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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2849

04/23/2019 Authored by Bernardy, Nornes, Pryor, Edelson, Lillie and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to higher education; providing student relief from Argosy University
1.3 closure; requiring a report.

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

1.5 Section 1. RELIEF FOR STUDENTS AFFECTED BY ARGOSY UNIVERSITY
1.6 CLOSURE.

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

1.9 (b) "Argosy" means Argosy Education Group LLC as well as any parent, subsidiary, or
1.10 related organization, or any legal representative of such an organization, including a
1.11 court-appointed receiver.

1.12 (c) "Argosy University, Twin Cities" means the Argosy University campus located in
1.13 Minnesota that closed on March 8, 2019.

1.14 (d) "Eligible student" means a student who meets the eligibility requirements in
1.15 subdivision 2.

1.16 (e) Unless otherwise specified, terms used in this section have the meanings given in
1.17 Minnesota Statutes, chapter 136A.

1.18 Subd. 2. Eligibility. A student is eligible for assistance under this section if the student
1.19 is a Minnesota resident who:

1.20 (1) was enrolled at Argosy University, Twin Cities, during the academic term that began
1.21 on January 17, 2019, and because of that enrollment:

2.1 (i) was awarded a state grant under Minnesota Statutes, section 136A.121, and, as of
2.2 March 8, 2019, had not received refunds on financial aid in excess of tuition and fees due
2.3 to them as a direct result of actions or omissions by Argosy;

2.4 (ii) was awarded a postsecondary child care grant under Minnesota Statutes, section
2.5 136A.125, and had not received the grant funds by March 8, 2019; or

2.6 (iii) borrowed from the SELF loan program under Minnesota Statutes, sections 136A.15
2.7 to 136A.1701, and had SELF loan disbursements made to Argosy on or after January 1,
2.8 2019; or

2.9 (2) was enrolled at Argosy University, Twin Cities, during the summer or fall terms of
2.10 the 2018-2019 academic year, and because of that enrollment:

2.11 (i) was awarded an Indian scholarship under Minnesota Statutes, section 136A.126, and
2.12 had unresolved problems with refunds or credits of aid as of March 8, 2019;

2.13 (ii) was awarded Minnesota GI Bill educational assistance under Minnesota Statutes,
2.14 section 197.791, and had unresolved problems with refunds or credits of aid as of March
2.15 8, 2019; or

2.16 (iii) borrowed from the SELF loan program under Minnesota Statutes, sections 136A.15
2.17 to 136A.1701, had SELF loan disbursements made to Argosy, and had unresolved problems
2.18 with refunds due to the student or the lender as of March 8, 2019.

2.19 Subd. 3. **Authorized actions.** (a) Notwithstanding any law to the contrary in Minnesota
2.20 Statutes, chapter 136A, the commissioner may establish procedures sufficient to take the
2.21 following actions, where appropriate, to assist eligible students:

2.22 (1) make direct payments of state grant refunds in excess of tuition and fees to students
2.23 at their last known addresses;

2.24 (2) make direct payments of postsecondary child care grant awards to students at their
2.25 last known addresses;

2.26 (3) release SELF loan borrowers and their cosigners from liability for all disbursements
2.27 of SELF loans made on or after January 1, 2019;

2.28 (4) release SELF loan borrowers and their cosigners from liability for any unresolved
2.29 refunds due to the lender; and

2.30 (5) inform recipients of an Indian scholarship or GI Bill award that they have the option
2.31 to request payments directly and, where applicable, make such payments to the students.

3.1 (b) The commissioner may require an eligible student who receives a benefit under this
3.2 section to assign or subrogate to the Office of Higher Education any claims against Argosy
3.3 arising from a state financial aid award or SELF loan.

3.4 (c) The commissioner must establish a deadline of no later than October 31, 2019, after
3.5 which payments to students will no longer be processed.

3.6 (d) The commissioner shall post to the Office of Higher Education website any procedures
3.7 and related deadlines established under this section. The commissioner must also provide
3.8 this information in a report to the chairs and ranking minority members of the legislative
3.9 committees with jurisdiction over higher education.

3.10 (e) Procedures established under this subdivision are exempt from Minnesota Statutes,
3.11 chapter 14, and Minnesota Statutes, sections 14.385 and 14.386, do not apply.

3.12 Subd. 4. **Report required.** By November 30, 2019, the commissioner must report to
3.13 the chairs and ranking minority members of the legislative committees with jurisdiction
3.14 over higher education regarding actions taken under this section. The report must include
3.15 an explanation of:

3.16 (1) the current state of the Argosy closure matter, including any unresolved problems;

3.17 (2) all teach outs, articulation agreements, and transfer options available for students
3.18 affected by the Argosy closure;

3.19 (3) any payments made to eligible students under this section;

3.20 (4) any SELF loan liability releases completed under this section;

3.21 (5) any other action the Office of Higher Education has taken with regard to Argosy;
3.22 and

3.23 (6) suggested legislative action to prevent future school closures and provide additional
3.24 assistance to students affected by school closures.

3.25 Subd. 5. **Expiration.** This section expires June 30, 2020.

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