## Senate Counsel, Research, and Fiscal Analysis

Alexis C. Stangl, Director

Minnesota Senate Building 95 University Ave. W. Suite 3300 ST. PAUL, MN 55155-1800 (651) 296-4791 www.senate.mn/scrfa



**State of Minnesota** 

## H.F. No. 1126 – Higher Education Policy 2<sup>nd</sup> engrossment (SF 1011) and Chapter 44

Author:	Senator Omar Fateh
Prepared by:	Joan White, Senate Counsel (651/296-3814)
Date:	June 2, 2023

**Section 1 (135A.012)** amends the statute establishing the higher education attainment goal, which is that 70% of Minnesota residents ages 25-44 will hold a postsecondary degree by 2025. This section expands the degrees that can be counted towards that goal to include industry-recognized credentials.

Section 2 (136A.121, subd 2) amends the state grant program eligibility. A person who has been convicted of or plead guilty to a crime involving fraud in obtaining federal postsecondary student assistance is not eligible for the state grant.

Section 3 (136A.121, subd 18) amends the state grant program to clarify that the institutions that have the responsibility to provide certain data to the Office of Higher Education are those institutions whose students are eligible for state grants, scholarships, and student loans.

Section 4 amends the fostering independence higher education grants, which are grants for students who were or are in foster care. This section changes the date the notice is required for an institution to opt out of participating in the program and adds language that requires an institution that opts out to hold the student harmless and provide the benefit as long as the student remains eligible. This section also clarifies how long a student may receive a grant.

Section 5 (136A.1701, subd 11) amends the SELF refi section of law to clarify that the institutions that have the responsibility to provide certain data to the Office of Higher Education are those institutions whose students are eligible for student loan programs and are institutions that are licensed or registered.

Section 6, 7 and 8 (136A.62, subd 3, 136A.62, subd 3a, 136A.653, subd 1b) provide that tribal colleges, as defined in Section 7, are exempt from the requirements imposed on Minnesota private and out-of-state public postsecondary institutions. Clarifies that tribal colleges may voluntarily waive their exception by registering, which makes the tribal colleges eligible for the state grant and other state financial aid under chapter 136A.

Section 9 (136A.833) modifies subdivision 1 by adding clarifying language and changing a cross reference related to the appeal of a denied exemption. Subdivision 2 adds and clarifies the types of schools and programs that are exempt from the requirements imposed on private career schools.

Section 10 (136A.91, subd 1) amends the grant criteria for postsecondary institutions that are expanding concurrent enrollment programs.

**Section 11** modifies the Permanent University Fund (PUF), which is a perpetual fund established in the 1851 Charter, in which revenue from iron ore and taconite deposits from land conveyed to Minnesota by the United States Congress to support the University of Minnesota is deposited into the PUF. The PUF was modified in 2012 to fund a mining related degree program and provide scholarships for students in that program. The language was limited to one program, and this section allows more than one program to receive funding to support workforce development and collaboration benefiting regional academics, industry, and natural resources on the Iron Range. The funds may also be used for scholarships for Minnesota students, prioritizing students in the Minnesota Economic Development Region 3, to attend the mining programs. This section also increases the maximum scholarship for students attending the programs from \$6,500 to 75% of current in-state tuition rates per academic year.

Section 12 repeals obsolete rules.