

CHAPTER 5--S.F.No. 1

An act relating to higher education; providing funding and policy-related changes for the Office of Higher Education, Minnesota State Colleges and Universities, and the University of Minnesota; creating and modifying certain scholarships, student aid programs, and grant programs; modifying program reporting requirements; modifying requirements for sexual misconduct grievance processes; requiring a standardized financial aid offer form; providing authority to the Office of Higher Education for treatment of certain appropriations; modifying requirements for licensing of nonpublic and out-of-state postsecondary institutions; requiring reports; appropriating money; canceling prior appropriations; amending Minnesota Statutes 2024, sections 135A.052, subdivision 1; 135A.15, subdivisions 1a, 2a; 135A.1582; 136A.01, by adding a subdivision; 136A.101, subdivision 5a; 136A.103; 136A.121, subdivisions 6, 7, 7a, 9, 13; 136A.1465, subdivisions 1, 2, by adding a subdivision; 136A.155; 136A.162; 136A.1701, subdivision 4; 136A.1796; 136A.246, subdivision 1a; 136A.65, subdivision 4; 136A.653, subdivision 5; 136A.658; 136A.69, subdivision 1; 136A.82; 136A.821, subdivisions 4, 5, by adding subdivisions; 136A.822, subdivisions 3, 6, 8, 13; 136A.824, subdivisions 1, 2, 6, 7; 136A.833; 136A.834, subdivisions 1, 5; 136A.87; 136A.901, subdivision 1; 137.022, subdivisions 3, 4; 137.375; 151.37, subdivision 12; 474A.061, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; repealing Minnesota Statutes 2024, sections 5.41, subdivision 2; 135A.137; 136A.057; 136A.1251, subdivision 5; 136A.1788; 136A.1789; 136A.1791, subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, 10; 136A.69, subdivisions 3, 5; 136A.824, subdivisions 3, 5; 136A.861, subdivision 7; 136A.91; Laws 2022, chapter 42, section 2, as amended; Minnesota Rules, part 4850.0014, subparts 1, 2.

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

ARTICLE 1**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 "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

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

Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>323,789,000</u>	<u>\$</u>	<u>324,008,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

<u>Subd. 2. State Grants</u>	<u>247,300,000</u>	<u>247,300,000</u>
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(a) If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it. This appropriation is available until June 30, 2029.

(b) For purposes of Minnesota Statutes, section 136A.121, subdivision 6, a tuition and fee maximum is established for four-year programs that is the lesser of: (1) the average tuition and fees charged by the institution; or (2) an amount equal to the highest tuition and fees charged at a public university in the 2024-2025 academic year plus two percent for fiscal year 2026, plus an additional two percent for fiscal year 2027.

(c) The base for this appropriation is \$238,467,000 in fiscal year 2028 and thereafter.

<u>Subd. 3. Child Care Grants</u>	<u>6,944,000</u>	<u>6,944,000</u>
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<u>Subd. 4. State Work-Study</u>	<u>11,752,000</u>	<u>11,752,000</u>
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<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>8,500,000</u>	<u>8,500,000</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.

<u>Subd. 6. 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.

<u>Subd. 7. Indian Scholarships</u>	<u>3,500,000</u>	<u>3,500,000</u>
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The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the

city of Bemidji to assist students with the scholarships under Minnesota Statutes, section 136A.126, and with other information about financial aid for which the students may be eligible. This appropriation includes funding to administer the Indian scholarship program.

<u>Subd. 8. Tribal College Supplemental Assistance Grants</u>	<u>3,150,000</u>	<u>3,150,000</u>
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(a) For Tribal college assistance grants under Minnesota Statutes, section 136A.1796.

(b) A Tribal college must use grant funds received under this section to supplement, not supplant, any existing funding. Each eligible Tribal college may receive a grant in an amount no less than \$1,000,000 and no more than \$1,050,000, subject to available appropriations.

<u>Subd. 9. Intervention for College Attendance Program Grants</u>	<u>1,142,000</u>	<u>1,142,000</u>
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For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

<u>Subd. 10. Information for Students and Parents</u>	<u>122,000</u>	<u>122,000</u>
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<u>Subd. 11. Get Ready!</u>	<u>180,000</u>	<u>180,000</u>
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<u>Subd. 12. Minnesota Education Equity Partnership</u>	<u>45,000</u>	<u>45,000</u>
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<u>Subd. 13. Midwest Higher Education Compact</u>	<u>115,000</u>	<u>115,000</u>
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<u>Subd. 14. United Family Medicine Residency Program</u>	<u>501,000</u>	<u>501,000</u>
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For a grant to United Family Medicine residency program. This appropriation shall be used to support up to 21 resident physicians each year in family practice at United Family Medicine residency programs and shall prepare doctors to practice family care medicine in underserved rural and urban areas of the state. It is intended that this program will improve health care in underserved communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a cost-effective manner.

<u>Subd. 15. MnLINK Gateway and Minitex</u>	<u>6,655,000</u>	<u>6,708,000</u>
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<u>Subd. 16. Statewide Longitudinal Education Data System</u>	<u>2,550,000</u>	<u>2,550,000</u>
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<u>Subd. 17. Hennepin Healthcare</u>	<u>645,000</u>	<u>645,000</u>
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For a grant to Hennepin Healthcare for graduate family medical education programs at Hennepin Healthcare.

<u>Subd. 18. 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.

<u>Subd. 19. Campus Sexual Violence Prevention and Response Coordinator</u>	<u>150,000</u>	<u>150,000</u>
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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.

<u>Subd. 20. Emergency Assistance for Postsecondary Students</u>	<u>550,000</u>	<u>550,000</u>
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(a) For the Office of Higher Education to allocate to nonprofit private postsecondary institutions and Tribal colleges that are eligible under Minnesota Statutes, section 136A.103, for emergency assistance grants to students. The commissioner must establish processes for soliciting applications from institutions, selecting applicants to receive an allocation, and determining the funding amount allocated and issue guidance regarding how institutions must award emergency assistance grants to students.

(b) Postsecondary institutions must use the funding allocated to them under this subdivision to award emergency assistance grants directly to students to meet immediate needs that could interfere with the student completing the term or their program, including but not limited to emergency housing, food, and transportation. Institutions must minimize any negative impact on student financial aid resulting from the receipt of emergency money.

(c) Money under this subdivision must not be distributed to selected applicants until the Office of Higher Education has approved their plans to award grants to students.

(d) By February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on emergency assistance grants awarded to students using the money appropriated in this subdivision. The report must detail:

(1) how money was distributed among institutions;

(2) the process by which students apply for emergency assistance grants and institutions make a determination about whether money will be awarded;

(3) how many students received emergency assistance grants and the average award amount;

(4) the most common student needs that grants were awarded to meet; and

(5) the average length of time between grant application and disbursement to students.

(e) At the end of each biennium, institutions must return any unused portion of the funding allocated to them under this subdivision to the Office of Higher Education.

<u>Subd. 21. Grants to Student Teachers in Shortage Areas</u>	<u>250,000</u>	<u>250,000</u>
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For grants to student teachers in shortage areas under Minnesota Statutes, section 136A.1275.

<u>Subd. 22. Grants for Underrepresented Student Teachers</u>	<u>1,125,000</u>	<u>1,125,000</u>
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For grants for underrepresented student teachers under Minnesota Statutes, section 136A.1274.

<u>Subd. 23. Grants to Students with Intellectual and Developmental Disabilities</u>	<u>200,000</u>	<u>200,000</u>
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For grants to students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.

Subd. 24. <u>Loan Repayment Assistance Program</u>	<u>55,000</u>	<u>55,000</u>
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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. 25. <u>Hunger-Free Campus Grants</u>	<u>200,000</u>	<u>200,000</u>
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(a) For the Office of Higher Education to award grants to nonprofit private postsecondary institutions and Tribal colleges registered with the Office of Higher Education under Minnesota Statutes, section 136A.63, for hunger-free campus activities. The commissioner must establish a competitive grant program to distribute the money appropriated in this subdivision, which must:

(1) have an application process and selection criteria established by the commissioner in collaboration with student associations representing eligible institutions;

(2) provide a maximum annual grant award of \$25,000 per institution;

(3) give preference to applications from institutions with the highest number of federal Pell Grant eligible students enrolled; and

(4) require grant recipients to match at least 50 percent of the amount awarded with either in-kind contributions or other resources.

(b) Postsecondary institutions must use the grant money awarded to them under this subdivision to meet the following hunger-free campus requirements:

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

(2) provide information to students on the Supplemental Nutrition Assistance Program (SNAP), the Minnesota Family Investment Program (MFIP), and other programs that reduce food insecurity;

(3) notify students in work-study employment of their potential eligibility for SNAP benefits and provide information to those students about eligibility criteria and how to apply for benefits;

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

(5) provide emergency assistance grants to students; and

(6) establish a hunger task force that meets a minimum of three times per academic year and that includes at least two students currently enrolled at the institution.

(c) By February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on hunger-free campus activities performed using the money appropriated in this subdivision. The report must detail:

(1) how money was distributed among institutions;

(2) how hunger-free campus requirements were met at those institutions; and

(3) how many students were served.

Subd. 26. Fostering Independence Higher Education Grants

8,416,000

8,416,000

For grants to eligible students under Minnesota Statutes, section 136A.1241. Notwithstanding Minnesota Statutes, section 136A.01, subdivision 4, the commissioner may use no more than three percent of the appropriation to administer the grant program.

Subd. 27. Student-Parent Support Initiative

3,000,000

3,000,000

For grants to support student parents under Minnesota Statutes, section 136A.1251. Notwithstanding Minnesota Statutes, section 136A.01, subdivision 4, the commissioner may use no more than \$338,000 of the annual appropriation for administrative and promotional costs.

Subd. 28. Director of Tribal Relations

143,000

143,000

Subd. 29. Direct Admissions Program

650,000

650,000

For the direct admissions program under Minnesota Statutes, section 136A.84.

Subd. 30. <u>American Indian Scholars</u>	<u>8,500,000</u>	<u>8,500,000</u>
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(a) To support implementation of Minnesota Statutes, section 135A.121.

(b) \$4,032,000 in fiscal year 2026 and \$4,032,000 in fiscal year 2027 are for transfer to the Board of Regents of the University of Minnesota.

(c) \$4,468,000 in fiscal year 2026 and \$4,468,000 in fiscal year 2027 are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 31. <u>Inclusive Higher Education</u>	<u>250,000</u>	<u>250,000</u>
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To enter into a contract establishing the Inclusive Higher Education Technical Assistance Center under Minnesota Statutes, section 135A.161.

Subd. 32. <u>Addiction Medicine Graduate Medical Education Fellowship</u>	<u>270,000</u>	<u>270,000</u>
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(a) For a grant to Hennepin County Medical Center to support up to six physicians enrolled in an addiction medicine fellowship program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(b) Each year, in order to receive funds under this subdivision, Hennepin County Medical Center must certify to the commissioner the number of physicians actually enrolled in an addiction medicine fellowship for that year. The commissioner shall transfer to Hennepin County Medical Center \$90,000 for each physician enrolled in an addiction medicine fellowship subject to the total funds appropriated by this subdivision.

(c) This appropriation shall be used to prepare fellows to practice addiction medicine in rural and underserved areas of the state, and to train fellows in: diagnostic interviewing; motivational interviewing; addiction counseling; recognition and care of common acute withdrawal syndromes and complications; pharmacotherapies of addictive disorders; epidemiology and pathophysiology of addiction; identification and treatment of addictive disorders in special populations; secondary interventions; the use

of screening and diagnostic instruments; inpatient care; and working within a multidisciplinary team.

<u>Subd. 33. Unemployment Insurance Aid</u>	<u>158,000</u>	<u>158,000</u>
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For unemployment insurance aid to Tribal colleges under Minnesota Statutes, section 268.193. Of the amount appropriated, \$24,000 each year is for administration of the unemployment insurance aid.

<u>Subd. 34. North Star Promise; Administrative Costs</u>	<u>202,000</u>	<u>202,000</u>
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For administrative and promotion expenses to implement and direct the scholarship awards under Minnesota Statutes, section 136A.1465.

<u>Subd. 35. Agency Administration</u>	<u>6,219,000</u>	<u>6,385,000</u>
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Subd. 36. **Balances Forward**

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

Subd. 37. **Transfer Authority**

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, the public safety officers' survivors appropriation, and the fostering independence higher education grant program. The commissioner may transfer unencumbered balances from the hunger-free campus appropriations to the emergency assistance for postsecondary students grant. To the extent there is a projected surplus in the appropriation for either the student teachers in shortage areas grant program or the underrepresented student teacher grant program, the commissioner may transfer unencumbered balances between the two programs as needed to meet demand. Transfers from the child care, state work-study, or the hunger-free campus 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

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>879,039,000</u>	<u>\$</u>	<u>878,550,000</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

<u>Subd. 2. Central Office and Shared Services Unit</u>		<u>36,401,000</u>		<u>36,401,000</u>
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For the Office of the Chancellor and the Shared Services Division.

<u>Subd. 3. Operations and Maintenance</u>		<u>830,873,000</u>		<u>830,384,000</u>
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(a) \$5,700,000 in fiscal year 2026 and \$5,700,000 in fiscal year 2027 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 at least \$158,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus.

(b) 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.

(c) \$9,500,000 in fiscal year 2026 and \$9,500,000 in fiscal year 2027 are for enterprise-wide technology, including upgrading the Integrated Statewide Record System and maintaining enterprise-wide technology services.

(d) \$50,000 in fiscal year 2026 and \$50,000 in fiscal year 2027 are to reduce students' out-of-pocket costs by expanding free offerings in course materials and resources, including through open educational

resources, open textbooks, and implementation of Z-Degrees under Minnesota Statutes, section 136F.305.

(e) \$3,158,000 in fiscal year 2026 and \$3,158,000 in fiscal year 2027 are to expand student support services. This appropriation provides funding to campuses to address basic needs insecurity, mental health, and other high-need student support services by increasing the amount of available resources to students. In addition, this funding provides systemwide resources and coordination, including electronic connections for peer support and professional clinical support for mental health. These systemwide resources must be available online 24 hours a day, seven days a week.

(f) \$883,000 in fiscal year 2026 and \$894,000 in fiscal year 2027 are for costs associated with the increased employer contribution rates for the higher education individual retirement account plan under Minnesota Statutes, section 354B.23, subdivision 3.

(g) \$282,000 in fiscal year 2026 and \$282,000 in fiscal year 2027 are to pay the cost of supplies and equipment necessary to provide access to menstrual products under Minnesota Statutes, section 135A.1365.

(h) \$809,000 in fiscal year 2026 and \$809,000 in fiscal year 2027 are for unemployment insurance aid under Minnesota Statutes, section 268.193, to institutions within the system.

(i) \$500,000 in fiscal year 2026 and \$500,000 in fiscal year 2027 are for the Juvenile Detention Alternatives Initiative at Metropolitan State University. Of this amount, \$280,000 each year is to provide juvenile justice services and resources, including the Juvenile Detention Alternatives Initiative, to Minnesota counties and federally recognized Tribes; and \$220,000 each year is for funding to local units of government, federally recognized Tribes, and agencies to support local Juvenile Detention Alternative Initiatives, including but not limited to alternatives to detention. Any unencumbered balance remaining in the first year does not cancel and is available in the second year.

(j) \$500,000 in fiscal year 2026 is to address contamination of PFAS, as defined in Minnesota Statutes, section 116.943, arising from or associated with the use of firefighting foam at the Lake Superior College Emergency Response Training Center (ERTC)

prior to January 1, 2015. Money may be used to conduct environmental investigation and response activities, including ERTC program accommodations, and reimburse past expenses incurred for these activities. This is a onetime appropriation.

Subd. 4. Direct Student Support

7,350,000

7,350,000

(a) \$4,500,000 in fiscal year 2026 and \$4,500,000 in fiscal year 2027 are for workforce development scholarships under Minnesota Statutes, section 136F.38. The board may use up to five percent of this appropriation to administer the programs. Of the amount appropriated, \$500,000 in fiscal year 2027 only is for the law enforcement grant pilot program under article 2, section 61.

(b) \$2,250,000 in fiscal year 2026 and \$2,250,000 in fiscal year 2027 are for emergency assistance grants to Minnesota State Colleges and Universities students. The Board of Trustees must:

(1) award emergency assistance grants directly to students to meet immediate needs that could interfere with the student completing the term or their program, including but not limited to emergency housing, food, and transportation;

(2) minimize any negative impact on student financial aid resulting from the receipt of emergency money; and

(3) by February 1 of each year, submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on emergency assistance grants awarded to students using the money appropriated in this paragraph. The report must detail:

(i) how money was distributed among institutions;

(ii) the process by which students apply for emergency assistance grants and institutions make a determination about whether money will be awarded;

(iii) how many students received emergency assistance grants and the average award amount;

(iv) the most common student needs that grants were awarded to meet; and

(v) the average length of time between grant application and disbursement to students.

(c) \$600,000 in fiscal year 2026 and \$600,000 in fiscal year 2027 are for hunger-free campus activities. The Board of Trustees must:

(1) meet the following hunger-free campus requirements on Minnesota State Colleges and Universities campuses:

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

(ii) provide information to students on the Supplemental Nutrition Assistance Program (SNAP), the Minnesota Family Investment Program (MFIP), and other programs that reduce food insecurity;

(iii) notify students in work-study employment of their potential eligibility for SNAP benefits and provide information to those students about eligibility criteria and how to apply for benefits;

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

(v) provide emergency assistance grants to students; and

(vi) establish a hunger task force that meets a minimum of three times per academic year and that includes at least two students currently enrolled at the institution;

(2) match at least 50 percent of the amount appropriated in this paragraph with either in-kind contributions or other resources; and

(3) by February 1 each year, submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on hunger-free campus activities performed using the money appropriated in this paragraph. The report must detail:

(i) how money was distributed among institutions;

(ii) how hunger-free campus requirements were met at those institutions; and

(iii) how many students were served.

<u>Subd. 5. Cook County Higher Education Board</u>	<u>300,000</u>	<u>300,000</u>
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For a grant 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.

<u>Subd. 6. 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>754,770,000</u>	<u>\$</u>	<u>739,508,000</u>
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Appropriations by Fund

	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>752,613,000</u>	<u>737,351,000</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>644,018,000</u>	<u>644,018,000</u>
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<u>Subd. 3. Special Appropriations; Research and Innovation</u>	<u>42,554,000</u>	<u>27,292,000</u>
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(a) \$12,000,000 in fiscal year 2026 and \$12,000,000 in fiscal year 2027 are for Medical Discovery Teams on Addiction, the Biology of Aging, Optical Imaging and Brain Science, Rural and American Indian Health Disparities, Incretin Mimetics, and other critical, complex health issues.

(b) \$2,150,000 in fiscal year 2026 and \$2,150,000 in fiscal year 2027 are for the Clinical and Translational Science Institute.

(c) The Board of Regents may transfer unencumbered balances between the appropriations for the Medical Discovery Teams and the Clinical and Translational Science Institute as needed.

(d) \$4,000,000 in fiscal year 2026 and \$4,000,000 in fiscal year 2027 are for the Minnesota Cancer Clinical Trials Network.

(e) \$2,465,000 in fiscal year 2026 and \$2,465,000 in fiscal year 2027 are for health sciences research at the Office of Academic Clinical Affairs and the School of Public Health.

(f) \$4,350,000 in fiscal year 2026 and \$4,350,000 in fiscal year 2027 are for competitive grants for regenerative medicine research and commercialization.

(g) \$15,262,000 in fiscal year 2026 is for a collaborative partnership with the Mayo Clinic to engage in ongoing research into amyotrophic lateral sclerosis (ALS), with the goal of bettering the lives of individuals with ALS and finding a cure for the disease. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, unencumbered balances under this paragraph do not cancel until June 30, 2029. Beginning January 15, 2026, and annually thereafter until January 15, 2030, or until the money is fully expended, whichever occurs first, the Board of Regents must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education that identifies how the collaborative partnership used the money appropriated in this paragraph. The report must be filed according to Minnesota Statutes, section 3.195.

(h) \$77,000 in fiscal year 2026 and \$77,000 in fiscal year 2027 are for biomedical engineering.

(i) \$2,250,000 in fiscal year 2026 and \$2,250,000 in fiscal year 2027 are for the Cannabis Research Center in the School of Public Health. The center must investigate the health effects of cannabis use and research other topics related to cannabis, including but not limited to prevention and treatment of substance use disorders, equity issues, education, and decriminalization.

Subd. 4. Special Appropriations; Medical Training and Care

12,946,000

12,946,000

Appropriations by Fund

2026

2027

<u>General</u>	<u>10,789,000</u>	<u>10,789,000</u>
<u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>

(a) \$1,043,000 in fiscal year 2026 and \$1,043,000 in fiscal year 2027 are for the Rural Physician Associate Program (RPAP) and Metropolitan Physician Associate Program (MetroPAP).

(b) \$6,247,000 in fiscal year 2026 and \$6,247,000 in fiscal year 2027 are to support faculty physicians teaching at eight clinical residency program sites, including medical resident and student training programs in the Department of Family Medicine and Community Health.

(c) \$346,000 in fiscal year 2026 and \$346,000 in fiscal year 2027 are to support up to 12 resident physicians in the St. Cloud Hospital family medicine residency program, which must prepare doctors to practice primary care medicine in rural areas of Minnesota.

(d) \$1,500,000 in fiscal year 2026 and \$1,500,000 in fiscal year 2027 are for a partnership between the University of Minnesota Medical School and CentraCare to establish and operate new residency programs and maintain existing residency programs based in CentraCare hospitals and clinics in St. Cloud and Willmar. Eligible uses of this appropriation include but are not limited to program administration, curriculum development, resident recruitment, training, and resident stipends.

(e) \$993,000 in fiscal year 2026 and \$993,000 in fiscal year 2027 are for the Mobile Dental Clinic.

(f) \$2,157,000 in fiscal year 2026 and \$2,157,000 in fiscal year 2027 are from the health care access fund for primary care education initiatives.

(g) \$660,000 in fiscal year 2026 and \$660,000 in fiscal year 2027 are for geriatrics education.

<u>Subd. 5. Special Appropriations; Social Sciences</u>	<u>1,802,000</u>	<u>1,802,000</u>
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(a) \$985,000 in fiscal year 2026 and \$985,000 in fiscal year 2027 are for the Center for Urban and Regional Affairs.

(b) \$39,000 in fiscal year 2026 and \$39,000 in fiscal year 2027 are for the Bureau of Business and

Economic Research at the University of Minnesota
Duluth.

(c) \$778,000 in fiscal year 2026 and \$778,000 in fiscal
year 2027 are for industrial relations education at the
Carlson School of Management.

**Subd. 6. Special Appropriations; Natural Resources
Management and Education**

50,995,000

50,995,000

(a) \$27,086,000 in fiscal year 2026 and \$27,086,000
in fiscal year 2027 are for the Minnesota Agricultural
Experiment Station.

(b) \$15,836,000 in fiscal year 2026 and \$15,836,000
in fiscal year 2027 are for the University of Minnesota
Extension.

(c) The amounts appropriated in paragraphs (a) and
(b) must be used for the following:

(1) the Minnesota Agricultural Experiment Station and
University of Minnesota Extension 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 Resource 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, 2027, 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 paragraphs (a) and (b).

(d) \$4,414,000 in fiscal year 2026 and \$4,414,000 in fiscal year 2027 are for the Natural Resources Research Institute.

(e) \$1,673,000 in fiscal year 2026 and \$1,673,000 in fiscal year 2027 are for the Veterinary Diagnostic Laboratory.

(f) \$846,000 in fiscal year 2026 and \$846,000 in fiscal year 2027 are for the Minnesota Geological Survey.

(g) \$140,000 in fiscal year 2026 and \$140,000 in fiscal year 2027 are for the Bell Museum.

(h) \$1,000,000 in fiscal year 2026 and \$1,000,000 in fiscal year 2027 are for a University of Minnesota Extension program that enhances the capacity of the state's agriculture sector, land and resource managers, and communities to plan for and adapt to weather extremes, including but not limited to droughts and floods. The money appropriated in this paragraph must be used to support existing Extension staff members and to hire additional staff members for a program with broad geographic reach throughout the state. The program must:

(1) identify, develop, implement, and evaluate educational programs that increase the capacity of Minnesota's agriculture sector, land and resource managers, and communities to be prepared for and adapt to projected physical changes in temperature, precipitation, and other weather parameters that affect crops, land, horticulture, pests, and wildlife in ways that present challenges to the state's agriculture sector and the communities that depend on the agriculture sector; and

(2) communicate and interpret the latest research on critical weather trends and the scientific basis for critical weather trends to further prepare Extension staff throughout the state to educate and provide technical assistance to the agriculture sector, land and resource managers, and community members at the

local level regarding technical information on water resource management, agriculture and forestry, engineering and infrastructure design, and emergency management that is necessary to develop strategies to mitigate the effects of extreme weather change.

Subd. 7. Special Appropriations; Campus Management and Student Support

2,455,000

2,455,000

(a) \$1,000,000 in fiscal year 2026 and \$1,000,000 in fiscal year 2027 are for campus safety and security measures.

(b) \$366,000 in fiscal year 2026 and \$366,000 in fiscal year 2027 are for unemployment insurance aid under Minnesota Statutes, section 268.193.

(c) \$110,000 in fiscal year 2026 and \$110,000 in fiscal year 2027 are to pay the cost of supplies and equipment necessary to provide access to menstrual products under Minnesota Statutes, section 135A.1365.

(d) \$779,000 in fiscal year 2026 and \$779,000 in fiscal year 2027 are for emergency assistance grants to University of Minnesota students. The Board of Regents must:

(1) award emergency assistance grants directly to students to meet immediate needs that could interfere with the student completing the term or their program, including but not limited to emergency housing, food, and transportation;

(2) minimize any negative impact on student financial aid resulting from the receipt of emergency money; and

(3) by February 1 each year, submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on emergency assistance grants awarded to students using the money appropriated in this paragraph. The report must detail:

(i) how money was distributed among institutions;

(ii) the process by which students apply for emergency assistance grants and institutions make a determination about whether money will be awarded;

(iii) how many students received emergency assistance grants and the average award amount;

(iv) the most common student needs that grants were awarded to meet; and

(v) the average length of time between grant application and disbursement to students.

(e) \$200,000 in fiscal year 2026 and \$200,000 in fiscal year 2027 are for hunger-free campus activities. The Board of Regents must:

(1) meet the following hunger-free campus requirements on University of Minnesota campuses:

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

(ii) provide information to students on the Supplemental Nutrition Assistance Program (SNAP), the Minnesota Family Investment Program (MFIP), and other programs that reduce food insecurity;

(iii) notify students in work-study employment of their potential eligibility for SNAP benefits and provide information to those students about eligibility criteria and how to apply for benefits;

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

(v) provide emergency assistance grants to students; and

(vi) establish a hunger task force that meets a minimum of three times per academic year and that includes at least two students currently enrolled at the institution;

(2) match at least 50 percent of the amount appropriated in this paragraph with either in-kind contributions or other resources; and

(3) by February 1 of each year, submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on hunger-free campus activities performed using the money appropriated in this paragraph. The report must detail:

(i) how funding was distributed among institutions;

(ii) how hunger-free campus requirements were met at those institutions; and

(iii) how many students were served.

Sec. 5. **TRANSFERS.**

(a) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$2,500,000 in fiscal year 2026 and \$2,500,000 in fiscal year 2027 from the general fund to the spinal cord and traumatic brain injury grant account in the special revenue fund under Minnesota Statutes, section 136A.901, subdivision 1. The commissioner of the Office of Higher Education may use up to ten percent of the amounts transferred under this paragraph to administer the program. The commissioner of management and budget must include a transfer of \$2,500,000 each year from the general fund to the spinal cord and traumatic brain injury grant account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(b) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$3,132,000 in fiscal year 2026 and \$3,132,000 in fiscal year 2027 from the general fund to the dual training account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10. The commissioner of the Office of Higher Education may use up to five percent of the amounts transferred under this paragraph to administer the program. Of the amounts transferred under this paragraph, \$132,000 each year is for transfer to the Department of Labor and Industry to support identification of competency standards and development of dual training programs in the transportation and child care industries as required under Minnesota Statutes, section 175.45. The commissioner of management and budget must include a transfer of \$3,132,000 each year from the general fund to the dual training account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(c) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$325,000 in fiscal year 2026 and \$325,000 in fiscal year 2027 from the general fund to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2. The commissioner of management and budget must include a transfer of \$325,000 each year from the general fund to the large animal veterinarian loan forgiveness program account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(d) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$45,000 in fiscal year 2026 and \$45,000 in fiscal year 2027 from the general fund to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2. The commissioner of management and budget must include a transfer of \$45,000 each year from the general fund to the agricultural education loan forgiveness account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(e) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$750,000 in fiscal year 2026 and \$750,000 in fiscal year 2027 from the general fund to the inclusive higher education grant account in the special revenue fund under Minnesota Statutes, section 135A.162, subdivision 4. The commissioner of the Office of Higher Education may use up to five percent of the amounts transferred under this paragraph to administer the program. The commissioner

of management and budget must include a transfer of \$750,000 each year from the general fund to the inclusive higher education grant account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(f) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer \$49,500,000 in fiscal year 2026 and \$49,500,000 in fiscal year 2027 from the general fund to the account in the special revenue fund for North Star Promise scholarships under Minnesota Statutes, section 136A.1465, subdivision 8. The commissioner of management and budget must include a transfer of \$49,500,000 each year from the general fund to the account in the special revenue fund for North Star Promise scholarships in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

Sec. 6. CANCELLATIONS.

(a) The \$500,000 fiscal year 2025 appropriation from the general fund for the Kids on Campus initiative under Laws 2024, chapter 124, article 1, section 6, is canceled.

(b) Of the amount appropriated from the general fund to the commissioner of the Office of Higher Education pursuant to Laws 2022, chapter 42, section 2, paragraph (b), as amended by Laws 2024, chapter 124, article 1, section 1, and Laws 2024, chapter 127, article 34, section 1, \$15,262,263 is canceled.

ARTICLE 2

HIGHER EDUCATION POLICY

Section 1. Minnesota Statutes 2024, section 135A.052, subdivision 1, is amended to read:

Subdivision 1. **Statement of missions.** (a) The legislature recognizes each type of public postsecondary institution to have a distinctive mission within the overall provision of public higher education in the state and a responsibility to cooperate with each other. These missions are as follows:

(1) the technical colleges shall offer vocational training and education to prepare students for skilled occupations that do not require a baccalaureate degree;

(2) the community colleges shall offer lower division instruction in academic programs, occupational programs in which all credits earned will be accepted for transfer to a baccalaureate degree in the same field of study, and remedial studies, for students transferring to baccalaureate institutions and for those seeking associate degrees;

(3) consolidated community technical colleges shall offer the same types of instruction, programs, certificates, diplomas, and degrees as the technical colleges and community colleges offer;

(4) the state universities shall offer undergraduate and graduate instruction through the master's degree, including specialist certificates, in the liberal arts and sciences and professional education, and may offer applied doctoral degrees in education, business, psychology, physical therapy, audiology, cybersecurity, and nursing; and

(5) the University of Minnesota shall offer undergraduate, graduate, and professional instruction through the doctoral degree, and shall be the primary state supported academic agency for research and extension services.

(b) It is part of the mission of each system that within the system's resources the system's governing board and chancellor or president shall endeavor to:

- (1) prevent the waste or unnecessary spending of public money;
- (2) use innovative fiscal and human resource practices to manage the state's resources and operate the system as efficiently as possible;
- (3) coordinate the system's activities wherever appropriate with the activities of the other system and governmental agencies;
- (4) use technology where appropriate to increase system productivity, improve customer service, increase public access to information about the system, and increase public participation in the business of the system;
- (5) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A; and
- (6) recommend to the legislature appropriate changes in law necessary to carry out the mission of the system.

Sec. 2. [135A.1367] OPIATE ANTAGONIST.

(a) The Board of Trustees of the Minnesota State Colleges and Universities must, and the Board of Regents of the University of Minnesota is requested to:

(1) maintain a supply of opiate antagonists, as defined in section 604A.04, subdivision 1, at each campus site to be administered in compliance with section 151.37, subdivision 12; and

(2) have at least two doses of a nasal opiate antagonist available on site at each campus residential building.

(b) The commissioner of health shall identify resources, including at least one training video, to help postsecondary institutions implement an opiate antagonist emergency response and make the resources available for institutions.

(c) The Board of Trustees and the Board of Regents may adopt a model plan for use, storage, and administration of opiate antagonists on system campuses.

EFFECTIVE DATE. This section is effective beginning in the 2025-2026 academic year.

Sec. 3. Minnesota Statutes 2024, section 135A.15, subdivision 1a, is amended to read:

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

(b) "Advisor" means a person who is selected by a responding or reporting party to serve as a support during a campus investigation and disciplinary process. This person may be an attorney. An advisor serves as a support to a party by offering comfort or attending meetings.

(c) "Domestic violence" has the meaning given in section 518B.01, subdivision 2.

(d) "Incident" means one report of sexual misconduct to a postsecondary institution, regardless of the number of complainants included in the report, the number of respondents included in the report, and whether

or not the identity of any party is known by the reporting postsecondary institution. Incident encompasses all nonconsensual events included within one report if multiple events have been identified.

(e) "Intimate partner violence" means any physical or sexual harm or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior against an individual, that may be classified as a sexual misconduct, dating violence, or domestic violence caused by:

- (1) a current or former spouse of the individual; or
- (2) a person in a sexual or romantic relationship with the individual.

(f) "Nonconsensual dissemination of sexual images" has the meaning given in section 617.261.

(g) "Reporting party" means the party in a disciplinary proceeding who has reported being subjected to conduct or communication that could constitute sexual misconduct.

(h) "Responding party" means the party in a disciplinary proceeding who has been reported to be the perpetrator of conduct or communication that could constitute sexual misconduct.

(i) "Retaliation" means intimidation, threats, coercion, or discrimination against a reporting party, responding party, or witness for the purpose of interfering with any right or privilege or because the person has reported information, made a complaint, testified, assisted, or participated or refused to participate in any manner in an investigation, proceeding, or hearing under this section, including in nondisciplinary restorative justice services.

(j) "Sexual assault" means rape, sex offenses - fondling, sex offenses - incest, or sex offenses - statutory rape as defined in Code of Federal Regulations, title 34, part 668, subpart D, appendix A, as amended.

~~(j)~~ (k) "Sexual extortion" has the meaning given in section 609.3458.

~~(k)~~ (l) "Sex trafficking" has the meaning given in section 609.321, subdivision 7a.

~~(l)~~ (m) "Sexual harassment" has the meaning given in section 363A.03, subdivision 43.

~~(m)~~ (n) "Sexual misconduct" means an incident of sexual violence, intimate partner violence, domestic violence, sexual assault, sexual harassment, nonconsensual distribution of sexual images, sexual extortion, nonconsensual dissemination of a deepfake depicting intimate parts or sexual acts, sex trafficking, or stalking.

~~(n)~~ (o) "Stalking" has the meaning given in section 609.749.

Sec. 4. Minnesota Statutes 2024, section 135A.15, subdivision 2a, is amended to read:

Subd. 2a. ~~Campus investigation and disciplinary hearing procedures~~ **sexual misconduct grievance procedures.** (a) A postsecondary institution must provide a reporting party an opportunity for an impartial, timely, and thorough investigation of a report of sexual misconduct against a student. If an investigation reveals that sexual misconduct has occurred, the institution must take prompt and effective steps reasonably calculated to end the sexual misconduct, prevent its recurrence, and, as appropriate, remedy its effects. Remedial action may include any or all of the following: (1) disciplinary action against the responding party; (2) with the consent of the parties, alternative resolution options; and (3) academic or residential supportive measures, as requested by the reporting party.

(b) An institution must offer and coordinate academic and residential supportive measures as needed and equitably to both the reporting and responding parties participating in a campus sexual misconduct grievance process, including but not limited to exam or assignment extensions, permitted class absence, a change in on-campus residence, and schedule changes.

(c) A postsecondary institution must allow the reporting and responding parties to present and review relevant testimony by parties and witnesses and relevant evidence compiled in an investigative report.

(d) Throughout any investigation or disciplinary proceeding, ~~a postsecondary~~ an institution must treat the reporting parties, responding parties, witnesses, and other participants in the proceeding with dignity and respect.

~~(e) If a postsecondary institution conducts a hearing, an advisor may provide opening and closing remarks on behalf of a party or assist with formulating questions to the other party or witnesses about related evidence or credibility.~~

(e) A postsecondary institution must provide due process protections before imposing disciplinary action against a responding party who is a student. The responding party must be informed in writing of the allegations with sufficient details related to the allegations, including the alleged misconduct; the identity of the reporting party; and to the extent possible, the date, time, and location of the alleged sexual misconduct. The responding party must be provided with the campus code of conduct guidelines listing possible sanctions.

(f) In any grievance process arising from an alleged incident of sexual misconduct against a student, a postsecondary institution must apply, at a minimum, a preponderance of the evidence standard of proof.

(g) An institution must allow equal opportunity during the hearing for the reporting and responding parties to consult an additional support person other than the party's advisor, such as an advocate, if requested and deemed appropriate by the Title IX coordinator or designee.

(h) The reporting and responding parties must be given equal opportunity to question the credibility of the other party and witnesses through a live hearing or questioning by a decision-maker, pursuant to paragraph (l).

(i) If an institution allows for cross-examination of witnesses and parties, the reporting party and the responding party are not permitted to personally cross-examine each other or any witnesses. Any cross-examination must be performed by the party's advisor or an adjudicator of the campus disciplinary proceeding.

(j) A postsecondary institution must hold a hearing related to disciplinary action under this section if requested by either the reporting or responding party.

(k) If a postsecondary institution conducts a hearing, the institution must provide the reporting and responding parties with equal opportunity to provide testimony without encountering the other party in person, and to review testimony provided by the other party in a similar manner. This may be done through video conference or closed-circuit television.

(l) An institution must appoint a decision-maker or panel of decision-makers who are not the investigator to assess the credibility of the reporting party, the responding party, and any other witnesses through a live hearing or direct questioning.

(m) If the facts and circumstances rise to a policy violation, an institution must proceed with the campus sexual misconduct grievance process, if requested by the reporting party, concurrently with a criminal

investigation, except that a postsecondary institution may temporarily delay a campus proceeding if requested by law enforcement and if the campus proceeding may impede a criminal investigation.

(n) Personal information of the reporting party such as character witness or sexual behavior of the reporting party is allowable if the information is deemed relevant by the decision-maker and if the information substantiates that the misconduct may have occurred. Mental health and medical information of the reporting party may be considered if: (1) a release is signed by the reporting party; and (2) nonrelevant information is redacted. If a responding party is found responsible, medical and mental health information of the reporting party may be considered to determine sanctions.

(o) Questions and evidence about the reporting party's sexual predisposition or prior sexual behavior are not considered relevant unless such questions and evidence: (1) are offered to prove that someone other than the responding party committed the alleged conduct; or (2) concern specific incidents of the reporting party's prior sexual behavior with respect to the responding party and are offered to prove consent.

(p) The responding and reporting parties may discuss the investigation and disciplinary proceedings with an advisor of choice, the party's parents, or an authorized legal guardian.

(q) An institution must deliver the outcome of the grievance process simultaneously to the reporting and responding parties.

(r) An institution must inform the reporting and responding parties no later than 24 hours before a decision is rendered regarding the timeline of the outcome's release. Alongside the notice of the outcome, an institution must offer community mental health and, if applicable, on-campus resources equitably to a reporting and responding party. The outcome must not be delivered to a reporting or responding party at the end of the day or on a weekend or holiday to ensure that the reporting and responding parties may access supportive services.

(s) Institutions must have a policy prohibiting retaliation that specifies what constitutes retaliation and possible actions for students and employees if retaliation occurs. Retaliation against the reporting party, responding party, or witnesses resulting from a person's participation in a campus sexual misconduct investigation is prohibited.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 5. Minnesota Statutes 2024, section 135A.1582, is amended to read:

135A.1582 PROTECTIONS FOR PREGNANT AND PARENTING STUDENTS.

Subdivision 1. ~~Definition~~ **Definitions.** (a) ~~For the purpose~~ For the purposes of this section, the following ~~term~~ has terms have the meaning meanings given.

(b) "Parenting student" means a student enrolled at a public college or university who is the parent or legal guardian of or can claim as a dependent a child under the age of 18.

(c) "Pregnancy or related conditions" has the meaning given in Code of Federal Regulations, title 34, section 106.2.

(d) "Postsecondary institution" means an institution governed by the Board of Trustees of the Minnesota State Colleges and Universities or a private postsecondary institution that offers in-person courses on a campus located in Minnesota and is an eligible institution as defined in section 136A.103. Institutions governed by the Board of Regents of the University of Minnesota are requested to comply with this section.

Subd. 2. **Rights and protections.** (a) A ~~Minnesota state college or university~~ postsecondary institution may not require and the University of Minnesota is requested not to require a pregnant or parenting student, solely because of the student's status as a pregnant or parenting student or due to issues related to the student's pregnancy or parenting, to:

- (1) take a leave of absence or withdraw from the student's degree or certificate program;
- (2) limit the student's studies;
- (3) participate in an alternative program;
- (4) change the student's major, degree, or certificate program; or

(5) refrain from joining or cease participating in any course, activity, or program at the college or university.

(b) A ~~Minnesota state college or university~~ postsecondary institution shall provide and the University of Minnesota is requested to provide reasonable modifications to a pregnant student, including modifications that:

- (1) would be provided to a student with a temporary medical condition; or

(2) are related to the health and safety of the student and the student's unborn child, such as allowing the student to maintain a safe distance from substances, areas, and activities known to be hazardous to pregnant women or unborn children.

(c) A ~~Minnesota state college or university~~ postsecondary institution must and the University of Minnesota is requested to, for reasons related to a student's pregnancy, childbirth, or any resulting medical status or condition:

- (1) excuse the student's absence;
- (2) allow the student to make up missed assignments or assessments;

(3) allow the student additional time to complete assignments in the same manner as the institution allows for a student with a temporary medical condition; and

(4) provide the student with access to instructional materials and video recordings of lectures for classes for which the student has an excused absence under this section to the same extent that instructional materials and video recordings of lectures are made available to any other student with an excused absence.

(d) A ~~Minnesota state college or university~~ postsecondary institution must and the University of Minnesota is requested to allow a pregnant or parenting student to:

- (1) take a leave of absence; and

(2) if in good academic standing at the time the student takes a leave of absence, return to the student's degree or certificate program in good academic standing without being required to reapply for admission.

(e) If a ~~public college or university~~ postsecondary institution provides early registration for courses or programs at the institution for any group of students, the ~~Minnesota state college or university~~ institution must provide and the University of Minnesota is requested to provide early registration for those courses or programs for pregnant or parenting students in the same manner.

Subd. 3. **Policy on discrimination.** ~~Each Minnesota state college or university postsecondary institution must adopt and the University of Minnesota is requested to adopt a policy for students on pregnancy and parenting discrimination. The policy must:~~

(1) include the contact information of the Title IX coordinator who is the designated point of contact for a student requesting each protection or modification under this section. Contact information must include the Title IX coordinator's name, phone number, email, and office;

(2) be posted in an easily accessible, straightforward format on the college or university's website; and

(3) be made available annually to faculty, staff, and employees of the college or university.

Subd. 4. **Administration.** The commissioner of the Office of Higher Education must, in consultation with the Board of Trustees of the Minnesota State Colleges and Universities ~~and~~ the Board of Regents of the University of Minnesota, and other relevant stakeholders, establish guidelines, as necessary, to administer this section. The guidelines must establish minimum periods for which a pregnant or parenting student must be given a leave of absence under subdivision 2, paragraph (d). In establishing the minimum periods, the Office of Higher Education shall consider the maximum amount of time a student may be absent without significantly interfering with the student's ability to complete the student's degree or certificate program.

Sec. 6. Minnesota Statutes 2024, section 136A.01, is amended by adding a subdivision to read:

Subd. 4. **Treatment of appropriations.** Notwithstanding section 16B.98, subdivision 14, unless amounts are otherwise appropriated for administrative costs, the office may retain up to five percent of the amount appropriated to the agency for grants enacted by the legislature and formula grants, and up to ten percent for competitively awarded grants.

Sec. 7. **[136A.054] CONSOLIDATED COMPETITIVE GRANT AND STUDENT LOAN REPAYMENT PROGRAM REPORTING.**

(a) The commissioner of the Office of Higher Education shall report annually by February 15 to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education on the details of programs administered under sections 136A.1251, 136A.1789, 136A.1791, 136A.1794, 136A.1795, and 136A.861 including the following, where applicable:

(1) organizations receiving grant awards;

(2) grant award amounts and utilization rates;

(3) grant program activities, goals, and outcomes;

(4) grant matching sources and funding levels;

(5) number and amount of loan repayment awards disbursed; and

(6) demographic data of loan repayment program participants.

(b) The commissioner must report any additional data and outcomes relevant to the evaluation of programs administered under sections 136A.1251, 136A.1789, 136A.1791, 136A.1794, 136A.1795, and 136A.861 as evidenced by activities funded under each program.

Sec. 8. [136A.0901] STANDARD FINANCIAL AID OFFER FORM FOR HIGHER EDUCATION INSTITUTIONS.

Subdivision 1. **Citation.** Sections 136A.0901 to 136A.0905 may be cited as the "College Financing Literacy Act."

Subd. 2. **Standard format and terminology.** The commissioner must develop standard terminology and financial aid offer forms. The commissioner may develop separate financial aid offer forms for:

- (1) undergraduate students;
- (2) graduate students;
- (3) first-time students; and
- (4) returning students.

Subd. 3. **Consultation with stakeholders.** In developing the financial aid offer form, the commissioner must consult with and consider the recommendations of stakeholders, including the student loan advocate in the Department of Commerce, representatives of students, institutions of higher education, financial aid administrators and counselors, school counselors, and any other relevant stakeholders as determined by the commissioner. The commissioner must begin consulting with and soliciting recommendations from stakeholders by September 1, 2025. By September 1, 2026, the commissioner must publish on the department's website a draft of the form created under subdivision 2 and solicit feedback from stakeholders regarding the form.

Subd. 4. **Final form.** The commissioner must publish on the department's website the final financial aid offer form with sufficient time for institutions to implement use of the form for the 2028-2029 academic year.

Subd. 5. **Authority to modify.** The commissioner may update and modify the definitions, terms, formatting, and design of the financial aid offer form based on changes in laws, in process, or for purposes of clarity.

Subd. 6. **Use of standard financial aid offer forms and terms.** Beginning with the 2028-2029 academic year, institutions of higher education that receive state grant aid must:

- (1) use the financial aid offer form developed under this section in providing official and unofficial offers, including paper, mobile-optimized, or other electronic offers to all students who are accepted at the institution and apply for aid; and
- (2) use the standard terminology and definitions developed by the commissioner for all communications from the institution related to financial aid offers.

Sec. 9. [136A.0902] REQUIRED CONTENTS FOR FINANCIAL AID OFFER FORM.

Subdivision 1. **General.** The financial aid offer form developed under section 136A.0901 must be a form titled "Financial Aid Offer" which includes the required information under this section with costs listed first, followed by grants and scholarships clearly separated with separate headings, and the additional information under section 136A.0903 included last. The form must be in a consumer-friendly format that is simple to understand and must allow for each institution to customize the form with the institution's own logo, branding, or other identifiers.

Subd. 2. **Cost information.** The financial aid offer form must contain information on the student's estimated cost of attendance including:

(1) total direct costs, including the totals for estimated tuition and fees charged by an institution, including differential tuition if applicable, college or university-sponsored housing, and food costs;

(2) total estimated other expenses, including estimated housing and food costs for students who reside off-campus, and for all students, costs for books, materials, supplies, transportation, and miscellaneous personal expenses;

(3) the academic period covered by the financial aid offer and an explanation that the financial aid offered may change for academic periods not covered by the aid offer or by program;

(4) whether cost and aid estimates are based on full-time or part-time enrollment;

(5) whether tuition and fees cover a set range of credits or are per credit hour; and

(6) whether the tuition and fees are estimated based on the previous year or are set for the academic period indicated in accordance with clause (3).

Subd. 3. **Grants and scholarships.** The financial aid offer form must include the aggregate amount of grants and scholarships itemized by source and type that the student does not have to repay, including grant aid:

(1) offered under title IV of the Higher Education Act of 1965, United States Code, title 20, section 1070, et seq.;

(2) offered through other federal programs;

(3) offered by the institution;

(4) offered by the state; and

(5) from an outside source to the student for the academic period, if known, including a disclosure that the grants and scholarships do not have to be repaid. If institutional aid is included, the form must also note:

(i) the conditions under which the student can expect to receive similar amounts of financial aid for each academic period the student is enrolled at the institution; and

(ii) whether the institutional aid offer may change if grants or scholarships from outside sources are applied after the student receives the financial aid offer form and how the institutional aid will change, if applicable.

Subd. 4. **Net price.** The financial aid offer form must include:

(1) the estimated net price that the student, or the student's family on behalf of the student, is estimated to have to pay for the student to attend the institution for the academic period, equal to the cost of attendance as described in subdivision 2, clauses (1) and (2), for the student for the period indicated in subdivision 2, clause (3), minus the amount of grant and scholarship aid described in subdivision 3 that is included in the financial aid offer form; and

(2) a disclosure that the estimated net price is an estimate of the total expenses for the year and not equivalent to the amount the student will owe directly to the institution.

Subd. 5. **Loans.** (a) The financial aid offer form must include:

(1) information on loans that are available to the student under part D or E of title IV of the Higher Education Act of 1965, United States Code, title 20, sections 1087a, et seq., and 1087aa, et seq., except a Federal Direct PLUS Loan under part D of that act;

(2) information on other loans under this chapter for the academic period covered by the offer;

(3) a disclosure that the loans have to be repaid and a disclosure that the student can borrow a lesser or, if applicable, greater amount than the recommended loan amount;

(4) a disclosure that the interest rates and fees on the loans are set annually and affect total cost over time and a link to the Department of Education's and the Office of Higher Education's websites that includes current information on interest rates and fees; and

(5) a link to the Department of Education's repayment calculator website for students with instruction that the website contains customizable estimates of expected repayment costs under different loan repayment plans.

(b) The offer must clearly use the word "loan" to describe the recommended loan amounts and must clearly label subsidized and unsubsidized loans with a plain language explanation of the difference between the two.

Subd. 6. **Supplemental information on cost of attendance.** The financial aid offer form must contain information on how a student may request an adjustment to increase the cost of attendance to accommodate the student's special circumstances or higher costs of housing, food, or other eligible expenses.

Subd. 7. **Supplemental information for students with dependents.** The financial aid offer form must contain information on resources available to students with dependents including:

(1) the dependent care allowance, including a disclosure that a student with a dependent child in paid child care may request a dependent care allowance as part of the student's financial aid calculation, which may result in a higher grant or loan amount; and

(2) information on the Minnesota child care grant program provided in section 136A.125 and instructions on how to apply.

Subd. 8. **Process for accepting or declining aid.** The financial aid offer form must include:

(1) deadlines and a summary of the process for accepting the financial aid offered in the financial aid offer form, requesting higher loan amounts if recommended loan amounts were included, and declining aid offered in the form;

(2) information on when and how direct costs to the institution must be paid, including information on payment plans if available;

(3) a disclosure that verification of financial circumstances may require the student to submit further documentation; and

(4) information about where a student or the student's family can seek additional information regarding the financial aid offered, including contact information for the institution's financial aid office, the Department of Education's website on financial aid, and the Office of Higher Education's website.

Sec. 10. [136A.0903] ADDITIONAL REQUIREMENTS FOR THE FINANCIAL AID OFFER FORM.

Subdivision 1. **Repayment resources; private student loans; work study.** In addition to the information described in section 136A.0902, the financial aid offer form must, in a concise format determined by the commissioner, include:

(1) at the institution's discretion, additional options and potential resources for paying the amount listed in section 136A.0902, subdivision 4, such as tuition payment plans;

(2) the following information relating to private student loans:

(i) a statement that students considering borrowing to cover the cost of attendance should consider available federal and state student loans prior to applying for private student loans, including an explanation that federal and state student loans offer generally more favorable terms and beneficial repayment options than private student loans;

(ii) the impact of a proposed private student loan on the student's potential eligibility for other financial assistance, including federal financial assistance under title IV of the Higher Education Act of 1965, United States Code, title 20, section 1070, et seq.; and

(iii) a statement explaining the student's ability to select a private educational lender of the student's choice; and

(3) information on work-study employment opportunities under section 136A.233, and work-study offered in accordance with part C of title IV of the Higher Education Act of 1965, United States Code, title 20, section 1087-51, et seq., including a disclosure that the work-study aid offered is subject to the availability of qualified employment opportunities and is disbursed over time as earned by the student. Work-study employment opportunities must not be included in the category of financial aid described under section 136A.0902, subdivision 3.

Subd. 2. **Additional requirements.** The financial aid offer form must meet the requirements of this section and section 136A.0902 by:

(1) including, in addition to the requirements described in subdivision 1 and section 136A.0902, a concise summary in plain language of:

(i) the terms and conditions of financial aid under subdivision 1, clause (3), and section 136A.0902, subdivisions 3 and 5, and a method to provide students with additional information about the terms and conditions, such as links to the supplementary information; and

(ii) federal, state, or institutional conditions required to receive and renew financial aid and a method to provide students with additional information about these conditions, such as links to the supplementary information;

(2) clearly distinguishing between aid offered under subdivision 1, clause (3), and section 136A.0902, subdivisions 3 and 5, by including a subtotal for the aid offered and by refraining from commingling the different types of aid described;

(3) using standard terminology and definitions, as determined by the commissioner, and using plain language where possible;

(4) providing additional information on federal student loans, including the types and amounts for which the student is eligible in an attached document or web page, if an institution's recommended federal student loan aid offered under section 136A.0902, subdivision 5, is less than the federal maximum available to the student;

(5) including a delivery confirmation for electronic financial aid offer forms, except that receipt of the financial aid offer form shall not be considered an acceptance or rejection of aid by the student; and

(6) accompanying any reference to private education loans, with respect to dependent students, with:

(i) information about the availability of and terms and conditions associated with Federal Direct PLUS Loans under section 455 of the Higher Education Act of 1965, United States Code, title 20, section 1087e, for the student's parents regardless of family income; and

(ii) a notification of the student's increased eligibility for unsubsidized federal student loans under title IV of the Higher Education Act of 1965, United States Code, title 20, section 1070, et seq., if the student's parents are rejected under the Federal Direct PLUS Loan program.

Sec. 11. [136A.0904] SUPPLEMENTAL INFORMATION; REMOVAL OF INFORMATION.

(a) Nothing in sections 136A.0901 to 136A.0903 precludes an institution from supplementing the financial aid offer form with additional information if the additional information supplements the financial aid offer form and is not located on the financial aid offer form and if the information utilizes the same standard terminology developed by the commissioner under this act.

(b) Nothing in sections 136A.0901 to 136A.0903 precludes an institution from omitting a required item in an individual offer form if that item is inapplicable to the student receiving the offer.

Sec. 12. [136A.0905] SUPERSEDING FEDERAL LAW.

Sections 136A.0901 to 136A.0904 are null and void upon the effective date of a federal law or regulation establishing a uniform financial aid offer form and requiring institutions of higher education to adopt it.

Sec. 13. Minnesota Statutes 2024, 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 ~~79~~ 95 percent of the parental contribution. If the parental contribution is ~~less than~~ between \$0 and negative \$1,500, the assigned family responsibility is ~~40~~ 50 percent of the parental contribution. If the parental contribution is less than negative \$1,500, the recognized parental contribution is negative \$1,500. For independent students with dependents other than a spouse, the assigned family responsibility is 71 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is 35 percent of the student contribution. If the student contribution is ~~less than~~ between \$0 and negative \$1,500, the assigned family responsibility is ~~40~~ 50 percent of the student contribution. If the student contribution is less than negative \$1,500, the recognized student contribution is negative \$1,500. For a student registering for less than full time, the office shall prorate the assigned family responsibility using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.

Sec. 14. Minnesota Statutes 2024, section 136A.103, is amended to read:

136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.

Subdivision 1. **Eligibility.** (a) A postsecondary institution is eligible for state student aid and to receive state student aid on behalf of students under this chapter 136A and sections 197.791 and 299A.45, if the institution is located in this state and:

- (1) is operated by this state or the Board of Regents of the University of Minnesota; or
- (2) is operated privately and, ~~as determined by the office,~~ meets the requirements of paragraph (b).

(b) A private institution must:

~~(1) maintain academic standards substantially equivalent to those of comparable institutions operated in this state;~~

~~(2) (1) be licensed or registered as a postsecondary institution by the office; and~~

~~(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or~~

(2) meet one of the following criteria:

(i) the institution participates in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended;

(ii) if ~~an~~ the institution:

(A) was participating in state student aid programs as of June 30, 2010, and the institution did but does not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended;

(B) requires every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program; and

(C) has not had a change in ownership as defined in section 136A.63, subdivision 2; or

(e) ~~An~~ (iii) the institution that offers only graduate-level degrees or graduate-level nondegree programs is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office and participates in federal financial aid under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended.

(d) (c) An eligible institution under paragraph (b), clause (3), ~~item (ii) (2), that changes ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility remains eligible for state student aid for six months following the change in ownership.~~

(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution. The office may terminate an institution's eligibility to participate in state student aid programs effective the date of the loss of eligibility for the federal Pell Grant program.

~~(f) An institution must maintain adequate administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs.~~

~~(g) The office may terminate a postsecondary institution's eligibility to participate in state student aid programs if the institution is~~

Subd. 2. **Ineligibility.** A postsecondary institution otherwise eligible for state student aid under this chapter and sections 197.791 and 299A.45 may be determined by the office to be ineligible if the institution:

(1) fails to maintain adequate compliance with administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs; or

(2) has been terminated from participating in federal financial aid programs by the United States Department of Education for a violation of laws, regulations, or participation agreements governing federal financial aid programs.

Sec. 15. Minnesota Statutes 2024, 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 ~~44~~ 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 using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.

(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. 16. Minnesota Statutes 2024, section 136A.121, subdivision 7, is amended to read:

Subd. 7. **Insufficient appropriation.** (a) If the amount appropriated is determined by the office to be insufficient to make full awards to applicants under subdivision 5, awards must be reduced by:

(1) adding a surcharge to the applicant's assigned family responsibility, as defined in section 136A.101, subdivision 5a; and

(2) a percentage increase in the applicant's assigned student responsibility, as defined in subdivision 5.

(b) The reduction under paragraph (a), clauses (1) and (2), must be equal dollar amounts. The total assigned family responsibility after the addition of the surcharge may exceed 100 percent of the parental or

student contribution, as applicable, assigned by the federal needs analysis. The commissioner must not adjust the surcharge under paragraph (a), clause (1), according to the student's status as a dependent student, an independent student with dependents other than a spouse, or an independent student without dependents other than a spouse.

Sec. 17. Minnesota Statutes 2024, section 136A.121, subdivision 7a, is amended to read:

Subd. 7a. **Surplus appropriation.** (a) If the amount appropriated is determined by the office to be more than sufficient to fund projected grant demand in the second year of the biennium, the office may:

(1) increase the living and miscellaneous expense allowance in the second year of the biennium by up to an amount that retains sufficient appropriations to fund the projected grant demand; or

(2) when calculating assigned family responsibility, recognize a negative parental contribution or student contribution that is less than negative \$1,500 to a value that is equal to the lowest student contribution provided under the federal needs analysis.

(b) The ~~adjustment~~ adjustments in paragraph (a) may be made one or more times. In making the determination that there are more than sufficient funds, the office shall balance the need for sufficient resources to meet the projected demand for grants with the goal of fully allocating the appropriation for state grants. An increase in the living and miscellaneous expense allowance or a modified assigned family responsibility under this subdivision does not carry forward into a subsequent biennium.

Sec. 18. Minnesota Statutes 2024, section 136A.121, subdivision 9, is amended to read:

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has received a state grant award for ~~180~~ 120 credits or the equivalent, excluding (1) courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit, and (2) courses taken that qualify as developmental education or below college-level. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

Sec. 19. Minnesota Statutes 2024, section 136A.121, subdivision 13, is amended to read:

Subd. 13. **Deadline.** The deadline for the office to accept applications for state grants for a term is ~~June 30 of the fiscal year for which the student applies for a grant~~ 30 days after the start of that term.

Sec. 20. Minnesota Statutes 2024, section 136A.1465, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** The following terms have the meanings given:

(1) "eligible student" means a resident student under section 136A.101, subdivision 8, who is enrolled in any public postsecondary educational institution or Tribal college and who meets the eligibility requirements in subdivision 2;

(2) "gift aid" includes:

(i) all federal financial aid that is not a loan or pursuant to a work-study program;

(ii) state financial aid, unless designated for other expenses, that is not a loan or pursuant to a work-study program;

(iii) institutional financial aid, including a grant, scholarship, tuition waiver, fellowship stipend, or other payment, unless designated for other expenses, that is not a loan or pursuant to a work-study program; and

(iv) all private financial aid that is not a loan or pursuant to a work-study program.

Financial aid from the state, public postsecondary educational institutions, and Tribal colleges that is specifically designated for other expenses is not gift aid for purposes of the North Star Promise scholarship.

(3) "other expenses" includes books, required supplies, child care, emergency assistance, food, and housing;

(4) "public postsecondary educational institution" means an institution operated by this state, or the Board of Regents of the University of Minnesota;

(5) "recognized cost of attendance" has the meaning given in United States Code, title 20, chapter 28, subchapter IV, part F, section 10871l;

(6) "Tribal college" means a college defined in section 136A.1796, subdivision 1, paragraph ~~(e)~~ (d); and

(7) "tuition and fees" means the ~~actual~~ eligible resident tuition and mandatory fees charged by an institution.

Sec. 21. Minnesota Statutes 2024, section 136A.1465, is amended by adding a subdivision to read:

Subd. 1a. **Resident tuition.** (a) The Board of Regents of the University of Minnesota is requested to adopt a policy to charge resident tuition rates for all students eligible for North Star Promise.

(b) The Board of Trustees of the Minnesota State Colleges and Universities must adopt a policy to charge resident tuition rates for all students eligible for North Star Promise.

Sec. 22. Minnesota Statutes 2024, section 136A.1465, subdivision 2, is amended to read:

Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student who:

(1) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application by 30 days after the start of the term for which a scholarship is being awarded;

(2) has a family adjusted gross income below \$80,000;

(3) is a graduate of a secondary school or its equivalent, or is 17 years of age or over and has met all requirements for admission as a student to an eligible college or university;

(4) has not ~~earned a~~ completed the degree requirements for the first baccalaureate degree at the time the scholarship is awarded;

(5) is enrolled in at least one credit per fall, spring, or summer semester;

(6) is enrolled in a program or course of study that applies to a degree, diploma, or certificate;

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

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

support enforcement, but is complying with a written payment agreement under section 518A.69 or order for arrearages;

(9) has not been convicted of or pled nolo contendere or guilty to a crime involving fraud in obtaining federal Title IV funds within the meaning of Code of Federal Regulations, subtitle B, chapter VI, part 668, subpart C; and

(10) is meeting satisfactory academic progress as defined in section 136A.101, subdivision 10.

Sec. 23. Minnesota Statutes 2024, section 136A.155, is amended to read:

136A.155 ADDITIONAL INSTITUTION ELIGIBILITY REQUIREMENTS.

A postsecondary institution is an eligible institution for purposes of sections 136A.15 to 136A.1702, if the institution:

(1) meets the eligibility requirements under section 136A.103; or

(2) is operated publicly or privately in another state; and is approved by the United States Secretary of Education, and, as determined by the office, maintains academic standards substantially equal to those of comparable institutions operated in this state.

Sec. 24. Minnesota Statutes 2024, 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 children, youth, and families 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 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)~~ (8) the type of account;

~~(10)~~ (9) the responsibility for the account; and

~~(11)~~ (10) the status or remarks code.

Sec. 25. Minnesota Statutes 2024, section 136A.1701, subdivision 4, is amended to read:

Subd. 4. **Terms and conditions of loans.** ~~(a)~~ The office may loan money upon such terms and conditions as the office may prescribe. Annually, the office must determine the minimum loan amount, the maximum loan amount based on program type, the maximum cumulative amount for each program type, and the maximum lifetime limit for an individual. The annual amount of the loan must not exceed the cost of attendance as determined by the eligible institution less all other financial aid.

~~(b) The minimum loan amount and a maximum loan amount to students must be determined annually by the office. Loan limits are defined based on the type of program enrollment, such as a certificate, an associate's degree, a bachelor's degree, or a graduate program. The aggregate principal amount of all loans made subject to this paragraph to a student as an undergraduate and graduate student must not exceed \$140,000. The amount of the loan must not exceed the cost of attendance as determined by the eligible institution less all other financial aid, including PLUS loans or other similar parent loans borrowed on the student's behalf. A student may borrow up to the maximum amount twice in the same grade level.~~

~~(c) The cumulative borrowing maximums must be determined annually by the office and are defined based on program enrollment. In determining the cumulative borrowing maximums, the office shall, among other considerations, take into consideration the maximum SELF loan amount, student financing needs, funding capacity for the SELF program, delinquency and default loss management, and current financial market conditions.~~

Sec. 26. Minnesota Statutes 2024, section 136A.1796, is amended to read:

136A.1796 TRIBAL COLLEGE SUPPLEMENTAL GRANT ASSISTANCE.

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given them.

(b) "Beneficiary student" means a resident of Minnesota who is enrolled in a certificate, diploma, or degree program in a Tribally controlled college and is an enrolled member of a federally recognized Indian Tribe.

~~(b)~~ (c) "Nonbeneficiary student" means a resident of Minnesota who is enrolled in a certificate, diploma, or degree program in a Tribally controlled college but is not an enrolled member of a federally recognized Indian Tribe.

~~(c)~~ (d) "Tribally controlled college" means an accredited institution of higher education located in this state that is formally controlled by or has been formally sanctioned or chartered by the governing body of a federally recognized Indian Tribe, or a combination of federally recognized Indian Tribes. Tribally controlled college does not include any institution or campus subject to the jurisdiction of the Board of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the University of Minnesota.

Subd. 2. **Eligibility; grant assistance.** (a) A Tribally controlled college is eligible to receive supplemental grant assistance from the office, as provided in this section, for total beneficiary and nonbeneficiary student enrollment if the college is not otherwise eligible to receive federal grant funding for those students under United States Code, title 25, section 1808 students enrolled in the fall, spring, and summer terms.

(b) The office shall make grants to Tribally controlled colleges to defray the costs of education associated with the enrollment of beneficiary and nonbeneficiary students. Grants made pursuant to this section must be provided directly to the recipient college.

Subd. 3. **Grant application.** To receive a grant under this section, a Tribally controlled college must submit an application in the manner required by the office. Upon submission of a completed application indicating that the Tribally controlled college is eligible, the office shall distribute to the college, during each year of the biennium, a grant of \$5,300 for each beneficiary and nonbeneficiary student on a full-time equivalent basis. If the amount appropriated for grants under this section is insufficient to cover the total amount of grant eligibility, the office shall distribute a prorated amount per beneficiary and nonbeneficiary student on a full-time equivalent basis.

Subd. 4. **Reporting by recipient institutions.** Each Tribally controlled college receiving a grant under this section shall provide to the office, on an annual basis, an accurate and detailed account of the expenditures of the grant funds received by the college, and a copy of the college's most recent audit report and documentation of the enrollment status and ethnic status of each beneficiary and nonbeneficiary student for which grant assistance is sought under this section.

Sec. 27. Minnesota Statutes 2024, section 136A.246, subdivision 1a, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

(2) registered apprenticeship certifications or certificates;

(3) occupational licenses or registrations;

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

(5) other certifications as approved by the commissioner.

Sec. 28. Minnesota Statutes 2024, section 136A.65, subdivision 4, is amended to read:

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

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

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

(3) the school operates in conformity with generally accepted accounting principles according to the type of school;

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

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

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

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

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

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

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

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

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

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

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

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

(11) the school has a process to receive and act on student complaints;

(12) if the school is unaccredited, the school includes a joint and several liability provision for torts and compliance with the requirements of sections 136A.61 to 136A.71 in any contract effective after July 1,

2026, with any individual, entity, or postsecondary school located in another state for the purpose of providing educational or training programs or awarding postsecondary credits or continuing education credits to Minnesota residents that may be applied to a degree program; and

(13) the school must not use nondisclosure agreements or other contracts restricting a student's ability to disclose information in connection with school actions or conduct that would be covered under section 136A.672.

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

- (i) title of degree and formal recognition awarded;
- (ii) location where such degree will be offered;
- (iii) proposed implementation date of the degree;
- (iv) admissions requirements for the degree;
- (v) length of the degree;
- (vi) projected enrollment for a period of five years;
- (vii) the curriculum required for the degree, including course syllabi or outlines;
- (viii) statement of academic and administrative mechanisms planned for monitoring the quality of the proposed degree;
- (ix) statement of satisfaction of professional licensure criteria, if applicable;
- (x) documentation of the availability of clinical, internship, externship, or practicum sites, if applicable; and
- (xi) statement of how the degree fulfills the institution's mission and goals, complements existing degrees, and contributes to the school's viability.

Sec. 29. Minnesota Statutes 2024, section 136A.653, subdivision 5, is amended to read:

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

- (1) program degree levels, program degree types, majors, minors, concentrations, specializations, and areas of emphasis within approved degrees;
- (2) nondegree programs ~~within approved degrees;~~
- (3) underlying curriculum or courses;
- (4) modes of delivery; ~~and~~
- (5) locations; and
- (6) course or term changes that do not impact the number of instructional hours.

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

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

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

(e) An institution exempt under this subdivision may advertise, recruit, and enroll students while the program is evaluated for an exemption. In the event the program is determined not to be exempt, the institution must submit the full review application to the office within 60 days of notification or cease advertisement, recruitment, and enrollment of students and may be subject to the provisions of sections 136A.65, subdivision 8, 136A.705, and 136A.71.

Sec. 30. Minnesota Statutes 2024, section 136A.658, is amended to read:

136A.658 EXEMPTION; STATE AUTHORIZATION RECIPROCITY AGREEMENT SCHOOLS.

(a) The office may participate in an interstate reciprocity agreement regarding postsecondary distance education if it determines that participation is in the best interest of Minnesota postsecondary students.

(b) If the office decides to participate in an interstate reciprocity agreement, an institution that meets the following requirements is exempt from the provisions of sections 136A.61 to 136A.71:

(1) the institution is situated in a state which is also participating in the interstate reciprocity agreement;

(2) the institution has been approved to participate in the interstate reciprocity agreement by the institution's home state and other entities with oversight of the interstate reciprocity agreement; and

(3) the institution has elected to participate in and operate in compliance with the terms of the interstate reciprocity agreement.

(c) If the office participates in an interstate reciprocity agreement and the office is responsible for the administration of that interstate reciprocity agreement, which may include the approval of applications for membership of in-state institutions to participate in the interstate reciprocity agreement, the office shall collect reasonable fees sufficient to recover, but not exceed, its costs to administer the interstate reciprocity agreement. The office processing fees for approving an in-state institution application shall be as follows:

(1) ~~\$750~~ \$1,500 for institutions with ~~fewer than~~ 2,500 or fewer full-time equivalent enrollment;

(2) ~~\$3,000~~ \$5,000 for institutions with 2,501 to ~~20,000~~ 12,500 full-time equivalent enrollment; and

(3) \$7,500 for institutions with greater than ~~20,001~~ 12,500 full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

Sec. 31. Minnesota Statutes 2024, section 136A.69, subdivision 1, is amended to read:

Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration fees that are sufficient to recover, but do not exceed, its costs of administering the registration program. The office shall charge the fees listed in paragraphs (b) to (d) for new registrations.

(b) A new school ~~offering no more than one degree at each level during its first year~~ must pay registration fees for each applicable level based on the institution's total full-time equivalent enrollment in the following amounts:

associate degree	\$2,000
baccalaureate degree	\$2,500
master's degree	\$3,000
doctorate degree	\$3,500

(1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

(2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

(3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

(4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

(5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and for institutions with no data on the previous year's full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

(c) A new school ~~that will offer more than one degree per level during its first year~~ must pay registration fees in an amount equal to the fee ~~for the first degree at each degree level~~ under paragraph (b), plus fees for each ~~additional~~ nondegree program or degree as follows:

nondegree program	\$250
additional associate degree	\$250
additional baccalaureate degree	\$500
additional master's degree program	\$750
additional doctorate degree	\$1,000

(d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for an initial application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or registration requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

(e) The annual renewal registration fee is ~~\$1,500~~, based on an institution's total full-time equivalent enrollment in the following amounts:

- (1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;
- (2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;
- (3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and
- (4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and for institutions with no data on the previous year's full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or registration requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 32. Minnesota Statutes 2024, section 136A.82, is amended to read:

136A.82 POLICY; CITATION.

Subdivision 1. **Policy.** The legislature has found and hereby declares that the availability of legitimate vocational programs offered by responsible nonprofit and for-profit private career schools are in the best interests of the people of this state. The legislature has found and declares that the state can provide assistance and protection for persons choosing vocational programs by establishing policies and procedures to ensure the authenticity and legitimacy of vocational programs offered by nonprofit and for-profit private career schools. The legislature has found and declares that this same policy applies to any nonprofit and for-profit private career schools located in another state or country that offers or makes available to a Minnesota resident any vocational program which does not require leaving the state for its completion.

Subd. 2. **Citation.** Sections 136A.82 to 136A.834 may be cited as the "Private Career School Act."

Sec. 33. Minnesota Statutes 2024, section 136A.821, subdivision 4, is amended to read:

Subd. 4. **Person.** "Person" means any individual, partnership, company, firm, society, trust, association, or corporation or any combination thereof. Person does not extend to:

- (1) a government body;
- (2) a public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17; or
- (3) a nonpublic school, religious organization, or home school as defined in section 120A.22, subdivision 4.

Sec. 34. Minnesota Statutes 2024, section 136A.821, subdivision 5, is amended to read:

Subd. 5. **Private career school.** "Private career school" means a person who maintains a physical presence for any program at less than an associate degree level; ~~is not registered as a private institution under~~

sections 136A.61 to 136A.71; and is not specifically exempted by section 136A.833. Private career school does not extend to:

- (1) public postsecondary institutions with a physical presence in Minnesota;
- (2) postsecondary institutions registered under sections 136A.61 to 136A.71;
- (3) postsecondary institutions exempt from registration under section 136A.653, subdivisions 1b, 2, 3, and 3a; 136A.657; or 136A.658 due to the nature of the institution's programs;
- (4) schools exclusively engaged in training physically or mentally disabled persons;
- (5) courses taught to students in an apprenticeship program registered by the United States Department of Labor or Minnesota Department of Labor and taught by or required by a trade union in which students are not responsible for tuition, fees, or any other charges, regardless of payment or reimbursement method;
- (6) programs contracted by persons or government agencies for the training of their own employees for which no fee is charged to the employee, regardless of whether that fee is reimbursed by the employer or a third party after the employee successfully completes the training, except for institutions or programs required to obtain a limited license exclusively to receive the dual training grant;
- (7) schools with no physical presence in Minnesota engaged exclusively in offering distance programs that are located in and approved by other states or jurisdictions if the distance education program does not include internships, externships, field placements, or clinical placements for residents of Minnesota;
- (8) schools licensed or approved by other state boards or agencies authorized under Minnesota law to issue licenses for institutions or programs, except for institutions or programs required to be licensed exclusively to participate in state financial aid or be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant;
- (9) review classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance examinations;
- (10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership and not available to the public. In making the determination that the organization is bona fide, the office may request the school provide three certified letters from persons that qualify as evaluators under section 136A.828, subdivision 3, paragraph (l), that the organization is recognized in Minnesota;
- (11) programs in the fine arts provided by organizations exempt from taxation under section 290.05 and registered with the attorney general under chapter 309. For purposes of this clause, "fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale, vocational or career advancement, or employment; or
- (12) classes, courses, or programs intended to fulfill the continuing education requirements for a bona fide licensure or certification in a profession that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession or by an industry-specific certification entity and that are offered exclusively to individuals with the professional licensure or certification.

Sec. 35. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 21. **Vocational.** "Vocational" means education or training for skills used in the labor market.

Sec. 36. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 22. **Trade union.** "Trade union" means an organization of workers in a skilled occupation who act together to secure all members favorable wages, hours, or other working conditions.

Sec. 37. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 23. **Eligible training provider.** "Eligible training provider" has the meaning given in Code of Federal Regulations, title 20, section 680.410.

Sec. 38. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 24. **Eligible training provider list.** "Eligible training provider list" means the list of eligible training providers that the state must maintain under Code of Federal Regulations, title 20, section 680.430.

Sec. 39. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 25. **State financial aid.** For purposes of sections 136A.82 to 136A.834, "state financial aid" includes all financial aid that may be awarded under chapter 136A, with the exception of the dual training grant.

Sec. 40. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 26. **WIOA funding.** "WIOA funding" means any funding available through the Workforce Innovation and Opportunity Act under Code of Federal Regulations, title 20, section 680.

Sec. 41. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision to read:

Subd. 27. **Dual training grant.** "Dual training grant" means any money awarded under section 136A.246.

Sec. 42. Minnesota Statutes 2024, section 136A.822, subdivision 3, is amended to read:

Subd. 3. **Refunds.** If a contract is ~~deemed~~ determined by the office to be unenforceable under subdivision 2, a private career school must refund tuition, fees, and other charges received from a student or on behalf of a student within 30 days of receiving written notification and demand for refund from the office.

Sec. 43. Minnesota Statutes 2024, section 136A.822, subdivision 6, is amended to read:

Subd. 6. **Bond.** (a) No license shall be issued to any private career school with a physical presence within the state of Minnesota for 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)(4) The amount of the surety bond shall be ten percent of the preceding year's net 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 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. 44. Minnesota Statutes 2024, section 136A.822, subdivision 8, is amended to read:

Subd. 8. **Minimum standards.** A license shall be issued if the office first determines:

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

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

(ii) refund all tuition and other charges, within ~~a reasonable period of time~~ 60 days, in the event of dissolution of the private career school or in the event of any justifiable claims for refund against the private career school by the student body;

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

(iv) maintain and support the private career school;

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

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

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

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

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

(7) that the contract or enrollment agreement used by the private career school complies with the provisions in section 136A.826;

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

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

(10) that the private career school or its owners, officers, agents, or sponsoring organization has not had a license revoked under section 136A.829 or its equivalent in other states or has closed the institution prior to all students, enrolled at the time of the closure, completing their program within two years of the effective date of the revocation; and

(11) that the school includes a joint and several liability provision for torts and compliance with the requirements of sections 136A.82 to 136A.834 in any contract effective after July 1, 2026, with any individual, entity, or postsecondary school located in another state for the purpose of providing educational or training programs or awarding postsecondary credits to Minnesota residents that may be applied to a program.

Sec. 45. Minnesota Statutes 2024, section 136A.822, subdivision 13, is amended to read:

Subd. 13. ~~Private career schools licensed by another state agency or board~~ Limited license. (a) Unless otherwise exempt under sections 136A.82 to 136A.834:

(1) a private career school licensed by another state agency or board must be required to obtain a ~~private career school limited license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating~~ participate in state financial aid under chapter 136A, and which ~~is also licensed by another state agency or board;~~ and

(2) a private career school exclusively seeking to be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant shall be required to obtain a limited license.

(b) A private career school seeking a limited license under this subdivision shall be required to satisfy only the requirements of subdivisions 4, clauses (1), (2), (3), ~~(5);~~ (7), (8), (9), and (10); 5; ~~6, paragraph (b); clause (2);~~ 8, clauses (1), (4), (7), (8), and (9), and (10); 9; 10; 11; and 12. If a school is licensed to participate in state financial aid under this chapter, the school must follow the refund policy in section 136A.827, even if that section conflicts with the refund policy of the licensing agency or board. A distance education private career school located in another state, or a school licensed to recruit Minnesota residents for attendance at a school outside of this state, or a school licensed by another state agency as its primary licensing body, may continue to use the school's name as permitted by its home state or its primary licensing body.

Sec. 46. Minnesota Statutes 2024, section 136A.824, subdivision 1, is amended to read:

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

(1) ~~\$2,500~~ \$3,730 for a private career school that will offer no more than one program during its first year of operation;

(2) ~~\$750~~ \$1,500 for a private career school licensed by another state agency and seeking a limited license exclusively due to the use of the term "college," "university," "academy," or "institute" in its name, or licensed exclusively in order to participate in state ~~grant or SELF loan~~ financial aid programs; and

(3) ~~\$2,500~~ \$3,730, plus \$500 for each additional program offered by the private career school, for a private career school during its first year of licensed operation.

(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with additional application submissions. If this fee is paid, the private career school may submit two final application submissions for review prior to application denial under section 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 47. Minnesota Statutes 2024, section 136A.824, subdivision 2, is amended to read:

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

(1) for a private career school ~~that offers one program~~, the license renewal fee is ~~\$1,150~~ \$3,160; and

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

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

(4) (2) for a private career school licensed by another state agency ~~and also licensed and that also has a limited license with the office exclusively in order to participate in state student financial aid programs~~, the license renewal fee is ~~\$750~~ \$1,500.

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

(c) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with additional application submissions. If this fee is paid, the private career school

may submit two final application submissions for review prior to application denial under section 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 48. Minnesota Statutes 2024, section 136A.824, subdivision 6, is amended to read:

Subd. 6. **Solicitor permit fee.** The solicitor permit fee is ~~\$350~~ \$500 and must be paid annually.

Sec. 49. Minnesota Statutes 2024, section 136A.824, subdivision 7, is amended to read:

Subd. 7. **Multiple location fee.** Private career schools wishing to operate at multiple locations must pay the greater of:

(1) ~~\$250~~ \$500 per location, ~~for locations two to five; and; or~~

(2) ~~an additional \$100 for each location over five;~~ the actual cost of travel expenses, lodging, and customary meals incurred for an in-person site visit, should the office determine one is necessary.

Sec. 50. Minnesota Statutes 2024, section 136A.833, is amended to read:

136A.833 EXEMPTIONS.

Subdivision 1. **Application for exemptions.** (a) A school that seeks an exemption from the provisions of sections 136A.822 to 136A.834 for the school and all of its programs or some of its programs must apply to the office to establish that the school or program meets the requirements of an exemption. An exemption for the school or program expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires. If a school fails to apply within 90 days of expiration, the school is subject to fees and penalties under sections 136A.831 and 136A.832. This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school or its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.829. If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

(b) A school that meets any of the exemptions in this section and exclusively seeks to be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant, is exempt from sections 136A.822 to 136A.834, except the school must satisfy the requirements of section 136A.822, subdivisions 4, clauses (1), (2), and (3); 8, clauses (9) and (10); 10, clause (8); and 12.

Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the following:

~~(1) public postsecondary institutions;~~

~~(2) postsecondary institutions registered under sections 136A.61 to 136A.71;~~

~~(3) postsecondary institutions exempt from registration under sections 136A.653, subdivisions 1b, 2, 3, and 3a; 136A.657; and 136A.658;~~

~~(4) private schools complying with the requirements of section 120A.22, subdivision 4;~~

~~(5) courses taught to students in an apprenticeship program registered by the United States Department of Labor or Minnesota Department of Labor and taught by or required by a trade union. A trade union is an organization of workers in the same skilled occupation or related skilled occupations who act together to secure all members favorable wages, hours, and other working conditions;~~

~~(6) private career schools exclusively engaged in training physically or mentally disabled persons;~~

~~(7) private career schools licensed or approved by boards authorized under Minnesota law to issue licenses for training programs except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;~~

~~(8) private career schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee, regardless of whether that fee is reimbursed by the employer or third party after the employee successfully completes the training;~~

~~(9) (1) private career schools engaged exclusively in the teaching of purely avocational programs that are engaged primarily for personal development, recreational recreation, or remedial subjects that education, and are not advertised or maintained generally intended for vocational or career advancement, including adult basic education, exercise or fitness teacher programs, modeling, or acting, as determined by the office except private career schools required to obtain a private career school license due to the use of "college" or "university" in their names;~~

~~(10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership and not available to the public. In making the determination that the organization is bona fide, the office may request the school provide three certified letters from persons that qualify as evaluators under section 136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;~~

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

~~(12) classes, courses, or programs intended to fulfill the continuing education requirements for a bona fide licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession or by an industry-specific certification entity, and that are offered exclusively to individuals with the professional licensure or certification. In making the determination that the licensure or certification is bona fide, the office may request the school provide three certified letters from persons that qualify as evaluators under section 136A.828, subdivision 3, paragraph (1), that the licensure and certification is recognized in Minnesota;~~

~~(13) review classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance examinations and does not include the instruction to prepare students for that license, occupation, certification, or exam;~~

~~(14) (2) classes, courses, or programs providing at least 40 or fewer clock hours of instruction; and~~

~~(15) classes, courses, or programs providing instruction in personal development that is not advertised or maintained for vocational or career advancement, modeling, or acting;~~

~~(16) private career schools with no physical presence in Minnesota engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions if the distance education instruction does not include internships, externships, field placements, or clinical placements for residents of Minnesota; and~~

~~(17) (3) private career schools providing exclusively training, instructional programs, or courses where tuition, fees, and any other charges, regardless of payment or reimbursement method, for a student to participate do not exceed \$100~~ \$500.

Sec. 51. Minnesota Statutes 2024, section 136A.834, subdivision 1, is amended to read:

Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections 136A.821 to 136A.832 if it is:

(1) offered by a ~~private career~~ school or any department or branch of a ~~private career~~ school that is substantially owned, operated, or supported by a bona fide church or religious organization;

(2) primarily designed for, aimed at, and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and

(3) primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with the particular faith of that church or religious organization.

(b) Any ~~private career~~ school or any department or branch of a ~~private career~~ school is exempt from the provisions of sections 136A.821 to 136A.832 if all of its programs are exempt under paragraph (a).

Sec. 52. Minnesota Statutes 2024, section 136A.834, subdivision 5, is amended to read:

Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections 136A.82 to 136A.834 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires. If a school fails to apply within 90 days of expiration, the school is subject to the fees and penalties under sections 136A.831 and 136A.832.

Sec. 53. Minnesota Statutes 2024, 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).~~

~~(e)~~ (b) 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;
- (11) financial planning for postsecondary education; and
- (12) postsecondary education options for students with intellectual and developmental disabilities.

Sec. 54. Minnesota Statutes 2024, section 136A.901, subdivision 1, is amended to read:

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

(b) Institutions that are eligible to apply for a grant under this section include postsecondary institutions and nonprofit organizations.

(c) A spinal cord and traumatic brain injury grant account is established in the special revenue fund. Money in the account is appropriated to the commissioner to make grants and to administer the grant program

under this section. Appropriations to the commissioner for the program are for transfer to the account. Appropriations from the account do not cancel and are available until expended.

Sec. 55. Minnesota Statutes 2024, section 137.022, subdivision 3, is amended to read:

Subd. 3. **Endowed chair account.** (a) For purposes of this section, the permanent university fund has three accounts. The sources of the money in the endowed mineral research and endowed scholarship accounts are set out in paragraph (b) and subdivision 4. All money in the fund that is not otherwise allocated is in the endowed chair account. The income from the endowed chair account must be used, and capital gains allocated to that account may be used, to provide endowment support for professorial chairs in academic disciplines. The endowment support for the chairs from the income and the capital gains must not total more than six percent per year of the 36-month trailing average market value of the endowed chair account of the fund, as computed quarterly or otherwise as directed by the regents. The endowment support from the income and the capital gains must not provide more than half the sum of the endowment support for all university chairs and professorships endowed, with nonstate sources providing the remainder. The endowment support from the income and the capital gains may provide more than half the endowment support of an individual chair.

(b) If any portion of the annual appropriation of the income is not used for the purposes specified in paragraph (a) or subdivision 4, that portion lapses and must be added to the principal of the three accounts of the permanent university fund in proportion to the market value of each account.

Sec. 56. Minnesota Statutes 2024, section 137.022, subdivision 4, is amended to read:

Subd. 4. **Mineral research; scholarships.** (a) All income credited after July 1, 1992, to the permanent university fund from royalties for mining under state mineral leases from and after July 1, 1991, must be allocated as provided in this subdivision.

(b)(1) Beginning January 1, ~~2013~~ 2026, ~~50 percent~~ of the income must be allocated according to this paragraph.

~~One-half~~ (1) One-fourth of the income under this paragraph, up to ~~\$50,000,000~~ \$100,000,000, must be credited to the endowed mineral research account of the fund ~~to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities~~, for mineral and mineral-related research, including mineral-related environmental research, at the Natural Resources Research Institute-Duluth and Coleraine facilities.

~~The other one-half~~ (2) One-fourth of the income under this paragraph, up to \$25,000,000, ~~is must be~~ credited to an endowment for ~~the costs of~~ operating mining, mineral, and mineral-related, degree programs or science, technology, engineering, and mathematics (STEM) degree programs offered through the University of Minnesota at Minnesota North College and the University of Minnesota Duluth Swenson College of Science and Engineering at Duluth to support workforce development and collaborations benefiting regional academics, industry, and natural resources on the Iron Range in northeast Minnesota, and for providing scholarships for Minnesota students, prioritizing students in the Minnesota Economic Development Region 3, to attend the mining, mineral, mineral-related, or STEM degree programs. The maximum scholarship awarded to attend the degree programs funded under this paragraph cannot exceed 75 percent of current resident tuition rates per academic year and may be awarded a maximum of four academic years.

(3) One-fourth of the income under this paragraph must be credited to the Natural Resources Research Institute for general operating and research costs.

~~(2) The remainder of the income under paragraph (a)~~ (4) One-fourth of the income under this paragraph, plus the ~~amount of any~~ remainder of the income allocated under clause (1) after \$50,000,000 \$100,000,000 has been credited to the endowed mineral research account for the Natural Resources Research Institute and the amount of any income over the \$25,000,000 for the programming in clause (1) and the remainder of the income allocated under clause (2) after \$25,000,000 has been credited to an endowment for mining, mineral, mineral-related, or STEM degree programs and scholarships, must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the Board of Regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.

(d) The Board of Regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the disbursement of money from the endowed scholarship account and to the environment and natural resources committees on the use of the mineral research account.

(e) Capital gains and losses and portfolio income of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.

(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived.

Sec. 57. Minnesota Statutes 2024, section 137.375, is amended to read:

137.375 DISABLED VETERANS; UNIVERSITY OF MINNESOTA LANDSCAPE ARBORETUM.

(a) For purposes of this section, "disabled veteran" means a veteran as defined in section 197.447 who is certified as disabled. "Certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of veterans affairs as having a permanent service-connected disability.

(b) The University of Minnesota Landscape Arboretum is requested to provide a disabled veteran and one guest unlimited access to the University of Minnesota Landscape Arboretum located in the city of Chaska free of charge. The disabled veteran must provide a veteran photo identification card with the term "service-connected" on the identification card, verifying that the disabled veteran has a service-connected disability.

Sec. 58. Minnesota Statutes 2024, section 151.37, subdivision 12, is amended to read:

Subd. 12. **Administration of opiate antagonists for drug overdose.** (a) A licensed physician, a licensed advanced practice registered nurse authorized to prescribe drugs pursuant to section 148.235, or a licensed physician assistant may authorize the following individuals to administer opiate antagonists, as defined in section 604A.04, subdivision 1:

- (1) an emergency medical responder registered pursuant to section 144E.27;
- (2) a peace officer as defined in section 626.84, subdivision 1, paragraphs (c) and (d);
- (3) correctional employees of a state or local political subdivision;

- (4) staff of community-based health disease prevention or social service programs;
 - (5) a volunteer firefighter;
 - (6) a nurse or any other personnel employed by, or under contract with, a postsecondary institution or a charter, public, or private school; and
 - (7) transit rider investment program personnel authorized under section 473.4075.
- (b) For the purposes of this subdivision, opiate antagonists may be administered by one of these individuals only if:
- (1) the licensed physician, licensed physician assistant, or licensed advanced practice registered nurse has issued a standing order to, or entered into a protocol with, the individual; and
 - (2) the individual has training in the recognition of signs of opiate overdose and the use of opiate antagonists as part of the emergency response to opiate overdose.
- (c) Nothing in this section prohibits the possession and administration of naloxone pursuant to section 604A.04.
- (d) Notwithstanding section 148.235, subdivisions 8 and 9, a licensed practical nurse is authorized to possess and administer according to this subdivision an opiate antagonist in a school setting.

Sec. 59. Minnesota Statutes 2024, section 474A.061, subdivision 2b, is amended to read:

Subd. 2b. **Small issue pool allocation.** Commencing on the second Tuesday in January and continuing on each Monday through the last Monday in June, the commissioner shall allocate available bonding authority from the small issue pool to applications received on or before the Monday of the preceding week for manufacturing projects and enterprise zone facility projects. From the second Tuesday in January through the last Monday in June, the commissioner shall reserve \$5,000,000 of the available bonding authority from the small issue pool for applications for agricultural development bond loan projects of the Minnesota Rural Finance Authority.

Beginning in calendar year ~~2002~~ 2026, on the second Tuesday in January through the last Monday in June, the commissioner shall reserve ~~\$10,000,000~~ \$25,000,000 of available bonding authority in the small issue pool for applications for student loan bonds of or on behalf of the Minnesota Office of Higher Education. The total amount of allocations for student loan bonds from the small issue pool may not exceed ~~\$10,000,000~~ \$25,000,000 per year.

The commissioner shall reserve \$10,000,000 until the day after the last Monday in February, \$10,000,000 until the day after the last Monday in April, and \$10,000,000 until the day after the last Monday in June in the small issue pool for enterprise zone facility projects and manufacturing projects. The amount of allocation provided to an issuer for a specific enterprise zone facility project or manufacturing project will be based on the number of points received for the proposed project under the scoring system under section 474A.045.

If there are two or more applications for manufacturing and enterprise zone facility projects from the small issue pool and there is insufficient bonding authority to provide allocations for all projects in any one week, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045, with those projects receiving the greatest number of points receiving allocation first. If two or more applications receive an equal number of points, available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

Sec. 60. MINNESOTA STATE COLLEGES AND UNIVERSITIES ENROLLMENT FRAUD WORKING GROUP.

The Board of Trustees of the Minnesota State Colleges and Universities must convene a working group to develop policies and procedures to prevent fraudulent enrollment in online courses for the purpose of gaining access to financial aid, campus information technology systems, and student support services. The board must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education and to the chair and ranking minority member of the house of representatives fraud prevention and state agency oversight policy committee by January 15, 2026. No additional compensation will be provided for participation in this working group. The working group must include representatives from:

- (1) the Minnesota State University Student Association;
- (2) the Minnesota State College Student Association;
- (3) the Minnesota State College Faculty;
- (4) the Inter Faculty Organization;
- (5) the Minnesota Association of Professional Employees;
- (6) the Minnesota State University Association of Administrative and Service Faculty;
- (7) the American Federation of State, County and Municipal Employees; and
- (8) others as deemed necessary by the working group.

Sec. 61. LAW ENFORCEMENT GRANTS.

Subdivision 1. **Establishment.** To help recruit and retain law enforcement officers in the state, the Board of Trustees of the Minnesota State Colleges and Universities must establish a grant program to cover the cost of tuition and fees at institutions within the Minnesota State Colleges and Universities system for students who satisfy the eligibility requirements under subdivision 3.

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given:

- (1) "gift aid" has the meaning given in Minnesota Statutes, section 136A.1465, subdivision 1, clause (2);
- (2) "law enforcement agency" has the meaning given in Minnesota Statutes, section 626.84, subdivision 1, paragraph (f);
- (3) "other expenses" has the meaning given in Minnesota Statutes, section 136A.1465, subdivision 1, clause (3);
- (4) "peace officer" has the meaning given in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c);
- (5) "state college or university" means an institution operated by the Board of Trustees of the Minnesota State Colleges and Universities;
- (6) "total and permanent duty disability" means a condition qualifying for benefits under Minnesota Statutes, section 353.656, subdivision 1a; and

(7) "tuition and fees" means the actual tuition and mandatory fees charged by the state college or university attended by the eligible student.

Subd. 3. **Eligibility.** An individual is eligible for a grant under this section if the individual:

(1) applies in the form and manner specified by the Board of Trustees of the Minnesota State Colleges and Universities;

(2) is a resident student, as defined in Minnesota Statutes, section 136A.101, subdivision 8;

(3) is a graduate of a secondary school or its equivalent, or is 17 years of age or older and has met all requirements for admission as a student to a state college or university;

(4) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application;

(5) is enrolled in at least one credit per fall, spring, or summer semester in an undergraduate certificate, diploma, or degree program at a state college or university;

(6) has not (i) obtained a baccalaureate degree, or (ii) been enrolled for 12 semesters or the equivalent, excluding courses taken that qualify as developmental education or below college level and are subject to subdivision 5, paragraph (b);

(7) is not in default for any federal or state student educational loan;

(8) is (i) not more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement or (ii) more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement, but is complying with a written payment agreement under Minnesota Statutes, section 518A.69, or order for arrearages;

(9) has not been convicted of or pled nolo contendere or guilty to a crime involving fraud in obtaining federal Title IV funds within the meaning of Code of Federal Regulations, title 34, section 668.32;

(10) is meeting satisfactory academic progress as defined in Minnesota Statutes, section 136A.101, subdivision 10; and

(11) is either:

(i) the dependent child of a peace officer employed by a Minnesota law enforcement agency;

(ii) the dependent child of an individual who, while employed by a Minnesota law enforcement agency as a peace officer, suffered a total and permanent duty disability;

(iii) enrolled in at least one credit per fall, spring, or summer semester in an undergraduate degree program at a state college or university in the field of criminal justice, law enforcement, or a similar field; or

(iv) enrolled in a law enforcement skills program at a state college or university.

Subd. 4. **Award amount.** (a) Scholarships must be awarded to eligible students in an amount equal to 100 percent of tuition and fees after gift aid is deducted.

(b) If there is a projected shortfall in available resources, the Board of Trustees of the Minnesota State Colleges and Universities may proportionately reduce awards to keep spending within available resources.

Subd. 5. **Duration of grant.** (a) Each scholarship is for a period of one semester or the equivalent term. A scholarship may be renewed if the eligible student continues to meet the conditions of eligibility. A grant award is terminated upon failure to meet the eligibility requirements under subdivision 3.

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

(1) for active military service because the student is ordered to active military service as defined in Minnesota Statutes, section 190.05, subdivision 5b or 5c;

(2) for a serious health condition, while under the care of a medical professional, that substantially limits the student's ability to complete the term; or

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

Subd. 6. **Administration.** (a) The first round of grants shall be awarded in the 2026-2027 academic year. The Board of Trustees of the Minnesota State Colleges and Universities must determine the time and manner of grant applications. The Board of Trustees of the Minnesota State Colleges and Universities must require an applicant to provide documentation verifying that the applicant meets the eligibility criteria under subdivision 3, clause (11).

(b) The scholarship must be paid directly to the state college or university where the student is enrolled.

(c) The Board of Trustees of the Minnesota State Colleges and Universities must prepare promotional and informational materials about the grant program under this section and disseminate the materials to law enforcement agencies throughout the state. The Board of Trustees of the Minnesota State Colleges and Universities, the commissioner of the Office of Higher Education, and the Board of Peace Officer Standards and Training may collaborate on promotion and administration of the program.

Subd. 7. **Expiration.** This section expires June 30, 2027.

Sec. 62. **REVISOR INSTRUCTIONS.**

Subdivision 1. **Student parent support.** The revisor of statutes must renumber Minnesota Statutes, section 136A.1251, as Minnesota Statutes, section 136A.915. The revisor must also make cross-reference changes consistent with the renumbering.

Subd. 2. **Inclusive higher education.** The revisor of statutes must renumber Minnesota Statutes, section 135A.161, as Minnesota Statutes, section 136A.921. The revisor of statutes must renumber Minnesota Statutes, section 135A.162, as Minnesota Statutes, section 136A.922. The revisor must also make cross-reference changes consistent with the renumbering.

Sec. 63. **REPEALER.**

(a) Minnesota Statutes 2024, sections 135A.137; 136A.1788; 136A.1789; 136A.1791, subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, and 10; 136A.69, subdivisions 3 and 5; 136A.824, subdivisions 3 and 5; and 136A.91, are repealed. Money for the programs in Minnesota Statutes 2024, sections 136A.1789 and 136A.1791, may remain in their respective special revenue fund accounts to facilitate a close out of the programs.

(b) Minnesota Statutes 2024, sections 5.41, subdivision 2; 136A.057; 136A.1251, subdivision 5; and 136A.861, subdivision 7, are repealed.

(c) Laws 2022, chapter 42, section 2, as amended by Laws 2024, chapter 124, article 1, section 1, Laws 2024, chapter 127, article 34, section 1, is repealed.

(d) Minnesota Rules, part 4850.0014, subparts 1 and 2, are repealed.

Presented to the governor June 12, 2025

Signed by the governor June 14, 2025, 10:28 a.m.