

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

S.F. No. 1640

**(SENATE AUTHORS: NEWTON)**

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## 27 Introduction and first reading

Referred to Veterans and Military Affairs Finance and Policy

## **OFFICIAL STATUS**

1.1 A bill for an act  
1.2 relating to military veterans; authorizing additional uses of GI Bill benefits; making  
1.3 changes to the GI Bill; amending Minnesota Statutes 2016, section 197.791,  
1.4 subdivisions 1, 2, 3, 4, 5, 5a, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 197.791, subdivision 1, is amended to read:

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

1.8 (b) "Commissioner" means the commissioner of veterans affairs, unless otherwise  
1.9 specified.

1.10 (c) "Cost of attendance" for undergraduate students has the meaning given in section  
1.11 136A.121, subdivision 6, multiplied by a factor of 1.2. Cost of attendance for graduate  
1.12 students has the meaning given in section 136A.121, subdivision 6, multiplied by a factor  
1.13 of 1.2, using the tuition and fee maximum established by law for four-year programs. For  
1.14 purposes of calculating the cost of attendance for graduate students, full time is eight credits  
1.15 or more per term or the equivalent.

1.16 (d) "Child" means a natural or adopted child of a person described in subdivision 4,  
1.17 paragraph (a), clause (1), item (i) or (ii).

1.18 (e) "Eligible institution" means a postsecondary institution under section 136A.101,  
1.19 subdivision 4, or a graduate school licensed or registered with the state of Minnesota serving  
1.20 only graduate students.

1.21 (f) "Program" means the Minnesota GI Bill program established in this section, unless  
1.22 otherwise specified.

2.1       (g) "Time of hostilities" means any action by the armed forces of the United States that  
2.2       is recognized by the issuance of a presidential proclamation or a presidential executive order  
2.3       in which the armed forces expeditionary medal or other campaign service medals are awarded  
2.4       according to presidential executive order, and any additional period or place that the  
2.5       commissioner determines and designates, after consultation with the United States  
2.6       Department of Defense, to be a period or place where the United States is in a conflict that  
2.7       places persons at such a risk that service in a foreign country during that period or in that  
2.8       place should be considered to be included.

2.9       (h) (g) "Veteran" has the meaning given in section 197.447. Veteran also includes a  
2.10      service member who has received an honorable discharge after leaving each period of federal  
2.11      active duty service and has:

2.12       (1) served 90 days or more of federal active duty in a foreign country during a time of  
2.13       hostilities in that country; or

2.14       (2) been awarded any of the following medals:

2.15       (i) Armed Forces Expeditionary Medal;

2.16       (ii) Kosovo Campaign Medal;

2.17       (iii) Afghanistan Campaign Medal;

2.18       (iv) Iraq Campaign Medal;

2.19       (v) Global War on Terrorism Expeditionary Medal; or

2.20       (vi) any other campaign medal authorized for service after September 11, 2001; or

2.21       (3) received a service-related medical discharge from any period of service in a foreign  
2.22       country during a time of hostilities in that country.

2.23      A service member who has fulfilled the requirements for being a veteran under this paragraph  
2.24      but is still serving actively in the United States armed forces is also a veteran for the purposes  
2.25      of this section.

2.26      Sec. 2. Minnesota Statutes 2016, section 197.791, subdivision 2, is amended to read:

2.27       Subd. 2. **Program established.** The Minnesota GI Bill program is established to provide  
2.28       postsecondary educational assistance, apprenticeship and on-the-job training benefits, and  
2.29       other professional and educational benefits to eligible Minnesota veterans and to the children  
2.30       and spouses of deceased and severely disabled Minnesota veterans.

3.1       The commissioner, in cooperation with eligible postsecondary educational institutions,  
3.2       shall administer the program for the purpose of providing postsecondary educational  
3.3       assistance to eligible persons in accordance with this section. Each public postsecondary  
3.4       educational institution in the state must participate in the program and each private  
3.5       postsecondary educational institution in the state is encouraged to participate in the program.  
3.6       Any participating private institution may suspend or terminate its participation in the program  
3.7       at the end of any semester or other academic term.

3.8       Sec. 3. Minnesota Statutes 2016, section 197.791, subdivision 3, is amended to read:

3.9       Subd. 3. **Duties; responsibilities.** (a) The commissioner shall establish policies and  
3.10      procedures including, but not limited to, procedures for student application record keeping,  
3.11      information sharing, payment of educational assistance benefits under subdivision 5, payment  
3.12      of apprenticeship or on-the-job training benefits under subdivision 5a, payment of other  
3.13      educational or professional benefits under subdivision 5b, and other procedures the  
3.14      commissioner considers appropriate and necessary for effective and efficient administration  
3.15      of the program established in this section.

3.16       (b) The commissioner may delegate part or all of the administrative procedures for the  
3.17      program to responsible representatives of participating eligible institutions. The commissioner  
3.18      may execute an interagency agreement with the Minnesota Office of Higher Education for  
3.19      services the commissioner determines necessary to administer the program.

3.20       Sec. 4. Minnesota Statutes 2016, section 197.791, subdivision 4, is amended to read:

3.21       Subd. 4. **Eligibility.** (a) A person is eligible for educational assistance under ~~this section~~  
3.22      subdivision 5 if:

3.23       (1) the person is:

3.24       (i) a veteran who is serving or has served honorably in any branch or unit of the United  
3.25      States armed forces at any time;

3.26       (ii) a nonveteran who has served honorably for a total of five years or more cumulatively  
3.27      as a member of the Minnesota National Guard or any other active or reserve component of  
3.28      the United States armed forces, and any part of that service occurred on or after September  
3.29      11, 2001;

3.30       (iii) the surviving spouse or child of a person who has served in the military and who  
3.31      has died as a direct result of that military service, only if the surviving spouse or child is

4.1 eligible to receive federal education benefits under United States Code, title 38, chapter 33,  
4.2 as amended, or United States Code, title 38, chapter 35, as amended; or

4.3 (iv) the spouse or child of a person who has served in the military at any time and who  
4.4 has a total and permanent service-connected disability as rated by the United States Veterans  
4.5 Administration, only if the spouse or child is eligible to receive federal education benefits  
4.6 under United States Code, title 38, chapter 33, as amended, or United States Code, title 38,  
4.7 chapter 35, as amended; **and**

4.8 (2) the person receiving the educational assistance is a Minnesota resident, as defined  
4.9 in section 136A.101, subdivision 8; and

4.10 (3) the person receiving the educational assistance:

4.11 (i) is an undergraduate or graduate student at an eligible institution;

4.12 (ii) is maintaining satisfactory academic progress as defined by the institution for students  
4.13 participating in federal Title IV programs;

4.14 (iii) is enrolled in an education program leading to a certificate, diploma, or degree at  
4.15 an eligible institution;

4.16 (iv) has applied for educational assistance under this section prior to the end of the  
4.17 academic term for which the assistance is being requested;

4.18 (v) is in compliance with child support payment requirements under section 136A.121,  
4.19 subdivision 2, clause (5); and

4.20 (vi) has completed the Free Application for Federal Student Aid (FAFSA).

4.21 (b) A person's eligibility terminates when the person becomes eligible for benefits under  
4.22 section 135A.52.

4.23 (c) To determine eligibility, the commissioner may require official documentation,  
4.24 including the person's federal form DD-214 or other official military discharge papers;  
4.25 correspondence from the United States Veterans Administration; birth certificate; marriage  
4.26 certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency;  
4.27 proof of identity; or any other official documentation the commissioner considers necessary  
4.28 to determine eligibility.

4.29 (d) The commissioner may deny eligibility or terminate benefits under this section to  
4.30 any person who has not provided sufficient documentation to determine eligibility for the  
4.31 program. An applicant may appeal the commissioner's eligibility determination or termination  
4.32 of benefits in writing to the commissioner at any time. The commissioner must rule on any

5.1 application or appeal within 30 days of receipt of all documentation that the commissioner  
5.2 requires. The decision of the commissioner regarding an appeal is final. However, an  
5.3 applicant whose appeal of an eligibility determination has been rejected by the commissioner  
5.4 may submit an additional appeal of that determination in writing to the commissioner at  
5.5 any time that the applicant is able to provide substantively significant additional information  
5.6 regarding the applicant's eligibility for the program. An approval of an applicant's eligibility  
5.7 by the commissioner following an appeal by the applicant is not retroactively effective for  
5.8 more than one year or the semester of the person's original application, whichever is later.

5.9 (e) Upon receiving an application with insufficient documentation to determine eligibility,  
5.10 the commissioner must notify the applicant within 30 days of receipt of the application that  
5.11 the application is being suspended pending receipt by the commissioner of sufficient  
5.12 documentation from the applicant to determine eligibility.

5.13 Sec. 5. Minnesota Statutes 2016, section 197.791, subdivision 5, is amended to read:

5.14 Subd. 5. **Benefit Educational assistance amount.** (a) On approval by the commissioner  
5.15 of eligibility for the program, the applicant shall be awarded, on a funds-available basis,  
5.16 the educational assistance under the program for use at any time according to program rules  
5.17 at any eligible institution.

5.18 (b) The amount of educational assistance in any semester or term for an eligible person  
5.19 must be determined by subtracting from the eligible person's cost of attendance the amount  
5.20 the person received or was eligible to receive in that semester or term from:

5.21 (1) the federal Pell Grant;

5.22 (2) the state grant program under section 136A.121; and

5.23 (3) any federal military or veterans educational benefits including but not limited to the  
5.24 Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational  
5.25 rehabilitation benefits, and any other federal benefits associated with the person's status as  
5.26 a veteran, except veterans disability payments from the United States Veterans Administration  
5.27 and payments made under the Veterans Retraining Assistance Program (VRAP).

5.28 (c) The amount of educational assistance for any eligible person who is a full-time  
5.29 student must not exceed the following:

5.30 (1) ~~\$1,000 per semester or term of enrollment;~~

5.31 (2) ~~(1)~~ \$3,000 per state fiscal year; and

5.32 (3) ~~(2)~~ \$10,000 in a lifetime.

6.1       For a part-time student, the amount of educational assistance must not exceed \$500 per  
6.2       semester or term of enrollment. For the purpose of this paragraph, a part-time undergraduate  
6.3       student is a student taking fewer than 12 credits or the equivalent for a semester or term of  
6.4       enrollment and a part-time graduate student is a student considered part time by the eligible  
6.5       institution the graduate student is attending. The minimum award for undergraduate and  
6.6       graduate students is \$50 per term.

6.7       Sec. 6. Minnesota Statutes 2016, section 197.791, subdivision 5a, is amended to read:

6.8       **Subd. 5a. Apprenticeship and on-the-job training.** (a) The commissioner, in  
6.9       consultation with the commissioners of employment and economic development and labor  
6.10       and industry, shall develop and implement an apprenticeship and on-the-job training program  
6.11       to administer a portion of the Minnesota GI Bill program to pay benefit amounts to eligible  
6.12       applicants persons, as provided in this subdivision.

6.13       (b) An "eligible employer" means an employer operating a qualifying apprenticeship or  
6.14       on-the-job training program that has been approved by the commissioner.

6.15       (c) A person is eligible for apprenticeship and on-the-job training assistance under this  
6.16       subdivision if the person meets the criteria established under subdivision 4, paragraphs  
6.17       paragraph (a), clause (1),and (e) to (e). The commissioner may determine eligibility as  
6.18       provided in subdivision 4, paragraph (c), and may deny or terminate benefits as prescribed  
6.19       under subdivision 4, paragraphs (d) and (e). The amount of assistance paid to or on behalf  
6.20       of an eligible individual under this subdivision must not exceed the following:

6.21       (1) \$2,000 per fiscal year for apprenticeship expenses;

6.22       (2) \$2,000 per fiscal year for on-the-job training;

6.23       (3) \$1,000 for a job placement credit payable to an eligible employer upon hiring a  
6.24       person receiving assistance under this subdivision; and

6.25       (4) \$1,000 for a job placement credit payable to an eligible employer after a person  
6.26       receiving assistance under this subdivision has been employed by the eligible employer for  
6.27       at least 12 consecutive months as a full-time employee.

6.28       No more than \$3,000 in aggregate benefits under this paragraph may be paid to or on behalf  
6.29       of an individual in one fiscal year, and not more than \$9,000 in aggregate benefits under  
6.30       this paragraph may be paid to or on behalf of an individual over any period of time.

6.31       (d) Assistance for apprenticeship expenses and on-the-job training is available for  
6.32       qualifying programs, which must, at a minimum, meet the following criteria:

- 7.1      (1) the training must be with an eligible employer;
- 7.2      (2) the training must be documented and reported;
- 7.3      (3) the training must reasonably be expected to lead to an entry-level position; and
- 7.4      (4) the position must require at least six months of training to become fully trained.

7.5      Sec. 7. Minnesota Statutes 2016, section 197.791, is amended by adding a subdivision to  
7.6      read:

7.7      Subd. 5b. Additional professional or educational benefits. (a) The commissioner shall  
7.8      develop and implement a program to administer a portion of the Minnesota GI Bill program  
7.9      to pay additional benefit amounts to eligible persons as provided under this subdivision.

7.10     (b) A person is eligible for additional benefits under this subdivision if the person meets  
7.11     the criteria established under subdivision 4, paragraph (a), clause (1). The commissioner  
7.12     may determine eligibility as provided in subdivision 4, paragraph (c), and may deny or  
7.13     terminate benefits as prescribed under subdivision 4, paragraphs (d) and (e). The amount  
7.14     of assistance paid to or on behalf of an eligible individual under this subdivision must not  
7.15     exceed the following amounts:

- 7.16     (1) \$3,000 per state fiscal year; and
- 7.17     (2) \$10,000 in a lifetime.

7.18     (c) A person eligible under this subdivision may use the benefit amounts for the following  
7.19     purposes:

7.20     (1) licensing or certification tests, the successful completion of which demonstrates an  
7.21     individual's possession of the knowledge or skill required to enter into, maintain, or advance  
7.22     in employment in a predetermined and identified vocation or profession, provided the tests  
7.23     and the licensing or credentialing organizations or entities that offer the tests are approved  
7.24     by the commissioner;

- 7.25     (2) tests for admission to institutions of higher learning or graduate schools;
- 7.26     (3) national tests providing an opportunity for course credit at institutions of higher  
7.27     learning;

7.28     (4) a preparatory course for a test that is required or used for admission to an institution  
7.29     of higher education or graduate program; and

7.30     (5) any fee associated with the pursuit of a professional or educational objective specified  
7.31     in clauses (1) to (4).

8.1        (d) If an eligible person receives benefits under subdivision 5, the eligible person's  
8.2        aggregate benefits under this subdivision and subdivision 5 must not exceed \$10,000 in the  
8.3        eligible person's lifetime.

8.4        (e) If an eligible person receives benefits under subdivision 5a, the eligible person's  
8.5        aggregate benefits under this subdivision and subdivision 5a must not exceed \$10,000 in  
8.6        the eligible person's lifetime.