grants</u>	<u>671,000</u>	<u>671,000</u>
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For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

This appropriation includes funding to administer the intervention for college attendance program grants.

<u>Subd. 10. Student-Parent Information</u>	<u>122,000</u>	<u>122,000</u>
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<u>Subd. 11. Get Ready!</u>	<u>180,000</u>	<u>180,000</u>
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<u>Subd. 12. Minnesota Education Equity Partnership</u>	<u>45,000</u>	<u>45,000</u>
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<u>Subd. 13. Midwest Higher Education Compact</u>	<u>115,000</u>	<u>115,000</u>
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<u>Subd. 14. United Family Medicine Residency Program</u>	<u>501,000</u>	<u>501,000</u>
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For a grant to United Family Medicine residency program. This appropriation shall be used to

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

Subd. 15. <u>MnLINK Gateway and Minitex</u>	<u>5,905,000</u>	<u>5,905,000</u>
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Subd. 16. <u>Statewide Longitudinal Education Data System</u>	<u>882,000</u>	<u>882,000</u>
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Subd. 17. <u>Hennepin County Medical Center</u>	<u>645,000</u>	<u>645,000</u>
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For transfer to Hennepin County Medical Center for graduate family medical education programs at Hennepin County Medical Center.

Subd. 18. <u>MNSCU Two-Year Public College Program</u>	<u>-0-</u>	<u>5,000,000</u>
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(a) \$3,993,000 in fiscal year 2017 is for two-year public college program grants under article 3, section 20.

(b) \$782,000 in fiscal year 2017 is to provide mentoring and outreach as specified under article 3, section 20.

(c) \$225,000 in fiscal year 2017 is for information technology and administrative costs associated with implementation of the grant program.

(d) The base for fiscal year 2018 is \$3,481,000 and the base for fiscal year 2019 is \$0.

Subd. 19. <u>College Possible</u>	<u>250,000</u>	<u>250,000</u>
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(a) This appropriation is for immediate transfer to College Possible to support programs of college admission and college graduation for low-income students through an intensive curriculum of coaching and support at both the high school and postsecondary level.

(b) This appropriation must, to the extent possible, be proportionately allocated between students from

greater Minnesota and students in the seven-county metropolitan area.

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

(d) By February 1 of each year, College Possible must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over higher education and E-12 education on activities funded by this appropriation. The report must include, but is not limited to, information about the expansion of College Possible in Minnesota, the number of College Possible coaches hired, the expansion within existing partner high schools, the expansion of high school partnerships, the number of high school and college students served, the total hours of community service by high school and college students, and a list of communities and organizations benefitting from student service hours.

Subd. 20. Large Animal Veterinarian Loan Forgiveness Program

250,000

For the large animal veterinarian loan forgiveness program under Minnesota Statutes, section 136A.1795. This is a onetime appropriation and is available until June 30, 2022.

Subd. 21. Spinal Cord Injury and Traumatic Brain Injury Research Grant Program

500,000

500,000

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

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

Subd. 22. Summer Academic Enrichment Program

100,000

100,000

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

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

<p>Subd. 23. Dual Training Competency Grants; OHE</p> <p><u>For training grants under Minnesota Statutes, section 136A.246.</u></p> <p><u>The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.</u></p>	<p><u>1,000,000</u></p>	<p><u>2,000,000</u></p>
<p>Subd. 24. Dual Training Competency Grants; DOLI</p> <p><u>For transfer to the commissioner of labor and industry for identification of competency standards for dual training under Minnesota Statutes, section 175.45.</u></p>	<p><u>200,000</u></p>	<p><u>200,000</u></p>
<p>Subd. 25. Concurrent Enrollment Courses</p> <p><u>(a) \$225,000 in fiscal year 2016 and \$225,000 in fiscal year 2017 are for grants to develop new concurrent enrollment courses under Minnesota Statutes, section 124D.09, subdivision 10, that satisfy the elective standard for career and technical education. Any balance in the first year does not cancel but is available in the second year.</u></p> <p><u>(b) \$115,000 in fiscal year 2016 and \$115,000 in fiscal year 2017 are for grants to postsecondary institutions currently sponsoring a concurrent enrollment course to expand existing programs. The commissioner shall determine the application process and the grant amounts. The commissioner must give preference to expanding programs that are at capacity. Any balance in the first year does not cancel but is available in the second year.</u></p> <p><u>(c) By December 1 of each year, the office shall submit a brief report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education regarding:</u></p> <p><u>(1) the courses developed by grant recipients and the number of students who enrolled in the courses under paragraph (a); and</u></p> <p><u>(2) the programs expanded and the number of students who enrolled in programs under paragraph (b).</u></p>	<p><u>340,000</u></p>	<p><u>340,000</u></p>
<p>Subd. 26. Student Loan Debt Counseling</p> <p><u>For student loan debt counseling under article 3, section 24. This is a onetime appropriation.</u></p>	<p><u>150,000</u></p>	<p><u>150,000</u></p>

Subd. 27. <u>Campus Sexual Assault Reporting</u>	<u>25,000</u>	<u>25,000</u>
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For the sexual assault reporting required under Minnesota Statutes, section 135A.15.

Subd. 28. <u>Teacher Shortage Loan Forgiveness</u>	<u>200,000</u>	<u>200,000</u>
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For the loan forgiveness program under Minnesota Statutes, section 136A.1791.

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

Subd. 29. <u>Agency Administration</u>	<u>2,527,000</u>	<u>2,564,000</u>
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Subd. 30. Balances Forward

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

Subd. 31. Transfers

The Minnesota Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the get ready appropriation, and the public safety officers' survivors appropriation. Transfers from the child care or state work-study appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over higher education finance.

Sec. 4. BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. <u>Total Appropriation</u>	\$ <u>672,925,000</u>	\$ <u>672,726,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Central Office and Shared Services Unit</u>	<u>33,074,000</u>	<u>33,074,000</u>
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For the Office of the Chancellor and the Shared Services Division.

Subd. 3. Operations and Maintenance635,736,000635,537,000

This appropriation includes \$50,000,000 in fiscal year 2016 and \$50,000,000 in fiscal year 2017 for student tuition relief. The Board of Trustees must establish tuition rates as follows:

(1) for the 2015-2016 academic year, the tuition rate at colleges must not exceed the 2014-2015 academic year rate; and

(2) for the 2016-2017 academic year, the tuition rate at universities must not exceed the 2015-2016 academic year rate, and the tuition rate at colleges must be reduced by at least one percent compared to the 2015-2016 academic year rate.

The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student.

\$57,000 in fiscal year 2016 and \$58,000 in fiscal year 2017 are for activities related to the implementation of new transfer pathways required by article 3, section 21.

This appropriation includes \$200,000 in fiscal year 2016 to award up to two grants to system institutions with a teacher preparation program approved by the Board of Teaching to provide a school year-long student teaching pilot program, consistent with the student teaching program requirements under Minnesota Statutes, section 122A.09, subdivision 4, paragraph (d). This is a onetime appropriation. The Board of Trustees must report to the K-12 and higher education committees of the legislature by March 1, 2017, on the experiences of the grant recipients and the student teachers with the school year-long student teaching program, and include any recommendations for amending Minnesota Statutes, section 122A.09, subdivision 4, paragraph (d), based on the experiences of the grant recipients.

\$18,000 each year is for transfer to the Cook County Higher Education Board to provide educational programming and academic support services to remote regions in northeastern Minnesota. This appropriation is in addition to the \$102,000 per fiscal year this project currently receives. The project shall continue

to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students. The base appropriation under this paragraph is \$120,000 each year.

\$50,000 in fiscal year 2016 and \$50,000 in fiscal year 2017 are for developing and teaching online agriculture courses by farm business management faculty at colleges that offer farm business management.

Institutions developing courses under this appropriation shall focus on introductory coursework, and must coordinate with one another to offer complimentary courses and avoid duplication. The appropriation may not be used to develop courses already available through another state college or university. Institutions receiving funds from this appropriation must have one course developed and ready for student enrollment within one year of receiving funds.

\$225,000 in fiscal year 2016 and \$225,000 in fiscal year 2017 are to create and develop a teacher preparation program leading to licensure in agricultural education at Southwest Minnesota State University. This is a onetime appropriation.

Southwest Minnesota State University shall provide the committees of the legislature with primary jurisdiction over agriculture policy, K-12 education policy, and higher education policy and finance with a report on the institution's progress in creating an agricultural education licensure program and increasing the number of students receiving a teaching license in agricultural education. The report must be submitted by February 15, 2016, and by February 15, 2017.

\$35,000 in fiscal year 2016 and \$35,000 in fiscal year 2017 are to implement a program to assist foreign-born students and groups underrepresented in nursing to succeed in postsecondary nursing programs. This program shall include but not be limited to mentoring programs and seminars.

One-quarter of this appropriation must be distributed to Minneapolis Community and Technical College. One-quarter of this appropriation must be distributed to Century College. One-half of this appropriation must be distributed in equal amounts to two state

colleges or universities that are located outside of the seven-county metropolitan area. The board must select the state colleges or universities outside of the seven-county metropolitan area based on the proportion of enrolled nursing students that are foreign-born or from groups underrepresented in nursing.

The program established under this appropriation shall be called the "Kathleen McCullough-Zander Success in Nursing Program."

\$175,000 in fiscal year 2016 and \$175,000 in fiscal year 2017 are to establish a veterans-to-agriculture pilot program. The appropriation for fiscal year 2016 shall be used to establish the pilot program at South Central College, North Mankato campus, and the appropriation for fiscal year 2017 shall be used to support, in equal amounts, up to six program sites statewide. No more than two percent of the total appropriation provided by this section may be used for administrative purposes at the system level.

The veterans-to-agriculture pilot program shall be designed to facilitate the entrance of military veterans into careers related to agriculture and food production, processing, and distribution through intensive, four-to eight-week academic training in relevant fields of study, job development programs and outreach to potential employers, and appropriate career-building skills designed to assist returning veterans in entering the civilian workforce. Upon successful completion, a student shall be awarded a certificate of completion or another appropriate academic credit.

The pilot program shall be coordinated by South Central College, North Mankato campus' farm business management program and developed in collaboration with the University of Minnesota Extension, the Department of Agriculture, the Department of Veterans Affairs, and the Department of Employment and Economic Development. The program coordinators are encouraged to involve other interested stakeholders in the development and operation of the program, and may request assistance with applications for grants or other funding from available federal, state, local, and private sources. As necessary, they may also work with other public

or private entities to secure temporary housing for enrolled students.

In addition to South Central College, North Mankato campus, the pilot program shall be delivered by up to five additional state colleges. One of the additional colleges must be located in the seven-county metropolitan area, at a campus that has agreed to incorporate the pilot program as part of an urban agriculture program, and the remaining additional colleges must be located outside of the seven-county metropolitan area, at campuses with existing farm business management programs.

No later than December 15, 2016, the program shall report to the committees of the house of representatives and the senate with jurisdiction over issues related to agriculture, veterans affairs, and higher education on program operations, including information on participation rates, new job placements, and any unmet needs.

This appropriation includes \$40,000 in fiscal year 2016 and \$40,000 in fiscal year 2017 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

Five percent of the fiscal year 2017 appropriation specified in this subdivision is available according to the schedule in clauses (1) to (5) in fiscal year 2017 when the Board of Trustees of the Minnesota State Colleges and Universities demonstrates to the commissioner of management and budget that the board has met the following specified number of performance goals:

- (1) 100 percent if the board meets three, four, or five goals;
- (2) 67 percent if two of the goals are met;
- (3) 33 percent if one of the goals are met; and
- (4) zero percent if none of the goals are met.

The performance goals are:

- (1) increase by at least four percent in fiscal year 2015, compared to fiscal year 2008, degrees, diplomas, and certificates conferred and provide a report to the chairs and ranking minority members of the legislative

committees with jurisdiction over higher education on the separate changes in the number of degrees, diplomas, and certificates conferred;

(2) increase by at least five percent the fiscal year 2015-related employment rate for 2014 graduates, compared to the 2011 rate for 2010 graduates;

(3) for fiscal year 2016, reallocate \$22,000,000 of costs. The Board of Trustees is requested to redirect those funds to invest in direct mission activities, stem growth in tuition and student fees, and to programs that benefit students;

(4) decrease by at least ten percent the fiscal year 2015 headcount of students enrolled in developmental courses compared to fiscal year 2013 headcount of students enrolled in developmental courses; and

(5) increase by at least five percent the fiscal year 2015 degrees awarded to students who took no more than 128 credits for a baccalaureate degree and 68 credits for associate in arts, associate of science, or associate in fine arts degrees, as compared to the rate for 2011 graduates.

By August 1, 2015, the Board of Trustees and the Minnesota Office of Higher Education must agree on specific numerical indicators and definitions for each of the five goals that will be used to demonstrate the Minnesota State Colleges and Universities' attainment of each goal. On or before April 1, 2016, the Board of Trustees must report to the legislative committees with primary jurisdiction over higher education finance and policy the progress of the Minnesota State Colleges and Universities toward attaining the goals. The appropriation base for the next biennium shall include appropriations not made available under this subdivision for failure to meet performance goals. All of the appropriation that is not available due to failure to meet performance goals is appropriated to the commissioner of the Office of Higher Education for fiscal year 2017 for the purpose of the state grant program under Minnesota Statutes, section 136A.121.

Performance metrics are intended to facilitate progress towards the attainment goal under Minnesota Statutes, section 135A.012.

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

Sec. 5. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. **Total Appropriation** **\$ 627,706,000 \$ 627,706,000**

Appropriations by Fund

	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>625,549,000</u>	<u>625,549,000</u>
<u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>

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

Subd. 2. **Operations and Maintenance** 559,111,000 559,111,000

This appropriation includes funding for operation and maintenance of the system. Of the amount appropriated in this subdivision:

\$11,100,000 in fiscal year 2016 and \$11,100,000 in fiscal year 2017 are to minimize any increase in a student's cost of attendance; for research to solve the challenges facing our state, nation, and world; to educate a diverse population of Minnesotans from every community who show the greatest promise; and for public service that builds lasting partnerships with communities across the state to address our most complex and pressing issues. The Board of Regents is requested to:

(1) maintain a low cost of mission and advance operational excellence;

(2) increase the diversity of the university's students, faculty, and staff; and

(3) strengthen the university's relationships with the agriculture industry and the communities of greater Minnesota.

\$15,000,000 in fiscal year 2016 and \$15,000,000 in fiscal year 2017 are to:

(1) increase the medical school's research capacity;

(2) improve the medical school's ranking in National Institutes of Health funding;

(3) ensure the medical school's national prominence by attracting and retaining world-class faculty, staff, and students;

(4) invest in physician training programs in rural and underserved communities; and

(5) translate the medical school's research discoveries into new treatments and cures to improve the health of Minnesotans.

The Board of Regents is requested to consider hiring additional faculty to conduct research related to regenerative medicine.

Five percent of the fiscal year 2017 appropriation specified in this subdivision is available according to the schedule in clauses (1) to (5) in fiscal year 2017 when the Board of Regents of the University of Minnesota demonstrates to the commissioner of management and budget that the board has met the following specified number of performance goals:

(1) 100 percent if the board meets three, four, or five goals;

(2) 67 percent if two of the goals are met;

(3) 33 percent if one of the goals are met; and

(4) zero percent if none of the goals are met.

The performance goals are:

(1) increase by at least one percent the four-year, five-year, or six-year undergraduate graduation rates, averaged over three years, for students of color systemwide at the University of Minnesota reported in fall 2016 over fall 2014. The average rate for fall 2014 is calculated with the graduation rates reported in fall 2012, 2013, and 2014;

(2) increase by at least two percent the total number of undergraduate STEM degrees, averaged over three years, conferred systemwide by the University of Minnesota reported in fiscal year 2016 over fiscal year 2014. The averaged number for fiscal year 2014 is calculated with the fiscal year 2012, 2013, and 2014 numbers;

(3) increase by at least one percent the four-year undergraduate graduation rate at the University of

Minnesota reported in fall 2016 over fall 2014. The average rate for fall 2014 is calculated with the graduation rates reported in fall 2012, 2013, and 2014. The averaged number for fiscal year 2014 is calculated with the fiscal year 2012, 2013, and 2014 numbers;

(4) for fiscal year 2016, reallocate \$15,000,000 of administrative costs. The Board of Regents is requested to redirect those funds to invest in direct mission activities, stem growth in cost of attendance, and to programs that benefit students; and

(5) increase licensing disclosures by three percent for fiscal year 2016 over fiscal year 2015.

By August 1, 2015, the Board of Regents and the Office of Higher Education must agree on specific numerical indicators and definitions for each of the five goals that will be used to demonstrate the University of Minnesota's attainment of each goal. On or before April 1, 2016, the Board of Regents must report to the legislative committees with primary jurisdiction over higher education finance and policy the progress of the University of Minnesota toward attaining the goals. The appropriation base for the next biennium shall include appropriations not made available under this subdivision for failure to meet performance goals. All of the appropriation that is not available due to failure to meet performance goals is appropriated to the commissioner of the Office of Higher Education for fiscal year 2017 for the purpose of the state grant program under Minnesota Statutes, section 136A.121.

Performance metrics are intended to facilitate progress towards the attainment goal under Minnesota Statutes, section 135A.012.

Subd. 3. Primary Care Education Initiatives

2,157,000

2,157,000

This appropriation is from the health care access fund.

Subd. 4. Special Appropriations

(a) Agriculture and Extension Service

42,922,000

42,922,000

For the Agricultural Experiment Station and the Minnesota Extension Service:

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

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

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

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

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

(4) this appropriation includes funding for research efforts that demonstrate a renewed emphasis on the needs of the state's agriculture community. The following areas should be prioritized and carried out in consultation with Minnesota farm organizations:

(i) vegetable crop research with priority for extending the Minnesota vegetable growing season;

(ii) fertilizer and soil fertility research and development;

(iii) soil, groundwater, and surface water conservation practices and contaminant reduction research;

- (iv) discovering and developing plant varieties that use nutrients more efficiently;
- (v) breeding and development of turf seed and other biomass resources in all three Minnesota biomes;
- (vi) development of new disease-resistant and pest-resistant varieties of turf and agronomic crops;
- (vii) utilizing plant and livestock cells to treat and cure human diseases;
- (viii) the development of dairy coproducts;
- (ix) a rapid agricultural response fund for current or emerging animal, plant, and insect problems affecting production or food safety;
- (x) crop pest and animal disease research;
- (xi) developing animal agriculture that is capable of sustainably feeding the world;
- (xii) consumer food safety education and outreach;
- (xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and
- (xiv) alternative bioenergy crops and cropping systems; and growing, harvesting, and transporting biomass plant material; and
- (5) by February 1, 2017, the Board of Regents must submit a report to the legislative committees and divisions with jurisdiction over agriculture and higher education finance on the status and outcomes of research and initiatives funded in this paragraph.

(b) Health Sciences

9,204,000

9,204,000

\$346,000 each year is to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program. The program must prepare doctors to practice primary care medicine in rural areas of the state. The legislature intends this program to improve health care in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner. The remainder of this appropriation is for the rural physicians associates program; the Veterinary Diagnostic Laboratory; health sciences research; dental care; the Biomedical Engineering Center; and the collaborative partnership between

the University of Minnesota and Mayo Clinic for regenerative medicine, research, clinical translation, and commercialization.

(c) Institute of Technology	<u>1,140,000</u>	<u>1,140,000</u>
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For the geological survey and the talented youth mathematics program.

(d) System Special	<u>5,181,000</u>	<u>5,181,000</u>
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For general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit.

(e) University of Minnesota and Mayo Foundation Partnership	<u>7,991,000</u>	<u>7,991,000</u>
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This appropriation is for the following activities:

(1) \$7,491,000 in fiscal year 2016 and \$7,491,000 in fiscal year 2017 are for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. An annual report on the expenditure of these funds must be submitted to the governor and the chairs of the legislative committee responsible for higher education finance by June 30 of each fiscal year.

(2) \$500,000 in fiscal year 2016 and \$500,000 in fiscal year 2017 are to award competitive grants to conduct research into the prevention, treatment, causes, and cures of Alzheimer's disease and other dementias.

Subd. 5. Academic Health Center

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

Sec. 6. MAYO CLINIC

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

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

priation may be transferred between each year of the biennium to accommodate enrollment fluctuations. It is intended that during the biennium the Mayo Clinic use the capitation money to increase the number of doctors practicing in rural areas in need of doctors.

Subd. 3. Family Practice and Graduate Residency Program

686,000

686,000

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

Sec. 7. MNSCU PRESIDENTIAL SELECTION PROCESS; REPORT.

The Board of Trustees of the Minnesota State Colleges and Universities shall report in writing to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education by October 1, 2015, its schedule for adopting a presidential selection process as a comprehensive formal written policy. The board is encouraged to engage stakeholders in developing the board policy. The board must strongly consider a policy that provides clarity in the selection process, enhances communication and the opportunity for local input by colleges and universities and community stakeholders they serve, and that reflects the need to consult with and to keep a presidential selection advisory committee informed during the entire selection process.

Sec. 8. UNIVERSITY OF MINNESOTA BUDGET ALLOCATION REPORT.

The Board of Regents of the University of Minnesota shall report by February 1, 2016, to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education finance on the factors it considers to allocate funds to separate campuses. The report must specifically, without limitation, address the issue of whether non-Twin Cities campuses are treated as single units for budget allocation purposes or treated as comprised of multiple units. The report must discuss the effect of treating a campus as a single unit and the reasons for that treatment.

Sec. 9. TUITION RECIPROCITY APPROPRIATION CANCELLATION.

All unspent funds, estimated to be \$8,394,000, to provide tuition reciprocity payments under Laws 2013, chapter 99, section 3, subdivision 5, are canceled to the general fund on June 30, 2015.

ARTICLE 2

OFFICE OF HIGHER EDUCATION

Section 1. Minnesota Statutes 2014, section 13.32, subdivision 6, is amended to read:

Subd. 6. ~~**Admissions forms; Remedial instruction.** (a) Minnesota postsecondary education institutions, for purposes of reporting and research, may collect on the 1986-1987 admissions form, and disseminate to any public educational agency or institution the following data on individuals: student sex, ethnic background, age, and disabilities. The data shall not be required of any individual and shall not be used for purposes of determining the person's admission to an institution.~~

(b) (a) A school district that receives information under subdivision 3, paragraph (h) from a postsecondary institution about an identifiable student shall maintain the data as educational data and use that

data to conduct studies to improve instruction. Public postsecondary systems as part of their participation in the Statewide Longitudinal Education Data System shall provide data on the extent and content of the remedial instruction received by individual students, and the results of assessment testing and the academic performance of, students who graduated from a Minnesota school district within two years before receiving the remedial instruction. The Office of Higher Education, in collaboration with the Department of Education, shall evaluate the data and annually report its findings to the education committees of the legislature.

(e) (b) This section supersedes any inconsistent provision of law.

Sec. 2. Minnesota Statutes 2014, section 16C.075, is amended to read:

16C.075 E-VERIFY.

A contract for services valued in excess of \$50,000 must require certification from the vendor and any subcontractors that, as of the date services on behalf of the state of Minnesota will be performed, the vendor and all subcontractors have implemented or are in the process of implementing the federal E-Verify program for all newly hired employees in the United States who will perform work on behalf of the state of Minnesota. This section does not apply to contracts entered into by the:

(1) State Board of Investment; or

(2) the Office of Higher Education for contracts related to credit reporting services if the office certifies that those services cannot be reasonably obtained if this section applies.

Sec. 3. Minnesota Statutes 2014, section 122A.09, subdivision 4, is amended to read:

Subd. 4. **License and rules.** (a) The board must adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board must adopt rules requiring a person to pass a skills examination in reading, writing, and mathematics or attain either a composite score composed of the average of the scores in English and writing, reading, and mathematics on the ACT Plus Writing recommended by the board, or an equivalent composite score composed of the average of the scores in critical reading, mathematics, and writing on the SAT recommended by the board, as a requirement for initial teacher licensure, except that the board may issue up to two temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet passed the skills exam or attained the requisite composite score on the ACT Plus Writing or SAT. Such rules must require college and universities offering a board-approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination or attain the requisite composite score on the ACT Plus Writing or SAT, including those for whom English is a second language. The requirement to pass a reading, writing, and mathematics skills examination or attain the requisite composite score on the ACT Plus Writing or SAT does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1. A teacher candidate's official ACT Plus Writing or SAT composite score report to the board must not be more than ten years old at the time of licensure.

(c) The board must adopt rules to approve teacher preparation programs. The board, upon the request of a postsecondary student preparing for teacher licensure or a licensed graduate of a teacher preparation program, shall assist in resolving a dispute between the person and a postsecondary institution providing

a teacher preparation program when the dispute involves an institution's recommendation for licensure affecting the person or the person's credentials. At the board's discretion, assistance may include the application of chapter 14.

(d) The board must provide the leadership and adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. Among other components, teacher preparation programs may use the Minnesota State Colleges and Universities program model to provide a school year-long student teaching program that combines clinical opportunities with academic coursework and in-depth student teaching experiences to offer students ongoing mentorship, coaching and assessment, help to prepare a professional development plan, and structured learning experiences. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. Teacher preparation programs including alternative teacher preparation programs under section 122A.245, among other programs, must include a content-specific, board-approved, performance-based assessment that measures teacher candidates in three areas: planning for instruction and assessment; engaging students and supporting learning; and assessing student learning. The board's redesign rules must include creating flexible, specialized teaching licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical programs, Montessori schools, and project and place-based learning, among other career and college ready learning offerings.

(e) The board must adopt rules requiring candidates for initial licenses to pass an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective by September 1, 2001. The rules under this paragraph also must require candidates for initial licenses to teach prekindergarten or elementary students to pass, as part of the examination of licensure-specific teaching skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, and their knowledge and understanding of the foundations of reading development, the development of reading comprehension, and reading assessment and instruction, and their ability to integrate that knowledge and understanding.

(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(g) The board must grant licenses to interns and to candidates for initial licenses based on appropriate professional competencies that are aligned with the board's licensing system and students' diverse learning needs. All teacher candidates must have preparation in English language development and content instruction for English learners in order to be able to effectively instruct the English learners in their classrooms. The board must include these licenses in a statewide differentiated licensing system that creates new leadership roles for successful experienced teachers premised on a collaborative professional culture dedicated to meeting students' diverse learning needs in the 21st century, recognizes the importance of cultural and linguistic competencies, including the ability to teach and communicate in culturally competent and aware ways, and formalizes mentoring and induction for newly licensed teachers provided through a teacher support framework.

(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board must require licensed teachers who are renewing a continuing license to include in the renewal requirements further preparation in English language development and specially designed content instruction in English for English learners.

(j) The board must grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and 214.10. The board must not establish any expiration date for application for life licenses.

(k) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

(l) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.

(m) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

(n) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation, first, in understanding the key warning signs of early-onset mental illness in children and adolescents and then, during subsequent licensure renewal periods, preparation may include providing a more in-depth understanding of students' mental illness trauma, accommodations for students' mental illness, parents' role in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.

EFFECTIVE DATE. This section is effective for the 2016-2017 school year and later.

Sec. 4. Minnesota Statutes 2014, section 136A.01, is amended by adding a subdivision to read:

Subd. 3. **Incentive programs.** The commissioner is authorized to utilize incentive gifts including, but not limited to, gift cards in order to promote to the public the various programs administered by the office. The annual total expenditures for such incentive programs shall not exceed \$10,000.

Sec. 5. Minnesota Statutes 2014, section 136A.031, subdivision 4, is amended to read:

Subd. 4. **Student representation.** The commissioner must place at least one student from an affected educational system on any task force created by the office. The commissioner must submit to the SAC the name of any student appointed to an advisory group or task force. The student appointment is not approved if four SAC members vote to disapprove of the appointment. If an appointment is disapproved, the commissioner must submit another student appointment to the SAC in a timely manner shall invite the council to nominate a student or students to serve on task forces created by the office, when appropriate.

Sec. 6. Minnesota Statutes 2014, section 136A.0411, is amended to read:

136A.0411 COLLECTING FEES.

The office may charge fees for seminars, conferences, workshops, services, and materials. The office may collect fees for registration and licensure of private institutions under sections 136A.61 to 136A.71 and chapter 141. The money is ~~annually~~ appropriated to the office.

Sec. 7. Minnesota Statutes 2014, section 136A.125, subdivision 2, is amended to read:

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

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

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

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

(4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters or the equivalent;

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

(6) is enrolled at least half time in an eligible institution; and

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

(b) A student who withdraws from enrollment for active military service after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c, or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility and will be considered to be in continuing enrollment status upon return.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to academic terms commencing on or after that date.

Sec. 8. Minnesota Statutes 2014, section 136A.125, subdivision 4, is amended to read:

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

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

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

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

(b) The maximum award to the applicant shall be \$2,800 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up

to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine community market costs and review institutional requests for compensatory grant increases to ensure need and equal treatment. The office shall prepare a chart to show the amount of a grant that will be awarded per child based on the factors in this subdivision. The chart shall include a range of income and family size.

(c) Applicants with family incomes at or below a percentage of the federal poverty level, as determined by the commissioner, will qualify for the maximum award. The commissioner shall attempt to set the percentage at a level estimated to fully expend the available appropriation for child care grants. Applicants with family incomes exceeding that threshold will receive the maximum award minus ten percent of their income exceeding that threshold. If the result is less than zero, the grant is zero.

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

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

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

(3) divided by 15; and

(4) multiplied by the number of credits for which the student is enrolled that academic term, up to 15 credits.

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

Sec. 9. Minnesota Statutes 2014, section 136A.125, subdivision 4b, is amended to read:

Subd. 4b. **Additional grants.** An additional term of child care grant may be awarded to an applicant attending classes outside of the regular academic year who meets the requirements in subdivisions 2 and 4. The annual maximum grant per eligible child must not exceed the calculated annual amount in subdivision 4, plus the additional amount in this subdivision, or the student's estimated annual child care cost for not more than 40 hours per week per eligible child, whichever is less.

Sec. 10. Minnesota Statutes 2014, section 136A.1701, subdivision 4, is amended to read:

Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such terms and conditions as the office may prescribe. ~~Under the SELF IV program, the principal amount of a loan to an undergraduate student for a single academic year shall not exceed \$7,500 per grade level. The aggregate principal amount of all loans made subject to this paragraph to an undergraduate student shall not exceed \$37,500. The principal amount of a loan to a graduate student for a single academic year shall not exceed \$9,000. The aggregate principal amount of all loans made subject to this paragraph to a student as an undergraduate and graduate student shall not exceed \$55,500. The amount of the loan may not exceed the cost of attendance less all other financial aid, including PLUS loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF loan debt must not exceed the borrowing maximums in paragraph (b).~~

~~(b) The cumulative undergraduate borrowing maximums for SELF IV loans are:~~

~~(1) grade level 1, \$7,500;~~

~~(2) grade level 2, \$15,000;~~

~~(3) grade level 3, \$22,500;~~

~~(4) grade level 4, \$30,000; and~~

~~(5) grade level 5, \$37,500.~~

~~(e) (b) The principal maximum loan amount of a SELF V or subsequent phase loan to students enrolled in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed \$10,000 per grade level be determined annually by the office. For all other eligible students, the principal amount of the loan must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made subject to this paragraph to a student as an undergraduate and graduate student must not exceed \$70,000 \$140,000. The amount of the loan must not exceed the cost of attendance as determined by the eligible institution less all other financial aid, including PLUS loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF loan debt must not exceed the borrowing maximums in paragraph (d) (c).~~

~~(d) (c)(1) The cumulative borrowing maximums must be determined annually by the office for SELF V loans and subsequent phases for students enrolled in a bachelor's degree program or postbaccalaureate program are: In determining the cumulative borrowing maximums, the office shall, among other considerations, take into consideration the maximum SELF loan amount, student financing needs, funding capacity for the SELF program, delinquency and default loss management, and current financial market conditions.~~

~~(i) grade level 1, \$10,000;~~

~~(ii) grade level 2, \$20,000;~~

~~(iii) grade level 3, \$30,000;~~

~~(iv) grade level 4, \$40,000; and~~

~~(v) grade level 5, \$50,000.~~

~~(2) For graduate level students, the borrowing limit is \$10,000 per nine-month academic year, with a cumulative maximum for all SELF debt of \$70,000.~~

~~(3) (2) For all other eligible students, the cumulative borrowing maximums for SELF V loans and subsequent phases are:~~

~~(i) grade level 1, \$7,500;~~

~~(ii) grade level 2, \$15,000;~~

~~(iii) grade level 3, \$22,500;~~

~~(iv) grade level 4, \$30,000; and~~

~~(v) grade level 5, \$37,500.~~

Sec. 11. Minnesota Statutes 2014, section 136A.61, is amended to read:

136A.61 POLICY.

The legislature has found and hereby declares that the availability of legitimate courses and programs leading to academic degrees offered by responsible private ~~not-for-profit~~ nonprofit and for-profit institutions of postsecondary education and the existence of legitimate private colleges and universities are in the best interests of the people of this state. The legislature has found and declares that the state can provide assistance and protection for persons choosing private institutions and programs, by establishing policies and procedures to assure the authenticity and legitimacy of private postsecondary education institutions and programs. The legislature has also found and declares that this same policy applies to any private and public postsecondary educational institution located in another state or country which offers or makes available to a Minnesota resident any course, program or educational activity which does not require the leaving of the state for its completion.

Sec. 12. Minnesota Statutes 2014, section 136A.63, subdivision 2, is amended to read:

Subd. 2. **Sale of an institution.** Within 30 days of a change of its ownership a school must submit a registration renewal application, all usual and ordinary information and materials for an initial registration, and applicable registration fees for a new institution. For purposes of this subdivision, "change of ownership" means a merger or consolidation with a corporation; a sale, lease, exchange, or other disposition of all or substantially all of the assets of a school; the transfer of a controlling interest of at least 51 percent of the school's stock; or a change in the ~~not-for-profit~~ nonprofit or for-profit status of a school.

Sec. 13. Minnesota Statutes 2014, section 136A.65, subdivision 4, is amended to read:

Subd. 4. **Criteria for approval.** (a) A school applying to be registered and to have its degree or degrees and name approved must substantially meet the following criteria:

(1) the school has an organizational framework with administrative and teaching personnel to provide the educational programs offered;

(2) the school has financial resources sufficient to meet the school's financial obligations, including refunding tuition and other charges consistent with its stated policy if the institution is dissolved, or if claims for refunds are made, to provide service to the students as promised, and to provide educational programs leading to degrees as offered;

(3) the school operates in conformity with generally accepted budgeting and accounting principles;

(4) the school provides an educational program leading to the degree it offers;

(5) the school provides appropriate and accessible library, laboratory, and other physical facilities to support the educational program offered;

(6) the school has a policy on freedom or limitation of expression and inquiry for faculty and students which is published or available on request;

(7) the school uses only publications and advertisements which are truthful and do not give any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school, its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment;

(8) the school's compensated recruiting agents who are operating in Minnesota identify themselves as agents of the school when talking to or corresponding with students and prospective students; ~~and~~

(9) the school provides information to students and prospective students concerning:

(i) comprehensive and accurate policies relating to student admission, evaluation, suspension, and dismissal;

(ii) clear and accurate policies relating to granting credit for prior education, training, and experience and for courses offered by the school;

(iii) current schedules of fees, charges for tuition, required supplies, student activities, housing, and all other standard charges;

(iv) policies regarding refunds and adjustments for withdrawal or modification of enrollment status; and

(v) procedures and standards used for selection of recipients and the terms of payment and repayment for any financial aid program; and

(10) the school must not withhold a student's official transcript because the student is in arrears or in default on any loan issued by the school to the student if the loan qualifies as an institutional loan under United States Code, title 11, section 523(a)(8)(b).

(b) An application for degree approval must also include:

(i) title of degree and formal recognition awarded;

(ii) location where such degree will be offered;

(iii) proposed implementation date of the degree;

(iv) admissions requirements for the degree;

(v) length of the degree;

(vi) projected enrollment for a period of five years;

(vii) the curriculum required for the degree, including course syllabi or outlines;

(viii) statement of academic and administrative mechanisms planned for monitoring the quality of the proposed degree;

(ix) statement of satisfaction of professional licensure criteria, if applicable;

(x) documentation of the availability of clinical, internship, externship, or practicum sites, if applicable; and

(xi) statement of how the degree fulfills the institution's mission and goals, complements existing degrees, and contributes to the school's viability.

Sec. 14. Minnesota Statutes 2014, section 136A.65, subdivision 7, is amended to read:

Subd. 7. **Conditional approval.** The office may grant conditional approval for a degree or use of a term in its name for a period of less than one year if doing so would be in the best interests of currently enrolled students or prospective students. New schools may be granted conditional approval for degrees or names annually for a period not to exceed five years to allow them the opportunity to apply for and receive

accreditation as required in subdivision 1a. A new school granted conditional approval may be allowed to continue as a registered institution in order to complete an accreditation process upon terms and conditions the office determines.

Sec. 15. Minnesota Statutes 2014, section 136A.657, subdivision 1, is amended to read:

Subdivision 1. **Exemption.** Any school or any department or branch of a school (a) which is substantially owned, operated or supported by a bona fide church or religious organization; (b) whose programs are primarily designed for, aimed at and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and (c) whose programs are primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with, the particular faith of that church or religious organization, is exempt from the provisions of sections 136A.61 to ~~136A.71~~ 136A.834.

Sec. 16. Minnesota Statutes 2014, section 136A.657, subdivision 3, is amended to read:

Subd. 3. **Scope.** Nothing in sections 136A.61 to ~~136A.71~~ 136A.834, or the rules adopted pursuant thereto, shall be interpreted as permitting the office to determine the truth or falsity of any particular set of religious beliefs.

Sec. 17. Minnesota Statutes 2014, section 136A.67, is amended to read:

136A.67 REGISTRATION REPRESENTATIONS.

No school and none of its officials or employees shall advertise or represent in any manner that such school is approved or accredited by the office or the state of Minnesota, except a school which is duly registered with the office, or any of its officials or employees, may represent in advertising and shall disclose in catalogues, applications, and enrollment materials that the school is registered with the office by prominently displaying the following statement: "(Name of school) is registered as a private institution with the office pursuant to sections 136A.61 to 136A.71. Registration is not an endorsement of the institution. Credits earned at the institution may not transfer to all other institutions." In addition, all registered schools shall publish in the school catalog or student handbook the name, street address, telephone number, and Web site address of the office.

Sec. 18. Minnesota Statutes 2014, section 136A.87, is amended to read:

136A.87 PLANNING INFORMATION FOR POSTSECONDARY EDUCATION.

The office shall make available to all residents beginning in 7th grade through adulthood information about planning and preparing for postsecondary opportunities. Information must be provided to all 7th grade students and their parents annually by September 30 about planning for their postsecondary education. The office may also provide information to high school students and their parents, to adults, and to out-of-school youth. The information provided may include the following:

- (1) the need to start planning early;
- (2) the availability of assistance in educational planning from educational institutions and other organizations;
- (3) suggestions for studying effectively during high school;

- (4) high school courses necessary to be adequately prepared for postsecondary education;
- (5) encouragement to involve parents actively in planning for all phases of education;
- (6) information about postsecondary education and training opportunities existing in the state, their respective missions and expectations for students, their preparation requirements, admission requirements, and student placement;
- (7) ways to evaluate and select postsecondary institutions;
- (8) the process of transferring credits among Minnesota postsecondary institutions and systems;
- (9) the costs of postsecondary education and the availability of financial assistance in meeting these costs, including specific information about the Minnesota Promise ~~and achieve scholarship program~~;
- (10) the interrelationship of assistance from student financial aid, public assistance, and job training programs; and
- (11) financial planning for postsecondary education.

Sec. 19. Minnesota Statutes 2014, section 136G.05, subdivision 7, is amended to read:

Subd. 7. **Marketing.** The commissioner shall make parents and other interested individuals aware of the availability and advantages of the program as a way to save for higher education costs. ~~The cost of these promotional efforts may not be funded with fees imposed on participants.~~

Sec. 20. Minnesota Statutes 2014, section 141.21, subdivision 5, is amended to read:

Subd. 5. **Private career school.** ~~"Private career school" means any a person, within or outside the state, who maintains, advertises, administers, solicits for, or conducts any program at less than an associate degree level and; is not registered as a private institution under sections 136A.61 to 136A.71; and is not specifically exempted by section 141.35 or 141.37. School also means any person, within or outside the state, who maintains, advertises, administers, solicits for, or conducts any program at less than an associate degree level, is not registered as a private institution pursuant to sections 136A.61 to 136A.71, and uses the term, "college," "institute," "academy," or "university" in its name.~~

Sec. 21. Minnesota Statutes 2014, section 141.21, subdivision 6a, is amended to read:

Subd. 6a. **Multiple location.** "Multiple location" means any site where classes or administrative services are provided to students and ~~which~~ that has a street address that is different than the street address found on the school's private career school school's license.

Sec. 22. Minnesota Statutes 2014, section 141.21, subdivision 9, is amended to read:

Subd. 9. **Distance education private career school.** "Distance education private career school" means a school that establishes, keeps, or maintains a facility or location where a program is offered through distance instruction.

Sec. 23. Minnesota Statutes 2014, section 141.25, is amended to read:

141.25 LICENSURE.

Subdivision 1. **Required.** A private career school must not maintain, advertise, solicit for, administer, or conduct any program in Minnesota without first obtaining a license from the office.

Subd. 2. **Contract unenforceable.** A contract entered into with a person for a program by or on behalf of a person operating a private career school to which a license has not been issued under sections 141.21 to 141.35, is unenforceable in any action.

Subd. 2a. **Refunds.** If a contract is deemed unenforceable under subdivision 2, a private career school must refund tuition, fees, and other charges received from a student or on behalf of a student within 30 days of receiving written notification and demand for refund from the ~~Minnesota office of Higher Education~~.

Subd. 3. **Application.** Application for a license shall be on forms prepared and furnished by the office, and shall include the following and other information as the office may require:

(1) the title or name of the private career school, ownership and controlling officers, members, managing employees, and director;

(2) the specific programs which will be offered and the specific purposes of the instruction;

(3) the place or places where the instruction will be given;

(4) a listing of the equipment available for instruction in each program;

(5) the maximum enrollment to be accommodated with equipment available in each specified program;

(6) the qualifications of instructors and supervisors in each specified program;

(7) a current balance sheet, income statement, and adequate supporting documentation, prepared and certified by an independent public accountant or CPA;

(8) copies of all media advertising and promotional literature and brochures or electronic display currently used or reasonably expected to be used by the private career school;

(9) copies of all Minnesota enrollment agreement forms and contract forms and all enrollment agreement forms and contract forms used in Minnesota; and

(10) gross income earned in the preceding year from student tuition, fees, and other required institutional charges, unless the private career school files with the office a surety bond equal to at least \$250,000 as described in subdivision 5.

Subd. 4. **Certification.** Each application shall be signed and certified to under oath by the proprietor if the applicant is a proprietorship, by the managing partner if the applicant is a partnership, or by the authorized officers of the applicant if the applicant is a corporation, association, company, firm, society or trust.

Subd. 5. **Bond.** (a) No license shall be issued to any private career school which maintains, conducts, solicits for, or advertises within the state of Minnesota any program, unless the applicant files with the office a continuous corporate surety bond written by a company authorized to do business in Minnesota conditioned upon the faithful performance of all contracts and agreements with students made by the applicant.

(b)(1) The amount of the surety bond shall be ten percent of the preceding year's gross income from student tuition, fees, and other required institutional charges, but in no event less than \$10,000 nor greater

than \$250,000, except that a private career school may deposit a greater amount at its own discretion. A private career school in each annual application for licensure must compute the amount of the surety bond and verify that the amount of the surety bond complies with this subdivision, unless the private career school maintains a surety bond equal to at least \$250,000. A private career school that operates at two or more locations may combine gross income from student tuition, fees, and other required institutional charges for all locations for the purpose of determining the annual surety bond requirement. The gross tuition and fees used to determine the amount of the surety bond required for a private career school having a license for the sole purpose of recruiting students in Minnesota shall be only that paid to the private career school by the students recruited from Minnesota.

(2) A ~~school~~ person required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board shall be required to provide a school bond of \$10,000.

(c) The bond shall run to the state of Minnesota and to any person who may have a cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the applicant with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum deposited by the private career school under paragraph (b). The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In lieu of bond, the applicant may deposit with the commissioner of management and budget a sum equal to the amount of the required surety bond in cash, an irrevocable letter of credit issued by a financial institution equal to the amount of the required surety bond, or securities as may be legally purchased by savings banks or for trust funds in an aggregate market value equal to the amount of the required surety bond.

(e) Failure of a private career school to post and maintain the required surety bond or deposit under paragraph (d) shall result in denial, suspension, or revocation of the school's license.

Subd. 6. **Resident agent.** Private career schools located outside the state of Minnesota that offer, advertise, solicit for, or conduct any program within the state of Minnesota shall first file with the secretary of state a sworn statement designating a resident agent authorized to receive service of process. The statement shall designate the secretary of state as resident agent for service of process in the absence of a designated agent. If a private career school fails to file the statement, the secretary of state is designated as the resident agent authorized to receive service of process. The authorization shall be irrevocable as to causes of action arising out of transactions occurring prior to the filing of written notice of withdrawal from the state of Minnesota filed with the secretary of state.

Subd. 7. **Minimum standards.** A license shall be issued if the office first determines:

(1) that the applicant has a sound financial condition with sufficient resources available to:

(i) meet the private career school's financial obligations;

(ii) refund all tuition and other charges, within a reasonable period of time, in the event of dissolution of the private career school or in the event of any justifiable claims for refund against the private career school by the student body;

(iii) provide adequate service to its students and prospective students; and

(iv) maintain and support the private career school;

(2) that the applicant has satisfactory facilities with sufficient tools and equipment and the necessary number of work stations to prepare adequately the students currently enrolled, and those proposed to be enrolled;

(3) that the applicant employs a sufficient number of qualified teaching personnel to provide the educational programs contemplated;

(4) that the private career school has an organizational framework with administrative and instructional personnel to provide the programs and services it intends to offer;

~~(5) that the premises and conditions under which the students work and study are sanitary, healthful, and safe;~~

~~(6)~~ (5) that the quality and content of each occupational course or program of study provides education and adequate preparation to enrolled students for entry level positions in the occupation for which prepared;

~~(7)~~ (6) that the premises and conditions where the students work and study and the student living quarters which are owned, maintained, recommended, or approved by the applicant for students are sanitary, healthful, and safe, as evidenced by certificate of occupancy issued by the municipality or county where the private career school is physically situated, a fire inspection by the local or state fire marshal, or another verification deemed acceptable by the office;

~~(8)~~ (7) that the contract or enrollment agreement used by the private career school complies with the provisions in section 141.265;

~~(9)~~ (8) that contracts and agreements do not contain a wage assignment provision or a confession of judgment clause; and

~~(10)~~ (9) that there has been no adjudication of fraud or misrepresentation in any criminal, civil, or administrative proceeding in any jurisdiction against the private career school or its owner, officers, agents, or sponsoring organization.

Subd. 8. **Fees and terms of license.** An application for an initial license under sections 141.21 to 141.35 shall be accompanied by a nonrefundable application fee as provided in section 141.255 that is sufficient to recover, but not exceed, the administrative costs of the office.

All licenses shall expire one year from the date issued by the office, except as provided in section 141.251.

Subd. 9. **Catalog, brochure, or electronic display.** Before a license is issued to a private career school, the private career school shall furnish to the office a catalog, brochure, or electronic display including:

(1) identifying data, such as volume number and date of publication;

(2) name and address of the private career school and its governing body and officials;

(3) a calendar of the private career school showing legal holidays, beginning and ending dates of each course quarter, term, or semester, and other important dates;

(4) the private career school policy and regulations on enrollment including dates and specific entrance requirements for each program;

(5) the private career school policy and regulations about leave, absences, class cuts, make-up work, tardiness, and interruptions for unsatisfactory attendance;

(6) the private career school policy and regulations about standards of progress for the student including the grading system of the private career school, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress, a description of any probationary period allowed by the private career school, and conditions of reentrance for those dismissed for unsatisfactory progress;

(7) the private career school policy and regulations about student conduct and conditions for dismissal for unsatisfactory conduct;

(8) a detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) the private career school policy and regulations, including an explanation of section 141.271, about refunding tuition, fees, and other charges if the student does not enter the program, withdraws from the program, or the program is discontinued;

(10) a description of the available facilities and equipment;

(11) a course outline syllabus for each course offered showing course objectives, subjects or units in the course, type of work or skill to be learned, and approximate time, hours, or credits to be spent on each subject or unit;

(12) the private career school policy and regulations about granting credit for previous education and preparation;

(13) a notice to students relating to the transferability of any credits earned at the private career school to other institutions;

(14) a procedure for investigating and resolving student complaints; and

(15) the name and address of the ~~Minnesota office of Higher Education~~.

A private career school that is exclusively a distance education school is exempt from clauses (3) and (5).

Subd. 10. Placement records. (a) Before a license is reissued to a private career school that offers, advertises or implies a placement service, the private career school shall file with the office for the past year and thereafter at reasonable intervals determined by the office, a certified copy of the private career school's placement record, containing a list of graduates, a description of their jobs, names of their employers, and other information as the office may prescribe.

(b) Each private career school that offers a placement service shall furnish to each prospective student, upon request, prior to enrollment, written information concerning the percentage of the previous year's graduates who were placed in the occupation for which prepared or in related employment.

Subd. 12. Permanent records. A private career school licensed under this chapter and located in Minnesota shall maintain a permanent record for each student for 50 years from the last date of the student's

attendance. A private career school licensed under this chapter and offering distance instruction to a student located in Minnesota shall maintain a permanent record for each Minnesota student for 50 years from the last date of the student's attendance. Records include school transcripts, documents, and files containing student data about academic credits earned, courses completed, grades awarded, degrees awarded, and periods of attendance. To preserve permanent records, a private career school shall submit a plan that meets the following requirements:

- (1) at least one copy of the records must be held in a secure, fireproof depository;
- (2) an appropriate official must be designated to provide a student with copies of records or a transcript upon request;
- (3) an alternative method, approved by the office, of complying with clauses (1) and (2) must be established if the private career school ceases to exist; and
- (4) a continuous surety bond must be filed with the office in an amount not to exceed \$20,000 if the private career school has no binding agreement approved by the office, for preserving student records. The bond shall run to the state of Minnesota.

Subd. 13. **Private career schools licensed by another state agency or board.** A private career school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating in state financial aid under chapter 136A, and which is also licensed by another state agency or board shall be required to satisfy only the requirements of subdivisions 3, clauses (1), (2), (3), (5), (7), and (10); 4; 5, paragraph (b), clause (2); 7, clauses (1) and (10); 8; 9, clause (13); and 12. A distance education school located in another state, or a school licensed to recruit Minnesota residents for attendance at a school outside of this state, or a school licensed by another state agency as its primary licensing body, may continue to use the school's name as permitted by its home state or its primary licensing body.

Sec. 24. Minnesota Statutes 2014, section 141.251, subdivision 2, is amended to read:

Subd. 2. **Conditions.** The office shall adopt rules establishing the conditions for renewal of a license. The conditions shall permit two levels of renewal based on the record of the private career school. A private career school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A private career school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny. The office shall specify minimum longevity standards and performance indicators that must be met before a private career school may be permitted to operate under the relaxed standard of scrutiny. The performance indicators used in this determination shall include, but not be limited to: regional or national accreditation, loan default rates, placement rate of graduates, student withdrawal rates, audit results, student complaints, and school status with the United States Department of Education. Private career schools that meet the requirements established in rule shall be required to submit a full relicensure report once every four years, and in the interim years will be exempt from the requirements of section 141.25, subdivision 3, clauses (4), (5), and (8), and Minnesota Rules, parts 4880.1700, subpart 6; and 4880.2100, subpart 4.

Sec. 25. Minnesota Statutes 2014, section 141.255, is amended to read:

141.255 FEES.

Subdivision 1. **Initial licensure fee.** The office processing fee for an initial licensure application is:

(1) \$2,500 for a private career school that will offer no more than one program during its first year of operation;

(2) \$750 for a private career school licensed exclusively due to the use of the term "college," "university," "academy," or "institute" in its name, or licensed exclusively in order to participate in state grant or SELF loan financial aid programs; and

(3) \$2,500, plus \$500 for each additional program offered by the private career school, for a private career school during its first year of operation.

Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal licensure application is:

(1) for a private career school that offers one program, the license renewal fee is \$1,150;

(2) for a private career school that offers more than one program, the license renewal fee is \$1,150, plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;

(3) for a private career school licensed exclusively due to the use of the term "college," "university," "academy," or "institute" in its name, the license renewal fee is \$750; and

(4) for a private career school licensed by another state agency and also licensed with the office exclusively in order to participate in state student aid programs, the license renewal fee is \$750.

(b) If a license renewal application is not received by the office by the close of business at least 60 days before the expiration of the current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

Subd. 4. **Program addition fee.** The office processing fee for adding a program to those that are currently offered by the private career school is \$500 per program.

Subd. 5. **Visit or consulting fee.** If the office determines that a fact-finding visit or outside consultant is necessary to review or evaluate any new or revised program, the office shall be reimbursed for the expenses incurred related to the review as follows:

(1) \$400 for the team base fee or for a paper review conducted by a consultant if the office determines that a fact-finding visit is not required;

(2) \$300 for each day or part thereof on site per team member; and

(3) the actual cost of customary meals, lodging, and related travel expenses incurred by team members.

Subd. 6. **Modification fee.** The fee for modification of any existing program is \$100 and is due if there is:

(1) an increase or decrease of 25 percent or more, from the original date of program approval, in clock hours, credit hours, or calendar length of an existing program;

(2) a change in academic measurement from clock hours to credit hours or vice versa; or

(3) an addition or alteration of courses that represent a 25 percent change or more in the objectives, content, or methods of delivery.

Subd. 7. **Solicitor permit fee.** The solicitor permit fee is \$350 and must be paid annually.

Subd. 8. **Multiple location fee.** Private career schools wishing to operate at multiple locations must pay:

(1) \$250 per location, for locations two to five; and

(2) an additional \$100 for each location over five.

Subd. 9. **Student transcript fee.** The fee for a student transcript requested from a closed private career school whose records are held by the office is \$15, with a maximum of five transcripts per request.

Subd. 10. **Public office documents; copies.** The rate for copies of any public office document shall be 50 cents per page.

Sec. 26. Minnesota Statutes 2014, section 141.26, is amended to read:

141.26 PERMITS FOR SOLICITORS.

Subdivision 1. **Required.** A solicitor representing a private career school must obtain a solicitor's permit from the office before soliciting students to enroll in ~~such~~ the private career school. Such permit shall expire one year following the date of issuance. Application for renewal of permit shall be made annually.

Subd. 2. **Application for permit.** (a) The application for the permit shall state the full name, address, previous employment, and such other information concerning the solicitor applicant as the office may require.

(b) The application shall have attached to it a certified affidavit signed by a private career school official and the solicitor attesting to the fact that the applicant has been furnished a copy, has read and has knowledge of the provisions of this chapter and Minnesota Rules.

Subd. 3. **Refusal of permit.** No permit shall be issued to any solicitor unless such solicitor files with the office a continuous corporate surety bond in the sum of \$2,000 conditioned upon the faithful performance of all contracts and agreements with the students made by the solicitor. Such bonds shall run to the state of Minnesota and to any person who may have cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the solicitor with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum of \$2,000. The surety of any such bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation. In lieu of bond, the solicitor may deposit with the commissioner of management and budget the sum of \$2,000.

Subd. 4. **Additional permits.** A solicitor representing more than one private career school must obtain a separate permit for each private career school represented; however when a solicitor represents private career schools having a common ownership, only one permit shall be required.

Subd. 5. **Fee.** The initial and renewal application for each permit shall be accompanied by a non-refundable fee under section 141.255.

Subd. 6. **Contract; validity.** Any contract entered into by a solicitor for a licensed private career school shall be unenforceable in any action brought thereon if the solicitor does not hold a valid permit as required by this section.

Sec. 27. Minnesota Statutes 2014, section 141.265, is amended to read:

141.265 INFORMATION TO STUDENTS.

Subdivision 1. **Catalog, brochure, or electronic display.** A private career school or its agent must provide the catalog, brochure, or electronic display required in section 141.25, subdivision 9, to a prospective student in a time or manner that gives the prospective student at least five days to read the catalog, brochure, or electronic display before signing a contract or enrollment agreement or before being accepted by a private career school that does not use a written contract or enrollment agreement.

Subd. 2. **Contract information.** A contract or enrollment agreement used by a private career school must include at least the following:

- (1) the name and address of the private career school, clearly stated;
- (2) a clear and conspicuous disclosure that the agreement is a legally binding instrument upon written acceptance of the student by the private career school unless canceled under section 141.271;
- (3) the private career school's cancellation and refund policy that shall be clearly and conspicuously entitled "Buyer's Right to Cancel";
- (4) a clear statement of total cost of the program including tuition and all other charges;
- (5) the name and description of the program, including the number of hours or credits of classroom instruction, or distance instruction, that shall be included; and
- (6) a clear and conspicuous explanation of the form and means of notice the student should use in the event the student elects to cancel the contract or sale, the effective date of cancellation, and the name and address of the seller to which the notice should be sent or delivered.

The contract or enrollment agreement must not include a wage assignment provision or a confession of judgment clause.

Subd. 3. **Contract copies.** Immediately upon signing of the enrollment agreement or the contract by a prospective student, the private career school or agent shall furnish to the prospective student an exact duplicate copy of the enrollment agreement or contract.

Sec. 28. Minnesota Statutes 2014, section 141.271, subdivision 1a, is amended to read:

Subd. 1a. **Notice; right to refund.** Every private career school shall notify each student, in writing, of acceptance or rejection. In the event that the student is rejected by the private career school, all tuition, fees and other charges shall be refunded.

Sec. 29. Minnesota Statutes 2014, section 141.271, subdivision 1b, is amended to read:

Subd. 1b. **Short-term programs.** Licensed private career schools conducting programs not exceeding 40 hours in length shall not be required to make a full refund once a program has commenced and shall be

allowed to prorate any refund based on the actual length of the program as stated in the private career school catalog or advertisements and the number of hours attended by the student.

Sec. 30. Minnesota Statutes 2014, section 141.271, subdivision 3, is amended to read:

Subd. 3. ~~**Schools not using written contracts**~~ **Notice; amount.** (a) ~~Notwithstanding anything to the contrary, A private career school that does not use a written contract or enrollment agreement shall refund all tuition, fees and other charges paid by a student if the student gives written notice of cancellation within five business days after the day on which the student is accepted by the private career school regardless of whether the program has started.~~

(b) When a student has been accepted by the private career school and gives written notice of cancellation following the fifth business day after the day of acceptance by the private career school, but before the start of the program, in the case of resident private career schools, or before the first lesson has been serviced by the private career school, in the case of distance education schools, all tuition, fees and other charges, except 15 percent of the total cost of the program but not to exceed \$50, shall be refunded to the student.

Sec. 31. Minnesota Statutes 2014, section 141.271, subdivision 5, is amended to read:

Subd. 5. ~~**Distance education schools**~~ **Proration.** When a student has been accepted by a distance education private career school and gives written notice of cancellation after the ~~first lesson has been completed by the student and serviced by the school~~ program of instruction has begun, but before completion of 75 percent of the program, the amount charged for tuition, fees and all other charges ~~for the completed lessons~~ shall be prorated based on the number of days in the term as a portion of the total charges for tuition, fees and all other charges. An additional 25 percent of the total cost of the program may be added but shall not exceed ~~\$75~~ \$100. After completion of 75 percent of the program, no refunds are required.

Sec. 32. Minnesota Statutes 2014, section 141.271, subdivision 7, is amended to read:

Subd. 7. **Equipment and supplies.** The fair market retail price, if separately stated in the catalog and contract or enrollment agreement, of equipment or supplies furnished to the student, which the student fails to return in condition suitable for resale, and which may reasonably be resold, within ten business days following cancellation may be retained by the private career school and may be deducted from the total cost for tuition, fees and all other charges when computing refunds.

An overstatement of the fair market retail price of any equipment or supplies furnished the student shall be considered inconsistent with this provision.

Sec. 33. Minnesota Statutes 2014, section 141.271, subdivision 8, is amended to read:

Subd. 8. **Time of refund.** Each private career school shall acknowledge in writing any valid notice of cancellation within ten business days after the receipt of such notice and within 30 business days shall refund to the student any amounts due and arrange for termination of the student's obligation to pay any sum in excess of that due under the cancellation and refund policy.

Sec. 34. Minnesota Statutes 2014, section 141.271, subdivision 9, is amended to read:

Subd. 9. **Limitation.** A private career school cannot make its refund policy conditional upon compliance with the school's regulations or rules of conduct.

Sec. 35. Minnesota Statutes 2014, section 141.271, subdivision 10, is amended to read:

Subd. 10. **Cancellation occurrence.** Written notice of cancellation shall take place on the date the letter of cancellation is postmarked or, in the cases where the notice is hand carried, it shall occur on the date the notice is delivered to the private career school. If a student has not attended class for a period of 21 consecutive days without contacting the private career school to indicate an intent to continue in school or otherwise making arrangements concerning the absence, the student is considered to have withdrawn from school for all purposes as of the student's last documented date of attendance.

Sec. 36. Minnesota Statutes 2014, section 141.271, subdivision 12, is amended to read:

Subd. 12. **Instrument not to be negotiated.** A private career school shall not negotiate any promissory instrument received as payment of tuition or other charge prior to completion of 50 percent of the program, except that prior to that time, instruments may be transferred by assignment to purchasers who shall be subject to all defenses available against the private career school named as payee.

Sec. 37. Minnesota Statutes 2014, section 141.271, subdivision 13, is amended to read:

Subd. 13. **Cancellation of enrollment.** If a student's enrollment in a private career school is canceled for any reason, the private career school shall notify any agency known to the private career school to be providing financial aid to the student of the cancellation within 30 days.

Sec. 38. Minnesota Statutes 2014, section 141.271, subdivision 14, is amended to read:

Subd. 14. **Closed private career school.** In the event a private career school closes for any reason during a term and interrupts and terminates classes during that term, all tuition for the term shall be refunded to the students or the appropriate state or federal agency or private lender that provided any funding for the term and any outstanding obligation of the student for the term is canceled.

Sec. 39. Minnesota Statutes 2014, section 141.28, is amended to read:

141.28 PROHIBITIONS.

Subdivision 1. **Disclosure required; advertisement restricted.** Private career schools, agents of private career schools, and solicitors may not advertise or represent in writing or orally that the private career school is approved or accredited by the state of Minnesota, except that any private career school, agent, or solicitor may represent in advertisements and shall disclose in catalogues, applications, and enrollment materials that the private career school is duly licensed by the state by prominently displaying the following statement:

"(Name of private career school) is licensed as a private career school with the Minnesota Office of Higher Education pursuant to Minnesota Statutes, sections 141.21 to 141.32. Licensure is not an endorsement of the institution. Credits earned at the institution may not transfer to all other institutions."

Subd. 2. **Unlawful designation.** No private career school organized after November 15, 1969, shall apply to itself either as a part of its name or in any other manner the designation of "college" or "university." Operating private career schools now using such designation may continue use thereof.

Subd. 3. **False statements.** A private career school, agent, or solicitor shall not make, or cause to be made, any statement or representation, oral, written or visual, in connection with the offering or publicizing

of a program, if the private career school, agent, or solicitor knows or reasonably should have known the statement or representation to be false, fraudulent, deceptive, substantially inaccurate, or misleading.

Subd. 4. **Acceptance of contracts.** No private career school shall accept contracts, enrollment agreements or enrollment applications from an agent or solicitor who does not have a current permit.

Subd. 5. **Improbable program completion or employment.** A private career school, agent, or solicitor shall not enroll a prospective student when it is obvious that the prospective student is unlikely to successfully complete a program or is unlikely to qualify for employment in the vocation or field for which the preparation is designed unless this fact is affirmatively disclosed to the prospective student. If a prospective student expresses a desire to enroll after such disclosure, a disclaimer may be obtained by the private career school. The disclaimer shall be signed by the student and shall state substantially one or both of the following: "I am fully aware that it is unlikely I will be able to successfully complete the program" and "I am fully aware of the improbability or impossibility that I will qualify for employment in the vocation or field for which the program was designed."

Subd. 6. **Financial aid payments.** (a) All private career schools must collect, assess, and distribute funds received from loans or other financial aid as provided in this subdivision.

(b) Student loans or other financial aid funds received from federal, state, or local governments or administered in accordance with federal student financial assistance programs under title IV of the Higher Education Act of 1965, as amended, United States Code, title 20, chapter 28, must be collected and applied as provided by applicable federal, state, or local law or regulation.

(c) Student loans or other financial aid assistance received from a bank, finance or credit card company, or other private lender must be collected or disbursed as provided in paragraphs (d) and (e).

(d) Loans or other financial aid payments for amounts greater than \$3,000 must be disbursed:

(1) in two equal disbursements, if the term length is more than four months. The loan or payment amounts may be disbursed no earlier than the first day the student attends class with the remainder to be disbursed halfway through the term; or

(2) in three equal disbursements, if the term length is more than six months. The loan or payment amounts may be disbursed no earlier than the first day the student attends class, one-third of the way through the term, and two-thirds of the way through the term.

(e) Loans or other financial aid payments for amounts less than \$3,000 may be disbursed as a single disbursement on the first day a student attends class, regardless of term length.

(f) No private career school may enter into a contract or agreement with, or receive any money from, a bank, finance or credit card company, or other private lender, unless the private lender follows the requirements for disbursements provided in paragraphs (d) and (e).

(g) No school may withhold an official transcript for arrears or default on any loan made by the school to a student if the loan qualifies as an institutional loan under United States Code, title 11, section 523(a)(8)(b).

Sec. 40. Minnesota Statutes 2014, section 141.29, is amended to read:

141.29 REVOCATION OF LICENSE OR PERMIT.

Subdivision 1. **Grounds.** The office may, after notice and upon providing an opportunity for a hearing, under chapter 14 if requested by the parties adversely affected, refuse to issue, refuse to renew, revoke, or suspend a license or solicitor's permit for any of the following grounds:

- (1) violation of any provisions of sections 141.21 to 141.35 or any rule adopted by the office;
- (2) furnishing to the office false, misleading, or incomplete information;
- (3) presenting to prospective students information relating to the private career school that is false, fraudulent, deceptive, substantially inaccurate, or misleading;
- (4) refusal to allow reasonable inspection or supply reasonable information after written request by the office;
- (5) the existence of any circumstance that would be grounds for the refusal of an initial or renewal license under section 141.25.

Subd. 2. **Appeal.** Any order refusing, revoking, or suspending a private career school's license or a solicitor's permit is appealable in accordance with chapter 14. Where a private career school has been operating and its license has been revoked, suspended, or refused by the office, the order is not effective until the final determination of the appeal unless immediate effect is ordered by the court.

Subd. 3. **Powers and duties.** The office shall have (in addition to the powers and duties now vested therein by law) the following powers and duties:

(a) To negotiate and enter into interstate reciprocity agreements with similar agencies in other states, if in the judgment of the office such agreements are or will be helpful in effectuating the purposes of Laws 1973, chapter 714;

(b) To grant conditional private career school license for periods of less than one year if in the judgment of the office correctable deficiencies exist at the time of application and when refusal to issue private career school license would adversely affect currently enrolled students;

(c) The office may upon its own motion, and shall upon the verified complaint in writing of any person setting forth fact which, if proved, would constitute grounds for refusal or revocation under Laws 1973, chapter 714, investigate the actions of any applicant or any person or persons holding or claiming to hold a license or permit. However, before proceeding to a hearing on the question of whether a license or permit shall be refused, revoked or suspended for any cause enumerated in subdivision 1, the office shall grant a reasonable time to the holder of or applicant for a license or permit to correct the situation. If within such time the situation is corrected and the private career school is in compliance with the provisions of this chapter, no further action leading to refusal, revocation, or suspension shall be taken.

Sec. 41. Minnesota Statutes 2014, section 141.30, is amended to read:

141.30 INSPECTION.

(a) The office or a delegate may inspect the instructional books and records, classrooms, dormitories, tools, equipment and classes of any private career school or applicant for license at any reasonable time. The office may require the submission of a certified public audit, or if there is no such audit available the office or a delegate may inspect the financial books and records of the private career school. In no event

shall such financial information be used by the office to regulate or set the tuition or fees charged by the private career school.

(b) Data obtained from an inspection of the financial records of a private career school or submitted to the office as part of a license application or renewal are nonpublic data as defined in section 13.02, subdivision 9. Data obtained from inspections may be disclosed to other members of the office, to law enforcement officials, or in connection with a legal or administrative proceeding commenced to enforce a requirement of law.

Sec. 42. Minnesota Statutes 2014, section 141.32, is amended to read:

141.32 PENALTY.

The commissioner may assess fines for violations of a ~~provision of this chapter~~ sections 141.21 to 141.37. Each day's failure to comply with ~~this chapter~~ sections 141.21 to 141.37 shall be a separate violation and fines shall not exceed \$500 per day per violation. Amounts received under this section must be deposited in the special revenue fund and are appropriated to the office of ~~Higher Education~~ for the purposes of ~~this chapter~~ sections 141.21 to 141.37.

Sec. 43. Minnesota Statutes 2014, section 141.35, is amended to read:

141.35 EXEMPTIONS.

Sections 141.21 to 141.32 shall not apply to the following:

- (1) public postsecondary institutions;
- (2) postsecondary institutions registered under sections 136A.61 to 136A.71;
- (3) private career schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;
- (4) private schools complying with the requirements of section 120A.22, subdivision 4;
- (5) courses taught to students in a valid apprenticeship program taught by or required by a trade union;
- (6) private career schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota;
- (7) private career schools licensed by boards authorized under Minnesota law to issue licenses except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;
- (8) private career schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;
- (9) private career schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects as determined by the office except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names unless the school used "academy" or "institute" in its name prior to August 1, 2008;

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

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

(12) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and that are offered exclusively to an individual practicing the profession;

(13) classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, post-graduate, or occupational licensing and occupational entrance examinations;

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

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

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

(17) private career schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions; and

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

Sec. 44. Minnesota Statutes 2014, section 197.75, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of veterans affairs.

(c) "Deceased veteran" means a veteran who has died as a result of the person's military service, as determined by the United States Veterans Administration, and who was a resident of this state: (1) within six months of entering the United States armed forces, or (2) for the six months preceding the veteran's date of death.

(d) "Eligible child" means a person who:

(1) is the natural or adopted child or stepchild of a deceased veteran; and

(2) is a student making satisfactory academic progress at an eligible institution of higher education.

(e) "Eligible institution" means a postsecondary educational institution located in this state that either ~~(1)~~ is operated by this state or the Board of Regents of the University of Minnesota, or ~~(2) is operated publicly or privately and, as determined by the office, maintains academic standards substantially equivalent to those of comparable institutions operated in this state~~ is licensed or registered with the Office of Higher Education.

(f) "Eligible spouse" means the surviving spouse of a deceased veteran.

(g) "Eligible veteran" means a veteran who:

(1) is a student making satisfactory academic progress at an eligible institution of higher education;

(2) had Minnesota as the person's state of residence at the time of the person's enlistment or any reenlistment into the United States armed forces, as shown by the person's federal form DD-214 or other official documentation to the satisfaction of the commissioner;

(3) except for benefits under this section, has no remaining military or veteran-related educational assistance benefits for which the person may have been entitled; and

(4) while using the educational assistance authorized in this section, remains a resident student as defined in section 136A.101, subdivision 8.

(h) "Satisfactory academic progress" has the meaning given in section 136A.101, subdivision 10.

(i) "Student" has the meaning given in section 136A.101, subdivision 7.

(j) "Veteran" has the meaning given in section 197.447.

Sec. 45. Minnesota Statutes 2014, section 261.23, is amended to read:

261.23 COSTS OF HOSPITALIZATION.

The costs of hospitalization of such indigent persons exclusive of medical and surgical care and treatment shall not exceed in amount the full rates fixed and charged by the Minnesota general hospital ~~under the provisions of sections 158.01 to 158.11~~ for the hospitalization of such indigent patients. For indigent persons hospitalized pursuant to sections 261.21 to 261.232, the state shall pay 90 percent of the cost allowable under the general assistance medical care program and ten percent of the allowable cost of hospitalization shall be paid by the county of the residence of the indigent persons at the times provided for in the contract; and in case of an injury or emergency requiring immediate surgical or medical treatment, for a period not to exceed 72 hours, 90 percent of the cost allowable under the general assistance medical care program shall be paid by the state and ten percent of the cost shall be paid by the county from which the patient, if indigent, is certified. State payments for services rendered pursuant to this section shall be ratably reduced to the same extent and during the same time period as payments are reduced under section 256D.03, subdivision 4, paragraph (c). If the county of residence of the patient is not the county in which the patient has legal settlement for the purposes of poor relief, then the county of residence may seek reimbursement from the county in which the patient has settlement for the purposes of poor relief for all costs it has necessarily incurred and paid in connection with the hospitalization of said patient.

Sec. 46. **REVISOR'S INSTRUCTION.**

(a) The revisor of statutes shall renumber the provisions of Minnesota Statutes listed in Column A to the references listed in Column B. The revisor shall also make necessary cross-reference, grammatical, or

terminology changes in Minnesota Statutes and Minnesota Rules consistent with the renumbering, including changing the word "school" to "private career school" wherever the word appears in sections 141.20 to 141.37.

<u>Column A</u>	<u>Column B</u>
<u>141.20</u>	<u>136A.82</u>
<u>141.21</u>	<u>136A.821</u>
<u>141.25</u>	<u>136A.822</u>
<u>141.251</u>	<u>136A.823</u>
<u>141.255</u>	<u>136A.824</u>
<u>141.26</u>	<u>136A.825</u>
<u>141.265</u>	<u>136A.826</u>
<u>141.271</u>	<u>136A.827</u>
<u>141.28</u>	<u>136A.828</u>
<u>141.29</u>	<u>136A.829</u>
<u>141.30</u>	<u>136A.83</u>
<u>141.31</u>	<u>136A.831</u>
<u>141.32</u>	<u>136A.832</u>
<u>141.35</u>	<u>136A.833</u>
<u>141.37</u>	<u>136A.834</u>

(b) The revisor of statutes shall make any necessary cross-reference change in Minnesota Statutes or Minnesota Rules resulting from repealers in this act.

Sec. 47. **REPEALER.**

Minnesota Statutes 2014, sections 136A.127, subdivisions 1, 2, 3, 4, 5, 6, 7, 9, 9b, 10, 10a, 11, and 14; 136A.862; 141.271, subdivisions 4 and 6; 158.01; 158.02; 158.03; 158.04; 158.05; 158.06; 158.07; 158.08; 158.09; 158.091; 158.10; 158.11; and 158.12, are repealed.

ARTICLE 3

HIGHER EDUCATION POLICY

Section 1. Minnesota Statutes 2014, section 5.41, subdivision 2, is amended to read:

Subd. 2. **Report.** (a) A postsecondary institution must file by November 1 of each year a report on its programs with the secretary of state. The report must contain the following information from the previous academic year, including summer terms:

(1) deaths of program participants that occurred during program participation as a result of program participation; ~~and~~

(2) accidents and illnesses that occurred during program participation as a result of program participation and that required hospitalization; and

(3) country, primary program host, and program type for all incidents reported in clauses (1) and (2).

For purposes of this paragraph, "primary program host" is the institution or organization responsible for or in control of the majority of decisions being made on the program including, but not limited to, student housing, local transportation, and emergency response and support.

Information reported under clause (1) may be supplemented by a brief explanatory statement.

(b) A postsecondary institution must request, but not mandate, hospitalization and incident disclosure from students upon completion of the program.

(c) A postsecondary institution must report to the secretary of state annually by November 1 whether its program complies with health and safety standards set by the Forum on Education Abroad or a similar study abroad program standard setting agency.

Sec. 2. Minnesota Statutes 2014, section 5.41, subdivision 3, is amended to read:

Subd. 3. Secretary of state; publication of program information. (a) The secretary of state must publish the reports required by subdivision 2 on its Web site in a format that facilitates identifying information related to a particular postsecondary institution.

(b) The secretary of state shall publish on its Web site ~~the best available information by country~~ links to the United States Department of State's Consular Information Program which informs the public of conditions abroad that may affect their safety and security. The secretary of state shall also publish links to the publicly available reports on sexual assaults and other criminal acts affecting study abroad program participants during program participation. This information shall not be limited to programs subject to this section.

Sec. 3. Minnesota Statutes 2014, section 124D.09, is amended by adding a subdivision to read:

Subd. 10a. Concurrent enrollment participant survey. (a) Postsecondary institutions offering courses taught by the secondary teacher according to subdivision 10, and are members in the National Alliance of Concurrent Enrollment Partnerships (NACEP), must report all required NACEP evaluative survey results by September 1 of each year to the commissioners of the Office of Higher Education and the Department of Education. The commissioners must report by December 1 of each year to the committees of the legislature having jurisdiction over early education through grade 12 education.

(b) Postsecondary institutions that have not adopted and implemented the NACEP program standards and required evidence for accreditation, are required to conduct an annual survey of concurrent enrolled students who successfully completed the course who are one year out of high school, beginning with the high school graduating class of 2016. By September 1 of each year, the postsecondary institutions must report the evaluative survey results to the commissioners of the Office of Higher Education and the Department of Education. The commissioner must report by December 1 of each year to the committees of the legislature having jurisdiction over early education through grade 12 education. The survey must include, at a minimum, the following student information:

(1) the participant's future education plans, including the highest degree or certification planned;

(2) whether the participant is enrolled or plans to enroll in a Minnesota postsecondary institution, either public or private;

(3) the number of credits accepted or denied by postsecondary institutions;

(4) the college or university attended;

(5) the participant's satisfaction level with the concurrent enrollment program;

(6) the participant's demographics, such as gender, parent education level, qualification for free or reduced-price lunch in high school, Pell grant qualification and ethnicity; and

(7) a place for participants to provide comments.

Sec. 4. Minnesota Statutes 2014, section 124D.09, is amended by adding a subdivision to read:

Subd. 10b. **Concurrent Enrollment Advisory Board; membership; duties.** (a) A postsecondary institution offering courses taught by the secondary teacher according to subdivision 10, must establish an advisory board. The purpose of the advisory board is to engage stakeholders in concurrent enrollment decisions. The duties of the board must include the following:

(1) providing strategic advice and input relating to concurrent enrollment issues;

(2) recommend and review proposals for concurrent enrollment course offerings;

(3) serve as a coordinating entity between secondary education and postsecondary institutions; and

(4) increase the understanding and collaboration among concurrent enrollment partners, stakeholders, the legislature, and the public.

(b) The advisory board at each institution must consist of 16 members in addition to a concurrent enrollment faculty coordinator who shall serve as the chair and convene the meetings. A postsecondary institution may elect to have an advisory board of less than 16 members if the institution determines that the extent of its concurrent program warrants a smaller board. Except for the original members, advisory board members must serve three-year staggered terms. Advisory board members, appointed by the postsecondary institution, must be balanced based on geography, school size, and include, if practical, representatives from the following:

(1) postsecondary faculty members;

(2) school superintendents;

(3) high school principals;

(4) concurrent enrollment teachers;

(5) high school counselors;

(6) charter school administrators;

(7) school board members;

(8) secondary academic administrators;

(9) parents; and

(10) other local organizations.

(c) Members of the board serve without compensation.

(d) The board shall report to the postsecondary institution periodically as requested by the postsecondary institution to provide advice and proposals described in paragraph (a).

(e) The postsecondary institution shall provide administrative services and meeting space for the board to do its work.

(f) A board established under this section expires when the postsecondary institution no longer offers concurrent enrollment course offerings.

(g) The postsecondary institution shall appoint the first members to the advisory board by October 31, 2015, or by October 15 following the year it establishes a concurrent enrollment program. The postsecondary institution shall designate the terms of the first members so that an approximately equal number serve terms of two, three, and four years.

Sec. 5. Minnesota Statutes 2014, section 124D.091, subdivision 1, is amended to read:

Subdivision 1. **Accreditation.** To establish a uniform standard by which concurrent enrollment courses and professional development activities may be measured, postsecondary institutions ~~are encouraged to apply for accreditation by~~ must adopt and implement the National Alliance of Concurrent Enrollment Partnership Partnership's program standards and required evidence for accreditation by the 2020-2021 school year and later.

Sec. 6. **[135A.012] HIGHER EDUCATION ATTAINMENT GOAL.**

Subdivision 1. **Purpose.** This section sets a goal for postsecondary education attainment for Minnesota residents.

Subd. 2. **Postsecondary credentials.** The number of Minnesota residents ages 25 to 44 years, who hold postsecondary degrees or certificates, should be increased to at least 70 percent by 2025.

Subd. 3. **Rights not created.** The attainment goal in this section is not to the exclusion of any other goals and does not confer a right or create a claim for any person.

Subd. 4. **Data development and analyses.** The Office of Higher Education shall work with the state demographer's office to measure progress towards the attainment of the goal specified in subdivision 2. The United States Census Bureau data shall be used to calculate the number of individuals in the state who hold a postsecondary degree. The Office of Higher Education, demographer's office, and the Department of Employment and Economic Development shall develop a methodology to estimate the number of individuals that hold a certificate awarded by a postsecondary institution as their highest educational credential using data available at the time that the analysis is completed.

Subd. 5. **Reporting.** (a) Beginning in 2016 and every year thereafter, the Office of Higher Education, in collaboration with the state demographer's office, shall, by October 15, report to the chairs and ranking

minority members of the legislative committees with primary jurisdiction over higher education policy and finance on the progress towards meeting or exceeding the goal of this section.

(b) Meeting and maintaining the goal of 70 percent of Minnesota residents ages 25 to 44 years, holding a postsecondary degree or certificate will likely be difficult without achieving attainment rates that are comparable across all race and ethnicity groups. The Office of Higher Education shall utilize benchmarks of 30 percent or higher and 50 percent or higher to report progress by race and ethnicity groups toward meeting the educational attainment rate goal of 70 percent.

Sec. 7. [136A.091] SUMMER ACADEMIC ENRICHMENT PROGRAM.

Subdivision 1. **Establishment.** The summer academic enrichment program is established to enable elementary and secondary students to attend academic summer programs sponsored by postsecondary institutions and nonprofit organizations.

Subd. 2. **Eligibility.** To be eligible for a program stipend, a student shall:

- (1) be a resident of Minnesota;
- (2) attend an eligible office-approved program;
- (3) be in grades 3 through 12, but not have completed high school;
- (4) meet income requirements for free or reduced-price school meals; and
- (5) be 19 years of age or younger.

Subd. 3. **Financial need.** Need for financial assistance is based on student eligibility for free or reduced-price school meals. Student eligibility shall be verified by sponsors of approved academic programs. The office shall award stipends for students within the limits of available appropriations for this section. If the amount appropriated is insufficient, the office shall allocate the available appropriation in the manner it determines. A stipend must not exceed \$1,000 per student.

Subd. 4. **Eligible program sponsors.** (a) A program stipend may be used only at an eligible sponsor that is a postsecondary institution or nonprofit educational organization. A Minnesota public postsecondary institution is an eligible program sponsor. A private postsecondary institution is an eligible program sponsor if it:

(1) is accredited by an agency recognized by the United States Department of Education for purposes of eligibility to participate in title IV federal financial aid programs;

(2) offers an associate or baccalaureate degree program approved under sections 136A.61 to 136A.71; and

(3) is located in Minnesota.

(b) A nonprofit educational organization is an eligible program sponsor if it:

(1) is incorporated;

(2) has had favorable financial performance with federal or state funds; and

(3) has not had significant audit findings.

Subd. 5. **Eligible programs.** A program stipend may be used only for an eligible program. To be eligible, a program must:

(1) provide, as its primary purpose, academic instruction for student enrichment in core curricular areas of English and language arts, humanities, social studies, science, mathematics, fine arts, performing arts, and world languages and culture;

(2) not be offered for credit to postsecondary students;

(3) not provide remedial instruction;

(4) meet any other program requirements established by the office; and

(5) be approved by the commissioner.

Subd. 6. **Information.** The office shall assemble and distribute information about eligible student participants, program stipends, and eligible programs.

Subd. 7. **Administration.** The office shall determine the time and manner of program applications, program approval, stipend applications, and final awards.

Subd. 8. **Program evaluation.** Each program sponsor must annually submit a report to the office stating its program goals, activities, and stipend recipient eligibility and demographic information.

Subd. 9. **Report.** Annually, the office shall submit a report to the legislative committees with jurisdiction over higher education finance regarding the program providers, stipend recipients, and program activities. The report shall include information about the students served, the organizations providing services, program goals and outcomes, and student outcomes.

EFFECTIVE DATE. Subdivision 9 is effective January 1, 2016.

Sec. 8. Minnesota Statutes 2014, section 136A.101, subdivision 8, is amended to read:

Subd. 8. **Resident student.** "Resident student" means a student who meets one of the following conditions:

(1) a student who has resided in Minnesota for purposes other than postsecondary education for at least 12 months without being enrolled at a postsecondary educational institution for more than five credits in any term;

(2) a dependent student whose parent or legal guardian resides in Minnesota at the time the student applies;

(3) a student who graduated from a Minnesota high school, if the student was a resident of Minnesota during the student's period of attendance at the Minnesota high school and the student is physically attending a Minnesota postsecondary educational institution;

(4) a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota;

(5) a member, spouse, or dependent of a member of the armed forces of the United States stationed in Minnesota on active federal military service as defined in section 190.05, subdivision 5c;

(6) a spouse or dependent of a veteran, as defined in section 197.447, if the veteran is a Minnesota resident;

(7) a person or spouse of a person who relocated to Minnesota from an area that is declared a presidential disaster area within the preceding 12 months if the disaster interrupted the person's postsecondary education;

(8) a person defined as a refugee under United States Code, title 8, section 1101(a)(42), who, upon arrival in the United States, moved to Minnesota and has continued to reside in Minnesota; or

(9) a student eligible for resident tuition under section 135A.043; or

(10) an active member, or a spouse or dependent of that member, of the state's National Guard who resides in Minnesota or an active member, or a spouse or dependent of that member, of the reserve component of the United States armed forces whose duty station is located in Minnesota and who resides in Minnesota.

Sec. 9. Minnesota Statutes 2014, section 136A.121, subdivision 20, is amended to read:

Subd. 20. **Institution reporting.** (a) Each institution receiving financial aid under this section must annually report by ~~December 31~~ to the office the following for its ~~undergraduate programs~~ each award level:

(1) enrollment, ~~persistence~~, and graduation data for all students, including ~~aggregate subgroup~~ information on state and federal Pell grant recipients; and

(2) ~~the job placement rate and salary and wage information for graduates of each program that is either designed or advertised to lead to a particular type of job or advertised or promoted with a claim regarding job placement, as is practicable; and~~

(3) ~~the student debt-to-earnings ratio~~ aggregate awarded financial aid information for all students, and cumulative debt of all graduates by race and ethnicity, gender, and income.

(b) Using the data submitted to the office by institutions pursuant to paragraph (a), as well as other data available to the office, the office shall provide the following on its Internet Web site by placing a prominent link on its Web site home page:

(1) the information submitted by an institution pursuant including, but not limited to, persistence and completion, debt of graduates, employment and wage information, and other relevant data for each institution subject to paragraph (a), which shall be made available in a searchable database; and

(2) other information and links that are useful to students and parents who are in the process of selecting a college or university. This information may include, but is not limited to, local occupational profiles.

(c) The office shall provide a standard format and instructions for institutions supplying the information required under paragraph (a).

(d) The office shall provide an electronic copy of the information provided on its Internet Web site under paragraph (b) to each public and private high school in the state and each workforce center operated by the Department of Employment and Economic Development. The copy must contain information formatted by institution so that comparison can be easily made between institutions. High schools are encouraged to

make the information available to students, including through individual counseling sessions with students. Workforce centers shall make the information available to job seekers, those seeking career counseling, and others as determined by the centers.

Sec. 10. **[136A.1791] TEACHER SHORTAGE LOAN FORGIVENESS PROGRAM.**

Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "Qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational and living expenses related to a teacher's preparation or further education.

(c) "School district" means an independent school district, special school district, intermediate district, education district, special education cooperative, service cooperative, a cooperative center for vocational education, or a charter school located in Minnesota.

(d) "Teacher" means an individual holding a teaching license issued by the licensing division in the Department of Education on behalf of the Board of Teaching who is employed by a school district to provide classroom instruction in a teacher shortage area.

(e) "Teacher shortage area" means the licensure fields and economic development regions reported by the commissioner of education as experiencing a teacher shortage.

(f) "Commissioner" means the commissioner of the Office of Higher Education unless indicated otherwise.

Subd. 2. **Program established; administration.** The commissioner shall establish and administer a teacher shortage loan forgiveness program. A teacher is eligible for the program if the teacher is teaching in a licensure field and in an economic development region with an identified teacher shortage under subdivision 3 and complies with the requirements of this section.

Subd. 3. **Use of report on teacher shortage areas.** The commissioner of education shall use the teacher supply and demand report to the legislature to identify the licensure fields and economic development regions in Minnesota experiencing a teacher shortage.

Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness, according to rules adopted by the commissioner, shall:

(1) apply for teacher shortage loan forgiveness and promptly submit any additional information required by the commissioner;

(2) annually reapply for up to five consecutive school years and submit information the commissioner requires to determine the applicant's continued eligibility for loan forgiveness; and

(3) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the teacher is teaching in a licensure field and in an economic development region identified by the commissioner as experiencing a teacher shortage.

Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the annual amount of teacher shortage loan forgiveness for an approved applicant shall not exceed \$1,000 or the cumulative

balance of the applicant's qualified educational loans, including principal and interest, whichever amount is less.

(b) Recipients must secure their own qualified educational loans. Teachers who graduate from an approved teacher preparation program or teachers who add a licensure field, consistent with the teacher shortage requirements of this section, are eligible to apply for the loan forgiveness program.

Subd. 6. **Disbursement.** (a) The commissioner must make annual disbursements directly to the participant of the amount for which a participant is eligible, for each year that a participant is eligible.

(b) Within 60 days of receipt of a disbursement, the participant must provide the commissioner with verification that the full amount of loan repayment disbursement has been applied toward the designated loans. A participant that previously received funds under this section but has not provided the commissioner with such verification is not eligible to receive additional funds.

Subd. 7. **Penalties.** (a) A teacher who submits a false or misleading application or other false or misleading information to the commissioner may:

(1) have his or her teaching license suspended or revoked under section 122A.20;

(2) be disciplined by the teacher's employing school district; or

(3) be required by the commissioner to repay the total amount of the loan forgiveness he or she received under this program, plus interest at a rate established under section 270C.40.

(b) The commissioner must deposit any repayments received under paragraph (a) in the fund established in subdivision 8.

Subd. 8. **Fund established.** A teacher shortage loan forgiveness repayment fund is created for depositing money appropriated to or received by the commissioner for the program. Money deposited in the fund shall not revert to any state fund at the end of any fiscal year but remains in the loan forgiveness repayment fund and is continuously available for loan forgiveness under this section.

Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report to the chairs of the K-12 and higher education committees of the legislature on the number of individuals who received loan forgiveness under this section, the licensure areas and economic development regions in which the teachers taught, the average amount paid to a teacher participating in the program, and other summary data identified by the commissioner as outcome indicators.

Subd. 10. **Rulemaking.** The commissioner shall adopt rules under chapter 14 to administer this section.

Sec. 11. **[136A.246] DUAL TRAINING COMPETENCY GRANTS.**

Subdivision 1. **Program created.** The commissioner shall make grants for the training of employees to achieve the competency standard for an occupation identified by the commissioner of labor and industry under section 175.45 and Laws 2014, chapter 312, article 3, section 21. "Competency standard" has the meaning given in section 175.45, subdivision 2.

Subd. 2. **Eligible grantees.** An employer or an organization representing the employer is eligible to apply for a grant to train employees if the employer has an employee who is in or is to be trained to be

in an occupation for which a competency standard has been identified and the employee has not attained the competency standard prior to the commencement of the planned training. Training need not address all aspects of a competency standard but may address only the competencies of a standard that an employee is lacking. Employees who have previously received a grant under this program are not eligible to receive another grant.

Subd. 3. Training institution or program. Prior to applying for a grant, the employer must have an agreement with a training institution or program to provide the employee competency standard training. The training may be provided by any institution or program having trainers qualified to instruct on the competency standard.

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

(1) the projected number of employee trainees;

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

(3) any credential the employee will receive upon completion of training;

(4) the name and address of the training institution or program and a signed statement by the institution or program that it is able and agrees to provide the training;

(5) the period of the training; and

(6) the cost of the training charged by the training institution or program and certified by the institution or program.

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

Subd. 5. Grant criteria. The commissioner shall, to the extent there are sufficient applications, make at least an equal dollar amount of grants for training for employees whose work site is projected to be outside the metropolitan area as defined in section 473.121, subdivision 2, as for employees whose work site is projected to be within the metropolitan area. In determining the award of grants, the commissioner must consider, among other factors:

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

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

(3) the per employee cost of training;

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

(5) projected increases in compensation for employees receiving the training; and

(6) the amount of employer training cost match, if required, on both a per employee and aggregate basis.

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

Subd. 7. **Payment of grant.** The commissioner shall make grant payments to the training institution or program in a manner determined by the commissioner after receiving notice from the institution or program that the employer has paid the employer match.

Subd. 8. **Grant amounts.** The maximum grant for an application is \$150,000. The maximum cost of training payable by the grant may not exceed \$6,000 per employee.

A grant for a particular employee must be reduced by the amounts of any federal Pell grant received, or state grant the employee is eligible to receive for the training and an employee must apply for those grants as a condition of payment for training that employee under this section.

Subd. 9. **Reporting.** Commencing in 2017, the commissioner shall annually by February 1 report on the activity of the grant program for the preceding fiscal year to the chairs of the legislative committees with jurisdiction over workforce policy and finance. At a minimum, the report must include:

- (1) research and analysis on the costs and benefits of the grants for employees and employers;
- (2) the number of employees who commenced training and the number who completed training; and
- (3) recommendations, if any, for changes to the program.

Sec. 12. Minnesota Statutes 2014, section 136A.861, subdivision 1, is amended to read:

Subdivision 1. **Grants.** (a) The commissioner shall award grants to foster postsecondary attendance and retention by providing outreach services to historically underserved students in grades six through 12 and historically underrepresented college students. Grants must be awarded to programs that provide precollege services, including, but not limited to:

- (1) academic counseling;
 - (2) mentoring;
 - (3) fostering and improving parental involvement in planning for and facilitating a college education;
 - (4) services for students with English as a second language;
 - (5) academic enrichment activities;
 - (6) tutoring;
 - (7) career awareness and exploration;
 - (8) orientation to college life;
 - (9) assistance with high school course selection and information about college admission requirements;
- and

(10) financial aid counseling.

(b) To the extent there are sufficient applications, the commissioner shall award an approximate equal amount of grants for program-eligible students who are from communities located outside the metropolitan area, as defined in section 473.121, subdivision 2, as for students from communities within the metropolitan area. If necessary to achieve the approximately equal metropolitan area and nonmetropolitan area allocation, the commissioner may award a preference to a nonmetropolitan area application in the form of five points on a one hundred point application review scale.

~~(b)~~ (c) Grants shall be awarded to postsecondary institutions, professional organizations, community-based organizations, or others deemed appropriate by the commissioner.

~~(e)~~ (d) Grants shall be awarded for one year and may be renewed for a second year with documentation to the office of successful program outcomes.

Sec. 13. [136A.901] SPINAL CORD INJURY AND TRAUMATIC BRAIN INJURY RESEARCH GRANT PROGRAM.

Subdivision 1. **Grant program.** The commissioner shall establish a grant program to award grants to institutions in Minnesota for research into spinal cord injuries and traumatic brain injuries. Grants shall be awarded to conduct research into new and innovative treatments and rehabilitative efforts for the functional improvement of people with spinal cord and traumatic brain injuries. Research topics may include, but are not limited to, pharmaceutical, medical device, brain stimulus, and rehabilitative approaches and techniques. The commissioner, in consultation with the advisory council established under section 136A.902, shall award 50 percent of the grant funds for research involving spinal cord injuries and 50 percent to research involving traumatic brain injuries. In addition to the amounts appropriated by law, the commissioner may accept additional funds from private and public sources. Amounts received from these sources are appropriated to the commissioner for the purposes of issuing grants under this section.

Subd. 2. **Report.** By January 15, 2016, and each January 15 thereafter, the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over the Office of Higher Education, specifying the institutions receiving grants under this section and the purposes for which the grant funds were used.

Sec. 14. [136A.902] SPINAL CORD AND TRAUMATIC BRAIN INJURY ADVISORY COUNCIL.

Subdivision 1. **Membership.** The commissioner shall appoint a 12-member advisory council consisting of:

- (1) one member representing the University of Minnesota Medical School;
- (2) one member representing the Mayo Medical School;
- (3) one member representing the Courage Kenny Rehabilitation Center;
- (4) one member representing Hennepin County Medical Center;
- (5) one member who is a neurosurgeon;
- (6) one member who has a spinal cord injury;

(7) one member who is a family member of a person with a spinal cord injury;

(8) one member who has a traumatic brain injury;

(9) one member who is a veteran who has a spinal cord injury or a traumatic brain injury;

(10) one member who is a family member of a person with a traumatic brain injury;

(11) one member who is a physician specializing in the treatment of spinal cord injury representing Gillette Children's Specialty Healthcare; and

(12) one member who is a physician specializing in the treatment of traumatic brain injury.

Subd. 2. **Organization.** The advisory council shall be organized and administered under section 15.059, except that subdivision 2 shall not apply. Except as provided in subdivision 4, the commissioner shall appoint council members to two-year terms and appoint one member as chair. The advisory council does not expire.

Subd. 3. **First appointments and first meeting.** The commissioner shall appoint the first members of the council by September 1, 2015. The chair shall convene the first meeting by November 1, 2015.

Subd. 4. **Terms of initial council members.** The commissioner shall designate six of the initial council members to serve one-year terms and six to serve two-year terms.

Subd. 5. **Conflict of interest.** Council members must disclose in a written statement any financial interest in any organization that the council recommends to receive a grant. The written statement must accompany the grant recommendations and must explain the nature of the conflict. The council is not subject to policies developed by the commissioner of administration under section 16B.98.

Subd. 6. **Duties.** The advisory council shall:

(1) develop criteria for evaluating and awarding the research grants under section 136A.901;

(2) review research proposals and make recommendations by January 15 of each year to the commissioner for purposes of awarding grants under section 136A.901; and

(3) perform other duties as authorized by the commissioner.

Sec. 15. [136F.302] REGULATING THE ASSIGNMENT OF STUDENTS TO REMEDIAL COURSES.

Subdivision 1. **ACT college ready score.** A state college or university may not require an individual to take a remedial, noncredit course in a subject area if the individual has received a college ready ACT score in that subject area.

Subd. 2. **Testing process for determining if remediating is necessary.** A college or university testing process used to determine whether an individual is placed in a remedial, noncredit course must comply with this subdivision. Prior to taking a test, an individual must be given reasonable time and opportunity to review materials provided by the college or university covering the material to be tested which must include a sample test. An individual who is required to take a remedial, noncredit course as a result of a test given by a college or university must be given an opportunity to retake the test at the earliest time determined by

the individual when testing is otherwise offered. The college or university must provide an individual with study materials for the purpose of retaking and passing the test.

Sec. 16. [136F.303] DEGREE AND CERTIFICATE COMPLETION; REPORT.

Beginning in 2018, the board shall annually by January 15, report to the chairs and ranking minority members of the legislature with primary jurisdiction over higher education finance on its activities and achievements related to the goal of improving timely completion of degrees and certificates. The report must, at a minimum, include for the previous academic year:

- (1) the percent of students placed in remedial education;
- (2) the percent of students who complete remediation within one academic year;
- (3) the percent of students that complete college-level gateway courses in one academic year;
- (4) the percent of students who complete 30 semester credits per academic year;
- (5) the student retention rate;
- (6) time to complete a degree or certificate; and
- (7) credits earned by those completing a degree or certificate or other program.

The report must disaggregate data for each college and university by race, ethnicity, Pell Grant eligibility, and age and provide aggregate data.

Sec. 17. Minnesota Statutes 2014, section 137.54, is amended to read:

137.54 CONDITIONS FOR PAYMENT TO UNIVERSITY.

(a) Before the commissioner may make the first payment to the board authorized in this section, the commissioner must certify that the board has received at least \$110,750,000 in pledges, gifts, sponsorships, and other nonstate general fund revenue support for the construction of the stadium. On July 1 of each year after certification by the commissioner, but no earlier than July 1, 2007, and for so long thereafter as any bonds issued by the board for the construction of the stadium are outstanding, the state must transfer to the board up to \$10,250,000 to reimburse the board for its stadium costs, provided that bonds issued to pay the state's share of such costs shall not exceed \$137,250,000. Up to \$10,250,000 is appropriated annually from the general fund for the purpose of this section. The appropriation of up to \$10,250,000 per year may be made for no more than 25 years. The board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the university for the construction of the stadium, and the actual amount of the state's annual payment to the university shall equal the amount required to service the bonds representing the state's share of such costs. Except to the extent of the annual appropriation described in this section, the state is not required to pay any part of the cost of designing or constructing the stadium.

(b) The board may refund the bonds issued pursuant to paragraph (a) if refunding is determined by the board to be in the best interest of the university. Notwithstanding paragraph (a), the principal amount of bonds issued in a refunding shall not exceed the lesser of \$104,385,000 or the amount necessary to defease the bonds outstanding immediately prior to refunding. The amount of the state's annual payment to

the university for the refunded bonds shall be equal to the maximum annual appropriation of \$10,250,000, notwithstanding the amount certified under paragraph (a).

(c) The board shall allocate sufficient funds, including any interest expense, from the savings realized through refunding of the bonds pursuant to paragraph (b), to provide \$10,000,000 for predesign and design of improved health education and clinical research facilities to meet the needs of the Medical School and Academic Health Center on the Twin Cities campus. The facilities shall be designed to support education and research that promote new innovative models of care which are patient-centered, team-based, and facilitate collaboration across the health professions. The education and research facilities will be collocated and designed to maximize collaboration and high-quality delivery of health care. The board may in its discretion, after the \$10,000,000 allocation required by this paragraph, allocate to other university purposes payments from the state that exceed the amount necessary to service the refunded bonds, except for savings in 2029, 2030, and 2031, which shall cancel to the general fund.

(d) The board must certify to the commissioner that the per-semester student fee contribution to the stadium will be at a fixed level coterminous with bonds issued by the board to meet the student share of the design construction of the stadium and that the student fee will not be increased to meet construction cost overruns.

(e) Before the first payment is made under paragraph (a), the board must certify to the commissioner that a provision for affordable access for university students to the university sporting events held at the football stadium has been made.

Sec. 18. **[175.45] COMPETENCY STANDARDS FOR DUAL TRAINING.**

Subdivision 1. **Duties; goal.** The commissioner of labor and industry shall identify competency standards for dual training. The goal of dual training is to provide current employees of an employer with training to acquire competencies that the employer requires. The standards shall be identified for employment in occupations in advanced manufacturing, health care services, information technology, and agriculture. Competency standards are not rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do not apply.

Subd. 2. **Definition; competency standards.** For purposes of this section, "competency standards" means the specific knowledge and skills necessary for a particular occupation.

Subd. 3. **Competency standards identification process.** In identifying competency standards, the commissioner shall consult with the commissioner of the Office of Higher Education and the commissioner of employment and economic development and convene recognized industry experts, representative employers, higher education institutions, representatives of the disabled community, and representatives of labor to assist in identifying credible competency standards. Competency standards must be consistent with, to the extent available and practical, recognized international and national standards.

Subd. 4. **Duties.** The commissioner shall:

- (1) identify competency standards for entry level and higher skill levels;
- (2) verify the competency standards and skill levels and their transferability by subject matter expert representatives of each respective industry;
- (3) develop models for Minnesota educational institutions to engage in providing education and training to meet the competency standards established;

(4) encourage participation by employers and labor in the standard identification process for occupations in their industry; and

(5) align dual training competency standards with other workforce initiatives.

Subd. 5. **Notification.** The commissioner must communicate identified competency standards to the commissioner of the Office of Higher Education for the purpose of the dual training competency grant program under section 136A.246. The commissioner of labor and industry shall maintain the competency standards on the department's Web site.

Sec. 19. Laws 2014, chapter 312, article 13, section 47, is amended to read:

Sec. 47. RESEARCH DOGS AND CATS.

(a) A higher education research facility that receives public money or a facility that provides research in collaboration with a higher education facility that confines dogs or cats for science, education, or research purposes and plans on euthanizing a dog or cat for other than science, education, or research purposes must first offer the dog or cat to an animal rescue organization. A facility that is required to offer dogs or cats to an animal rescue organization under this section may enter into an agreement with the animal rescue organization to protect the facility. A facility that provides a dog or cat to a rescue organization under this section is immune from any civil liability that otherwise might result from its actions, provided that the facility is acting in good faith.

(b) For the purposes of this section, "animal rescue organization" means any nonprofit organization incorporated for the purpose of rescuing animals in need and finding permanent, adoptive homes for the animals.

~~(c) This section expires July 1, 2015.~~

Sec. 20. MNSCU COLLEGE OCCUPATIONAL SCHOLARSHIP PILOT PROGRAM.

Subdivision 1. **Pilot program administration.** The commissioner of the Office of Higher Education shall administer a pilot program pursuant to this section for the 2016-2017 and 2017-2018 academic years including summer session.

Subd. 2. **Definitions.** (a) For the purpose of this section the terms defined in this subdivision have the meanings given them.

(b) "College" means a two-year college in the Minnesota State Colleges and Universities system.

(c) "Eligible individual" means an individual who:

(1) is a resident;

(2) has graduated from a Minnesota secondary school, has as a Minnesota resident completed an adult basic education (ABE) program, or as a Minnesota resident, has passed general education development (GED) testing;

(3) first applies for a grant for the fall term immediately following secondary school graduation, passing GED tests, or completing an ABE program; and

(4) has completed a Free Application for Federal Student Aid (FAFSA).

(d) "Grant" means a scholarship granted under this section.

(e) "Program" means a certificate, diploma, or associate of science or associate of applied science in a program area covered by the federal Carl D. Perkins Career and Technical Education Act and in an occupational field designated as high demand by the Department of Employment and Economic Development. "Program area" includes only the areas of:

(1) agriculture, food, and natural resources;

(2) business management and administration;

(3) human services;

(4) engineering, manufacturing and technology;

(5) arts, communications, and information systems; and

(6) health science technology.

(f) To the extent not inconsistent with this section, the definitions in section 136A.101 apply to this section.

Subd. 3. **AmeriCorps worker; exceptions.** (a) Notwithstanding any contrary provision of this section, an eligible individual who completes a 12-month or 24-month approved AmeriCorps program commencing immediately after secondary school graduation, may apply for a grant for the fall term immediately following completion of the AmeriCorps program. These individuals have a two consecutive academic year grant eligibility period commencing the start of that fall term.

(b) For the purpose of this subdivision, an "approved AmeriCorps program" means a program overseen by the Corporation for National and Community Service (CNCS) including:

(1) AmeriCorps Volunteer in Service to America (VISTA);

(2) AmeriCorps National Civilian Community Corps (NCCC); or

(3) AmeriCorps State and National.

Subd. 4. **Grants.** The commissioner shall, to the extent of available funds and subject to this section, make grants to eligible individuals to attend a program at a college.

Subd. 5. **Application.** Application for a grant shall be made by a FAFSA and on any additional form required by the commissioner and on a schedule set by the commissioner.

Subd. 6. **Income limits for grant recipients.** Dependent students reporting a parental federal adjusted gross income on a FAFSA of \$90,000 or less are eligible for a grant. Independent students reporting a family adjusted gross income on a FAFSA of \$90,000 or less are eligible for a grant.

Subd. 7. **Grant amount.** The amount of a grant is equal to program tuition and fees minus any federal Pell grant received or state grant for which the individual is eligible. For the purpose of this subdivision, "fees" has the meaning given it in Minnesota Statutes, section 136A.121, subdivision 6.

Subd. 8. **Eligibility period.** A grant may be made only for academic terms that are during the two academic years commencing the fall term immediately after secondary school graduation, completing an adult basic education program, or passing all GED tests. A grant is available for up to 72 semester credits.

Subd. 9. **Satisfactory academic progress.** An individual is eligible for a grant if the individual is making satisfactory academic progress as defined under Minnesota Statutes, section 136A.101, subdivision 10, and has a cumulative grade point average of at least 2.5 on a 4.0 scale at the end of the first academic year and at the end of each academic term after the first academic year.

Subd. 10. **Credit load.** A grantee must have accumulated at least 30 program credits by the end of the first academic year including summer term. A college must certify that a grantee is carrying sufficient credits in the second grant year to complete the program at the end of the second year, including summer school. The commissioner shall set the terms and provide the form for certification.

Subd. 11. **Grant renewal.** A grant may be renewed for a second academic year. Application for renewal must be on a form provided by the commissioner and on a schedule set by the commissioner.

Subd. 12. **Mentoring.** A grantee must be provided mentoring. Mentoring must include, but is not limited to:

(1) communicating frequently and consistently throughout program participation;

(2) developing a personalized student success plan. The plan must include concrete steps towards program completion and job placement and identify and make contingency plans for potential obstacles to program completion;

(3) connect grantees to on-campus resources and personal development opportunities; and

(4) financial planning.

The commissioner shall issue request for proposals to provide mentoring activities. The commissioner shall select the proposal that in the commissioner's judgment demonstrates the best potential within available funding for achieving success in assisting students to complete programs. The commissioner may accept and select proposals made by colleges.

Subd. 13. **Outreach.** The commissioner may through the office and by contract engage in recruitment for and promotion of the grants.

Subd. 14. **Insufficient appropriation.** Grant awards shall be made based on the date of receipt of application from the earliest to the latest date. If there are not sufficient funds, grants shall not be prorated and eligible individuals shall be placed on a waiting list. Preference shall be given to timely received renewal grant applications prior to the award of new grants.

Subd. 15. **Reporting.** (a) A college must report to the commissioner the following information:

(1) the number of grantees and their race, gender, and ethnicity;

(2) grantee persistence and completion;

(3) employment outcomes; and

(4) other information requested by the commissioner.

(b) The commissioner shall report annually by January 15, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance by college and in aggregate on the information submitted to the commissioner under paragraph (a). The commissioner may include in the report recommendations for changes in the grant program.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 21. **BACCALAUREATE DEGREE PATHWAYS.**

Subdivision 1. **Regulate MnSCU baccalaureate transfers.** The Board of Trustees of the Minnesota State Colleges and Universities shall implement new transfer pathways for associate of arts degrees, associate of science degrees, and associate of fine arts degrees toward baccalaureate degree programs. The implementation must, to the greatest extent possible, be done in accordance with the implementation plan, including its timeline, developed pursuant to Laws 2014, chapter 312, article 1, section 12.

Subd. 2. **New or enhanced bachelor of applied science degrees.** The board, in consultation with system constituency groups, is encouraged to create a plan to enhance or develop new bachelor of applied science degree programs in areas of high employment need in the state to facilitate transfer pathways for students with associate of applied science degrees.

Subd. 3. **Report.** By March 15, 2016, the board must report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on the status of implementation of transfer pathways under subdivision 1 and any deviations from the implementation plan.

Sec. 22. **COLLEGE COMPLETION; MNSCU.**

(a) The Board of Trustees of the Minnesota State Colleges and Universities shall develop a comprehensive plan to encourage students to complete degrees, diplomas, or certificates in their fields of study. The board must consult with students, faculty, and administrators of the state colleges and universities and the Office of Higher Education to create a plan that would increase program completion at each state college or university. Components of this plan may include, but are not limited to:

(1) replacing developmental or remedial courses, when appropriate, with corequisite courses in which students with academic deficiencies are placed into introductory credit-bearing coursework while receiving supplemental academic instruction on the same subject and during the same term;

(2) expanding intrusive advising, including the use of early alert systems or requiring the approval of an advisor or counselor to register for certain classes;

(3) developing meta-majors in broad academic disciplines as an alternative to undecided majors;

(4) making available alternative mathematics curriculum, including curriculum most relevant to the student's chosen area of study;

(5) implementing "opt-out scheduling" by automatically enrolling students in a schedule of courses chosen by the student's department but allowing students to disenroll from such courses if they wish;

(6) facilitating the transfer of credits between state colleges and universities; and

(7) strategies to encourage students to enroll full time, including the use of financial assistance to reduce a student's need to work.

(b) The development of the plan required under this section shall not discourage the development or delay the implementation or expansion of existing programs to encourage college completion.

(c) The Board of Trustees of the Minnesota State Colleges and Universities shall submit a report describing the plan developed under this section and an implementation schedule to the legislative committees with jurisdiction over higher education policy no later than January 15, 2016. This report must include identification of the financial and other resources needed by state colleges or universities to implement the plan developed under this section.

Sec. 23. COLLEGE COMPLETION; UNIVERSITY OF MINNESOTA.

(a) The Board of Regents of the University of Minnesota is requested to develop a comprehensive plan to encourage students to complete degrees, diplomas, or certificates in their fields of study. The board is requested to consult with students, faculty, and administrators of the University of Minnesota and the Office of Higher Education to create a plan that would increase program completion among University of Minnesota students. Components of this plan may include, but are not limited to:

(1) offering interdisciplinary courses that encourage students to think across disciplinary boundaries and take advantage of the universitywide intellectual expertise;

(2) expanding undergraduate academic advising, including intrusive advising, and the use of online advising tools;

(3) assisting undecided students with personalized services to help them develop a plan for major and career selection;

(4) requiring all students to fill out, and regularly update, their four-year degree plans;

(5) facilitating student transfers to the University of Minnesota through support of the Minnesota Transfer Curriculum and other transfer tools;

(6) developing strategies to encourage students to enroll full time and graduate in four years; and

(7) enhancing financial literacy programs that focus on low-income students.

(b) The development of the plan required under this section shall not discourage the development or delay the implementation or expansion of existing programs to encourage college completion.

(c) The Board of Regents of the University of Minnesota shall submit a report describing the plan developed under this section and an implementation schedule to the legislative committees with jurisdiction over higher education policy no later than January 15, 2016. This report must include identification of the financial and other resources needed to implement the plan developed under this section.

Sec. 24. COUNSELING FOR COLLEGE STUDENT LOAN DEBTORS.

Subdivision 1. **Pilot program created.** The commissioner of the Office of Higher Education shall make a grant to a nonprofit qualified debt counseling organization to provide individual student loan debt repayment counseling to borrowers who are Minnesota residents concerning loans obtained to attend a Minnesota postsecondary institution. The counseling shall be provided to borrowers who are 30 to 60 days delinquent when they are referred to or otherwise identified by the organization as candidates for counseling. The number of individuals receiving counseling may be limited to those capable of being served with

available appropriations for that purpose. A goal of the counseling program is to provide two counseling sessions to at least 75 percent of borrowers receiving counseling.

The purpose of the counseling is to assist borrowers to:

- (1) understand their loan and repayment options;
- (2) manage loan repayment; and
- (3) develop a workable budget based on the borrower's full financial situation regarding income, expenses, and other debt.

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

- (1) has experience in providing individualized student loan counseling;
- (2) employs certified financial loan counselors; and
- (3) has offices at multiple rural and metropolitan area locations in the state to provide in-person counseling.

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

- (1) the characteristics of borrowers to be served;
- (2) the services to be provided and a timeline for implementation of the services;
- (3) how the services provided will help borrowers manage loan repayment;
- (4) specific program outcome goals and performance measures for each goal; and
- (5) how the services will be evaluated to determine whether the program goals were met.

Subd. 4. **Grant.** The commissioner shall select one grant recipient.

Subd. 5. **Program evaluation.** (a) The grant recipient must submit a report to the Office of Higher Education by January 15, 2017. The report must evaluate and measure the extent to which program outcome goals have been met.

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

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

Subd. 6. **Report to legislature.** By February 1, 2017, the commissioner must submit a report to the committees in the legislature with jurisdiction over higher education finance regarding grant program outcomes.

Sec. 25. **HIGHER EDUCATION ATTAINMENT GOAL; INITIAL REPORT.**

By October 15, 2015, the Office of Higher Education, after collaborating with the state demographer's office, shall report to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance, on the baseline data and methodology that will be used to measure progress towards the attainment goal specified in Minnesota Statutes, section 135A.012. The report shall include information about the specific data and data sources that will be used to complete the analyses, and make recommendations regarding the appropriate comparison groups for conducting the analyses, and the manner in which data can be disaggregated by distinct racial and ethnic group categories, and timeline benchmarks for meeting the goal in Minnesota Statutes, section 135A.012, subdivision 2.

Sec. 26. **HUMAN SUBJECT RESEARCH STANDARDS; UNIVERSITY OF MINNESOTA.**

The Board of Regents of the University of Minnesota shall report monthly, commencing July 1, 2015, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance. The reports must describe progress in developing and implementing a plan to conduct human subject research at the university. The monthly reports must continue until the plan has been fully implemented. The reports must include how the university will implement the individual recommendations contained in the final report, dated February 23, 2015, titled "An External Review of the Protection of Human Research Participants at the University of Minnesota with Special Attention to Research with Adults who may lack Decision-Making Capacity." The report was prepared pursuant to an agreement by the university with the Association for the Accreditation of Human Research Protection Program (AAHRPP).

The reports must, among other details, provide specific details about:

- (1) the changes to Institutional Review Board membership, policies, and practices;
- (2) the procedures required for obtaining and reviewing consents by individuals with impaired decision-making abilities; and
- (3) the policy with respect to responding to concerns of family and others for the well-being of human research subjects.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 27. **REPEALER.**

Minnesota Rules, part 4830.7500, subparts 2a and 2b, are repealed.

ARTICLE 4

CAMPUS SEXUAL ASSAULT

Section 1. Minnesota Statutes 2014, section 13.322, is amended by adding a subdivision to read:

Subd. 6. **Campus sexual assault data.** Data relating to allegations of sexual assault at a postsecondary institution are classified under section 135A.15.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 135A.15, is amended to read:

135A.15 SEXUAL HARASSMENT AND VIOLENCE POLICY.

Subdivision 1. **Applicability; policy required.** (a) This section applies to the following postsecondary institutions:

(1) institutions governed by the Board of Trustees of the Minnesota State Colleges and Universities; and

(2) private postsecondary institutions that offer in-person courses on a campus located in Minnesota and which are eligible institutions as defined in section 136A.103, provided that a private postsecondary institution with a systemwide enrollment of fewer than 100 students in the previous academic year is exempt from subdivisions 4 to 10.

Institutions governed by the Board of Regents of the University of Minnesota are requested to comply with this section.

~~The Board of Trustees of the Minnesota State Colleges and Universities shall, and the University of Minnesota is requested to;~~ (b) A postsecondary institution must adopt a clear, understandable written policy on sexual harassment and sexual violence that informs victims of their rights under the crime victims bill of rights, including the right to assistance from the Crime Victims Reparations Board and the commissioner of public safety. The policy must apply to students and employees and must provide information about their rights and duties. The policy must apply to criminal incidents against a student or employee of a postsecondary institution occurring on property owned or leased by the postsecondary system or institution in which the victim is a student or employee of that system or institution or at any activity, program, organization, or event sponsored by the system or institution, or by a fraternity and sorority. It must include procedures for reporting incidents of sexual harassment or sexual violence and for disciplinary actions against violators. During student registration, each technical college, community college, or state university shall, and the University of Minnesota is requested to; a postsecondary institution shall provide each student with information regarding its policy. A copy of the policy also shall be posted at appropriate locations on campus at all times. Each private postsecondary institution that is an eligible institution as defined in section 136A.155, must adopt a policy that meets the requirements of this section.

Subd. 1a. **Sexual assault definition.** For the purposes of this section, "sexual assault" means forcible sex offenses as defined in Code of Federal Regulations, title 34, part 668, subpart D, appendix A, as amended.

Subd. 2. **Victims' rights.** The policy required under subdivision 1 shall, at a minimum, require that students and employees be informed of the policy, and shall include provisions for:

(1) filing criminal charges with local law enforcement officials in sexual assault cases;

(2) the prompt assistance of campus authorities, at the request of the victim, in notifying the appropriate law enforcement officials and disciplinary authorities of a sexual assault incident;

(3) allowing sexual assault victims to decide whether to report a case to law enforcement;

(4) requiring campus authorities to treat sexual assault victims with dignity;

(5) requiring campus authorities to offer sexual assault victims fair and respectful health care, counseling services, or referrals to such services;

(6) preventing campus authorities from suggesting to a victim of sexual assault that the victim is at fault for the crimes or violations that occurred;

(7) preventing campus authorities from suggesting to a victim of sexual assault that the victim should have acted in a different manner to avoid such a crime;

(8) subject to subdivision 10, protecting the privacy of sexual assault victims by only disclosing data collected under this section to the victim, persons whose work assignments reasonably require access, and, at a sexual assault victim's request, police conducting a criminal investigation;

~~(3)~~ (9) an investigation and resolution of a sexual assault complaint by campus disciplinary authorities;

~~(4)~~ (10) a sexual assault victim's participation in and the presence of the victim's attorney or other support person who is not a fact witness to the sexual assault at any meeting with campus officials concerning the victim's sexual assault complaint or campus disciplinary proceeding concerning a sexual assault complaint;

(11) ensuring that a sexual assault victim may decide when to repeat a description of the incident of sexual assault;

(12) notice to a sexual assault victim of the availability of a campus or local program providing sexual assault advocacy services;

~~(5)~~ (13) notice to a sexual assault victim of the outcome of any campus disciplinary proceeding concerning a sexual assault complaint, consistent with laws relating to data practices;

(6) (14) the complete and prompt assistance of campus authorities, at the direction of law enforcement authorities, in obtaining, securing, and maintaining evidence in connection with a sexual assault incident;

~~(7)~~ (15) the assistance of campus authorities in preserving for a sexual assault complainant or victim materials relevant to a campus disciplinary proceeding; and

~~(8)~~ (16) during and after the process of investigating a complaint and conducting a campus disciplinary procedure, the assistance of campus personnel, in cooperation with the appropriate law enforcement authorities, at a sexual assault victim's request, in shielding the victim from unwanted contact with the alleged assailant, including transfer of the victim to alternative classes or to alternative college-owned housing, if alternative classes or housing are available and feasible;

(17) forbidding retaliation, and establishing a process for investigating complaints of retaliation, against sexual assault victims by campus authorities, the accused, organizations affiliated with the accused, other students, and other employees;

(18) at the request of the victim, providing students who reported sexual assaults to the institution and subsequently choose to transfer to another postsecondary institution with information about resources for victims of sexual assault at the institution to which the victim is transferring; and

(19) consistent with laws governing access to student records, providing a student who reported an incident of sexual assault with access to the student's description of the incident as it was reported to the institution, including if that student transfers to another postsecondary institution.

Subd. 3. **Uniform amnesty.** The sexual harassment and violence policy required by subdivision 1 must include a provision that a witness or victim of an incident of sexual assault who reports the incident in good

faith shall not be sanctioned by the institution for admitting in the report to a violation of the institution's student conduct policy on the personal use of drugs or alcohol.

Subd. 4. Coordination with local law enforcement. (a) A postsecondary institution must enter into a memorandum of understanding with the primary local law enforcement agencies that serve its campus. The memorandum must be entered into no later than January 1, 2017, and updated every two years thereafter. This memorandum shall clearly delineate responsibilities and require information sharing, in accordance with applicable state and federal privacy laws, about certain crimes including, but not limited to, sexual assault. This memorandum of understanding shall provide:

(1) delineation and sharing protocols of investigative responsibilities;

(2) protocols for investigations, including standards for notification and communication and measures to promote evidence preservation; and

(3) a method of sharing information about specific crimes, when directed by the victim, and a method of sharing crime details anonymously in order to better protect overall campus safety.

(b) Prior to the start of each academic year, a postsecondary institution shall distribute an electronic copy of the memorandum of understanding to all employees on the campus that are subject to the memorandum.

(c) An institution is exempt from the requirement that it develop a memorandum of understanding under this section if the institution and local or county law enforcement agencies establish a sexual assault protocol team to facilitate effective cooperation and collaboration between the institution and law enforcement.

Subd. 5. Online reporting system. (a) A postsecondary institution must provide an online reporting system to receive complaints of sexual harassment and sexual violence from students and employees. The system must permit anonymous reports, provided that the institution is not obligated to investigate an anonymous report unless a formal report is submitted through the process established in the institution's sexual harassment and sexual violence policy.

(b) A postsecondary institution must provide students making reports under this subdivision with information about who will receive and have access to the reports filed, how the information gathered through the system will be used, and contact information for on-campus and off-campus organizations serving victims of sexual violence.

(c) Data collected under this subdivision is classified as private data on individuals as defined by section 13.02, subdivision 12. Postsecondary institutions not otherwise subject to chapter 13 must limit access to the data to only the data subject and persons whose work assignments reasonably require access.

Subd. 6. Data collection and reporting. (a) Postsecondary institutions must annually report statistics on sexual assault. This report must be prepared in addition to any federally required reporting on campus security, including reports required by the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, United States Code, title 20, section 1092(f). The report must include, but not be limited to, the number of incidents of sexual assault reported to the institution in the previous calendar year, as follows:

(1) the number that were investigated by the institution;

(2) the number that were referred for a disciplinary proceeding at the institution;

(3) the number the victim chose to report to local or state law enforcement;

(4) the number for which a campus disciplinary proceeding is pending, but has not reached a final resolution;

(5) the number in which the alleged perpetrator was found responsible by the disciplinary proceeding at the institution;

(6) the number that resulted in any action by the institution greater than a warning issued to the accused;

(7) the number that resulted in a disciplinary proceeding at the institution that closed without resolution;

(8) the number that resulted in a disciplinary proceeding at the institution that closed without resolution because the accused withdrew from the institution;

(9) the number that resulted in a disciplinary proceeding at the institution that closed without resolution because the victim chose not to participate in the procedure; and

(10) the number of reports made through the online reporting system established in subdivision 5, excluding reports submitted anonymously.

(b) If an institution previously submitted a report indicating that one or more disciplinary proceedings was pending, but had not reached a final resolution, and one or more of those disciplinary proceedings reached a final resolution within the previous calendar year, that institution must submit updated totals from the previous year that reflect the outcome of the pending case or cases.

(c) The reports required by this subdivision must be submitted to the Office of Higher Education by October 1 of each year. Each report must contain the data required under paragraphs (a) and (b) from the previous calendar year.

(d) The commissioner of the Office of Higher Education shall calculate statewide numbers for each data item reported by an institution under this subdivision. The statewide numbers must include data from postsecondary institutions that the commissioner could not publish due to federal laws governing access to student records.

(e) The Office of Higher Education shall publish on its Web site:

(1) the statewide data calculated under paragraph (d); and

(2) the data items required under paragraphs (a) and (b) for each postsecondary institution in the state.

Each postsecondary institution shall publish on the institution's Web site the data items required under paragraphs (a) and (b) for that institution.

(f) Reports and data required under this subdivision must be prepared and published as summary data, as defined in section 13.02, subdivision 19, and must be consistent with applicable law governing access to educational data. If an institution or the Office of Higher Education does not publish data because of applicable law, the publication must explain why data are not included.

Subd. 7. **Access to data; audit trail.** (a) Data on incidents of sexual assault shared with campus security officers or campus administrators responsible for investigating or adjudicating complaints of sexual

assault are classified as private data on individuals as defined by section 13.02, subdivision 12, for the purposes of postsecondary institutions subject to the requirements of chapter 13. Postsecondary institutions not otherwise subject to chapter 13 must limit access to the data to only the data subject and persons whose work assignments reasonably require access.

(b) Only individuals with explicit authorization from an institution may enter, update, or access electronic data related to an incident of sexual assault collected, created, or maintained under this section. The ability of authorized individuals to enter, update, or access these data must be limited through the use of role-based access that corresponds to the official duties or training level of the individual and the institutional authorization that grants access for that purpose. All actions in which the data related to an incident of sexual assault are entered, updated, accessed, shared, or disseminated outside of the institution must be recorded in a data audit trail. An institution shall immediately and permanently revoke the authorization of any individual determined to have willfully entered, updated, accessed, shared, or disseminated data in violation of this subdivision or any provision of chapter 13. If an individual is determined to have willfully gained access to data without explicit authorization, the matter shall be forwarded to a county attorney for prosecution.

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

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

- (1) students pursuing a degree or certificate;
- (2) students who are taking courses through the Postsecondary Enrollment Options Act; and
- (3) any other categories of students determined by the institution.

Students must complete such training no later than ten business days after the start of a student's first semester of classes. Once a student completes the training, institutions must document the student's completion of the training and provide proof of training completion to a student at the student's request. Students enrolled at more than one institution within the same system at the same time are only required to complete the training once. The training shall include information about topics including but not limited to sexual assault as defined in subdivision 1a; consent as defined in section 609.341, subdivision 4; preventing and reducing the prevalence of sexual assault; procedures for reporting campus sexual assault; and campus resources on sexual assault, including organizations that support victims of sexual assault.

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

Subd. 9. **Student health services.** (a) An institution's student health service providers must screen students for incidents of sexual violence and sexual harassment. Student health service providers shall offer students information on resources available to victims and survivors of sexual violence and sexual harassment including counseling, mental health services, and procedures for reporting incidents to the institution.

(b) Each institution offering student health or counseling services must designate an existing staff member or existing staff members as confidential resources for victims of sexual violence or sexual harassment. The confidential resource must be available to meet with victims of sexual violence and sexual harassment. The confidential resource must provide victims with information about locally available resources for victims of sexual violence and sexual harassment including, but not limited to, mental health services and legal assistance. The confidential resource must provide victims with information about the process for reporting an incident of sexual violence and sexual harassment to campus authorities or local law enforcement. The victim shall decide whether to report an incident of sexual violence and sexual harassment to campus authorities or local law enforcement. Confidential resources must be trained in all aspects of responding to incidents of sexual violence and sexual harassment including, but not limited to, best practices for interacting with victims of trauma, preserving evidence, campus disciplinary and local legal processes, and locally available resources for victims. Data shared with a confidential resource is classified as sexual assault communication data as defined by section 13.822, subdivision 1.

Subd. 10. **Applicability of other laws.** This section does not exempt mandatory reporters from the requirements of section 626.556 or 626.557 governing the reporting of maltreatment of minors or vulnerable adults. Nothing in this section limits the authority of an institution to comply with other applicable state or federal laws related to investigations or reports of sexual harassment, sexual violence, or sexual assault.

EFFECTIVE DATE. This section is effective August 1, 2016, except subdivision 9, paragraph (a), is effective January 1, 2017.

Sec. 3. [626.891] COOPERATION WITH POSTSECONDARY INSTITUTIONS.

Local law enforcement agencies, including law enforcement agencies operated by statutory cities, home rule charter cities, and counties must enter into and honor the memoranda of understanding required under section 135A.15.

EFFECTIVE DATE. This section is effective August 1, 2016.

ARTICLE 5

STATE GRANT

Section 1. Minnesota Statutes 2014, section 136A.121, subdivision 6, is amended to read:

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

to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

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

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

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

Sec. 2. Minnesota Statutes 2014, section 136A.121, subdivision 7a, is amended to read:

Subd. 7a. **Surplus appropriation.** If the amount appropriated is determined by the office to be more than sufficient to fund projected grant demand in the second year of the biennium, the office may increase the living and miscellaneous expense allowance or the tuition and fee maximums in the second year of the biennium by up to an amount that retains sufficient appropriations to fund the projected grant demand. The adjustment may be made one or more times. In making the determination that there are more than sufficient funds, the office shall balance the need for sufficient resources to meet the projected demand for grants with the goal of fully allocating the appropriation for state grants. An increase in the living and miscellaneous expense allowance under this subdivision does not carry forward into a subsequent biennium.

Presented to the governor May 20, 2015