

Subject Career and Technical Education; Net Proceeds of Sales Used for Scholarships

Authors Scott and Niska

Analyst Tim Strom

Date March 22, 2026

Overview

Under Minnesota statute, school boards have the “authority to govern, manage, and control the district; to carry out its duties and responsibilities; and to conduct the business of the district [including] implied powers in addition to any specific powers granted by the legislature.” In some cases when these general powers aren’t sufficient, specific legislative authority is necessary for the school district to use its own funds to provide a service.

School districts provide a variety of career and technical education (CTE) programming to their students and some of this programming results in students building a project that may be sold to the public.

HF 1791 specifically authorizes a school district to award postsecondary scholarships or grants to students who participated in CTE programs where the sale of the items (e.g., storage sheds, houses, garages, docks, etc.) built by the students exceed the net costs of the program. HF 1791 allows the scholarships to be used for: tuition and expenses to attend a postsecondary institution; the costs of a certificate program; or a student's costs associated with enrollment in a registered apprenticeship program. A grant from the district may also be used by a student directly entering the workforce or military for supplies needed for the student's chosen career pathway.

Summary

Section	Description
---------	-------------

- | | |
|---|--|
| 1 | Postsecondary scholarships and grants for career and technical students.
Adds to the list of specific powers granted to school boards the power to award postsecondary scholarships and grants to qualifying students funded from the net proceeds of certain sales of items made by the students. |
|---|--|

Section	Description
2	<p>District report; career and technical education.</p> <p>Under current law, each school district reports necessary career and technical education (CTE) program information to the Department of Education (MDE). Requires a district that awards a postsecondary scholarship or grant to a student under this act to report its revenue and expenditures spent on the scholarships and grants in the form and manner required by MDE.</p>
3	<p>Postsecondary scholarships and grants for career and technical students.</p> <p>Subd. 1. Eligibility. Authorizes a CTE program operated by a school district or a cooperative unit to provide a postsecondary scholarship or a postsecondary grant to an eligible student upon graduation. Defines an eligible student as one who has successfully completed a qualifying CTE course, has applied for the scholarship, and successfully completed the CTE course that generated the money to fund the scholarship.</p> <p>Subd. 2. Scholarship and grant amounts. Allows a school district to set aside the net proceeds from the sale of student-built CTE projects for purposes of funding postsecondary scholarships and grants. Authorizes scholarships to qualifying students for: tuition and expenses to attend a postsecondary institution; the costs of a certificate program; or a student's costs associated with enrollment in a registered apprenticeship program. Authorizes grants to qualifying students who are directly entering the workforce or military for supplies needed for each student's chosen career pathway.</p>



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn.gov/hrd | 651-296-6753 | Third Floor, Centennial Office Building | St. Paul, MN 55155