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S.F. No. 5326 – Higher Education Finance Bill – Second Engrossment

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Article 1 Higher Education Appropriations

Section 1 amends a previous appropriation for ALS research, reducing the fiscal year 2023 appropriation from \$20,000,000 to \$396,000 and appropriating \$19,604,000 in fiscal year 2024 for competitive grants to applicants for research into ALS. This onetime appropriation does not cancel until June 30, 2029. This section is effective the day following final enactment.

Sections 2 and 3 transfer \$5,040,000 from the North Star Promise Program to the Fostering Independence Higher Education Grants.

Section 4 amends a previous appropriation for programs at the University of Minnesota Medical School on the CentraCare Health System campus in St. Cloud by modifying the uses for which the funds may be spent. This section is effective the day following final enactment.

Section 5 appropriates \$500,000 in fiscal year 2025 from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities to participate in the Kids on Campus initiative with the National Head Start Association and specifies that the funds may be used for a statewide project coordinator, stipends to campuses and Head Start Centers, and other costs associated with creating campus Head Start programs.

Article 2 Higher Education Policy

Section 1 (135A.062) establishes a new section of law related to the consideration of criminal records when applying to a higher education institution. This section defines the term “violent felony or sexual assault” for purposes of this section and prohibits a postsecondary institution from inquiring into, considering, or requiring the disclosure of the criminal record or criminal history of an applicant for admission. After an offer of admission, the institution may inquire into a conviction for a violent felony or sexual assault that occurred in the previous five years. The institution must allow the applicant to submit an explanatory

statement, letters of recommendation, and other supporting documents. An institution that rescinds an offer must provide an explanation and provide the applicant with an opportunity to appeal. This section does not prohibit an institution, after making an offer of admission, from inquiring about student conduct records at a prior institution or inquiring about the student's ability to meet licensure requirements in a professional program. Provides civil immunity to institutions that comply with this section. Clarifies that institutions do not have a legal duty to inquire into or require disclosure of the criminal history of a student or applicant for admission.

Section 2 (136A.29, subd 9) increases the amount of revenue bonds the Minnesota Higher Education Facilities Authority may issue from \$1,300,000,000 to \$2,000,000,000.

Section 3 (136A.69, subd 1) amends the Minnesota Private and Out-of-State Public Postsecondary Education Act to allow the commissioner of the Office of Higher Education to charge additional fees for an initial application and a renewal registration that require multiple revisions or corrections.

Section 4 (136A.786) requires the commissioner of corrections to collect information on incarcerated persons who have self-identified as federal student aid borrowers and relay that information to the commissioner of higher education. The commissioner of corrections, in consultation with the commissioner of higher education, is required to develop a plan by December 1, 2024, to assist incarcerated persons in enrolling in a federal income-driven repayment plan.

Sections 5 and 6 (136A.821, subd 1 and 2) amend the Private Career Schools section of law to allow the commissioner of the Office of Higher Education to charge additional fees for an initial application and a renewal registration that require multiple revisions or corrections.

Section 7 (241.267) prohibits the commissioner of corrections from establishing a prison education partnership with higher education institutions that are organized as a private for-profit institution or charge incarcerated students a higher per-credit rate than the rate for nonincarcerated students.

Section 8 (244.60) provides that if the commissioner of corrections requires a person on supervised release to work or be employed, enrollment and participation in postsecondary education satisfies the requirement.

Section 9 repeals Minnesota Statutes, section 241.265 and Minnesota Statutes, section 609B.311.

Minnesota Statutes, section 241.265 prohibits the commissioner of corrections from paying for a college education program beyond the associate of arts degree level for an inmate convicted of first or second-degree murder and paying for an associate of arts college education program for an inmate convicted of first or second-degree murder if the inmate's participation in the program does not increase the cost of the program to the institution.

Minnesota Statutes, section 609B.311 references and restates the law repealed above, related to the commissioner being prohibited from paying for certain higher education programs for an inmate convicted of first or second-degree murder.