

1.1 moves to amend H.F. No. 4343 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. [135A.195] REQUIREMENTS RELATED TO ONLINE PROGRAM
1.4 MANAGEMENT COMPANIES.

1.5 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.6 the meanings given.

1.7 (b) "Contract" means an agreement entered into by an institution of higher education
1.8 with an online program management company. Contract includes any amendment or
1.9 addendum to the agreement.

1.10 (c) "Institution of higher education" means an institution governed by either the Board
1.11 of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the
1.12 University of Minnesota. The Board of Regents of the University of Minnesota is requested
1.13 to comply with this section.

1.14 (d) "Managed program" means an online course or program covered under a contract.

1.15 (e) "Online program management company" means a private, for-profit, third-party
1.16 entity that enters into a contract with an institution of higher education to provide bundled
1.17 products and services to develop, deliver, or provide managed programs when the services
1.18 include recruitment and marketing.

1.19 (f) "Tuition sharing" means compensation or payment to an online program management
1.20 company based on a percentage of revenue or fees collected from managed programs.

1.21 Subd. 2. Contract stipulations. A contract must not contain any provision that:

1.22 (1) includes or allows for tuition sharing;

2.1 (2) grants the online program management company ownership rights to any or all
2.2 intellectual property rights, patentable discoveries, or inventions of faculty members of an
2.3 institution of higher education; or

2.4 (3) grants the online program management company decision making authority over:

2.5 (i) curriculum development, design, or maintenance;

2.6 (ii) student assessment and grading;

2.7 (iii) course assessment;

2.8 (iv) admissions requirements;

2.9 (v) appointment of faculty;

2.10 (vi) faculty assessment;

2.11 (vii) decision to award course credit or credential; or

2.12 (viii) institutional governance.

2.13 Subd. 3. **Mandatory contract review and approval.** Prior to being executed, a contract
2.14 must be reviewed and approved by the institution of higher education's governing board.

2.15 A governing board must not approve a contract unless the contract complies with subdivision
2.16 2.

2.17 Subd. 4. **Reporting requirements.** An institution of higher education that contracts
2.18 with an online program management company shall annually submit to its governing board
2.19 a report documenting enrollment in and revenue generated by managed programs.

2.20 Subd. 5. **Marketing requirements.** (a) An institution of higher education that retains
2.21 an online program management company to provide marketing services for its academic
2.22 degree programs shall require that:

2.23 (1) the online program management company self-identifies as a third-party entity that
2.24 is separate from the institution at the beginning of any communication with a prospective
2.25 student; and

2.26 (2) any digital or print advertising provided by the online program management company
2.27 for an academic program of the institution includes a clear disclosure of the third-party
2.28 relationship between the online program management company and the institution.

2.29 (b) An institution of higher education that contracts with an online program management
2.30 company shall make publicly available on its website a list of all managed programs.

- 3.1 **EFFECTIVE DATE.** This section is effective July 1, 2024, and applies to contracts
- 3.2 entered into on or after that date."
- 3.3 Amend the title accordingly