127A.205 EDUCATION GRANTS.

Subdivision 1. **Commissioner duties.** (a) The commissioner of education must not enter into a grant agreement unless the potential grantee meets the requirements of this section. The potential grantee must document to the commissioner that it meets the requirements of this section in the form and manner determined by the commissioner.

(b) The requirements of this section are in addition to the grants management and financial review requirements under sections 16B.97 to 16B.991.

Subd. 2. **Education grant requirements.** (a) A grantee must maintain tax-exempt status under state and federal law.

(b) A grantee that is required to file a Form 990 or Form 990-EZ with the Internal Revenue Service must meet that filing requirement no later than the date authorized under federal law. A grantee must provide to the commissioner its most recently filed Form 990 or Form 990-EZ. If the grantee has not yet been required to file a Form 990 or Form 990-EZ, or is not required to file Form 990 or Form 990-EZ, the grantee must provide to the commissioner its most recent financial statements prepared within the previous 12 months in accordance with generally accepted accounting principles.

(c) A grantee subject to the annual reporting requirements under section 309.53 must file the report with the attorney general on or before the date required under section 309.53.

(d) A grantee must comply with all of the filing and registration requirements with the Office of the Secretary of State. A grantee subject to the annual corporate renewal requirements under section 317A.823 must file the renewal with the secretary of state on or before the date required under section 317A.823.

Subd. 3. **Termination of existing education grants.** (a) The commissioner of education must terminate a grant agreement if the grant recipient no longer meets the requirements under subdivision 2.

(b) Notwithstanding paragraph (a), if a grant recipient informs the commissioner that it no longer meets the requirements under subdivision 2, paragraph (b), (c), or (d), the commissioner may continue the grant agreement if the grant recipient agrees in writing to come into compliance with the requirements of this section.

Subd. 4. **Scope.** This section does not apply to a grant to a school district; a charter school; a Tribal contract school; a cooperative unit under section 123A.24, subdivision 2; or any other political subdivision of the state.

History: *1Sp2025 c 10 art 12 s 3*