136A.821 DEFINITIONS.

Subdivision 1. **Words, terms and phrases.** The following words, terms and phrases shall have the meanings ascribed to them in this section.

Subd. 2. **Office of Higher Education or office.** "Office of Higher Education" or "office" means the Minnesota Office of Higher Education.

Subd. 3. **Solicitor.** "Solicitor" means a person who for a salary or for commission, acts as an agent, independent contractor, salesperson, or counselor in recruiting students for a program using any method, at any place except on the actual business premises of the private career school, other than only providing public information at the invitation or permission of a private career school or educational organization.

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.

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. Except for those required to obtain a license 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, 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, or 136A.658 due to the nature of the institution's programs;

(4) persons, programs, or courses exclusively engaged in training physically or mentally disabled persons;

(5) persons, programs, or 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) persons, programs, or courses 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;

(7) persons, programs, or courses 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) persons, programs, or courses licensed or approved by other state boards or agencies authorized under Minnesota law to issue licenses for institutions or programs;

(9) persons, programs, or courses intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance examinations;

(10) persons, programs, or courses 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) persons, programs, or courses that are exempt from taxation under section 290.05 and registered with the attorney general under chapter 309; or

(12) persons, programs, or courses 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.

Subd. 6. **Course.** "Course" means any classroom or distance instruction; any subunit of a program; or any combination thereof.

Subd. 7. **Multiple location.** "Multiple location" means any site where classes or administrative services are provided to students and that has a street address that is different than the street address found on the private career school's license.

Subd. 8. **Placement service.** "Placement service" means a service offered or advertised by a private career school for the purpose of assisting the student in obtaining employment.

Subd. 9. **Program.** "Program" means any course or grouping of courses that is advertised or listed in a private career school's catalog, brochures, electronic display, or other publications, or for which the private career school grants a formal recognition.

Subd. 10. **Distance education private career school.** "Distance education private career school" means a private career school that establishes, keeps, or maintains a facility or location where a program is offered through distance instruction.

Subd. 11. **Distance instruction.** "Distance instruction" means any method of instruction outside the traditional in-classroom instruction, including, but not limited to, the use of the United States mail and other correspondence; Internet and other online computer-based education; or CD-ROM self-instruction.

Subd. 12. **Electronic display.** "Electronic display" means text, images, or sound rendered via any electronic device designed to present information, whether generated by the device or transmitted from another source.

Subd. 13. **Compliance audit.** "Compliance audit" means an audit of a private career school's administration of federal money conducted by a certified public accountant or federal auditor to determine if the school is adhering to applicable laws, regulations, and other grant conditions as required by Code of Federal Regulations, title 2, subtitle A, chapter II, part 200.

Subd. 14. **Entity.** "Entity" means a specific school or campus location.

Subd. 15. **Higher-level entity.** "Higher-level entity" means a corporate parent or ultimate parent company or, in the case of a public school, the larger public system of which an entity is a part.

Subd. 16. **Financial statements audit report.** "Financial statements audit report" means the result of a service provided by a certified public accountant or federal auditor that conducts a comprehensive and independent examination of the entity's financial statements as defined in Code of Federal Regulations, title 34, section 668.23(d). If an entity's own financial statements audit report is subsequently consolidated into a higher-level entity's financial statements audit report, financial statements audit report can refer to both the entity's own report and the higher-level entity's consolidated report in accordance with Code of Federal Regulations, section 668.23(d)(2).

Subd. 17. **Compilation report.** "Compilation report" means the result of an accounting service provided by a certified public accountant to organize financial information provided by a client into professionally formatted financial statements. A compilation report provides no assurances about the financial statements, unlike those provided in a financial statements audit report.

Subd. 18. **Clock hour.** "Clock hour" means a period of time consisting of a 50- to 60-minute class, lecture, or recitation in a 60-minute period; a 50- to 60-minute faculty-supervised laboratory, shop training, or internship in a 60-minute period; or 60 minutes of preparation in a correspondence course. If a school seeks to determine the number of clock hours in an educational program by aggregating the number of minutes in that program, it must divide those minutes by 60.

Subd. 19. **Student record.** "Student record" means a transcript or record of student attendance in a program that includes, at a minimum, the student's name, the student's address, the school's name, the school's address, the title of the course or program, the total number of hours or courses completed, the dates of enrollment and attendance, the grade record of each course, any credential awarded, and the cumulative grade for the program.

Subd. 20. **Physical presence.** "Physical presence" means presence within the state of Minnesota for the purpose of conducting activity related to any program at less than an associate degree level. Physical presence includes:

(1) operating a location within the state;

(2) offering instruction within or originating from Minnesota designed to impart knowledge with response utilizing teachers, trainers, counselors or computer resources, computer linking, or any form of electronic means;

(3) granting an educational credential from a location within the state or to a student within the state; and

(4) using an agent, recruiter, institution, or business that solicits for enrollment or credits or for the award of an educational credential.

Physical presence does not include field trips, sanctioned sports recruiting activities, or college fairs or other assemblies of schools in Minnesota. No school may enroll an individual, allow an individual to sign any agreement obligating the person to the school, accept any moneys from the individual, or follow up with an individual by means of an in-person meeting in Minnesota at a college fair or assembly.

Subd. 21. **Institution or school.** "Institution" or "school" means a private career school or distance education private career school, as defined in this section.

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.

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

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.

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.

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.

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

History: *1969 c 866 s 1; 1973 c 714 s 1,2; 1986 c 444; 1992 c 513 art 1 s 18,28; 1995 c 212 art 3 s 59; 1999 c 214 art 3 s 2-8; 2005 c 107 art 2 s 60; art 3 s 1; 2007 c 144 art 3 s 16,17; 2015 c 69 art 2 s 20-22,46; 2017 c 89 art 3 s 14-18; 2019 c 64 art 2 s 28,29; 2024 c 124 art 2 s 32,33; 2024 c 127 art 35 s 32,33; 1Sp2025 c 5 art 2 s 33-41; 2026 c 116 s 32-36*