

CHAPTER 64--S.F.No. 2415

An act relating to higher education; providing funding and policy changes for the Office of Higher Education, the Minnesota State Colleges and Universities, and the University of Minnesota; modifying the state grant formula; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 13.322, subdivision 3; 127A.70, subdivision 2; 135A.15, subdivision 2; 136A.101, subdivision 5a; 136A.121, subdivision 6; 136A.1215, subdivision 4; 136A.1275, subdivisions 2, 3; 136A.15, subdivision 8; 136A.16, subdivisions 1, 2, 5, 8, 9; 136A.162; 136A.1701, subdivision 7; 136A.1789, subdivisions 1, 3, 5; 136A.64, subdivisions 1, 5, by adding a subdivision; 136A.645; 136A.646; 136A.672, by adding a subdivision; 136A.821, by adding subdivisions; 136A.822, subdivisions 6, 10, 12; 136A.8295, by adding subdivisions; 136A.87; 136F.20, by adding a subdivision; 136F.38; Laws 2017, chapter 89, article 1, section 2, subdivision 29; proposing coding for new law in Minnesota Statutes, chapters 136A; 136F; repealing Minnesota Statutes 2018, sections 136A.15, subdivisions 2, 7; 136A.1701, subdivision 12.

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

ARTICLE 1**HIGHER EDUCATION APPROPRIATIONS**Section 1. **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 "2020" and "2021" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is fiscal years 2020 and 2021.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2020</u>	<u>2021</u>

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

Subdivision 1. <u>Total Appropriation</u>	\$	<u>269,133,000</u>	\$	<u>268,883,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>State Grants</u>		<u>207,437,000</u>		<u>207,437,000</u>
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If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. <u>Child Care Grants</u>	<u>6,694,000</u>	<u>6,694,000</u>
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Subd. 4. <u>State Work-Study</u>	<u>14,502,000</u>	<u>14,502,000</u>
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Subd. 5. <u>Interstate Tuition Reciprocity</u>	<u>11,018,000</u>	<u>11,018,000</u>
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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. <u>Safety Officer's Survivors</u>	<u>100,000</u>	<u>100,000</u>
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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.

Subd. 7. <u>American 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 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.

Subd. 8. <u>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.

Subd. 9. <u>Intervention for College Attendance Program Grants</u>	<u>796,000</u>	<u>796,000</u>
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For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

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

The base for fiscal year 2022 and thereafter is \$785,000.

Subd. 10. <u>Student-Parent Information</u>	<u>122,000</u>	<u>122,000</u>
Subd. 11. <u>Get Ready!</u>	<u>180,000</u>	<u>180,000</u>
Subd. 12. <u>Minnesota Education Equity Partnership</u>	<u>45,000</u>	<u>45,000</u>
Subd. 13. <u>Midwest Higher Education Compact</u>	<u>115,000</u>	<u>115,000</u>
Subd. 14. <u>MN Reconnect</u>	<u>1,005,000</u>	<u>1,005,000</u>

For the Office of Higher Education to award grant funds to students and institutions under Minnesota Statutes, section 136A.123. This is a onetime appropriation.

Subd. 15. <u>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. 16. <u>MnLINK Gateway and Minitex</u>	<u>5,905,000</u>	<u>5,905,000</u>
Subd. 17. <u>Statewide Longitudinal Education Data System</u>	<u>1,782,000</u>	<u>1,782,000</u>
Subd. 18. <u>Hennepin Healthcare</u>	<u>645,000</u>	<u>645,000</u>

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

Subd. 19. College Possible

500,000

500,000

(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 benefiting from student service hours.

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

3,000,000

3,000,000

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

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

<u>Subd. 21. Summer Academic Enrichment Program</u>	<u>250,000</u>	<u>250,000</u>
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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.

<u>Subd. 22. Dual Training Competency Grants; Office of Higher Education</u>	<u>2,000,000</u>	<u>2,000,000</u>
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For transfer to the Dual Training Competency Grants account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10.

<u>Subd. 23. Dual Training Competency Grants; Department of Labor and Industry</u>	<u>200,000</u>	<u>200,000</u>
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For transfer to the commissioner of labor and industry for identification of competency standards for dual training under Minnesota Statutes, section 175.45.

<u>Subd. 24. Concurrent Enrollment Courses</u>	<u>340,000</u>	<u>340,000</u>
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(a) \$225,000 in fiscal year 2020 and \$225,000 in fiscal year 2021 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.

(b) \$115,000 in fiscal year 2020 and \$115,000 in fiscal year 2021 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.

(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:

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

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

Subd. 25. Campus Sexual Assault Reporting

25,000

25,000

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

Subd. 26. Campus Sexual Violence Prevention and Response Coordinator

150,000

150,000

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

Subd. 27. Emergency Assistance for Postsecondary Students

269,000

269,000

(a) This appropriation is for the Office of Higher Education to allocate grant funds on a matching basis to eligible institutions as defined under Minnesota Statutes, section 136A.103, located in Minnesota with a demonstrable homeless student population.

(b) This appropriation shall be used to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Institutions shall minimize any negative impact on student financial aid resulting from the receipt of emergency funds.

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

(d) The base for this appropriation in fiscal year 2022 and all years thereafter is \$175,000.

Subd. 28. <u>Grants to Teacher Candidates</u>	<u>1,250,000</u>	<u>1,250,000</u>
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For grants to teacher candidates under Minnesota Statutes, section 136A.1275. Of this amount, \$750,000 each year is directed to support candidates belonging to an underrepresented racial or ethnic group and meeting other eligibility requirements. If this dedicated amount is not fully spent because of a lack of qualifying candidates, any remaining amount may be awarded to qualifying teacher candidates in a shortage area.

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

Subd. 29. <u>Teacher Shortage Loan Forgiveness</u>	<u>200,000</u>	<u>200,000</u>
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For transfer to the teacher shortage loan forgiveness repayment account in the special revenue fund under Minnesota Statutes, section 136A.1791, subdivision 8.

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

Subd. 30. <u>Large Animal Veterinarian Loan Forgiveness Program</u>	<u>375,000</u>	<u>375,000</u>
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For transfer to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2.

Subd. 31. <u>Agricultural Educators Loan Forgiveness</u>	<u>50,000</u>	<u>50,000</u>
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For transfer to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2.

Subd. 32. <u>Aviation Degree Loan Forgiveness Program</u>	<u>25,000</u>	<u>25,000</u>
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For transfer to the aviation degree loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1789, subdivision 2.

Subd. 33. Grants for Students with Intellectual and Developmental Disabilities200,000200,000

For grants for students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.

Subd. 34. Loan Repayment Assistance Program25,00025,000

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

Subd. 35. Minnesota Independence College and Community1,000,0001,000,000

For a grant to Minnesota Independence College and Community for need-based scholarships and tuition reduction. Beginning with students first enrolled in the fall of 2019, eligibility is limited to resident students as defined in Minnesota Statutes, section 136A.101, subdivision 8.

Subd. 36. Student Loan Debt Counseling200,000200,000

For student loan debt counseling under Minnesota Statutes, section 136A.1788.

The Office of Higher Education may use no more than three percent of the appropriation to administer the student loan debt counseling program.

Subd. 37. Agency Administration4,577,0004,327,000

Up to \$500,000 in fiscal year 2020 and \$250,000 in fiscal year 2021 are available for communications and outreach to students, adults, and families to provide information on the expected costs of college and the various grant options made available to them through the state.

Subd. 38. Balances Forward

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

Subd. 39. Transfers

The commissioner of the 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, the intervention for college attendance appropriation, the student-parent information appropriation, the summer academic enrichment program 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 with jurisdiction over higher education finance.

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

Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>758,679,000</u>	<u>\$</u>	<u>765,659,000</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. <u>Operations and Maintenance</u>	<u>721,490,000</u>	<u>728,470,000</u>
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(a) The Board of Trustees must establish tuition rates as follows:

(1) for the 2019-2020 academic year, the tuition rate at colleges must not exceed the 2018-2019 academic year rate by more than three percent, and for the 2020-2021 academic year, the tuition rate must not exceed the 2019-2020 academic year rate by more than three percent;

(2) for the 2019-2020 academic year, the tuition rates for undergraduates at universities must not exceed the

2018-2019 academic year rate by more than three percent, except as provided under clause (3), and for the 2020-2021 academic year, the tuition rate must not exceed the 2019-2020 academic year rate by more than three percent;

(3) for the 2019-2020 academic year, the university with the lowest 2018-2019 academic year banded tuition rate may increase its tuition to a tuition rate up to or equal to the 2019-2020 academic year tuition rate of the university with the second lowest 2018-2019 academic year banded tuition rate. For the 2020-2021 academic year, the tuition rate must not exceed the 2019-2020 academic year rate by more than three percent; and

(4) for the 2019-2020 and 2020-2021 academic years, the differential tuition rate for online courses must not exceed the 2018-2019 academic year rate.

The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student. Except under clause (4), colleges and universities are permitted to increase differential tuition charges in fiscal years 2020 and 2021 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees.

(b) \$3,000,000 in fiscal year 2020 and \$3,000,000 in fiscal year 2021 are to provide supplemental aid for operations and maintenance to the president of each two-year institution in the system with at least one campus that is not located in a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4. The board shall transfer \$100,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus, provided that no institution may receive more than \$300,000 in total supplemental aid each year.

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

(d) \$2,000,000 in fiscal year 2020 and \$6,000,000 in fiscal year 2021 are for workforce development

scholarships under Minnesota Statutes, section 136F.38. The base for fiscal year 2022 and thereafter is \$4,000,000.

(e) \$300,000 in fiscal year 2020 and \$300,000 in fiscal year 2021 are for transfer to the Cook County Higher Education Board to provide educational programming, workforce development, and academic support services to remote regions in northeastern Minnesota. The Cook County Higher Education Board shall continue to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students.

(f) This appropriation includes \$40,000 in fiscal year 2020 and \$40,000 in fiscal year 2021 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

(g) This appropriation includes \$8,000,000 in fiscal year 2020 and \$8,000,000 in fiscal year 2021 for upgrading the Integrated Statewide Record System.

(h) This appropriation includes \$250,000 in fiscal year 2020 and \$250,000 in fiscal year 2021 for developing and offering courses to implement the Z-Degree textbook program under Minnesota Statutes, section 136F.305. This is a onetime appropriation.

(i) This appropriation includes \$500,000 in fiscal year 2020 and \$500,000 in fiscal year 2021 to support local partnership programs at Minnesota State Colleges and Universities campuses. Local partnerships must be comprised of campuses and local businesses and may also include K-12 school districts, trade associations, local chambers of commerce, and economic development authorities. Funds must be used to develop new and accelerate existing employer-led workforce exposure programs, technical education pathway programs, dual-training programs, internships, youth skills training programs, and other industry-recognized programs in high-growth, high-demand industries. Priority consideration for funding shall be given to local partnerships whose program addresses an industry with a demonstrated workforce shortage. Local partnerships must demonstrate how business and industry are providing financial and in-kind contributions to the program. This is a onetime appropriation.

(j) This appropriation includes \$250,000 in fiscal year 2020 and \$250,000 in fiscal year 2021 for leveraged equipment acquisition. For the purposes of this section, "equipment" means equipment for instructional purposes for programs that the board has determined would produce graduates with skills for which there is a high employer need within the state. An equipment acquisition may be made using this appropriation only if matched by cash or in-kind contributions from nonstate sources. This is a onetime appropriation.

(k) \$125,000 in fiscal year 2020 and \$125,000 in fiscal year 2021 are for the mental health services for students required under Minnesota Statutes, section 136F.20, subdivision 3. This is a onetime appropriation.

(l) The total operations and maintenance base for fiscal year 2022 and thereafter is \$725,345,000.

<u>Subd. 4. Learning Network of Minnesota</u>	<u>4,115,000</u>	<u>4,115,000</u>
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Sec. 4. **BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA**

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>671,673,000</u>	<u>\$</u>	<u>673,413,000</u>
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Appropriations by Fund

	<u>2020</u>	<u>2021</u>
<u>General</u>	<u>669,516,000</u>	<u>671,256,000</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.

<u>Subd. 2. Operations and Maintenance</u>	<u>601,078,000</u>	<u>602,818,000</u>
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(a)(1) The Board of Regents is requested to establish tuition rates as follows: for the 2019-2020 academic year, the resident undergraduate tuition rate is requested to not exceed the 2018-2019 academic year rate by more than three percent, and for the 2020-2021 academic year, the resident undergraduate tuition rate is requested to not exceed the 2019-2020 academic year rate by more than three percent; and

(2) for the 2019-2020 and 2020-2021 academic years, it is requested that the differential tuition rate and fees for online courses not exceed the 2018-2019 academic year rate and fees.

(b) \$15,000,000 in fiscal year 2020 and \$15,000,000 in fiscal year 2021 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.

(c) \$7,800,000 in fiscal year 2020 and \$7,800,000 in fiscal year 2021 are for health training restoration. This appropriation must be used to support all of the following: (1) faculty physicians who teach at eight residency program sites, including medical resident and student training programs in the Department of Family Medicine; (2) the Mobile Dental Clinic; and (3) expansion of geriatric education and family programs.

(d) \$4,000,000 in fiscal year 2020 and \$4,000,000 in fiscal year 2021 are for the Minnesota Discovery, Research, and InnoVation Economy funding program for cancer care research.

(e) \$500,000 in fiscal year 2020 and \$500,000 in fiscal year 2021 are for the University of Minnesota, Morris branch, to cover the costs of tuition waivers under Minnesota Statutes, section 137.16.

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, 2021, 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.

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

<u>(d) System Special</u>	<u>7,181,000</u>	<u>7,181,000</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.

\$2,000,000 in fiscal year 2020 and \$2,000,000 in fiscal year 2021 are for the Natural Resources Research Institute to invest in applied research for economic development.

<u>(e) University of Minnesota and Mayo Foundation Partnership</u>	<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 2020 and \$7,491,000 in fiscal year 2021 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 committees responsible for higher education finance by June 30 of each fiscal year.

(2) \$500,000 in fiscal year 2020 and \$500,000 in fiscal year 2021 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. 5. MAYO CLINIC

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>1,351,000</u>	<u>\$</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 School665,000665,000

The state must pay a capitation each year for each student who is a resident of Minnesota. The appropriation 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 Program686,000686,000

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

ARTICLE 2**HIGHER EDUCATION**

Section 1. Minnesota Statutes 2018, section 13.322, subdivision 3, is amended to read:

Subd. 3. **Minnesota Office of Higher Education.** (a) **General.** Data sharing involving the Minnesota Office of Higher Education and other institutions is governed by section 136A.05.

(b) **Student financial aid.** Data collected and used by the Minnesota Office of Higher Education on applicants for financial assistance are classified under section 136A.162.

(c) **Minnesota college savings plan data.** Account owner data, account data, and data on beneficiaries of accounts under the Minnesota college savings plan are classified under section 136G.05, subdivision 10.

(d) **School financial records.** Financial records submitted by schools registering with the Minnesota Office of Higher Education are classified under section 136A.64.

(e) **Enrollment and financial aid data.** Data collected from eligible institutions on student enrollment and federal and state financial aid are governed by sections 136A.121, subdivision 18, and 136A.1701, subdivision 11.

(f) **Student complaint data.** Data collected from student complaints are governed by sections 136A.672, subdivision 6, and 136A.8295, subdivision 7.

Sec. 2. Minnesota Statutes 2018, section 127A.70, subdivision 2, is amended to read:

Subd. 2. **Powers and duties; report.** (a) The partnership shall develop recommendations to the governor and the legislature designed to maximize the achievement of all P-20 students while promoting the efficient use of state resources, thereby helping the state realize the maximum value for its investment. These recommendations may include, but are not limited to, strategies, policies, or other actions focused on:

(1) improving the quality of and access to education at all points from preschool through graduate education;

(2) improving preparation for, and transitions to, postsecondary education and work;

(3) ensuring educator quality by creating rigorous standards for teacher recruitment, teacher preparation, induction and mentoring of beginning teachers, and continuous professional development for career teachers; and

(4) realigning the governance and administrative structures of early education, kindergarten through grade 12, and postsecondary systems in Minnesota.

(b) Under the direction of the P-20 Education Partnership Statewide Longitudinal Education Data System Governance Committee, the Office of Higher Education and the Departments of Education and Employment and Economic Development shall improve and expand the Statewide Longitudinal Education Data System (SLEDs) and the Early Childhood Longitudinal Data System (ECLDS) to provide policymakers, education and workforce leaders, researchers, and members of the public with data, research, and reports to:

(1) expand reporting on students' educational outcomes for diverse student populations including at-risk students, children with disabilities, English learners, and gifted students, among others, and include formative and summative evaluations based on multiple measures of child well-being, early childhood development, and student progress toward career and college readiness;

(2) evaluate the effectiveness of early care, educational, and workforce programs; and

(3) evaluate the ~~relationship between~~ relationships among early care, education, and workforce outcomes, consistent with section 124D.49.

To the extent possible under federal and state law, research and reports should be accessible to the public on the Internet, and disaggregated by demographic characteristics, organization or organization characteristics, and geography.

It is the intent of the legislature that the Statewide Longitudinal Education Data System and the Early Childhood Longitudinal Data System inform public policy and decision-making. The SLEDs governance committee and ECLDS governance committee, with assistance from staff of the Office of Higher Education, the Department of Education, and the Department of Employment and Economic Development, shall respond to legislative committee and agency requests on topics utilizing data made available through the Statewide Longitudinal Education Data System and the Early Childhood Longitudinal Data System as resources permit. Any analysis of or report on the data must contain only summary data.

(c) By January 15 of each year, the partnership shall submit a report to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over P-20 education policy and finance that summarizes the partnership's progress in meeting its goals and identifies the need for any draft legislation when necessary to further the goals of the partnership to maximize student achievement while promoting efficient use of resources.

Sec. 3. Minnesota Statutes 2018, section 135A.15, subdivision 2, is amended to read:

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;
- (9) an investigation and resolution of a sexual assault complaint by campus disciplinary authorities;
- (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 and information on free legal resources and services;
- (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;
- (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;
- (15) the assistance of campus authorities in preserving for a sexual assault complainant or victim materials relevant to a campus disciplinary proceeding;
- (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.

Sec. 4. Minnesota Statutes 2018, section 136A.101, subdivision 5a, is amended to read:

Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is ~~84~~ 82 percent of the parental contribution. For independent students with dependents other than a spouse, the assigned family responsibility is ~~76~~ 74 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is ~~40~~ 38 percent of the student contribution.

Sec. 5. Minnesota Statutes 2018, 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 ~~104~~ 106 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

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

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

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

Sec. 6. Minnesota Statutes 2018, section 136A.1215, subdivision 4, is amended to read:

Subd. 4. **Maximum grant amounts.** (a) The amount of a grant under this section equals the tuition and fees at the student's postsecondary institution, minus:

- (1) any Pell or state grants the student receives; and
- (2) any institutional aid the student receives.

(b) If appropriations are insufficient to provide the full amount calculated under paragraph (a) to all eligible applicants, the commissioner must reduce the ~~grants of all~~ maximum grant amount available to recipients proportionally.

Sec. 7. **[136A.123] MN RECONNECT PROGRAM.**

Subdivision 1. **Program administration.** The commissioner of the Office of Higher Education must administer a credential completion program for adult learners consistent with this section.

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

(b) "Cost of attendance" means tuition and required fees charged by the institution and the campus-based budget used for federal financial aid for food, housing, books, supplies, transportation, and miscellaneous expenses.

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

(1) meets the eligibility requirements in section 136A.121, subdivision 2, paragraphs (a), clauses (1), (2), (4), and (5), and (b);

(2) is 25 years old or older and under 62;

(3) has previously completed a minimum of 15 credits in a certificate or degree-seeking program that have been accepted by a participating institution;

(4) has not enrolled in any Minnesota institution in the two academic years prior to enrollment at a participating institution;

(5) has not completed a certificate, diploma, or degree of 16 credits or longer in length prior to enrollment at a participating institution in this program;

(6) has enrolled in three or more credits each term;

(7) reports a family adjusted gross income of \$85,000 or less; and

(8) has applied for the grant on the form required by the commissioner.

(d) "Grant" means funds awarded under this section.

(e) "Participating institution" means a two-year institution within the Minnesota State Colleges and Universities System selected under subdivision 5.

(f) "Program" means a certificate, diploma, or degree program offered by a participating institution.

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

Subd. 3. **Student application.** Application for a grant must be made by a FAFSA or state aid application and any additional form required by the commissioner. Applications are due on a schedule set by the commissioner.

Subd. 4. **Student grants.** (a) The commissioner must, to the extent funds are available, make grants to eligible students to attend a program at a participating institution. The amount of a grant per spring or fall academic term is the lesser of \$1,000 or the difference between the cost of attendance and other scholarships or grants received by the student. If the appropriation is greater than the projected grants for the spring and fall terms, the commissioner may award grants up to \$1,000 per student for summer or interim terms.

(b) An eligible student may renew a student grant by applying for renewal on a form provided by the commissioner and on a schedule set by the commissioner. An eligible student may receive a student grant under this section for up to six semesters or the equivalent.

Subd. 5. **Participating institutions.** (a) A two-year institution within the Minnesota State Colleges and Universities System may apply to become a participating institution. The commissioner, in conjunction with a selection committee, shall select institutions through a competitive application process. Priority must be given to institutions participating in the most recently completed fiscal year.

(b) Participating institutions must:

(1) demonstrate a commitment to adult learners through adoption of best practice policies, programs, and services; and

(2) complete an adult learner assessment prior to participation.

Subd. 6. **Institutional grants.** Participating institutions may receive funds for student advising, resolving student financial holds, and improving services to eligible students.

Sec. 8. Minnesota Statutes 2018, section 136A.1275, subdivision 2, is amended to read:

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

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

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

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

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

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

Sec. 9. Minnesota Statutes 2018, section 136A.1275, subdivision 3, is amended to read:

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

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

(c) The percentage of the total award funds available at the beginning of the fiscal year reserved for teacher candidates who identify as belonging to an underrepresented a racial or ethnic group underrepresented in the Minnesota teacher workforce must be equal to or greater than the total percentage of students of underrepresented racial or ethnic groups underrepresented in the Minnesota teacher workforce as measured

under section 120B.35, subdivision 3. If this percentage cannot be met because of a lack of qualifying candidates, the remaining amount may be awarded to teacher candidates who intend to teach in a shortage area.

Sec. 10. Minnesota Statutes 2018, section 136A.15, subdivision 8, is amended to read:

Subd. 8. **Eligible student.** "Eligible student" means a student who is officially registered or accepted for enrollment at an eligible institution in Minnesota or a Minnesota resident who is officially registered as a student or accepted for enrollment at an eligible institution in another state ~~or province~~. Non-Minnesota residents are eligible students if they are enrolled or accepted for enrollment in a minimum of one course of at least 30 days in length during the academic year that requires physical attendance at an eligible institution located in Minnesota. Non-Minnesota resident students enrolled exclusively during the academic year in correspondence courses or courses offered over the Internet are not eligible students. Non-Minnesota resident students not physically attending classes in Minnesota due to enrollment in a study abroad program for 12 months or less are eligible students. Non-Minnesota residents enrolled in study abroad programs exceeding 12 months are not eligible students. An eligible student, for section 136A.1701, means a student who gives informed consent authorizing the disclosure of data specified in section 136A.162, paragraph (c), to a consumer credit reporting agency.

Sec. 11. Minnesota Statutes 2018, section 136A.16, subdivision 1, is amended to read:

Subdivision 1. **Designation.** Notwithstanding chapter 16C, the office is designated as the administrative agency for carrying out the purposes and terms of sections 136A.15 to ~~136A.1702~~ 136A.1704. The office may establish one or more loan programs.

Sec. 12. Minnesota Statutes 2018, section 136A.16, subdivision 2, is amended to read:

Subd. 2. **Rules, policies, and conditions.** The office shall adopt policies and may prescribe appropriate rules and conditions to carry out the purposes of sections 136A.15 to ~~136A.1702~~ 136A.1704. ~~The policies and rules except as they relate to loans under section 136A.1701 must be compatible with the provisions of the National Vocational Student Loan Insurance Act of 1965 and the provisions of title IV of the Higher Education Act of 1965, and any amendments thereof.~~

Sec. 13. Minnesota Statutes 2018, section 136A.16, subdivision 5, is amended to read:

Subd. 5. **Agencies.** The office may contract with loan servicers, collection agencies, credit bureaus, or any other person, to carry out the purposes of sections 136A.15 to ~~136A.1702~~ 136A.1704.

Sec. 14. Minnesota Statutes 2018, section 136A.16, subdivision 8, is amended to read:

Subd. 8. **Investment.** Money made available to the office that is not immediately needed for the purposes of sections 136A.15 to ~~136A.1702~~ 136A.1704 may be invested by the office. The money must be invested in bonds, certificates of indebtedness, and other fixed income securities, except preferred stocks, which are legal investments for the permanent school fund. The money may also be invested in prime quality commercial paper that is eligible for investment in the state employees retirement fund. All interest and profits from such investments inure to the benefit of the office or may be pledged for security of bonds issued by the office or its predecessors.

Sec. 15. Minnesota Statutes 2018, section 136A.16, subdivision 9, is amended to read:

Subd. 9. **Staff.** The office may employ the professional and clerical staff the commissioner deems necessary for the proper administration of the loan programs established and defined by sections 136A.15 to ~~136A.1702~~ 136A.1704.

Sec. 16. Minnesota Statutes 2018, section 136A.162, is amended to read:

136A.162 CLASSIFICATION OF DATA.

(a) Except as provided in paragraphs (b) and (c), data on applicants for financial assistance collected and used by the office for student financial aid programs administered by that office are private data on individuals as defined in section 13.02, subdivision 12.

(b) Data on applicants may be disclosed to the commissioner of human services to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5).

(c) The following data collected in the Minnesota supplemental loan program under ~~section~~ sections 136A.1701 and 136A.1704 may be disclosed to a consumer credit reporting agency only if the borrower and the cosigner give informed consent, according to section 13.05, subdivision 4, at the time of application for a loan:

- (1) the lender-assigned borrower identification number;
- (2) the name and address of borrower;
- (3) the name and address of cosigner;
- (4) the date the account is opened;
- (5) the outstanding account balance;
- (6) the dollar amount past due;
- (7) the number of payments past due;
- (8) the number of late payments in previous 12 months;
- (9) the type of account;
- (10) the responsibility for the account; and
- (11) the status or remarks code.

Sec. 17. Minnesota Statutes 2018, section 136A.1701, subdivision 7, is amended to read:

Subd. 7. **Repayment of loans.** ~~(a) The office shall establish repayment procedures for loans made under this section, but in no event shall the period of permitted repayment for SELF II or SELF III loans exceed ten years from the eligible student's termination of the student's postsecondary academic or vocational program, or 15 years from the date of the student's first loan under this section, whichever is less. in accordance with the policies, rules, and conditions authorized under section 136A.16, subdivision 2. The office will take into consideration the loan limits and current financial market conditions when establishing repayment terms.~~

~~(b) For SELF IV loans, eligible students with aggregate principal loan balances from all SELF phases that are less than \$18,750 shall have a repayment period not exceeding ten years from the eligible student's graduation or termination date. For SELF IV loans, eligible students with aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have a repayment period not exceeding 15 years from the eligible student's graduation or termination date. For SELF IV loans, the loans shall enter repayment no later than seven years after the first disbursement date on the loan.~~

~~(c) For SELF loans from phases after SELF IV, eligible students with aggregate principal loan balances from all SELF phases that are:~~

~~(1) less than \$20,000, must have a repayment period not exceeding ten years from the eligible student's graduation or termination date;~~

~~(2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years from the eligible student's graduation or termination date; and~~

~~(3) \$40,000 or greater, must have a repayment period not exceeding 20 years from the eligible student's graduation or termination date. For SELF loans from phases after SELF IV, the loans must enter repayment no later than nine years after the first disbursement date of the loan.~~

Sec. 18. **[136A.1788] STUDENT LOAN DEBT COUNSELING.**

Subdivision 1. **Grant.** A program is established under the Office of Higher Education to provide a grant to a Minnesota-based 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 postsecondary institution. 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 counselors; and

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

Subd. 3. **Grant application and award.** (a) 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.

(b) The commissioner shall select one grant recipient for a two-year award every two years. A grant may be renewed biennially.

Subd. 4. **Program evaluation.** (a) The grant recipient must submit a report to the commissioner by January 15 of the second year of the grant award. 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. 5. **Report to legislature.** By February 1 of the second year of each grant award, the commissioner must submit a report to the committees in the legislature with jurisdiction over higher education finance regarding grant program outcomes.

Sec. 19. Minnesota Statutes 2018, section 136A.1789, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Qualified aircraft technician" means an individual who (1) has earned an associate's or bachelor's degree preparing individuals to obtain an aviation mechanic's certificate from the Federal Aviation Administration from a postsecondary institution located in Minnesota, and (2) has obtained an aviation mechanic's certificate from the Federal Aviation Administration.

(c) "Qualified education loan" means a government, commercial, or foundation loan used by an individual for actual costs paid for tuition ~~to a postsecondary institution located in Minnesota for a professional flight training degree~~ and reasonable educational and living expenses related to the postsecondary education of the qualified aircraft technician or qualified pilot.

(d) "Qualified pilot" means an individual who (1) has earned an associate's or bachelor's degree ~~in professional flight training~~ preparing individuals to obtain an airline transport pilot certificate from a postsecondary institution located in Minnesota, and (2) is in the process of obtaining or has obtained an airline transport pilot certificate.

Sec. 20. Minnesota Statutes 2018, section 136A.1789, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program under this section, an individual must:

- (1) be a qualified pilot or qualified aircraft technician;
- (2) have qualified education loans;
- (3) reside in Minnesota; and
- (4) submit an application to the commissioner in the form and manner prescribed by the commissioner.

(b) An applicant selected to participate must sign a contract to agree to serve a ~~minimum one-year~~ five-year full-time service obligation according to subdivision 4. To complete the service obligation, the applicant must work full time in Minnesota as a qualified pilot or qualified aircraft technician. A participant must complete one year of service under this paragraph for each year the participant receives an award under this section.

Sec. 21. Minnesota Statutes 2018, section 136A.1789, subdivision 5, is amended to read:

Subd. 5. **Loan forgiveness.** (a) The commissioner may select eligible applicants each year for participation in the aviation degree loan forgiveness program, within the limits of available funding. Applicants are responsible for securing their own qualified education loans.

(b) For each year that the participant meets the eligibility requirements under subdivision 3, the commissioner must make annual disbursements directly to:

(1) a selected qualified pilot of \$5,000 or the balance of the participant's qualified education loans, whichever is less; and

(2) a selected qualified aircraft technician of \$3,000 or the balance of the participant's qualified education loans, whichever is less.

(c) An individual may receive disbursements under this section for a maximum of five years.

(d) The participant must provide the commissioner with verification that the full amount of the loan repayment disbursement received by the participant has been applied toward the designated qualified education loan. After each disbursement, verification must be received by the commissioner and approved before the next repayment disbursement is made.

(e) If the participant receives a disbursement in the participant's fifth year of eligibility, the participant must provide the commissioner with verification that the full amount of the participant's final loan repayment disbursement was applied toward the designated qualified education loan. If a participant does not provide the verification as required under this paragraph within ~~six~~ 12 months of receipt of the final disbursement, the commissioner must collect from the participant the total amount of the final disbursement paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner must deposit the money collected in the aviation degree loan forgiveness program account.

Sec. 22. Minnesota Statutes 2018, section 136A.64, subdivision 1, is amended to read:

Subdivision 1. **Schools to provide information.** As a basis for registration, schools shall provide the office with such information as the office needs to determine the nature and activities of the school, including but not limited to the following which shall be accompanied by an affidavit attesting to its accuracy and truthfulness:

- (1) articles of incorporation, constitution, bylaws, or other operating documents;

- (2) a duly adopted statement of the school's mission and goals;
- (3) evidence of current school or program licenses granted by departments or agencies of any state;
- (4) a fiscal balance sheet on an accrual basis, or a certified audit of the immediate past fiscal year including any management letters provided by the independent auditor or, if the school is a public institution outside Minnesota, an income statement for the immediate past fiscal year;
- (5) all current promotional and recruitment materials and advertisements; and
- (6) the current school catalog and, if not contained in the catalog:
 - (i) the members of the board of trustees or directors, if any;
 - (ii) the current institutional officers;
 - (iii) current full-time and part-time faculty with degrees held or applicable experience;
 - (iv) a description of all school facilities;
 - (v) a description of all current course offerings;
 - (vi) all requirements for satisfactory completion of courses, programs, and degrees;
 - (vii) the school's policy about freedom or limitation of expression and inquiry;
 - (viii) a current schedule of fees, charges for tuition, required supplies, student activities, housing, and all other standard charges;
 - (ix) the school's policy about refunds and adjustments;
 - (x) the school's policy about granting credit for prior education, training, and experience; ~~and~~
 - (xi) the school's policies about student admission, evaluation, suspension, and dismissal; ~~and~~
 - (xii) the school's disclosure to students on the student complaint process under section 136A.672.

Sec. 23. Minnesota Statutes 2018, section 136A.64, subdivision 5, is amended to read:

Subd. 5. **Public information.** All information submitted to the office is public information except financial records, student complaint data, and accreditation records and information reports. ~~Except for accreditation reports, the office may disclose financial any records or information submitted to the office:~~

- (1) to law enforcement officials; or
- (2) in connection with a legal or administrative proceeding to:
 - (i) to defend its decision to approve or disapprove granting of degrees or the use of a name or;
 - (ii) defend its decisions decision to revoke the institution's approval at a hearing under chapter 14 or other legal proceedings; or
 - (iii) enforce a requirement of law.

Sec. 24. Minnesota Statutes 2018, section 136A.64, is amended by adding a subdivision to read:

Subd. 8. **Disclosure.** Schools must disclose on their website, student handbook, and student catalog the student complaint process under section 136A.672 to students.

Sec. 25. Minnesota Statutes 2018, section 136A.645, is amended to read:

136A.645 SCHOOL CLOSURE.

(a) When a school ~~decides~~ intends to cease postsecondary education operations, it ~~must cooperate with the office in assisting students to find alternative means to complete their studies with a minimum of disruption, and inform the office of the following~~ announces its closure, or is informed by the office that the office anticipates the school's closure due to its registration status or ability to meet criteria for approval under section 136A.65, the school must provide the office:

(1) the planned date for termination of postsecondary education operations;

(2) the planned date for the transfer of the student records;

(3) confirmation of the name and address of the organization to receive and hold the student records;
and

(4) the official at the organization receiving the student records who is designated to provide official copies of records or transcripts upon request.

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

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

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

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

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

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

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

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

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

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

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

~~(b) Upon notice from a school of its intention to cease operations, the office shall notify the school of the date on which it must cease the enrollment of students and all postsecondary educational operations.~~

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

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

(2) announces it is closed or closing; or

(3) files for bankruptcy.

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

Sec. 26. Minnesota Statutes 2018, section 136A.646, is amended to read:

136A.646 ADDITIONAL SECURITY.

(a) New schools that have been granted conditional approval for degrees or names to allow them the opportunity to apply for and receive accreditation under section 136A.65, subdivision 7, ~~or~~ shall provide a surety bond in a sum equal to ten percent of the net revenue from tuition and fees in the registered institution's prior fiscal year, but in no case shall the bond be less than \$10,000.

(b) Any registered institution that is notified by the United States Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), shall provide a surety bond in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000. If the letter of credit required by the United States Department of Education is higher than ten percent of the Title IV, Higher Education Act program funds received by the institution during its most recently completed fiscal year, the office shall reduce the office's surety requirement to represent ten percent of the Title IV, Higher Education Act program funds received by the institution during its most recently completed fiscal year, subject to the minimum and maximum in this paragraph.

~~(b)~~ (c) In lieu of a bond, the applicant may deposit with the commissioner of management and budget:

(1) a sum equal to the amount of the required surety bond in cash;

(2) 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; or

(3) an irrevocable letter of credit issued by a financial institution to the amount of the required surety bond.

~~(e)~~ (d) 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)~~ (e) In the event of a school closure, the additional security must first be used to destroy any private educational data under section 13.32 left at a physical campus in Minnesota after all other governmental agencies have recovered or retrieved records under their record retention policies. Any remaining funds must then be used to reimburse tuition and fee costs to students that were enrolled at the time of the closure or had withdrawn in the previous 120 calendar days but did not graduate. Priority for refunds will be given to students in the following order:

(1) cash payments made by the student or on behalf of a student;

(2) private student loans; and

(3) Veteran Administration education benefits that are not restored by the Veteran Administration. If there are additional security funds remaining, the additional security funds may be used to cover any administrative costs incurred by the office related to the closure of the school.

Sec. 27. Minnesota Statutes 2018, section 136A.672, is amended by adding a subdivision to read:

Subd. 6. **Private information.** Student complaint data are private data on individuals, as defined in section 13.02, subdivision 12. The office may disclose student complaint data as provided in section 136A.64, subdivision 5.

Sec. 28. Minnesota Statutes 2018, section 136A.821, is amended by adding a subdivision to read:

Subd. 18. **Clock hour.** "Clock hour" means a period of time consisting of a 50- to 60-minute class, lecture, or recitation in a 60-minute period; a 50- to 60-minute faculty-supervised laboratory, shop training, or internship in a 60-minute period; or 60 minutes of preparation in a correspondence course. If a school seeks to determine the number of clock hours in an educational program by aggregating the number of minutes in that program, it must divide those minutes by 60.

Sec. 29. Minnesota Statutes 2018, section 136A.821, is amended by adding a subdivision to read:

Subd. 19. **Student record.** "Student record" means a transcript or record of student attendance in a program that includes, at a minimum, the student's name; the student's address; the school's name; the school's address; the title of the course or program; the total number of hours or courses completed; the dates of enrollment and attendance; the grade record of each course; any credential awarded; and cumulative grade for the program.

Sec. 30. Minnesota Statutes 2018, section 136A.822, subdivision 6, is amended to read:

Subd. 6. **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 net ~~income~~ revenue from student tuition, fees, and other required institutional charges collected, but in no event less than \$10,000, 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. A private career school that operates at two or more locations may combine net ~~income~~ revenue from student tuition, fees, and other required institutional charges collected for all locations for the purpose of determining the annual surety bond requirement. The net revenue from 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 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, except not including those schools licensed exclusively in order to participate in state grants or SELF loan financial aid programs, 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) may result in denial, suspension, or revocation of the school's license.

Sec. 31. Minnesota Statutes 2018, section 136A.822, subdivision 10, is amended to read:

Subd. 10. **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 136A.827, 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 office-; and

(16) the student complaint process and rights under section 136A.8295.

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

Sec. 32. Minnesota Statutes 2018, section 136A.822, subdivision 12, is amended to read:

Subd. 12. **Permanent student records.** A private career school licensed under sections 136A.82 to 136A.834 and located in Minnesota shall maintain a permanent student 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 student 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 or irrevocable letter of credit issued by a financial institution 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 or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover, maintain, digitize, and destroy academic records.

Sec. 33. **[136A.822] SCHOOL CLOSURE.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) announces it is closed or closing; or

(3) files for bankruptcy.

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

Sec. 34. Minnesota Statutes 2018, section 136A.8295, is amended by adding a subdivision to read:

Subd. 6. **Disclosure.** Schools must disclose on their website, student handbook, and student catalog the student complaint process under this section to students.

Sec. 35. Minnesota Statutes 2018, section 136A.8295, is amended by adding a subdivision to read:

Subd. 7. **Private information.** Student complaint data are private data on individuals, as defined in section 13.02, subdivision 12. The office may disclose student complaint data to law enforcement officials or in connection with a legal or administrative proceeding commenced to enforce a requirement of law.

Sec. 36. Minnesota Statutes 2018, section 136A.87, is amended to read:

136A.87 PLANNING INFORMATION FOR POSTSECONDARY EDUCATION.

(a) 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.

(b) The office shall gather and share information with students and parents about the dual credit acceptance policies of each Minnesota public and private college and university. The office shall gather and share information related to the acceptance policies for concurrent enrollment courses, postsecondary enrollment options courses, advanced placement courses, and international baccalaureate courses. This information must be shared on the office's website and included in the information under paragraph (a).

(c) The information provided under paragraph (a) 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;

(10) the interrelationship of assistance from student financial aid, public assistance, and job training programs; ~~and~~

(11) financial planning for postsecondary education; and

(12) postsecondary education options for students with intellectual and developmental disabilities.

Sec. 37. Minnesota Statutes 2018, section 136F.20, is amended by adding a subdivision to read:

Subd. 3. **Mental health services and health insurance information.** (a) The Board of Trustees must contract with one or more independent mental health organizations to provide mental health care, including by use of telemedicine, on campus at up to five state colleges. To be eligible to apply for the program, the state college must employ one or more faculty counselors. These grants are designed to build on the current support provided by faculty counselors and are not a replacement for them. Mental health services must be provided without charge to students who are uninsured, who have high co-payments, or whose health insurance does not cover the service provided. A memorandum of understanding shall be developed between the college and the mental health organization outlining the use of space on campus, how the students will be notified of the service, how they will collaborate with faculty counselors, the provision of services, and other items.

(b) A mental health organization providing mental health care under paragraph (a) must also provide information and guidance to students seeking health insurance.

Sec. 38. **[136F.245] HUNGER FREE CAMPUS DESIGNATION.**

Subdivision 1. **Establishment.** A Hunger Free Campus designation for Minnesota State community and technical colleges is established. In order to be awarded the designation, a campus must meet the following minimum criteria:

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

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

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

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

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

Subd. 2. **Designation approval.** The statewide student association representing the community and technical colleges shall create an application process and a nonmonetary award, and provide final approval for the designation at each college.

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

Sec. 39. **[136F.305] Z-DEGREES.**

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

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

(c) "Incentive" means anything provided to faculty to identify, review, adapt, author, or adopt open textbooks.

(d) "Open educational resources" are high-quality teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits their free use and repurposing by others, and may include other resources that are legally available and free of cost to students. Open educational resources include course materials, modules, custom and open textbooks, articles, faculty-created content, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge.

(e) "Open textbook" means a textbook that is distributed using an open copyright license that at a minimum allows a student to obtain, retain, reuse, and redistribute the material at no cost.

(f) "System office" means the Minnesota State Colleges and Universities system office.

(g) "Z-Degree" means a zero-textbook-cost associate's degree.

Subd. 2. **Requirement.** Three additional colleges must offer the opportunity to earn a Z-Degree by academic year 2020-2021. A college's course offerings for its Z-Degree program must include at least two distinct courses in each transfer curriculum goal area and at least enough credits in each transfer curriculum goal area to complete the transfer curriculum package.

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

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

Subd. 4. **Report.** The Board of Trustees of the Minnesota State Colleges and Universities must submit reports by January 13, 2021, and January 12, 2022, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education. Each report must include (1) the number of

courses transitioned to using an open textbook resulting from the programs in this section, and (2) the total amount of student textbook savings resulting from the transitions.

Sec. 40. Minnesota Statutes 2018, section 136F.38, is amended to read:

136F.38 WORKFORCE DEVELOPMENT SCHOLARSHIPS.

Subdivision 1. **Program established.** The board shall develop a scholarship program to incentivize new students and students returning from the workforce to enter high-demand occupations upon graduation.

Subd. 2. **Scholarship awards.** The program shall award scholarships at the beginning of an academic term, in the amount of \$2,500, to be distributed evenly between two terms.

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

(b) The student must be enrolled for at least nine credits ~~at a two-year college~~ in the Minnesota State Colleges and Universities system.

Subd. 4. **Renewal; cap.** A student who has received a scholarship may apply again but total lifetime awards are not to exceed ~~\$5,000~~ \$7,500 per student. Students may only be awarded a second scholarship upon completion of two academic terms. Students may be awarded a third scholarship if the student transfers to a corresponding program at a Minnesota state university.

Subd. 5. **Administration.** (a) The board shall establish an application process and other guidelines for implementing this program.

(b) The board shall give preference to students in financial need.

Subd. 5a. **Local business partnerships.** Beginning in 2020, and each year thereafter, the board shall withhold ten percent of the appropriation. The withheld funds must be distributed in the following year to institutions that successfully leverage private matching funds from local businesses, resulting in additional scholarships by partnering with the local business community.

Subd. 6. **Report required.** The board must submit an annual report by February 1 of each year about the scholarship awards to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over higher education finance and policy. The first report is due no later than February 1, 2019. The annual report shall describe the following:

(1) the number of students receiving a scholarship at each two-year college and each university during the previous fiscal year;

(2) the number of scholarships awarded for each program of study or certification described in subdivision 3, paragraph (a);

(3) the number of scholarship recipients who completed a program of study or certification described in subdivision 3, paragraph (a);

(4) the number of scholarship recipients who secured employment by their graduation date and those who secured employment within three months of their graduation date;

(5) a list of the institutions that received funding under subdivision 5a, the amount of funding each institution received, and whether all withheld funds were distributed;

(6) a list of occupations scholarship recipients are entering; and

~~(6)~~ (7) the number of students who were denied a scholarship.

Sec. 41. Laws 2017, chapter 89, article 1, section 2, subdivision 29, is amended to read:

Subd. 29. Emergency Assistance for Postsecondary Students	175,000	175,000
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(a) This appropriation is for the Office of Higher Education to allocate grant funds on a matching basis to schools eligible institutions as defined under Minnesota Statutes, section 136A.103, located in Minnesota with a demonstrable homeless student population.

(b) This appropriation shall be used to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Emergency assistance does not impact the amount of state financial aid received. Institutions shall minimize any negative impact on student financial aid resulting from the receipt of emergency funds.

(c) The commissioner shall determine the application process and the grant amounts. Any balance in the first year does not cancel but shall be available in the second year. The Office of Higher Education shall partner with interested postsecondary institutions, other state agencies, and student groups to establish the programs.

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

Sec. 42. **COLLEGE SAVINGS PLAN MATCHING GRANTS.**

Notwithstanding Minnesota Statutes, sections 136G.05, subdivision 5, 136G.09, subdivisions 10 and 12, 136G.11, and 136G.13, subdivisions 2, 3, and 4, through June 30, 2021, the commissioner of the Office of Higher Education may resolve matching grant issues that occurred after January 1, 2013. The commissioner shall limit the authority under this section to assisting account owners or successors who were negatively impacted by issues related to the matching grant.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2021.

Sec. 43. STUDY AND JUSTIFICATION FOR THE TUITION DIFFERENTIAL OR ADDITIONAL FEES FOR ONLINE COURSES.

The Board of Trustees of the Minnesota State Colleges and Universities shall, and the Board of Regents of the University of Minnesota is requested to, each provide a report by January 15, 2020, to the members of the legislative committees with jurisdiction over higher education issues related to the tuition differential for online courses and additional online course fees. The report must include both a detailed analysis of onetime investments that have been made in order to provide online courses and a detailed analysis of ongoing costs, compared to the investments and costs associated with in-person courses, including physical campus infrastructure and classroom space, and other costs associated with providing an in-person course on the campus of the institution. The report must provide a plan to achieve parity related to the amount charged for online courses and comparable in-person courses by the 2021-2022 academic year. If the institution determines that parity cannot be achieved, the report must provide justification for the difference in cost.

Sec. 44. MINNESOTA STATE COLLEGES AND UNIVERSITIES AND UNIVERSITY OF MINNESOTA ADMINISTRATIVE COST REPORTS.

The Board of Trustees of the Minnesota State Colleges and Universities shall provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education by July 1, 2021, detailing how the Minnesota State Colleges and Universities define, categorize, and account for administrative costs. The report must further identify measures taken to use innovation and cost efficiencies to lower administrative costs. The Board of Regents of the University of Minnesota is requested to provide a similar report by July 1, 2021.

Sec. 45. REPEALER.

Minnesota Statutes 2018, sections 136A.15, subdivisions 2 and 7; and 136A.1701, subdivision 12, are repealed.

Presented to the governor May 22, 2019