

CHAPTER 136A

HIGHER EDUCATION SERVICES OFFICE;
FACILITIES AUTHORITY

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136A.01 HIGHER EDUCATION SERVICES OFFICE.

[For text of subd 1, see M.S.2004]

Subd. 2. Responsibilities. The Higher Education Services Office is responsible for:

- (1) necessary state level administration of financial aid programs, including accounting, auditing, and disbursing state and federal financial aid funds, and reporting on financial aid programs to the governor and the legislature;
- (2) approval, registration, licensing, and financial aid eligibility of private collegiate and career schools, under sections 136A.61 to 136A.71 and chapter 141;
- (3) administering the Learning Network of Minnesota;
- (4) negotiating and administering reciprocity agreements;
- (5) publishing and distributing financial aid information and materials, and other information and materials under section 136A.87, to students and parents;
- (6) collecting and maintaining student enrollment and financial aid data and reporting data on students and postsecondary institutions to develop and implement a process to measure and report on the effectiveness of postsecondary institutions;
- (7) administering the federal programs that affect students and institutions on a statewide basis; and
- (8) prescribing policies, procedures, and rules under chapter 14 necessary to administer the programs under its supervision.

History: 2005 c 107 art 2 s 10

136A.011 [Repealed, 2005 c 107 art 2 s 61]

136A.031 ADVISORY GROUPS.

Subdivision 1. [Repealed, 2005 c 107 art 2 s 61]

Subd. 2. Higher Education Advisory Council. A Higher Education Advisory Council (HEAC) is established. The HEAC is composed of the president of the University of Minnesota or designee; the chancellor of the Minnesota State Colleges and Universities or designee; the commissioner of education; the president of the Private College Council; a representative from the Minnesota Career College Association; and a member appointed by the governor. The HEAC shall bring to the attention of the Higher Education Services Office any matters that the HEAC deems necessary.

Subd. 3. Student Advisory Council. A Student Advisory Council (SAC) to the Higher Education Services Office is established. The members of SAC shall include: the chair of the University of Minnesota student senate; the state chair of the Minnesota State University Student Association; the president of the Minnesota State College Student Association and an officer of the Minnesota State College Student Association, one in a community college course of study and one in a technical college course of study; the president of the Minnesota Association of Private College Students; and a student who is enrolled in a private vocational school, to be appointed by the Minnesota Career College Association. A member may be represented by a

student designee who attends an institution from the same system that the absent member represents. The SAC shall select one of its members to serve as chair.

The Higher Education Services Office shall inform the SAC of all matters related to student issues under consideration. The SAC shall report to the Higher Education Services Office quarterly and at other times that the SAC considers desirable. The SAC shall determine its meeting times, but it shall also meet with the office within 30 days after the director's request for a meeting.

The SAC shall:

(1) bring to the attention of the Higher Education Services Office any matter that the SAC believes needs the attention of the office;

(2) make recommendations to the Higher Education Services Office as it finds appropriate; and

(3) approve student appointments by the Higher Education Services Office for each advisory group as provided in subdivision 4.

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

Subd. 5. **Expiration.** Notwithstanding section 15.059, subdivision 5, the advisory groups established in this section expire on June 30, 2007.

History: 2005 c 107 art 2 s 11-14

136A.08 RECIPROCAL AGREEMENTS RELATING TO NONRESIDENT TUITION WITH OTHER STATES OR PROVINCES.

[For text of subs 1 to 6, see M.S.2004]

Subd. 7. **Reporting.** The Higher Education Services Office must annually, before the last day in January, submit a report to the committees in the house of representatives and the senate with responsibility for higher education finance on:

(1) participation in the tuition reciprocity program by Minnesota students and students from other states attending Minnesota postsecondary institutions under a reciprocity agreement;

(2) reciprocity and resident tuition rates at each institution; and

(3) interstate payments and obligations for each state participating in the tuition reciprocity program in the prior year.

Subd. 8. **Data sharing.** (a) The Higher Education Services Office must consider developing data collection procedures and agreements to monitor the extent to which students who attend Minnesota postsecondary institutions under reciprocity agreements are employed in Minnesota after graduation. These procedures must include matching Social Security numbers of reciprocity students for purposes of tracking the migration and employment of students who receive associate, baccalaureate, or graduate degrees through a tuition reciprocity program. State agencies must share wage and earnings data under section 268.19 for the purpose of evaluating the tuition reciprocity program.

(b) The reciprocity application must request the use of student Social Security numbers for the purposes of this subdivision. Reciprocity students must be informed that Social Security numbers will be used only for monitoring described in paragraph (a), by sharing information with Minnesota agencies and departments responsible for the administration of covered wage data and revenue collections. Social Security numbers must not be used for any other purpose or reported to any other government entity.

(c) The office must include summary data on the migration and earnings of reciprocity graduates in the reciprocity report to the legislature. This report must include summary statistics on number of graduates by institution, degree granted and

year of graduation, total number of reciprocity students employed in the state, and total earnings of graduates.

History: 2005 c 107 art 2 s 15,16

136A.121. GRANTS.

Subd. 2. Eligibility for grants. An applicant is eligible to be considered for a grant, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections 136A.095 to 136A.131 if the office finds that the applicant:

- (1) is a resident of the state of Minnesota;
- (2) 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 technical college of choice as defined in sections 136A.095 to 136A.131;
- (3) has met the financial need criteria established in Minnesota Rules;
- (4) is not in default, as defined by the office, of any federal or state student educational loan; and
- (5) 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 518.553 or order for arrearages.

[For text of subds 3 and 5, see M.S.2004]

Subd. 6. Cost of attendance. (a) The recognized cost of attendance consists of allowances specified in law for living and miscellaneous expenses, and an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or the tuition and fee maximums established in law.

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

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.

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.

[For text of subd 7, see M.S.2004]

Subd. 7a. Surplus appropriation. If the amount appropriated is determined by the office to be more than sufficient to fund projected grant demand in the second year of the biennium, the office may increase the living and miscellaneous expense allowance in the second year of the biennium by up to an amount that retains sufficient appropriations to fund the projected grant demand. The adjustment may be made one or more times. In making the determination that there are more than sufficient funds, the office shall balance the need for sufficient resources to meet the projected demand for grants with the goal of fully allocating the appropriation for state grants. An increase in the living and miscellaneous expense allowance under this subdivision does not carry forward into a subsequent biennium. This subdivision expires June 30, 2007.

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 been enrolled full time or the equivalent for eight semesters or the equivalent, excluding 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. A student who

withdraws from enrollment for active military service is entitled to an additional semester or the equivalent of grant eligibility. 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.

[For text of subds 9a to 12, see M.S.2004]

Subd. 13. **Deadline.** The deadline for the office to accept applications for state grants for a term is 30 days after the start of that term.

[For text of subds 16 and 17, see M.S.2004]

Subd. 18. **Data.** (a) An eligible institution must provide to the office data on student enrollment and federal and state financial aid.

(b) An institution or its agent must provide to the office aggregate and distributional financial or other data as determined by the director that is directly related to the responsibilities of the office under this chapter and chapter 141. The director may only request aggregate and distributional data after establishing and consulting with a data advisory task force to determine the need, content, and detail of the information. Data provided by nonpublic institutions under this paragraph is considered nonpublic data under chapter 13.

History: 2005 c 107 art 2 s 17-22

NOTE: The additional semester or the equivalent of grant eligibility under subdivision 9, as amended by Laws 2005, chapter 107, article 2, section 20, applies to any student who withdrew from enrollment in a postsecondary institution after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c. Laws 2005, chapter 107, article 2, section 59.

136A.125 CHILD CARE GRANTS.

[For text of subd 1, see M.S.2004]

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

- (1) is a resident of the state of Minnesota;
- (2) has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in section 125A.02, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;
- (3) is income eligible as determined by the office's policies and rules, but is not a recipient of assistance from the Minnesota family investment program;
- (4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters or the equivalent;
- (5) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;
- (6) is enrolled at least half time in an eligible institution; and
- (7) is in good academic standing and making satisfactory academic progress.

(b) A student who withdraws from enrollment for active military service is entitled to an additional semester or the equivalent of grant eligibility.

[For text of subd 3, see M.S.2004]

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

- (1) the income of the applicant and the applicant's spouse;
- (2) the number in the applicant's family, as defined by the office; and
- (3) the number of eligible children in the applicant's family.

The maximum award to the applicant shall be \$2,300 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine

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

[For text of subds 4a to 9, see M.S.2004]

History: 2005 c 107 art 2 s 23,24

NOTE: The additional semester or the equivalent of grant eligibility under subdivision 2, as amended by Laws 2005, chapter 107, article 2, section 23, applies to any student who withdrew from enrollment in a postsecondary institution after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c. Laws 2005, chapter 107, article 2, section 59.

136A.1701 SUPPLEMENTAL AND ADDITIONAL LOANS.

[For text of subds 1 to 10, see M.S.2004]

Subd. 11. **Data.** (a) An eligible institution must provide to the office data on student enrollment and federal and state financial aid.

(b) An institution or its agent must provide to the office aggregate and distributional financial or other data as determined by the director that is directly related to the responsibilities of the office under this chapter and chapter 141. The director may only request aggregate and distributional data after establishing and consulting with a data advisory task force to determine the need, content, and detail of the information. Data provided by nonpublic institutions under this paragraph is considered nonpublic data under chapter 13.

Subd. 12. **Eligible student.** "Eligible student" means a student who is a Minnesota resident who is enrolled or accepted for enrollment at an eligible institution in Minnesota or in another state or province. Non-Minnesota residents are eligible students if they are enrolled or accepted for enrollment in a minimum of one course of at least 30 days in length during the academic year that requires physical attendance at an eligible institution located in Minnesota. Non-Minnesota resident students enrolled exclusively during the academic year in correspondence courses or courses offered over the Internet are not eligible students. Non-Minnesota resident students not physically attending classes in Minnesota due to enrollment in a study abroad program for 12 months or less are eligible students. Non-Minnesota residents enrolled in study abroad programs exceeding 12 months are not eligible students. For purposes of this section, an "eligible student" must also meet the eligibility requirements of section 136A.15, subdivision 8.

History: 2005 c 107 art 2 s 25,26

136A.1703 INCOME-CONTINGENT LOANS.

The office shall administer an income-contingent loan repayment program to assist graduates of Minnesota schools in medicine, dentistry, pharmacy, chiropractic medicine, public health, and veterinary medicine, and Minnesota residents graduating from optometry and osteopathy programs. Applicant data collected by the office for this program may be disclosed to a consumer credit reporting agency under the same conditions as those that apply to the supplemental loan program under section 136A.162. No new applicants may be accepted after June 30, 1995.

History: 2005 c 107 art 2 s 27

136A.1785 LOAN CAPITAL FUND.

The office may deposit and hold assets derived from the operation of its student loan programs authorized by this chapter in a fund known as the loan capital fund. Assets in the loan capital fund are available to the office solely for carrying out the purposes and terms of sections 136A.15 to 136A.1703, including, but not limited to, making student loans authorized by this chapter, paying administrative expenses associated with the operation of its student loan programs, repurchasing defaulted student loans, and paying expenses in connection with the issuance of revenue bonds

authorized under this chapter. Assets in the loan capital fund may be invested as provided in sections 11A.24 and 136A.16, subdivision 8. All interest and earnings from the investment of the loan capital fund inure to the benefit of the fund and are deposited into the fund.

History: 2005 c 107 art 2 s 28

136A.861 INTERVENTION FOR COLLEGE ATTENDANCE PROGRAM GRANTS.

Subdivision 1. **Grants.** The director of the Higher Education Services Office shall award grants to foster postsecondary attendance by providing outreach services to historically underserved students in grades six through 12. Grants must be awarded to programs that provide precollege services, including, but not limited to:

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

Grants shall be awarded to postsecondary institutions, professional organizations, community-based organizations, or others deemed appropriate by the director.

Grants shall be awarded for one year and may be renewed for a second year with documentation to the Higher Education Services Office of successful program outcomes.

Subd. 2. **Eligible students.** Eligible students include students in grades six through 12 who meet one or more of the following criteria:

- (1) are counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (Title I);
- (2) are eligible for free or reduced-price lunch under the National School Lunch Act;
- (3) receive assistance under the Temporary Assistance for Needy Families Law (Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996); or
- (4) are a member of a group traditionally underrepresented in higher education.

Subd. 3. **Application process.** The director of the Higher Education Services Office shall develop a grant application process. The director shall attempt to support projects in a manner that ensures that eligible students throughout the state have access to precollege services.

The grant application must include, at a minimum, the following information:

- (1) a description of the characteristics of the students to be served reflective of the need for services listed in subdivision 1;
- (2) a description of the services to be provided and a timeline for implementation of the activities;
- (3) a description of how the services provided will foster postsecondary attendance;
- (4) a description of how the services will be evaluated to determine whether the program goals were met; and
- (5) other information as identified by the director.

Grant recipients must specify both program and student outcome goals, and performance measures for each goal.

Subd. 4. **Match required.** Applicants are required to match the grant amount dollar-for-dollar. The match may be in cash or an in-kind contribution.

Subd. 5. **Review committee.** The director must establish and convene a grant selection committee to review applications and award grants. The members of the committee may include representatives of postsecondary institutions, school districts, organizations providing precollege outreach services, and others deemed appropriate by the director.

Subd. 6. **Program evaluation.** Each grant recipient must annually submit a report to the Higher Education Services Office delineating its program and student outcome goals, and activities implemented to achieve the stated outcomes. The goals must be clearly stated and measurable. Grant recipients are required to collect, analyze, and report on participation and outcome data that enable the office to verify that the program goals were met. The office shall maintain:

(1) information about successful precollege program activities for dissemination to individuals throughout the state interested in adopting or replicating successful program practices; and

(2) data on the success of the funded projects in increasing the high school graduation and college participation rates of students served by the grant recipients. The office may convene meetings of the grant recipients, as needed, to discuss issues pertaining to the implementation of precollege services.

Subd. 7. **Report.** By January 15 of each odd-numbered year, the office shall submit a report to the committees in the legislature with jurisdiction over higher education finance regarding the grant recipients and their activities. The report shall include information about the students served, the organizations providing services, program activities, program goals and outcomes, and program revenue sources and funding levels.

History: 2005 c 107 art 2 s 29