

1.1 ..... moves to amend H.F. No. 2431 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
1.7 and for the purposes specified in this article. The appropriations are from the general fund,  
1.8 or another named fund, and are available for the fiscal years indicated for each purpose.  
1.9 The figures "2026" and "2027" used in this article mean that the appropriations listed under  
1.10 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.  
1.11 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"  
1.12 is fiscal years 2026 and 2027.

1.13			<b><u>APPROPRIATIONS</u></b>	
1.14			<b><u>Available for the Year</u></b>	
1.15			<b><u>Ending June 30</u></b>	
1.16			<b><u>2026</u></b>	<b><u>2027</u></b>
1.17	Sec. 2. <u>MINNESOTA OFFICE OF HIGHER</u>			
1.18	<u>EDUCATION</u>			
1.19	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>312,749,000</u>	<u>\$ 312,968,000</u>
1.20	<u>The amounts that may be spent for each</u>			
1.21	<u>purpose are specified in the following</u>			
1.22	<u>subdivisions.</u>			
1.23	<u>Subd. 2. State Grants</u>		<u>241,790,000</u>	<u>241,790,000</u>

2.1 (a) If the appropriation in this subdivision for  
2.2 either year is insufficient, the appropriation  
2.3 for the other year is available for it.

2.4 (b) For purposes of Minnesota Statutes,  
2.5 section 136A.121, subdivision 6, a tuition and  
2.6 fee maximum is established for four-year  
2.7 programs that shall be the lesser of: (1) the  
2.8 average tuition and fees charged by the  
2.9 institution; or (2) an amount equal to the  
2.10 highest tuition and fees charged at a public  
2.11 university in the 2024-2025 academic year  
2.12 plus one percent for fiscal year 2026, and plus  
2.13 an additional one percent for fiscal year 2027.

2.14 (c) The base for this appropriation is  
2.15 \$242,707,000 in fiscal year 2028 and  
2.16 thereafter.

2.17	<u>Subd. 3. <b>Child Care Grants</b></u>	<u>6,694,000</u>	<u>6,694,000</u>
------	--	------------------	------------------

2.18	<u>Subd. 4. <b>State Work-Study</b></u>	<u>11,752,000</u>	<u>11,752,000</u>
------	---	-------------------	-------------------

2.19	<u>Subd. 5. <b>Interstate Tuition Reciprocity</b></u>	<u>8,500,000</u>	<u>8,500,000</u>
------	---	------------------	------------------

2.20 If the appropriation in this subdivision for  
2.21 either year is insufficient, the appropriation  
2.22 for the other year is available to meet  
2.23 reciprocity contract obligations.

2.24	<u>Subd. 6. <b>Safety Officer's Survivors</b></u>	<u>100,000</u>	<u>100,000</u>
------	---	----------------	----------------

2.25 This appropriation is to provide educational  
2.26 benefits under Minnesota Statutes, section  
2.27 299A.45, to eligible dependent children and  
2.28 to the spouses of public safety officers killed  
2.29 in the line of duty.

2.30 If the appropriation in this subdivision for  
2.31 either year is insufficient, the appropriation  
2.32 for the other year is available for it.

2.33	<u>Subd. 7. <b>Indian Scholarships</b></u>	<u>3,500,000</u>	<u>3,500,000</u>
------	--	------------------	------------------

3.1 The commissioner must contract with or  
 3.2 employ at least one person with demonstrated  
 3.3 competence in American Indian culture and  
 3.4 residing in or near the city of Bemidji to assist  
 3.5 students with the scholarships under  
 3.6 Minnesota Statutes, section 136A.126, and  
 3.7 with other information about financial aid for  
 3.8 which the students may be eligible. This  
 3.9 appropriation includes funding to administer  
 3.10 the American Indian scholarship program.

3.11 **Subd. 8. Tribal College Supplemental Assistance**  
 3.12 **Grants**

3,650,000

3,650,000

3.13 For Tribal college assistance grants under  
 3.14 Minnesota Statutes, section 136A.1796.

3.15 Each eligible Tribal college may receive a  
 3.16 minimum grant in an amount no less than  
 3.17 \$1,000,000 and no more than \$1,050,000,  
 3.18 subject to available appropriations.

3.19 The commissioner may use no more than three  
 3.20 percent of this appropriation to administer the  
 3.21 program grants.

3.22 **Subd. 9. Intervention for College Attendance**  
 3.23 **Program Grants**

1,142,000

1,142,000

3.24 For the intervention for college attendance  
 3.25 program under Minnesota Statutes, section  
 3.26 136A.861.

3.27 The commissioner may use no more than three  
 3.28 percent of this appropriation to administer the  
 3.29 intervention for college attendance program  
 3.30 grants.

3.31 **Subd. 10. Information for Students and Parents**

122,000

122,000

3.32 **Subd. 11. Get Ready!**

150,000

150,000

3.33 **Subd. 12. Minnesota Education Equity**  
 3.34 **Partnership**

45,000

45,000

4.1	<u>Subd. 13. <b>Midwest Higher Education Compact</b></u>	<u>115,000</u>	<u>115,000</u>
4.2	<u>Subd. 14. <b>United Family Medicine Residency</b></u>		
4.3	<u><b>Program</b></u>	<u>501,000</u>	<u>501,000</u>
4.4	<u>For a grant to United Family Medicine</u>		
4.5	<u>residency program. This appropriation shall</u>		
4.6	<u>be used to support up to 21 resident physicians</u>		
4.7	<u>each year in family practice at United Family</u>		
4.8	<u>Medicine residency programs and shall</u>		
4.9	<u>prepare doctors to practice family care</u>		
4.10	<u>medicine in underserved rural and urban areas</u>		
4.11	<u>of the state. It is intended that this program</u>		
4.12	<u>will improve health care in underserved</u>		
4.13	<u>communities, provide affordable access to</u>		
4.14	<u>appropriate medical care, and manage the</u>		
4.15	<u>treatment of patients in a cost-effective</u>		
4.16	<u>manner.</u>		
4.17	<u>Subd. 15. <b>MnLINK Gateway and Minitex</b></u>	<u>6,655,000</u>	<u>6,708,000</u>
4.18	<u>Subd. 16. <b>Statewide Longitudinal Education</b></u>		
4.19	<u><b>Data System</b></u>	<u>2,550,000</u>	<u>2,550,000</u>
4.20	<u>Subd. 17. <b>Hennepin Healthcare</b></u>	<u>645,000</u>	<u>645,000</u>
4.21	<u>For transfer to Hennepin Healthcare for</u>		
4.22	<u>graduate family medical education programs</u>		
4.23	<u>at Hennepin Healthcare.</u>		
4.24	<u>Subd. 18. <b>Campus Sexual Assault Reporting</b></u>	<u>25,000</u>	<u>25,000</u>
4.25	<u>For the sexual assault reporting required under</u>		
4.26	<u>Minnesota Statutes, section 135A.15.</u>		
4.27	<u>Subd. 19. <b>Campus Sexual Violence Prevention</b></u>		
4.28	<u><b>and Response Coordinator</b></u>	<u>150,000</u>	<u>150,000</u>
4.29	<u>For the Office of Higher Education to staff a</u>		
4.30	<u>campus sexual violence prevention and</u>		
4.31	<u>response coordinator to serve as a statewide</u>		
4.32	<u>resource providing professional development</u>		
4.33	<u>and guidance on best practices for</u>		
4.34	<u>postsecondary institutions. \$50,000 each year</u>		

5.1 is for administrative funding to conduct  
 5.2 trainings and provide materials to  
 5.3 postsecondary institutions.

5.4 **Subd. 20. Grants to Student Teachers in**  
 5.5 **Shortage Areas**

500,000500,000

5.6 For grants to student teachers in shortage areas  
 5.7 under Minnesota Statutes, section 136A.1275.

5.8 The commissioner may use no more than three  
 5.9 percent of the appropriation for administration  
 5.10 of the program.

5.11 **Subd. 21. Grants to Underrepresented Student**  
 5.12 **Teachers**

1,125,0001,125,000

5.13 For grants to underrepresented student teachers  
 5.14 under Minnesota Statutes, section 136A.1274.

5.15 The commissioner may use no more than three  
 5.16 percent of the appropriation for administration  
 5.17 of the program.

5.18 **Subd. 22. Grants for Students with Intellectual**  
 5.19 **and Developmental Disabilities**

200,000200,000

5.20 For grants for students with intellectual and  
 5.21 developmental disabilities under Minnesota  
 5.22 Statutes, section 136A.1215.

5.23 **Subd. 23. Loan Repayment Assistance Program**

55,00055,000

5.24 For a grant to the Loan Repayment Assistance  
 5.25 Program of Minnesota to provide education  
 5.26 debt relief to attorneys with full-time  
 5.27 employment providing legal advice or  
 5.28 representation to low-income clients or support  
 5.29 services for this work.

5.30 **Subd. 24. Hunger-Free Campus Grants**

1,000,0001,000,000

5.31 For the Hunger-Free Campus program under  
 5.32 Minnesota Statutes, section 135A.137.

6.1	<b><u>Subd. 25. Fostering Independence Higher</u></b>		
6.2	<b><u>Education Grants</u></b>	<u>4,416,000</u>	<u>4,416,000</u>
6.3	<u>For grants to eligible students under Minnesota</u>		
6.4	<u>Statutes, section 136A.1241. The Office of</u>		
6.5	<u>Higher Education may use no more than three</u>		
6.6	<u>percent of the appropriation to administer</u>		
6.7	<u>grants.</u>		
6.8	<b><u>Subd. 26. Student Parent Support Initiative</u></b>	<u>1,000,000</u>	<u>1,000,000</u>
6.9	<u>For grants to support student parents under</u>		
6.10	<u>Minnesota Statutes, section 136A.1251. Of</u>		
6.11	<u>this amount, up to \$338,000 each year is for</u>		
6.12	<u>administrative and promotional costs.</u>		
6.13	<u>The base for this appropriation is \$0 in fiscal</u>		
6.14	<u>year 2028 and thereafter.</u>		
6.15	<b><u>Subd. 27. Director of Tribal Relations</u></b>	<u>143,000</u>	<u>143,000</u>
6.16	<b><u>Subd. 28. Direct Admissions Program</u></b>	<u>650,000</u>	<u>650,000</u>
6.17	<u>For the direct admissions program under</u>		
6.18	<u>Minnesota Statutes, section 136A.84.</u>		
6.19	<b><u>Subd. 29. American Indian Scholars</u></b>	<u>8,500,000</u>	<u>8,500,000</u>
6.20	<u>To support implementation of Minnesota</u>		
6.21	<u>Statutes, section 135A.121.</u>		
6.22	<u>\$4,032,000 in fiscal year 2026 and \$4,032,000</u>		
6.23	<u>in fiscal year 2027 are for transfer to the Board</u>		
6.24	<u>of Regents of the University of Minnesota.</u>		
6.25	<u>\$4,468,000 in fiscal year 2026 and \$4,468,000</u>		
6.26	<u>in fiscal year 2027 are for transfer to the Board</u>		
6.27	<u>of Trustees of the Minnesota State Colleges</u>		
6.28	<u>and Universities.</u>		
6.29	<b><u>Subd. 30. Inclusive Higher Education</u></b>	<u>250,000</u>	<u>250,000</u>
6.30	<u>To enter into a contract establishing the</u>		
6.31	<u>Inclusive Higher Education Technical</u>		

7.1	<u>Assistance Center under Minnesota Statutes,</u>		
7.2	<u>section 135A.161.</u>		
7.3	<b><u>Subd. 31. <u>Addiction Medicine Graduate Medical</u></u></b>		
7.4	<b><u>Education Fellowship</u></b>	<u>270,000</u>	<u>270,000</u>
7.5	<u>(a) For a grant to Hennepin County Medical</u>		
7.6	<u>Center to support up to six physicians enrolled</u>		
7.7	<u>in an addiction medicine fellowship program.</u>		
7.8	<u>If the appropriation for either year is</u>		
7.9	<u>insufficient, the appropriation for the other</u>		
7.10	<u>year is available for it.</u>		
7.11	<u>(b) Each year, in order to receive funds under</u>		
7.12	<u>this subdivision, Hennepin County Medical</u>		
7.13	<u>Center must certify to the commissioner the</u>		
7.14	<u>number of physicians actually enrolled in an</u>		
7.15	<u>addiction medicine fellowship for that year.</u>		
7.16	<u>The commissioner shall transfer to Hennepin</u>		
7.17	<u>County Medical Center \$90,000 for each</u>		
7.18	<u>physician enrolled in an addiction medicine</u>		
7.19	<u>fellowship subject to the total funds</u>		
7.20	<u>appropriated by this subdivision.</u>		
7.21	<u>(c) This appropriation shall be used to prepare</u>		
7.22	<u>fellows to practice addiction medicine in rural</u>		
7.23	<u>and underserved areas of the state, and to train</u>		
7.24	<u>fellows in: diagnostic interviewing;</u>		
7.25	<u>motivational interviewing; addiction</u>		
7.26	<u>counseling; recognition and care of common</u>		
7.27	<u>acute withdrawal syndromes and</u>		
7.28	<u>complications; pharmacotherapies of addictive</u>		
7.29	<u>disorders; epidemiology and pathophysiology</u>		
7.30	<u>of addiction; identification and treatment of</u>		
7.31	<u>addictive disorders in special populations;</u>		
7.32	<u>secondary interventions; the use of screening</u>		
7.33	<u>and diagnostic instruments; inpatient care; and</u>		
7.34	<u>working within a multidisciplinary team.</u>		
7.35	<b><u>Subd. 32. <u>Unemployment Insurance Aid</u></u></b>	<u>158,000</u>	<u>158,000</u>

8.1 For unemployment insurance aid to Tribal  
8.2 colleges under Minnesota Statutes, section  
8.3 268.193. Of the amount appropriated, \$24,000  
8.4 each year is for administration of the  
8.5 unemployment insurance aid.

8.6 Subd. 33. **North Star Promise; Administrative**  
8.7 **Costs**

202,000

202,000

8.8 For administrative and promotion expenses to  
8.9 implement and direct the scholarship awards  
8.10 under Minnesota Statutes, section 136A.1465.

8.11 Subd. 34. **Agency Administration**

6,194,000

6,360,000

8.12 Subd. 35. **Balances Forward**

8.13 A balance in the first year under this section  
8.14 does not cancel, but is available for the second  
8.15 year.

8.16 Subd. 36. **Transfer Authority**

8.17 The commissioner of the Office of Higher  
8.18 Education may transfer unencumbered  
8.19 balances from the appropriations in this  
8.20 section to the state grant appropriation, the  
8.21 interstate tuition reciprocity appropriation, the  
8.22 child care grant appropriation, the Indian  
8.23 scholarship appropriation, the state work-study  
8.24 appropriation, the get ready appropriation, the  
8.25 intervention for college attendance  
8.26 appropriation, the student-parent information  
8.27 appropriation, the public safety officers'  
8.28 survivors appropriation, and the fostering  
8.29 independence higher education grant program.

8.30 The commissioner may transfer unencumbered  
8.31 balances from the Hunger-Free Campus  
8.32 appropriations to the emergency assistance for  
8.33 postsecondary students grant. To the extent  
8.34 there is a projected surplus in the appropriation



9.1 for either the student teachers in shortage areas  
9.2 grant program or the underrepresented student  
9.3 teacher grant program, the commissioner may  
9.4 transfer unencumbered balances between the  
9.5 two programs as needed to meet demand.

9.6 Transfers from the child care, state  
9.7 work-study, or Hunger-Free Campus  
9.8 appropriations may only be made to the extent  
9.9 there is a projected surplus in the  
9.10 appropriation. A transfer may be made only  
9.11 with prior written notice to the chairs and  
9.12 ranking minority members of the senate and  
9.13 house of representatives committees with  
9.14 jurisdiction over higher education finance.

9.15 **Sec. 3. BOARD OF TRUSTEES OF THE**  
9.16 **MINNESOTA STATE COLLEGES AND**  
9.17 **UNIVERSITIES**

9.18	Subdivision 1. <b>Total Appropriation</b>	\$	<b>877,939,000</b>	\$	<b>877,950,000</b>
------	---	----	--------------------	----	--------------------

9.19 The amounts that may be spent for each  
9.20 purpose are specified in the following  
9.21 subdivisions.

9.22 **Subd. 2. Central Office and Shared Services**  
9.23 **Unit**

36,401,000

36,401,000

9.24 For the Office of the Chancellor and the  
9.25 Shared Services Division.

9.26 Subd. 3. **Operations and Maintenance**

836,923,000

836,934,000

9.27 (a) This appropriation includes \$37,500,000  
9.28 in fiscal year 2026 and \$37,500,000 in fiscal  
9.29 year 2027 for student tuition relief.

9.30 (b) \$5,700,000 in fiscal year 2026 and  
9.31 \$5,700,000 in fiscal year 2027 are to provide  
9.32 supplemental aid for operations and  
9.33 maintenance to the president of each two-year  
9.34 institution in the system with at least one  
9.35 campus that is not located in a metropolitan

10.1 county, as defined in Minnesota Statutes,  
10.2 section 473.121, subdivision 4. The board  
10.3 shall transfer at least \$158,000 for each  
10.4 campus not located in a metropolitan county  
10.5 in each year to the president of each institution  
10.6 that includes such a campus.

10.7 (c) The Board of Trustees is requested to help  
10.8 Minnesota close the attainment gap by funding  
10.9 activities which improve retention and  
10.10 completion for students of color.

10.11 (d) \$4,500,000 in fiscal year 2026 and  
10.12 \$4,500,000 in fiscal year 2027 are for  
10.13 workforce development scholarships under  
10.14 Minnesota Statutes, section 136F.38.

10.15 (e) \$300,000 in fiscal year 2026 and \$300,000  
10.16 in fiscal year 2027 are for transfer to the Cook  
10.17 County Higher Education Board to provide  
10.18 educational programming, workforce  
10.19 development, and academic support services  
10.20 to remote regions in northeastern Minnesota.  
10.21 The Cook County Higher Education Board  
10.22 shall continue to provide information to the  
10.23 Board of Trustees on the number of students  
10.24 served, credit hours delivered, and services  
10.25 provided to students.

10.26 (f) \$40,000 in fiscal year 2026 and \$40,000 in  
10.27 fiscal year 2027 are to implement the sexual  
10.28 assault policies required under Minnesota  
10.29 Statutes, section 135A.15.

10.30 (g) \$9,500,000 in fiscal year 2026 and  
10.31 \$9,500,000 in fiscal year 2027 are for  
10.32 enterprise-wide technology, including  
10.33 upgrading the Integrated Statewide Record

- 11.1 System and maintaining enterprise-wide  
11.2 technology services.
- 11.3 (h) \$50,000 in fiscal year 2026 and \$50,000  
11.4 in fiscal year 2027 are to reduce students'  
11.5 out-of-pocket costs by expanding free  
11.6 offerings in course materials and resources,  
11.7 including through open educational resources,  
11.8 open textbooks, and implementation of  
11.9 Z-Degrees under Minnesota Statutes, section  
11.10 136F.305.
- 11.11 (i) \$3,158,000 in fiscal year 2026 and  
11.12 \$3,158,000 in fiscal year 2027 are to expand  
11.13 student support services. This appropriation  
11.14 provides funding to campuses to address basic  
11.15 needs insecurity, mental health, and other  
11.16 high-need student support services by  
11.17 increasing the amount of available resources  
11.18 to students. In addition, this funding provides  
11.19 systemwide resources and coordination,  
11.20 including electronic connections for peer  
11.21 support and professional clinical support for  
11.22 mental health. These systemwide resources  
11.23 must be available online 24 hours a day, seven  
11.24 days a week.
- 11.25 (j) \$883,000 in fiscal year 2026 and \$894,000  
11.26 in fiscal year 2027 are for costs associated  
11.27 with the increased employer contribution rates  
11.28 for the higher education individual retirement  
11.29 account plan under Minnesota Statutes, section  
11.30 354B.23, subdivision 3.
- 11.31 (k) \$282,000 the first year and \$282,000 the  
11.32 second year are to pay the cost of supplies and  
11.33 equipment necessary to provide access to  
11.34 menstrual products under Minnesota Statutes,  
11.35 section 135A.1365.

12.1	<u>(l) \$809,000 in fiscal year 2026 and \$809,000</u>		
12.2	<u>in fiscal year 2027 are for unemployment</u>		
12.3	<u>insurance aid under Minnesota Statutes,</u>		
12.4	<u>section 268.193, to institutions within the</u>		
12.5	<u>system.</u>		
12.6	<u>(m) \$2,250,000 in fiscal year 2026 and</u>		
12.7	<u>\$2,250,000 in fiscal year 2027 are for direct</u>		
12.8	<u>emergency grants to students. The funds must</u>		
12.9	<u>be used for emergency grants to students to</u>		
12.10	<u>meet immediate student needs that could result</u>		
12.11	<u>in a student not completing the term or their</u>		
12.12	<u>program including, but not limited to,</u>		
12.13	<u>emergency housing, food, and transportation.</u>		
12.14	<u>Institutions shall minimize any negative</u>		
12.15	<u>impact on student financial aid resulting from</u>		
12.16	<u>the receipt of emergency funds.</u>		
12.17	<b><u>Subd. 4. Learning Network of Minnesota</u></b>	<u>4,115,000</u>	<u>4,115,000</u>
12.18	<b><u>Subd. 5. Juvenile Detention Alternatives</u></b>		
12.19	<b><u>Initiative</u></b>	<u>500,000</u>	<u>500,000</u>
12.20	<u>For transfer to Metropolitan State University.</u>		
12.21	<u>Of this amount: \$280,000 each year is to</u>		
12.22	<u>provide juvenile justice services and resources,</u>		
12.23	<u>including the Juvenile Detention Alternatives</u>		
12.24	<u>Initiative, to Minnesota counties and federally</u>		
12.25	<u>recognized Tribes; and \$220,000 each year is</u>		
12.26	<u>for funding to local units of government,</u>		
12.27	<u>federally recognized Tribes, and agencies to</u>		
12.28	<u>support local Juvenile Detention Alternative</u>		
12.29	<u>Initiatives, including but not limited to</u>		
12.30	<u>alternatives to detention. Any unencumbered</u>		
12.31	<u>balance remaining in the first year does not</u>		
12.32	<u>cancel and is available in the second year.</u>		
12.33	<b><u>Sec. 4. BOARD OF REGENTS OF THE</u></b>		
12.34	<b><u>UNIVERSITY OF MINNESOTA</u></b>		
12.35	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 756,660,000</u></b>	<b><u>\$ 741,398,000</u></b>

13.1	<u>Appropriations by Fund</u>		
13.2		<u>2026</u>	<u>2027</u>
13.3	<u>General</u>	<u>754,503,000</u>	<u>739,241,000</u>
13.4	<u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>
13.5	<u>The amounts that may be spent for each</u>		
13.6	<u>purpose are specified in the following</u>		
13.7	<u>subdivisions.</u>		
13.8	<u>Subd. 2. <b>Operations and Maintenance</b></u>	<u>693,056,000</u>	<u>677,794,000</u>
13.9	<u>(a) \$15,000,000 in fiscal year 2026 and</u>		
13.10	<u>\$15,000,000 in fiscal year 2027 are to: (1)</u>		
13.11	<u>increase the medical school's research</u>		
13.12	<u>capacity; (2) improve the medical school's</u>		
13.13	<u>ranking in National Institutes of Health</u>		
13.14	<u>funding; (3) ensure the medical school's</u>		
13.15	<u>national prominence by attracting and</u>		
13.16	<u>retaining world-class faculty, staff, and</u>		
13.17	<u>students; (4) invest in physician training</u>		
13.18	<u>programs in rural and underserved</u>		
13.19	<u>communities; and (5) translate the medical</u>		
13.20	<u>school's research discoveries into new</u>		
13.21	<u>treatments and cures to improve the health of</u>		
13.22	<u>Minnesotans.</u>		
13.23	<u>(b) \$7,800,000 in fiscal year 2026 and</u>		
13.24	<u>\$7,800,000 in fiscal year 2027 are for health</u>		
13.25	<u>training restoration. This appropriation must</u>		
13.26	<u>be used to support all of the following: (1)</u>		
13.27	<u>faculty physicians who teach at eight residency</u>		
13.28	<u>program sites, including medical resident and</u>		
13.29	<u>student training programs in the Department</u>		
13.30	<u>of Family Medicine; (2) the Mobile Dental</u>		
13.31	<u>Clinic; and (3) expansion of geriatric</u>		
13.32	<u>education and family programs.</u>		
13.33	<u>(c) \$4,000,000 in fiscal year 2026 and</u>		
13.34	<u>\$4,000,000 in fiscal year 2027 are for the</u>		
13.35	<u>Minnesota Discovery, Research, and</u>		

- 14.1 InnoVation Economy funding program for  
14.2 cancer care research.
- 14.3 (d) \$500,000 in fiscal year 2026 and \$500,000  
14.4 in fiscal year 2027 are for the University of  
14.5 Minnesota, Morris branch, to cover the costs  
14.6 of tuition waivers under Minnesota Statutes,  
14.7 section 137.16.
- 14.8 (e) \$1,000,000 in fiscal year 2026 and  
14.9 \$1,000,000 in fiscal year 2027 are for  
14.10 systemwide safety and security measures on  
14.11 University of Minnesota campuses.
- 14.12 (f) \$366,000 in fiscal year 2026 and \$366,000  
14.13 in fiscal year 2027 are for unemployment  
14.14 insurance aid under Minnesota Statutes,  
14.15 section 268.193.
- 14.16 (g) \$110,000 the first year and \$110,000 the  
14.17 second year are to pay the cost of supplies and  
14.18 equipment necessary to provide access to  
14.19 menstrual products under Minnesota Statutes,  
14.20 section 135A.1365.
- 14.21 (h) \$1,500,000 in fiscal year 2026 and  
14.22 \$1,500,000 in fiscal year 2027 are for  
14.23 programs at the University of Minnesota  
14.24 Medical School Campus on the CentraCare  
14.25 Health System Campus in St. Cloud. These  
14.26 funds may be used for tuition support, a  
14.27 residency program, a rural health research  
14.28 program, a program to target scholarships to  
14.29 students from diverse backgrounds, and a  
14.30 scholarship program targeted at students who  
14.31 will practice in rural areas. These funds must  
14.32 be spent on the CentraCare Health System  
14.33 Campus in the greater St. Cloud area.

15.1 (i) \$750,000 in fiscal year 2026 and \$750,000  
 15.2 in fiscal year 2027 are for direct emergency  
 15.3 grants to students. The funds must be used for  
 15.4 emergency grants to students to meet  
 15.5 immediate student needs that could result in  
 15.6 a student not completing the term or their  
 15.7 program including, but not limited to,  
 15.8 emergency housing, food, and transportation.  
 15.9 Institutions shall minimize any negative  
 15.10 impact on student financial aid resulting from  
 15.11 the receipt of emergency funds.

15.12 (j) \$15,262,000 in fiscal year 2026 is for a  
 15.13 collaborative partnership with the Mayo Clinic  
 15.14 to engage in ongoing research into  
 15.15 amyotrophic lateral sclerosis (ALS), with the  
 15.16 goal of bettering the lives of individuals with  
 15.17 ALS and finding a cure for the disease. This  
 15.18 is a onetime appropriation. Notwithstanding  
 15.19 Minnesota Statutes, section 16A.28,  
 15.20 unencumbered balances under this paragraph  
 15.21 do not cancel until June 30, 2029. Beginning  
 15.22 January 15, 2026, and annually thereafter until  
 15.23 January 15, 2030, or until the funds are fully  
 15.24 expended, whichever occurs first, the Board  
 15.25 of Regents must submit a report to the  
 15.26 legislature specifying how the collaborative  
 15.27 partnership has used funds under this  
 15.28 paragraph.

15.29	<u>Subd. 3. <b>Primary Care Education Initiatives</b></u>	<u>2,157,000</u>	<u>2,157,000</u>
15.30	<u>This appropriation is from the health care</u>		
15.31	<u>access fund.</u>		
15.32	<u>Subd. 4. <b>Special Appropriations</b></u>		
15.33	<u>(a) <b>Agriculture and Extension Service</b></u>	<u>42,922,000</u>	<u>42,922,000</u>

16.1 For the Agricultural Experiment Station and  
16.2 the Minnesota Extension Service:

16.3 (1) the agricultural experiment stations and  
16.4 Minnesota Extension Service must convene  
16.5 agricultural advisory groups to focus research,  
16.6 education, and extension activities on producer  
16.7 needs and implement an outreach strategy that  
16.8 more effectively and rapidly transfers research  
16.9 results and best practices to producers  
16.10 throughout the state;

16.11 (2) this appropriation includes funding for  
16.12 research and outreach on the production of  
16.13 renewable energy from Minnesota biomass  
16.14 resources, including agronomic crops, plant  
16.15 and animal wastes, and native plants or trees.  
16.16 The following areas should be prioritized and  
16.17 carried out in consultation with Minnesota  
16.18 producers, renewable energy, and bioenergy  
16.19 organizations:

16.20 (i) biofuel and other energy production from  
16.21 perennial crops, small grains, row crops, and  
16.22 forestry products in conjunction with the  
16.23 Natural Resources Research Institute (NRRI);

16.24 (ii) alternative bioenergy crops and cropping  
16.25 systems; and

16.26 (iii) biofuel coproducts used for livestock feed;

16.27 (3) this appropriation includes funding for the  
16.28 College of Food, Agricultural, and Natural  
16.29 Resources Sciences to establish and provide  
16.30 leadership for organic agronomic,  
16.31 horticultural, livestock, and food systems  
16.32 research, education, and outreach and for the  
16.33 purchase of state-of-the-art laboratory,



- 17.1 planting, tilling, harvesting, and processing
- 17.2 equipment necessary for this project;
- 17.3 (4) this appropriation includes funding for
- 17.4 research efforts that demonstrate a renewed
- 17.5 emphasis on the needs of the state's agriculture
- 17.6 community. The following areas should be
- 17.7 prioritized and carried out in consultation with
- 17.8 Minnesota farm organizations:
- 17.9 (i) vegetable crop research with priority for
- 17.10 extending the Minnesota vegetable growing
- 17.11 season;
- 17.12 (ii) fertilizer and soil fertility research and
- 17.13 development;
- 17.14 (iii) soil, groundwater, and surface water
- 17.15 conservation practices and contaminant
- 17.16 reduction research;
- 17.17 (iv) discovering and developing plant varieties
- 17.18 that use nutrients more efficiently;
- 17.19 (v) breeding and development of turf seed and
- 17.20 other biomass resources in all three Minnesota
- 17.21 biomes;
- 17.22 (vi) development of new disease-resistant and
- 17.23 pest-resistant varieties of turf and agronomic
- 17.24 crops;
- 17.25 (vii) utilizing plant and livestock cells to treat
- 17.26 and cure human diseases;
- 17.27 (viii) the development of dairy coproducts;
- 17.28 (ix) a rapid agricultural response fund for
- 17.29 current or emerging animal, plant, and insect
- 17.30 problems affecting production or food safety;
- 17.31 (x) crop pest and animal disease research;

18.1 (xi) developing animal agriculture that is  
18.2 capable of sustainably feeding the world;  
18.3 (xii) consumer food safety education and  
18.4 outreach;  
18.5 (xiii) programs to meet the research and  
18.6 outreach needs of organic livestock and crop  
18.7 farmers; and  
18.8 (xiv) alternative bioenergy crops and cropping  
18.9 systems; and growing, harvesting, and  
18.10 transporting biomass plant material; and  
18.11 (5) by February 1, 2027, the Board of Regents  
18.12 must submit a report to the legislative  
18.13 committees and divisions with jurisdiction  
18.14 over agriculture and higher education finance  
18.15 on the status and outcomes of research and  
18.16 initiatives funded in this paragraph.

18.17	<u><b>(b) Health Sciences</b></u>	<u>9,204,000</u>	<u>9,204,000</u>
18.18	<u>\$346,000 each year is to support up to 12</u>		
18.19	<u>resident physicians in the St. Cloud Hospital</u>		
18.20	<u>family practice residency program. The</u>		
18.21	<u>program must prepare doctors to practice</u>		
18.22	<u>primary care medicine in rural areas of the</u>		
18.23	<u>state. The legislature intends this program to</u>		
18.24	<u>improve health care in rural communities,</u>		
18.25	<u>provide affordable access to appropriate</u>		
18.26	<u>medical care, and manage the treatment of</u>		
18.27	<u>patients in a more cost-effective manner. The</u>		
18.28	<u>remainder of this appropriation is for the rural</u>		
18.29	<u>physicians associates program; the Veterinary</u>		
18.30	<u>Diagnostic Laboratory; health sciences</u>		
18.31	<u>research; dental care; the Biomedical</u>		
18.32	<u>Engineering Center; and the collaborative</u>		
18.33	<u>partnership between the University of</u>		
18.34	<u>Minnesota and Mayo Clinic for regenerative</u>		

19.1 medicine, research, clinical translation, and  
 19.2 commercialization.

19.3 **(c) College of Science and Engineering** 1,140,000 1,140,000

19.4 For the geological survey and the talented  
 19.5 youth mathematics program.

19.6 **(d) System Special** 7,181,000 7,181,000

19.7 (1) For general research, the Labor Education  
 19.8 Service, Natural Resources Research Institute,  
 19.9 Center for Urban and Regional Affairs, Bell  
 19.10 Museum of Natural History, and the  
 19.11 Humphrey exhibit.

19.12 (2) \$2,000,000 in fiscal year 2026 and  
 19.13 \$2,000,000 in fiscal year 2027 are for the  
 19.14 Natural Resources Research Institute to invest  
 19.15 in applied research in natural resource  
 19.16 stewardship and economic development to  
 19.17 attract and retain top talent; provide matching  
 19.18 funds for federal grants; upgrade facilities,  
 19.19 equipment, and training; and expand  
 19.20 entrepreneurial support and outreach efforts.

19.21 **Subd. 5. Academic Health Center**

19.22 The appropriation for Academic Health Center  
 19.23 funding under Minnesota Statutes, section  
 19.24 297F.10, is estimated to be \$22,250,000 each  
 19.25 year.

19.26 **Sec. 5. TRANSFERS.**

19.27 (a) \$500,000 in fiscal year 2026 and \$500,000 in fiscal year 2027 are transferred from  
 19.28 the general fund to the spinal cord and traumatic brain injury grant account in the special  
 19.29 revenue fund under Minnesota Statutes, section 136A.901, subdivision 1. The commissioner  
 19.30 may use up to three percent of the amounts transferred under this paragraph to administer  
 19.31 the program. For fiscal years 2028 through 2031, the commissioner of management and  
 19.32 budget must include a transfer of \$500,000 each year from the general fund to the spinal  
 19.33 cord and traumatic brain injury grant account in the special revenue fund under Minnesota

20.1 Statutes, section 136A.901, subdivision 1, when preparing each forecast from the effective  
20.2 date of this section through the February 2027 forecast, under Minnesota Statutes, section  
20.3 16A.103.

20.4 (b) \$3,882,000 in fiscal year 2026 and \$3,882,000 in fiscal year 2027 are transferred  
20.5 from the general fund to the dual training account in the special revenue fund under  
20.6 Minnesota Statutes, section 136A.246, subdivision 10. Of the amounts transferred under  
20.7 this paragraph:

20.8 (1) \$132,000 each year is for transfer to the Department of Labor and Industry to support  
20.9 identification of competency standards and development of dual training programs in the  
20.10 transportation and child care industries as required under Minnesota Statutes, section 175.45;  
20.11 and

20.12 (2) \$750,000 each year is for grants to employers in the legal cannabis industry. The  
20.13 commissioner may use up to six percent of the amounts transferred under this clause to  
20.14 administer the program. The commissioner must give priority to applications from employers  
20.15 who are, or who are training employees who are, eligible as social equity applicants under  
20.16 Minnesota Statutes, section 342.17. After June 30, 2027, any unencumbered balance from  
20.17 this transfer may be used for grants to any eligible employer under Minnesota Statutes,  
20.18 section 136A.246.

20.19 This transfer is \$3,882,000 in fiscal year 2028 and each year thereafter. For fiscal years  
20.20 2028 through 2031, the commissioner of management and budget must include a transfer  
20.21 of \$3,882,000 each year from the general fund to the dual training account in the special  
20.22 revenue fund under Minnesota Statutes, section 136A.246, subdivision 10, when preparing  
20.23 each forecast from the effective date of this section through the February 2027 forecast,  
20.24 under Minnesota Statutes, section 16A.103.

20.25 (c) \$325,000 in fiscal year 2026 and \$325,000 in fiscal year 2027 are transferred from  
20.26 the general fund to the large animal veterinarian loan forgiveness program account in the  
20.27 special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2. For fiscal  
20.28 years 2028 through 2031, the commissioner of management and budget must include a  
20.29 transfer of \$325,000 each year from the general fund to the large animal veterinarian loan  
20.30 forgiveness program account in the special revenue fund under Minnesota Statutes, section  
20.31 136A.1795, subdivision 2, when preparing each forecast from the effective date of this  
20.32 section through the February 2027 forecast, under Minnesota Statutes, section 16A.103.

20.33 (d) \$45,000 in fiscal year 2026 and \$45,000 in fiscal year 2027 are transferred from the  
20.34 general fund to the agricultural education loan forgiveness account in the special revenue

21.1 fund under Minnesota Statutes, section 136A.1794, subdivision 2. For fiscal years 2028  
21.2 through 2031, the commissioner of management and budget must include a transfer of  
21.3 \$45,000 each year from the general fund to the agricultural education loan forgiveness  
21.4 account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision  
21.5 2, when preparing each forecast from the effective date of this section through the February  
21.6 2027 forecast, under Minnesota Statutes, section 16A.103.

21.7 (e) \$750,000 in fiscal year 2026 and \$750,000 in fiscal year 2027 are transferred from  
21.8 the general fund to the inclusive higher education grant account in the special revenue fund  
21.9 under Minnesota Statutes, section 135A.162, subdivision 4. The commissioner may use up  
21.10 to five percent of the amounts transferred under this paragraph to administer the program.  
21.11 For fiscal years 2028 through 2031, the commissioner of management and budget must  
21.12 include a transfer of \$750,000 each year from the general fund to the inclusive higher  
21.13 education grant account in the special revenue fund under Minnesota Statutes, section  
21.14 135A.162, subdivision 4, when preparing each forecast from the effective date of this section  
21.15 through the February 2027 forecast, under Minnesota Statutes, section 16A.103.

21.16 (f) \$49,500,000 in fiscal year 2026 and \$49,500,000 in fiscal year 2027 are transferred  
21.17 from the general fund to the account in the special revenue fund for North Star Promise  
21.18 scholarships under Minnesota Statutes, section 136A.1465, subdivision 8. For fiscal years  
21.19 2028 through 2031, the commissioner of management and budget must include a transfer  
21.20 of \$49,500,000 each year from the general fund to the account in the special revenue fund  
21.21 for North Star Promise scholarships under Minnesota Statutes, section 136A.1465,  
21.22 subdivision 8, when preparing each forecast from the effective date of this section through  
21.23 the February 2027 forecast, under Minnesota Statutes, section 16A.103.

21.24 **Sec. 6. CANCELLATION; ALS RESEARCH.**

21.25 Of the amount appropriated from the general fund to the commissioner of the Office of  
21.26 Higher Education pursuant to Laws 2022, chapter 42, section 2, paragraph (b), as amended  
21.27 by Laws 2024, chapter 124, article 1, section 1, and Laws 2024, chapter 127, article 34,  
21.28 section 1, \$15,262,263 is canceled.

21.29 **Sec. 7. REPEALER.**

21.30 (a) Laws 2022, chapter 42, section 2, as amended by Laws 2024, chapter 124, article 1,  
21.31 section 1, Laws 2024, chapter 127, article 34, section 1, is repealed.

21.32 (b) Minnesota Statutes 2024, sections 136A.091; 136A.1788; 136A.1789; 136A.1791,  
21.33 subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, and 10; and 136A.91, are repealed.

22.1 (c) Minnesota Statutes 2024, section 136A.1251, subdivisions 1, 2, 3, and 4, are repealed.

22.2 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective July 1, 2025. Funds for  
22.3 programs under Minnesota Statutes 2024, sections 136A.1789 and 136A.1791, may remain  
22.4 in their respective special revenue fund accounts to facilitate a close out of the programs.  
22.5 Paragraph (c) is effective July 1, 2027.

22.6 **ARTICLE 2**  
22.7 **HIGHER EDUCATION PROVISIONS**

22.8 Section 1. Minnesota Statutes 2024, section 135A.052, subdivision 1, is amended to read:

22.9 Subdivision 1. **Statement of missions.** (a) The legislature recognizes each type of public  
22.10 postsecondary institution to have a distinctive mission within the overall provision of public  
22.11 higher education in the state and a responsibility to cooperate with each other. These missions  
22.12 are as follows:

22.13 (1) the technical colleges shall offer vocational training and education to prepare students  
22.14 for skilled occupations that do not require a baccalaureate degree;

22.15 (2) the community colleges shall offer lower division instruction in academic programs,  
22.16 occupational programs in which all credits earned will be accepted for transfer to a  
22.17 baccalaureate degree in the same field of study, and remedial studies, for students transferring  
22.18 to baccalaureate institutions and for those seeking associate degrees;

22.19 (3) consolidated community technical colleges shall offer the same types of instruction,  
22.20 programs, certificates, diplomas, and degrees as the technical colleges and community  
22.21 colleges offer;

22.22 (4) the state universities shall offer undergraduate and graduate instruction through the  
22.23 master's degree, including specialist certificates, in the liberal arts and sciences and  
22.24 professional education, and may offer applied doctoral degrees in education, business,  
22.25 psychology, physical therapy, audiology, cybersecurity, and nursing; and

22.26 (5) the University of Minnesota shall offer undergraduate, graduate, and professional  
22.27 instruction through the doctoral degree, and shall be the primary state supported academic  
22.28 agency for research and extension services.

22.29 (b) It is part of the mission of each system that within the system's resources the system's  
22.30 governing board and chancellor or president shall endeavor to:

22.31 (1) prevent the waste or unnecessary spending of public money;

- 23.1 (2) use innovative fiscal and human resource practices to manage the state's resources  
23.2 and operate the system as efficiently as possible;
- 23.3 (3) coordinate the system's activities wherever appropriate with the activities of the other  
23.4 system and governmental agencies;
- 23.5 (4) use technology where appropriate to increase system productivity, improve customer  
23.6 service, increase public access to information about the system, and increase public  
23.7 participation in the business of the system;
- 23.8 (5) utilize constructive and cooperative labor-management practices to the extent  
23.9 otherwise required by chapters 43A and 179A; and
- 23.10 (6) recommend to the legislature appropriate changes in law necessary to carry out the  
23.11 mission of the system.

23.12 Sec. 2. Minnesota Statutes 2024, section 135A.137, is amended to read:

23.13 **135A.137 HUNGER-FREE CAMPUS DESIGNATION.**

23.14 Subdivision 1. **Establishment.** (a) A Hunger-Free Campus designation is established  
23.15 for public postsecondary institutions ~~and for~~<sub>2</sub> nonprofit degree-granting institutions physically  
23.16 located in Minnesota and registered with the Office of Higher Education under section  
23.17 136A.63, and Tribal colleges. In order to be awarded the designation, an institution must  
23.18 meet the following minimum criteria:

- 23.19 (1) have an established on-campus food pantry or partnership with a local food bank to  
23.20 provide regular, on-campus food distributions;
- 23.21 (2) provide information to students on SNAP, MFIP, and other programs that reduce  
23.22 food insecurity. The institution shall notify students in work-study employment of their  
23.23 potential eligibility for SNAP benefits and provide information to those students that includes  
23.24 eligibility criteria and how to apply for benefits;
- 23.25 (3) hold or participate in one hunger awareness event per academic year;
- 23.26 (4) have an established emergency assistance grant that is available to students; and
- 23.27 (5) establish a hunger task force that meets a minimum of three times per academic year.  
23.28 The task force must include at least two students currently enrolled at the institution.

23.29 (b) Each institution must reapply at least every four years to maintain the designation.

23.30 Subd. 2. **Designation approval.** The commissioner, in collaboration with the student  
23.31 advisory council under section 136A.031, shall create an application process for institutions

applying for ~~grant funds~~ the designation. The commissioner, in collaboration with the student advisory council, shall review applications ~~and make recommendations to the commissioner~~. The student advisory council may provide recommendations to the commissioner, but the commissioner shall have final approval for the designation and the award amount.

Subd. 3. **Competitive grant.** ~~(a) Institutions eligible for a grant under this subdivision include public postsecondary institutions, nonprofit private postsecondary institutions, and Tribal colleges.~~

~~(b)~~ (a) The commissioner shall establish a competitive grant program to distribute grants to ~~eligible institutions~~ public postsecondary institutions, nonprofit postsecondary institutions, and Tribal colleges to meet and maintain the requirements for the Hunger-Free Campus designation under subdivision 1, paragraph (a) this section. Initial grants shall be made to institutions that have not earned the designation and demonstrate a need for funding to meet the Hunger-Free Campus designation requirements. Sustaining grants shall be made to institutions that have earned the designation and demonstrate both a partnership with a local food bank or organization that provides regular, on-campus food distributions and a need for funds to maintain the requirements under subdivision 1, paragraph (a).

~~(e)~~ (b) In awarding competitive grants, the commissioner ~~shall give preference to applications for initial grants and to applications from institutions with the highest number of federal Pell Grant eligible students enrolled. The commissioner shall consider the head count at the institution when awarding grants. The maximum grant award for an initial institution designation is \$25,000. The maximum grant award for sustaining an institution designation is \$15,000.~~ must consider, among other factors:

(1) the number of federal Pell Grant eligible students enrolled in the last academic year at the institution; and

(2) the total number of students enrolled at the institution.

~~(d)~~ (c) The commissioner, in collaboration with ~~student associations representing eligible institutions~~ the Student Advisory Council under section 136A.031, shall create an application process and establish selection criteria for awarding the grants.

~~(e) No more than 20 percent of the total grant awards each fiscal year shall be for grants to nonprofit private postsecondary institutions.~~

Subd. 3a. **Grant amounts.** (a) The maximum grant amount for an initial grant is \$25,000 per fiscal year.

(b) The maximum grant amount for a sustaining grant is \$15,000 per fiscal year.



25.1 (c) Eligible institutions may only receive one initial grant.

25.2 (d) If grant requests exceed the amount of available money, no more than 20 percent of  
 25.3 the total grant awards shall be for grants to nonprofit private postsecondary institutions.

25.4 Subd. 4. ~~Grant requirements~~ Match required. (a) An eligible institution that receives  
 25.5 a grant under subdivision 3 must: match at least 50 percent of the grant amount awarded  
 25.6 with money or in-kind resources.

25.7 ~~(1) use the grant funds to meet or maintain the minimum criteria of a hunger-free campus~~  
 25.8 ~~designation under subdivision 1; and~~

25.9 ~~(2) match at least 50 percent of the grant amount awarded with funds or in-kind resources.~~

25.10 ~~(b) In addition to the requirements of paragraph (a), in order to receive a sustaining grant,~~  
 25.11 ~~an institution must demonstrate a partnership with a local food bank or organization or other~~  
 25.12 ~~source of funding that ensures regular, on-campus distributions.~~

25.13 Sec. 3. Minnesota Statutes 2024, section 135A.15, subdivision 2a, is amended to read:

25.14 Subd. 2a. ~~Campus investigation and disciplinary hearing procedures~~ sexual  
 25.15 misconduct grievance procedures. (a) A postsecondary institution must provide a reporting  
 25.16 party an opportunity for an impartial, timely, and thorough investigation of a report of sexual  
 25.17 misconduct against a student. If an investigation reveals that sexual misconduct has occurred,  
 25.18 the institution must take prompt and effective steps reasonably calculated to end the sexual  
 25.19 misconduct, prevent its recurrence, and, as appropriate, remedy its effects.

25.20 (b) An institution must offer and coordinate academic and residential supportive measures  
 25.21 as needed and equitably to both the reporting and responding parties participating in a  
 25.22 campus sexual misconduct grievance process, including but not limited to exam or assignment  
 25.23 extensions, permitted class absence, a change in on-campus residence, and schedule changes.

25.24 (c) An institution must allow the reporting and responding parties to present and review  
 25.25 relevant evidence. Testimony by the parties and witnesses must be compiled in an  
 25.26 investigative report.

25.27 (d) Throughout any investigation or disciplinary proceeding, a postsecondary an  
 25.28 institution must treat the reporting parties, responding parties, witnesses, and other  
 25.29 participants in the proceeding with dignity and respect.

25.30 ~~(e)~~ (e) If a postsecondary an institution conducts a hearing, an advisor the reporting and  
 25.31 responding party may provide opening and closing remarks, or the party's advisor may

26.1 provide opening or closing remarks on behalf of a the party or assist with formulating  
26.2 questions to the other party or witnesses about ~~related~~ relevant evidence or credibility.

26.3 (f) An institution must allow equal opportunity during the hearing for the reporting and  
26.4 responding party to consult an additional support person other than the advisor, such as an  
26.5 advocate, if requested and deemed appropriate by the Title IX coordinator or designee.

26.6 (g) The reporting and responding party must be given equal opportunity to question the  
26.7 credibility of the other party and witnesses through a live hearing or questioning by a  
26.8 decision-maker, pursuant to paragraph (i).

26.9 (h) If an institution allows for cross-examination of witnesses and parties, the reporting  
26.10 party and the responding party are not permitted to personally cross-examine each other or  
26.11 any witnesses. Any cross-examination must be performed by the party's advisor or an  
26.12 adjudicator of the campus disciplinary proceeding.

26.13 (i) An institution must appoint a decision-maker or panel of decision-makers who are  
26.14 not the investigator to assess the credibility of the reporting party, the responding party, and  
26.15 any other witness through a live hearing or direct questioning.

26.16 (j) If the facts and circumstances rise to a policy violation, an institution must proceed  
26.17 with the campus sexual misconduct grievance process concurrently with a criminal  
26.18 investigation if requested by the reporting party.

26.19 (k) Personal information of the reporting party such as character witness or sexual  
26.20 behavior of the reporting party is allowable if it is deemed relevant by the decision-maker  
26.21 and if it substantiates that the misconduct may have occurred. Mental health and medical  
26.22 information of the reporting party may be considered if: (1) a release is signed by the  
26.23 reporting party; and (2) nonrelevant information is redacted. If a responding party is found  
26.24 responsible, medical and mental health information of the reporting party may be considered  
26.25 to determine sanctions.

26.26 (l) Questions and evidence about the reporting party's sexual predisposition or prior  
26.27 sexual behavior are not considered relevant, unless such questions and evidence: (1) are  
26.28 offered to prove that someone other than the responding party committed the alleged conduct;  
26.29 or (2) concern specific incidents of the reporting party's prior sexual behavior with respect  
26.30 to the responding party and are offered to prove consent.

26.31 (m) The responding and reporting parties may discuss the investigation and disciplinary  
26.32 proceedings with their advisor of choice, parents, or an authorized legal guardian.

27.1 (n) An institution must deliver the outcome of the grievance process simultaneously to  
 27.2 the reporting and responding parties.

27.3 (o) An institution must inform the reporting and responding parties no later than 24  
 27.4 hours before a decision is rendered regarding the timeline of the outcome's release. Alongside  
 27.5 the notice of the outcome, an institution must offer community mental health and, if  
 27.6 applicable, on-campus resources equitably to a reporting and responding party. The outcome  
 27.7 must not be delivered to a reporting or responding party at the end of the day or on a weekend  
 27.8 or holiday to ensure that the reporting and responding parties may access supportive services.

27.9 (p) Institutions must have a policy prohibiting retaliation that specifies what constitutes  
 27.10 retaliation and possible actions for students and employees if retaliation occurs. Retaliation  
 27.11 against the reporting party, responding party, or witness resulting from a person's participation  
 27.12 in a campus sexual misconduct investigation is prohibited.

27.13 **EFFECTIVE DATE.** This section is effective January 1, 2026.

27.14 Sec. 4. Minnesota Statutes 2024, section 135A.1582, is amended to read:

27.15 **135A.1582 PROTECTIONS FOR PREGNANT AND PARENTING STUDENTS.**

27.16 Subdivision 1. ~~Definition~~ **Definitions.** (a) For the purpose of this section, the following  
 27.17 ~~term has~~ terms have the ~~meaning~~ meanings given.

27.18 (b) "Parenting student" means a student enrolled at a public college or university who  
 27.19 is the parent or legal guardian of or can claim as a dependent a child under the age of 18.

27.20 (c) "Pregnancy or related conditions" has the meaning given in Code of Federal  
 27.21 Regulations, title 34, section 106.2.

27.22 (d) "Postsecondary institution" means an institution governed by the Board of Trustees  
 27.23 of the Minnesota State Colleges and Universities or a private postsecondary institution that  
 27.24 offers in-person courses on a campus located in Minnesota and that is an eligible institution  
 27.25 as defined in section 136A.103. Institutions governed by the Board of Regents of the  
 27.26 University of Minnesota are requested to comply with this section.

27.27 Subd. 2. **Rights and protections.** (a) A ~~Minnesota state college or university~~  
 27.28 postsecondary institution may not require and the University of Minnesota is requested not  
 27.29 to require a pregnant or parenting student, solely because of the student's status as a pregnant  
 27.30 or parenting student or due to issues related to the student's pregnancy or parenting, to:

27.31 (1) take a leave of absence or withdraw from the student's degree or certificate program;

27.32 (2) limit the student's studies;

28.1 (3) participate in an alternative program;

28.2 (4) change the student's major, degree, or certificate program; or

28.3 (5) refrain from joining or cease participating in any course, activity, or program at the  
28.4 college or university.

28.5 (b) A ~~Minnesota state college or university~~ postsecondary institution shall provide and  
28.6 the University of Minnesota is requested to provide reasonable modifications to a pregnant  
28.7 student, including modifications that:

28.8 (1) would be provided to a student with a temporary medical condition; or

28.9 (2) are related to the health and safety of the student and the student's unborn child, such  
28.10 as allowing the student to maintain a safe distance from substances, areas, and activities  
28.11 known to be hazardous to pregnant women or unborn children.

28.12 (c) A ~~Minnesota state college or university~~ postsecondary institution must and the  
28.13 University of Minnesota is requested to, for reasons related to a student's pregnancy,  
28.14 childbirth, or any resulting medical status or condition:

28.15 (1) excuse the student's absence;

28.16 (2) allow the student to make up missed assignments or assessments;

28.17 (3) allow the student additional time to complete assignments in the same manner as the  
28.18 institution allows for a student with a temporary medical condition; and

28.19 (4) provide the student with access to instructional materials and video recordings of  
28.20 lectures for classes for which the student has an excused absence under this section to the  
28.21 same extent that instructional materials and video recordings of lectures are made available  
28.22 to any other student with an excused absence.

28.23 (d) A ~~Minnesota state college or university~~ postsecondary institution must and the  
28.24 University of Minnesota is requested to allow a pregnant or parenting student to:

28.25 (1) take a leave of absence; and

28.26 (2) if in good academic standing at the time the student takes a leave of absence, return  
28.27 to the student's degree or certificate program in good academic standing without being  
28.28 required to reapply for admission.

28.29 (e) If a ~~public college or university~~ postsecondary institution provides early registration  
28.30 for courses or programs at the institution for any group of students, the ~~Minnesota state~~  
28.31 ~~college or university~~ institution must provide and the University of Minnesota is requested

29.1 to provide early registration for those courses or programs for pregnant or parenting students  
29.2 in the same manner.

29.3 Subd. 3. **Policy on discrimination.** Each ~~Minnesota state college or university~~  
29.4 postsecondary institution must adopt and the University of Minnesota is requested to adopt  
29.5 a policy for students on pregnancy and parenting discrimination. The policy must:

29.6 (1) include the contact information of the Title IX coordinator who is the designated  
29.7 point of contact for a student requesting each protection or modification under this section.  
29.8 Contact information must include the Title IX coordinator's name, phone number, email,  
29.9 and office;

29.10 (2) be posted in an easily accessible, straightforward format on the college or university's  
29.11 website; and

29.12 (3) be made available annually to faculty, staff, and employees of the college or  
29.13 university.

29.14 Subd. 4. **Administration.** The commissioner of the Office of Higher Education must,  
29.15 in consultation with the Board of Trustees of the Minnesota State Colleges and Universities  
29.16 ~~and~~, the Board of Regents of the University of Minnesota, and other relevant stakeholders,  
29.17 establish guidelines, as necessary, to administer this section. The guidelines must establish  
29.18 minimum periods for which a pregnant or parenting student must be given a leave of absence  
29.19 under subdivision 2, paragraph (d). In establishing the minimum periods, the Office of  
29.20 Higher Education shall consider the maximum amount of time a student may be absent  
29.21 without significantly interfering with the student's ability to complete the student's degree  
29.22 or certificate program.

29.23 Sec. 5. Minnesota Statutes 2024, section 136A.01, is amended by adding a subdivision to  
29.24 read:

29.25 Subd. 4. **Treatment of appropriations.** (a) The office may retain up to ten percent of  
29.26 competitively awarded grants if another amount is not already designated as administrative  
29.27 funding in the appropriation.

29.28 (b) Notwithstanding section 16A.28, beginning in fiscal year 2025, the office may carry  
29.29 forward unexpended and unencumbered nongrant operating appropriations from the second  
29.30 year of a biennium into the next biennium.

Sec. 6. **[136A.054] CONSOLIDATED COMPETITIVE GRANT AND STUDENT  
LOAN REPAYMENT PROGRAM REPORTING.**

(a) The commissioner of the Office of Higher Education shall report annually by February 15, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education, on the details of programs administered under sections 135A.137, 136A.1251, 136A.1794, 136A.1795, 136A.246, 136A.861, and 136A.901 including the following, where applicable:

(1) organizations receiving grant awards;

(2) grant award amounts and utilization rates;

(3) grant program activities, goals, and outcomes;

(4) grant matching sources and funding levels;

(5) number and amount of loan repayment awards disbursed; and

(6) demographic data of loan repayment program participants.

(b) The commissioner must report any additional data and outcomes relevant to the evaluation of programs administered under sections 135A.137, 136A.1251, 136A.1794, 136A.1795, 136A.246, 136A.861, and 136A.901, and as evidenced by activities funded under each program.

Sec. 7. Minnesota Statutes 2024, section 136A.101, subdivision 5a, is amended to read:

Subd. 5a. **Assigned family responsibility.** (a) "Assigned family responsibility" means the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is 79 percent of the parental contribution. ~~If the parental contribution is less than \$0, the assigned family responsibility is 100 percent of the parental contribution.~~ For independent students with dependents other than a spouse, the assigned family responsibility is 71 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is 35 percent of the student contribution.

(b) Notwithstanding paragraph (a), if the parental contribution for dependent students or the student contribution for independent students is less than \$0, the assigned family responsibility is 100 percent of the student contribution \$0.

(c) For a student registering for less than full time, the office shall prorate the assigned family responsibility using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.

31.1 Sec. 8. Minnesota Statutes 2024, section 136A.103, is amended to read:

31.2 **136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.**

31.3 Subdivision 1. Eligibility. (a) A postsecondary institution is eligible for state student  
31.4 aid and to receive state student aid on behalf of students under this chapter ~~136A~~ and sections  
31.5 197.791 and 299A.45, if the institution is located in this state and:

31.6 (1) is operated by this state or the Board of Regents of the University of Minnesota; or

31.7 (2) is operated privately and, ~~as determined by the office,~~ meets the requirements of  
31.8 paragraph (b).

31.9 (b) A private institution must:

31.10 ~~(1) maintain academic standards substantially equivalent to those of comparable~~  
31.11 ~~institutions operated in this state;~~

31.12 ~~(2) (1) be licensed or registered as a postsecondary institution by the office; and~~

31.13 ~~(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of~~  
31.14 ~~the Higher Education Act of 1965, Public Law 89-329, as amended; or~~

31.15 (2) meet one of the following criteria:

31.16 (i) the institution participates in the federal Pell Grant program under Title IV of the  
31.17 Higher Education Act of 1965, Public Law 89-329, as amended;

31.18 (ii) if an the institution:

31.19 (A) was participating in state student aid programs as of June 30, 2010, and the institution  
31.20 did but does not participate in the federal Pell Grant program by June 30, 2010, the institution  
31.21 must require every student who enrolls to sign a disclosure form, provided by the office,  
31.22 stating that the institution is not participating in the federal Pell Grant program. under Title  
31.23 IV of the Higher Education Act of 1965, Public Law 89-329, as amended;

31.24 (B) requires every student who enrolls to sign a disclosure form, provided by the office,  
31.25 stating that the institution is not participating in the federal Pell Grant program; and

31.26 (C) has not had a change in ownership as defined in section 136A.63, subdivision 2; or

31.27 ~~(e) An~~ (iii) the institution that offers only graduate-level degrees or graduate-level  
31.28 nondegree programs is an eligible institution if the institution is licensed or registered as a  
31.29 postsecondary institution by the office and participates in federal financial aid under Title  
31.30 IV of the Higher Education Act of 1965, Public Law 89-329, as amended.

~~(d) (c)~~ An eligible institution under paragraph (b), clause ~~(3)~~, ~~item (ii)~~ (2), that changes ownership as defined in section 136A.63, subdivision 2, ~~must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility~~ remains eligible for state student aid for six months following the change in ownership.

~~(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution. The office may terminate an institution's eligibility to participate in state student aid programs effective the date of the loss of eligibility for the federal Pell Grant program.~~

~~(f) An institution must maintain adequate administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs.~~

~~(g) The office may terminate a postsecondary institution's eligibility to participate in state student aid programs if the institution is~~

Subd. 2. **Ineligibility.** A postsecondary institution otherwise eligible for state student aid under this chapter and sections 197.791 and 299A.45 becomes ineligible if the institution:

(1) fails to maintain adequate compliance with administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs; or

(2) has been terminated from participating in federal financial aid programs by the United States Department of Education for a violation of laws, regulations, or participation agreements governing federal financial aid programs.

Sec. 9. Minnesota Statutes 2024, section 136A.121, subdivision 9, is amended to read:

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has received a state grant award for ~~180~~ 120 credits or the equivalent, excluding (1) courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit, and (2) courses taken that qualify as developmental education or below college-level. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.



33.1 Sec. 10. Minnesota Statutes 2024, section 136A.1465, subdivision 1, is amended to read:

33.2 Subdivision 1. **Definitions.** The following terms have the meanings given:

33.3 (1) "eligible student" means a resident student under section 136A.101, subdivision 8,  
33.4 who is enrolled in any public postsecondary educational institution or Tribal college and  
33.5 who meets the eligibility requirements in subdivision 2;

33.6 (2) "gift aid" includes:

33.7 (i) all federal financial aid that is not a loan or pursuant to a work-study program;

33.8 (ii) state financial aid, unless designated for other expenses, that is not a loan or pursuant  
33.9 to a work-study program;

33.10 (iii) institutional financial aid, including a grant, scholarship, tuition waiver, fellowship  
33.11 stipend, or other payment, unless designated for other expenses, that is not a loan or pursuant  
33.12 to a work-study program; and

33.13 (iv) all private financial aid that is not a loan or pursuant to a work-study program.

33.14 Financial aid from the state, public postsecondary educational institutions, and Tribal colleges  
33.15 that is specifically designated for other expenses is not gift aid for purposes of the North  
33.16 Star Promise scholarship.

33.17 (3) "other expenses" includes books, required supplies, child care, emergency assistance,  
33.18 food, and housing;

33.19 (4) "public postsecondary educational institution" means an institution operated by this  
33.20 state, or the Board of Regents of the University of Minnesota;

33.21 (5) "recognized cost of attendance" has the meaning given in United States Code, title  
33.22 20, chapter 28, subchapter IV, part F, section 1087ll;

33.23 (6) "Tribal college" means a college defined in section 136A.1796, subdivision 1,  
33.24 paragraph ~~(e)~~ (d); and

33.25 (7) "tuition and fees" means the ~~actual~~ eligible resident tuition and mandatory fees  
33.26 charged by an institution.

33.27 Sec. 11. Minnesota Statutes 2024, section 136A.1465, is amended by adding a subdivision  
33.28 to read:

33.29 Subd. 1a. **Resident tuition.** (a) The Board of Regents of the University of Minnesota is  
33.30 requested to adopt a policy to charge resident tuition rates for all students eligible for North  
33.31 Star Promise.

34.1        (b) The Board of Trustees of Minnesota State Colleges and Universities must adopt a  
34.2 policy to charge resident tuition rates for all students eligible for North Star Promise.

34.3        Sec. 12. Minnesota Statutes 2024, section 136A.1465, subdivision 2, is amended to read:

34.4        Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student  
34.5 who:

34.6        (1) has completed the Free Application for Federal Student Aid (FAFSA) or the state  
34.7 aid application;

34.8        (2) has a family adjusted gross income below \$80,000;

34.9        (3) is a graduate of a secondary school or its equivalent, or is 17 years of age or over  
34.10 and has met all requirements for admission as a student to an eligible college or university;

34.11        (4) has not ~~earned a~~ completed the degree requirements for the first baccalaureate degree  
34.12 at the time the scholarship is awarded;

34.13        (5) is enrolled in at least one credit per fall, spring, or summer semester;

34.14        (6) is enrolled in a program or course of study that applies to a degree, diploma, or  
34.15 certificate;

34.16        (7) is not in default, as defined by the office, of any federal or state student educational  
34.17 loan;

34.18        (8) is not more than 30 days in arrears in court-ordered child support that is collected or  
34.19 enforced by the public authority responsible for child support enforcement or, if the applicant  
34.20 is more than 30 days in arrears in court-ordered child support that is collected or enforced  
34.21 by the public authority responsible for child support enforcement, but is complying with a  
34.22 written payment agreement under section 518A.69 or order for arrearages;

34.23        (9) has not been convicted of or pled nolo contendere or guilty to a crime involving  
34.24 fraud in obtaining federal Title IV funds within the meaning of Code of Federal Regulations,  
34.25 subtitle B, chapter VI, part 668, subpart C; and

34.26        (10) is meeting satisfactory academic progress as defined in section 136A.101, subdivision  
34.27 10.

35.1 Sec. 13. Minnesota Statutes 2024, section 136A.155, is amended to read:

35.2 **136A.155 ADDITIONAL INSTITUTION ELIGIBILITY REQUIREMENTS.**

35.3 A postsecondary institution is an eligible institution for purposes of sections 136A.15  
35.4 to 136A.1702, if the institution:

35.5 (1) meets the eligibility requirements under section 136A.103; or

35.6 (2) is operated publicly or privately in another state, and is approved by the United States  
35.7 Secretary of Education, ~~and, as determined by the office, maintains academic standards~~  
35.8 ~~substantially equal to those of comparable institutions operated in this state.~~

35.9 Sec. 14. Minnesota Statutes 2024, section 136A.162, is amended to read:

35.10 **136A.162 CLASSIFICATION OF DATA.**

35.11 (a) Except as provided in paragraphs (b) and (c), data on applicants for financial assistance  
35.12 collected and used by the office for student financial aid programs administered by that  
35.13 office are private data on individuals as defined in section 13.02, subdivision 12.

35.14 (b) Data on applicants may be disclosed to the commissioner of children, youth, and  
35.15 families to the extent necessary to determine eligibility under section 136A.121, subdivision  
35.16 2, clause (5).

35.17 (c) The following data collected in the Minnesota supplemental loan program under  
35.18 sections 136A.1701 and 136A.1704 may be disclosed to a consumer credit reporting agency  
35.19 only if the borrower and the cosigner give informed consent, according to section 13.05,  
35.20 subdivision 4, at the time of application for a loan:

35.21 (1) the lender-assigned borrower identification number;

35.22 (2) the name and address of borrower;

35.23 (3) the name and address of cosigner;

35.24 (4) the date the account is opened;

35.25 (5) the outstanding account balance;

35.26 (6) the dollar amount past due;

35.27 (7) the number of payments past due;

35.28 ~~(8) the number of late payments in previous 12 months;~~

35.29 ~~(9)~~ (8) the type of account;

36.1 ~~(10)~~ (9) the responsibility for the account; and

36.2 ~~(11)~~ (10) the status or remarks code.

36.3 Sec. 15. Minnesota Statutes 2024, section 136A.1701, subdivision 4, is amended to read:

36.4 Subd. 4. **Terms and conditions of loans.** ~~(a)~~ The office may loan money upon such  
36.5 terms and conditions as the office may prescribe. Annually, the office must determine the  
36.6 minimum loan amount, the maximum loan amount based on program type, the maximum  
36.7 cumulative amount for each program type, and the maximum lifetime limit for an individual.  
36.8 The annual amount of the loan must not exceed the cost of attendance as determined by the  
36.9 eligible institution less all other financial aid.

36.10 ~~(b) The minimum loan amount and a maximum loan amount to students must be~~  
36.11 ~~determined annually by the office. Loan limits are defined based on the type of program~~  
36.12 ~~enrollment, such as a certificate, an associate's degree, a bachelor's degree, or a graduate~~  
36.13 ~~program. The aggregate principal amount of all loans made subject to this paragraph to a~~  
36.14 ~~student as an undergraduate and graduate student must not exceed \$140,000. The amount~~  
36.15 ~~of the loan must not exceed the cost of attendance as determined by the eligible institution~~  
36.16 ~~less all other financial aid, including PLUS loans or other similar parent loans borrowed on~~  
36.17 ~~the student's behalf. A student may borrow up to the maximum amount twice in the same~~  
36.18 ~~grade level.~~

36.19 ~~(c) The cumulative borrowing maximums must be determined annually by the office~~  
36.20 ~~and are defined based on program enrollment. In determining the cumulative borrowing~~  
36.21 ~~maximums, the office shall, among other considerations, take into consideration the maximum~~  
36.22 ~~SELF loan amount, student financing needs, funding capacity for the SELF program,~~  
36.23 ~~delinquency and default loss management, and current financial market conditions.~~

36.24 Sec. 16. Minnesota Statutes 2024, section 136A.1796, is amended to read:

36.25 **136A.1796 TRIBAL COLLEGE SUPPLEMENTAL GRANT ASSISTANCE.**

36.26 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the  
36.27 meanings given them.

36.28 (b) "Beneficiary student" means a resident of Minnesota who is enrolled in a certificate,  
36.29 diploma, or degree program in a Tribally controlled college and is an enrolled member of  
36.30 a federally recognized Indian Tribe.

(b) (c) "Nonbeneficiary student" means a resident of Minnesota who is enrolled in a certificate, diploma, or degree program in a Tribally controlled college but is not an enrolled member of a federally recognized Indian Tribe.

(e) (d) "Tribally controlled college" means an accredited institution of higher education located in this state that is formally controlled by or has been formally sanctioned or chartered by the governing body of a federally recognized Indian Tribe, or a combination of federally recognized Indian Tribes. Tribally controlled college does not include any institution or campus subject to the jurisdiction of the Board of Trustees of the Minnesota State Colleges and Universities or the Board of Regents of the University of Minnesota.

Subd. 2. **Eligibility; grant assistance.** (a) A Tribally controlled college is eligible to receive supplemental grant assistance from the office, as provided in this section, for beneficiary and nonbeneficiary student enrollment if the college is not otherwise eligible to receive federal grant funding for those students under United States Code, title 25, section 1808.

(b) The office shall make grants to Tribally controlled colleges to defray the costs of education associated with the enrollment of beneficiary and nonbeneficiary students. Grants made pursuant to this section must be provided directly to the recipient college.

Subd. 3. **Grant application.** To receive a grant under this section, a Tribally controlled college must submit an application in the manner required by the office. Upon submission of a completed application indicating that the Tribally controlled college is eligible, the office shall distribute to the college, during each year of the biennium, a grant of \$5,300 for each beneficiary and nonbeneficiary student on a full-time equivalent basis. If the amount appropriated for grants under this section is insufficient to cover the total amount of grant eligibility, the office shall distribute a prorated amount per beneficiary and nonbeneficiary student on a full-time equivalent basis.

Subd. 4. **Reporting by recipient institutions.** Each Tribally controlled college receiving a grant under this section shall provide to the office, on an annual basis, an accurate and detailed account of the expenditures of the grant funds received by the college, and a copy of the college's most recent audit report and documentation of the enrollment status and ethnic status of each beneficiary and nonbeneficiary student for which grant assistance is sought under this section.

Sec. 17. Minnesota Statutes 2024, section 136A.246, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** (a) The terms defined in this subdivision apply to this section.

38.1 (b) "Competency standard" has the meaning given in section 175.45, subdivision 2.

38.2 (c) "Eligible training" means training provided by an eligible training provider that:

38.3 (1) includes training to meet one or more identified competency standards;

38.4 (2) is instructor-led for a majority of the training; and

38.5 (3) results in the employee receiving an industry-recognized accredited degree, certificate,  
38.6 or credential.

38.7 (d) "Eligible training provider" means an institution:

38.8 (1) operated by the Board of Trustees of the Minnesota State Colleges and Universities  
38.9 or the Board of Regents of the University of Minnesota;

38.10 (2) licensed or registered as a postsecondary institution by the office; or

38.11 (3) exempt from the provisions of section 136A.822 to 136A.834 or 136A.61 to 136A.71  
38.12 as approved by the office.

38.13 (e) "Industry-recognized accredited degrees, certificates, or credentials" means:

38.14 (1) certificates, diplomas, or degrees issued by ~~a~~ an accredited postsecondary institution;

38.15 (2) registered apprenticeship certifications or certificates;

38.16 (3) occupational licenses or registrations;

38.17 (4) certifications issued by, or recognized by, industry or professional associations; and

38.18 (5) other certifications as approved by the commissioner.

38.19 Sec. 18. Minnesota Statutes 2024, section 136A.246, subdivision 3, is amended to read:

38.20 Subd. 3. **Eligible training provider.** The Office of Higher Education and the Department  
38.21 of Labor and Industry must cooperate in maintaining an inventory of accredited degree,  
38.22 certificate, and credential programs that provide training to meet competency standards.  
38.23 The inventory must be posted on each agency's website with contact information for each  
38.24 program. The postings must be updated periodically.

38.25 Sec. 19. Minnesota Statutes 2024, section 136A.246, subdivision 6, is amended to read:

38.26 Subd. 6. **Employer match.** A large employer must pay for at least ~~25~~ 50 percent of the  
38.27 cost of training. For the purpose of this subdivision, a "large employer" means a business  
38.28 with more than \$25,000,000 in annual gross revenue in the previous calendar year.

39.1 Sec. 20. Minnesota Statutes 2024, section 136A.246, subdivision 8, is amended to read:

39.2 Subd. 8. **Grant amounts.** (a) The maximum grant for an application for the cost of  
39.3 training is ~~\$150,000~~ \$300,000. The maximum grant for an application for trainee support  
39.4 is ten percent of the grant amount for the cost of training. The maximum total grant per  
39.5 application is ~~\$165,000~~ \$330,000. A grant may not exceed ~~\$6,000~~ \$12,000 per year for a  
39.6 maximum of ~~\$24,000~~ \$48,000 per employee.

39.7 (b) An employee who is attending an eligible training provider that is an institution under  
39.8 section 136A.103 must apply for Pell and state grants as a condition of payment for training  
39.9 that employee under this section.

39.10 Sec. 21. Minnesota Statutes 2024, section 136A.65, subdivision 4, is amended to read:

39.11 Subd. 4. **Criteria for approval.** (a) A school applying to be registered and to have its  
39.12 degree or degrees and name approved must substantially meet the following criteria:

39.13 (1) the school has an organizational framework with administrative and teaching personnel  
39.14 to provide the educational programs offered;

39.15 (2) the school has financial resources sufficient to meet the school's financial obligations,  
39.16 including refunding tuition and other charges consistent with its stated policy if the institution  
39.17 is dissolved, or if claims for refunds are made, to provide service to the students as promised,  
39.18 and to provide educational programs leading to degrees as offered;

39.19 (3) the school operates in conformity with generally accepted accounting principles  
39.20 according to the type of school;

39.21 (4) the school provides an educational program leading to the degree it offers;

39.22 (5) the school provides appropriate and accessible library, laboratory, and other physical  
39.23 facilities to support the educational program offered;

39.24 (6) the school has a policy on freedom or limitation of expression and inquiry for faculty  
39.25 and students which is published or available on request;

39.26 (7) the school uses only publications and advertisements which are truthful and do not  
39.27 give any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school,  
39.28 its personnel, programs, services, or occupational opportunities for its graduates for promotion  
39.29 and student recruitment;

39.30 (8) the school's compensated recruiting agents who are operating in Minnesota identify  
39.31 themselves as agents of the school when talking to or corresponding with students and  
39.32 prospective students;

40.1 (9) the school provides information to students and prospective students concerning:

40.2 (i) comprehensive and accurate policies relating to student admission, evaluation,  
40.3 suspension, and dismissal;

40.4 (ii) clear and accurate policies relating to granting credit for prior education, training,  
40.5 and experience and for courses offered by the school;

40.6 (iii) current schedules of fees, charges for tuition, required supplies, student activities,  
40.7 housing, and all other standard charges;

40.8 (iv) policies regarding refunds and adjustments for withdrawal or modification of  
40.9 enrollment status; and

40.10 (v) procedures and standards used for selection of recipients and the terms of payment  
40.11 and repayment for any financial aid program;

40.12 (10) the school must not withhold a student's official transcript because the student is  
40.13 in arrears or in default on any loan issued by the school to the student if the loan qualifies  
40.14 as an institutional loan under United States Code, title 11, section 523(a)(8)(b);

40.15 (11) the school has a process to receive and act on student complaints;

40.16 (12) if the school is unaccredited, the school includes a joint and several liability provision  
40.17 for torts and compliance with the requirements of sections 136A.61 to 136A.71 in any  
40.18 contract effective after July 1, 2026, with any individual, entity, or postsecondary school  
40.19 located in another state for the purpose of providing educational or training programs or  
40.20 awarding postsecondary credits or continuing education credits to Minnesota residents that  
40.21 may be applied to a degree program; and

40.22 (13) the school must not use nondisclosure agreements or other contracts restricting a  
40.23 student's ability to disclose information in connection with school actions or conduct that  
40.24 would be covered under section 136A.672.

40.25 (b) An application for degree approval must also include:

40.26 (i) title of degree and formal recognition awarded;

40.27 (ii) location where such degree will be offered;

40.28 (iii) proposed implementation date of the degree;

40.29 (iv) admissions requirements for the degree;

40.30 (v) length of the degree;

40.31 (vi) projected enrollment for a period of five years;



- 41.1 (vii) the curriculum required for the degree, including course syllabi or outlines;
- 41.2 (viii) statement of academic and administrative mechanisms planned for monitoring the
- 41.3 quality of the proposed degree;
- 41.4 (ix) statement of satisfaction of professional licensure criteria, if applicable;
- 41.5 (x) documentation of the availability of clinical, internship, externship, or practicum
- 41.6 sites, if applicable; and
- 41.7 (xi) statement of how the degree fulfills the institution's mission and goals, complements
- 41.8 existing degrees, and contributes to the school's viability.

41.9 Sec. 22. Minnesota Statutes 2024, section 136A.653, subdivision 5, is amended to read:

41.10 Subd. 5. **Higher Learning Commission accredited institutions in Minnesota.** (a) A

41.11 postsecondary institution accredited by the Higher Learning Commission or its successor

41.12 with its primary physical location in Minnesota is exempt from the provisions of sections

41.13 136A.61 to 136A.71, including related fees, when it creates new or modifies existing:

41.14 (1) program degree levels, program degree types, majors, minors, concentrations,

41.15 specializations, and areas of emphasis within approved degrees;

41.16 (2) nondegree programs ~~within approved degrees~~;

41.17 (3) underlying curriculum or courses;

41.18 (4) modes of delivery; ~~and~~

41.19 (5) locations; and

41.20 (6) course or term changes that do not impact the number of instructional hours.

41.21 (b) The institution must annually notify the commissioner of the exempt actions listed

41.22 in paragraph (a) and, upon the commissioner's request, must provide additional information

41.23 about the action.

41.24 (c) The institution must notify the commissioner within 60 days of a program closing.

41.25 (d) Nothing in this subdivision exempts an institution from the annual registration and

41.26 degree approval requirements of sections 136A.61 to 136A.71.

41.27 (e) An institution exempt under this subdivision may advertise, recruit, and enroll students

41.28 while the program is evaluated for an exemption. In the event the program is determined

41.29 not to be exempt, the institution must submit the full review application to the office within

42.1 60 days of notification or cease advertisement, recruitment, and enrollment of students and  
42.2 may be subject to the provisions of sections 136A.65 subdivision 8, 136A.705, and 136A.71.

42.3 Sec. 23. Minnesota Statutes 2024, section 136A.658, is amended to read:

42.4 **136A.658 EXEMPTION; STATE AUTHORIZATION RECIPROCITY**  
42.5 **AGREEMENT SCHOOLS.**

42.6 (a) The office may participate in an interstate reciprocity agreement regarding  
42.7 postsecondary distance education if it determines that participation is in the best interest of  
42.8 Minnesota postsecondary students.

42.9 (b) If the office decides to participate in an interstate reciprocity agreement, an institution  
42.10 that meets the following requirements is exempt from the provisions of sections 136A.61  
42.11 to 136A.71:

42.12 (1) the institution is situated in a state which is also participating in the interstate  
42.13 reciprocity agreement;

42.14 (2) the institution has been approved to participate in the interstate reciprocity agreement  
42.15 by the institution's home state and other entities with oversight of the interstate reciprocity  
42.16 agreement; and

42.17 (3) the institution has elected to participate in and operate in compliance with the terms  
42.18 of the interstate reciprocity agreement.

42.19 (c) If the office participates in an interstate reciprocity agreement and the office is  
42.20 responsible for the administration of that interstate reciprocity agreement, which may include  
42.21 the approval of applications for membership of in-state institutions to participate in the  
42.22 interstate reciprocity agreement, the office shall collect reasonable fees sufficient to recover,  
42.23 but not exceed, its costs to administer the interstate reciprocity agreement. The office  
42.24 processing fees for approving an in-state institution application shall be as follows:

42.25 (1) ~~\$750~~ \$1,500 for institutions with ~~fewer than~~ 2,500 or fewer full-time equivalent  
42.26 enrollment;

42.27 (2) ~~\$3,000~~ \$5,000 for institutions with 2,501 to ~~20,000~~ 12,500 full-time equivalent  
42.28 enrollment; and

42.29 (3) \$7,500 for institutions with greater than ~~20,001~~ 12,500 full-time equivalent enrollment.

42.30 Full-time equivalent enrollment is established using the previous year's full-time equivalent  
42.31 enrollment as established in the United States Department of Education Integrated  
42.32 Postsecondary Education Data System.

43.1 Sec. 24. Minnesota Statutes 2024, section 136A.69, subdivision 1, is amended to read:

43.2 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration fees  
43.3 that are sufficient to recover, but do not exceed, its costs of administering the registration  
43.4 program. The office shall charge the fees listed in paragraphs (b) to (d) for new registrations.

43.5 (b) A new school ~~offering no more than one degree at each level during its first year~~  
43.6 must pay registration fees ~~for each applicable level~~ based on the institution's total full-time  
43.7 equivalent enrollment in the following amounts:

43.8	<del>associate degree</del>	\$2,000
43.9	<del>baccalaureate degree</del>	\$2,500
43.10	<del>master's degree</del>	\$3,000
43.11	<del>doctorate degree</del>	\$3,500

43.12 (1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

43.13 (2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

43.14 (3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

43.15 (4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

43.16 (5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and  
43.17 for institutions with no data on the previous year's full-time equivalent enrollment.

43.18 Full-time equivalent enrollment is established using the previous year's full-time equivalent  
43.19 enrollment as established in the United States Department of Education Integrated  
43.20 Postsecondary Education Data System.

43.21 (c) A new school ~~that will offer more than one degree per level during its first year~~ must  
43.22 pay registration fees in an amount equal to the fee ~~for the first degree at each degree level~~  
43.23 under paragraph (b), plus fees for each ~~additional~~ nondegree program or degree as follows:

43.24	nondegree program	\$250
43.25	<del>additional associate degree</del>	\$250
43.26	<del>additional baccalaureate degree</del>	\$500
43.27	<del>additional master's degree program</del>	\$750
43.28	<del>additional doctorate degree</del>	\$1,000

43.29 (d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for  
43.30 an initial application that: (1) has had four revisions, corrections, amendment requests, or  
43.31 application reminders for the same application or registration requirement; or (2) cumulatively  
43.32 has had six revisions, corrections, amendment requests, or application reminders for the

same license application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

(e) The annual renewal registration fee is ~~\$1,500~~. based on an institution's total full-time equivalent enrollment in the following amounts:

(1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;

(2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

(3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and

(4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and for institutions with no data on the previous year's full-time equivalent enrollment.

Full-time equivalent enrollment is established using the previous year's full-time equivalent enrollment as established in the United States Department of Education Integrated Postsecondary Education Data System.

(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or registration requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the school seeks to continue with the application process with additional application submissions. If this fee is paid, the school may submit two final application submissions for review prior to application denial under section 136A.65, subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 25. Minnesota Statutes 2024, section 136A.82, is amended to read:

**136A.82 POLICY; CITATION.**

Subdivision 1. Policy. The legislature has found and hereby declares that the availability of legitimate vocational programs offered by responsible nonprofit and for-profit private

career schools are in the best interests of the people of this state. The legislature has found and declares that the state can provide assistance and protection for persons choosing vocational programs by establishing policies and procedures to ensure the authenticity and legitimacy of vocational programs offered by nonprofit and for-profit private career schools. The legislature has found and declares that this same policy applies to any nonprofit and for-profit private career schools located in another state or country that offers or makes available to a Minnesota resident any vocational program which does not require leaving the state for its completion.

Subd. 2. **Citation.** Sections 136A.82 to 136A.834 may be cited as the "Private Career School Act."

Sec. 26. Minnesota Statutes 2024, section 136A.821, subdivision 4, is amended to read:

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.

Sec. 27. Minnesota Statutes 2024, section 136A.821, subdivision 5, is amended to read:

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; ~~is not registered as a private institution under sections 136A.61 to 136A.71;~~ and is not specifically exempted by section 136A.833. 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; 136A.657; or 136A.658 due to the nature of the institution's programs;

(4) schools exclusively engaged in training physically or mentally disabled persons;

(5) 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

46.1 by a trade union in which students are not responsible for tuition, fees, or any other charges,  
46.2 regardless of payment or reimbursement method;

46.3 (6) programs contracted by persons or government agencies for the training of their own  
46.4 employees for which no fee is charged to the employee, regardless of whether that fee is  
46.5 reimbursed by the employer or a third party after the employee successfully completes the  
46.6 training, except for institutions or programs required to obtain a limited license exclusively  
46.7 to receive the dual training grant;

46.8 (7) schools with no physical presence in Minnesota engaged exclusively in offering  
46.9 distance programs that are located in and approved by other states or jurisdictions if the  
46.10 distance education program does not include internships, externships, field placements, or  
46.11 clinical placements for residents of Minnesota;

46.12 (8) schools licensed or approved by other state boards or agencies authorized under  
46.13 Minnesota law to issue licenses for institutions or programs, except for institutions or  
46.14 programs required to be licensed exclusively to participate in state financial aid or be listed  
46.15 on the eligible training provider list, access WIOA funding, or receive the dual training  
46.16 grant;

46.17 (9) review classes, courses, or programs intended to prepare students to sit for  
46.18 undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance  
46.19 examinations;

46.20 (10) classes, courses, or programs conducted by a bona fide trade, professional, or  
46.21 fraternal organization, solely for that organization's membership and not available to the  
46.22 public. In making the determination that the organization is bona fide, the office may request  
46.23 the school provide three certified letters from persons that qualify as evaluators under section  
46.24 136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;

46.25 (11) programs in the fine arts provided by organizations exempt from taxation under  
46.26 section 290.05 and registered with the attorney general under chapter 309. For purposes of  
46.27 this clause, "fine arts" means activities resulting in artistic creation or artistic performance  
46.28 of works of the imagination which are engaged in for the primary purpose of creative  
46.29 expression rather than commercial sale, vocational or career advancement, or employment;  
46.30 or

46.31 (12) classes, courses, or programs intended to fulfill the continuing education  
46.32 requirements for a bona fide licensure or certification in a profession that have been approved  
46.33 by a legislatively or judicially established board or agency responsible for regulating the

47.1 practice of the profession or by an industry-specific certification entity and that are offered  
47.2 exclusively to individuals with the professional licensure or certification.

47.3 Sec. 28. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
47.4 to read:

47.5 Subd. 21. **Vocational.** "Vocational" means education or training for skills used in the  
47.6 labor market.

47.7 Sec. 29. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
47.8 to read:

47.9 Subd. 22. **Trade union.** "Trade union" means an organization of workers in a skilled  
47.10 occupation who act together to secure all members favorable wages, hours, or other working  
47.11 conditions.

47.12 Sec. 30. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
47.13 to read:

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

47.16 Sec. 31. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
47.17 to read:

47.18 Subd. 24. **Eligible training provider list.** "Eligible training provider list" means the list  
47.19 of eligible training providers that the state must maintain under Code of Federal Regulations,  
47.20 title 20, section 680.430.

47.21 Sec. 32. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
47.22 to read:

47.23 Subd. 25. **State financial aid.** For the purposes of sections 136A.82 through 136A.834,  
47.24 "state financial aid" includes all financial aid that may be awarded under chapter 136A,  
47.25 with the exception of the dual training grant.

48.1 Sec. 33. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
48.2 to read:

48.3 Subd. 26. **WIOA funding.** "WIOA funding" means any funds available through the  
48.4 Workforce Innovation and Opportunity Act under Code of Federal Regulations, title 20,  
48.5 section 680.

48.6 Sec. 34. Minnesota Statutes 2024, section 136A.821, is amended by adding a subdivision  
48.7 to read:

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

48.10 Sec. 35. Minnesota Statutes 2024, section 136A.822, subdivision 3, is amended to read:

48.11 Subd. 3. **Refunds.** If a contract is ~~deemed~~ determined by the office to be unenforceable  
48.12 under subdivision 2, a private career school must refund tuition, fees, and other charges  
48.13 received from a student or on behalf of a student within 30 days of receiving written  
48.14 notification and demand for refund from the office.

48.15 Sec. 36. Minnesota Statutes 2024, section 136A.822, subdivision 6, is amended to read:

48.16 Subd. 6. **Bond.** (a) No license shall be issued to any private career school with a physical  
48.17 presence within the state of Minnesota for any program, unless the applicant files with the  
48.18 office a continuous corporate surety bond written by a company authorized to do business  
48.19 in Minnesota conditioned upon the faithful performance of all contracts and agreements  
48.20 with students made by the applicant.

48.21 (b)(1) The amount of the surety bond shall be ten percent of the preceding year's net  
48.22 revenue from student tuition, fees, and other required institutional charges collected, but in  
48.23 no event less than \$10,000, except that a private career school may deposit a greater amount  
48.24 at its own discretion. A private career school in each annual application for licensure must  
48.25 compute the amount of the surety bond and verify that the amount of the surety bond complies  
48.26 with this subdivision. A private career school that operates at two or more locations may  
48.27 combine net revenue from student tuition, fees, and other required institutional charges  
48.28 collected for all locations for the purpose of determining the annual surety bond requirement.  
48.29 The net revenue from tuition and fees used to determine the amount of the surety bond  
48.30 required for a private career school having a license for the sole purpose of recruiting students  
48.31 in Minnesota shall be only that paid to the private career school by the students recruited  
48.32 from Minnesota.



~~(2) A person required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board, except not including those schools licensed exclusively in order to participate in state grants or SELF loan financial aid programs, shall be required to provide a school bond of \$10,000.~~

(c) The bond shall run to the state of Minnesota and to any person who may have a cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the applicant with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum deposited by the private career school under paragraph (b). The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In lieu of bond, the applicant may deposit with the commissioner of management and budget a sum equal to the amount of the required surety bond in cash, an irrevocable letter of credit issued by a financial institution equal to the amount of the required surety bond, or securities as may be legally purchased by savings banks or for trust funds in an aggregate market value equal to the amount of the required surety bond.

(e) Failure of a private career school to post and maintain the required surety bond or deposit under paragraph (d) may result in denial, suspension, or revocation of the school's license.

Sec. 37. Minnesota Statutes 2024, section 136A.822, subdivision 8, is amended to read:

Subd. 8. **Minimum standards.** A license shall be issued if the office first determines:

(1) that the applicant has a sound financial condition with sufficient resources available to:

(i) meet the private career school's financial obligations;

(ii) refund all tuition and other charges, within ~~a reasonable period of time~~ 60 days, in the event of dissolution of the private career school or in the event of any justifiable claims for refund against the private career school by the student body;

(iii) provide adequate service to its students and prospective students; and

(iv) maintain and support the private career school;

50.1 (2) that the applicant has satisfactory facilities with sufficient tools and equipment and  
50.2 the necessary number of work stations to prepare adequately the students currently enrolled,  
50.3 and those proposed to be enrolled;

50.4 (3) that the applicant employs a sufficient number of qualified teaching personnel to  
50.5 provide the educational programs contemplated;

50.6 (4) that the private career school has an organizational framework with administrative  
50.7 and instructional personnel to provide the programs and services it intends to offer;

50.8 (5) that the quality and content of each occupational course or program of study provides  
50.9 education and adequate preparation to enrolled students for entry level positions in the  
50.10 occupation for which prepared;

50.11 (6) that the premises and conditions where the students work and study and the student  
50.12 living quarters which are owned, maintained, recommended, or approved by the applicant  
50.13 are sanitary, healthful, and safe, as evidenced by certificate of occupancy issued by the  
50.14 municipality or county where the private career school is physically situated, a fire inspection  
50.15 by the local or state fire marshal, or another verification deemed acceptable by the office;

50.16 (7) that the contract or enrollment agreement used by the private career school complies  
50.17 with the provisions in section 136A.826;

50.18 (8) that contracts and agreements do not contain a wage assignment provision or a  
50.19 confession of judgment clause;

50.20 (9) that there has been no adjudication of fraud or misrepresentation in any criminal,  
50.21 civil, or administrative proceeding in any jurisdiction against the private career school or  
50.22 its owner, officers, agents, or sponsoring organization;

50.23 (10) that the private career school or its owners, officers, agents, or sponsoring  
50.24 organization has not had a license revoked under section 136A.829 or its equivalent in other  
50.25 states or has closed the institution prior to all students, enrolled at the time of the closure,  
50.26 completing their program within two years of the effective date of the revocation; and

50.27 (11) that the school includes a joint and several liability provision for torts and compliance  
50.28 with the requirements of sections 136A.82 to 136A.834 in any contract effective after July  
50.29 1, 2026, with any individual, entity, or postsecondary school located in another state for the  
50.30 purpose of providing educational or training programs or awarding postsecondary credits  
50.31 to Minnesota residents that may be applied to a program.

51.1 Sec. 38. Minnesota Statutes 2024, section 136A.822, subdivision 13, is amended to read:

51.2 Subd. 13. **Private career schools licensed by another state agency or board** Limited  
51.3 license. (a) Unless otherwise exempt under sections 136A.82 to 136A.834:

51.4 (1) a private career school which is licensed by another state agency or board must be  
51.5 required to obtain a private career school limited license due to the use of "academy,"  
51.6 "institute," "college," or "university" in its name or licensed for the purpose of participating  
51.7 participate in state financial aid under chapter 136A, and which is also licensed by another  
51.8 state agency or board; and

51.9 (2) a private career school seeking exclusively to be listed on the eligible training provider  
51.10 list, access WIOA funding, or receive the dual training grant shall be required to obtain a  
51.11 limited license.

51.12 (b) A private career school seeking a limited license under this subdivision shall be  
51.13 required to satisfy only the requirements of subdivisions 4, clauses (1), (2), (3), ~~(5)~~, (7), (8),  
51.14 (9) and (10); 5; ~~6, paragraph (b), clause (2)~~; 8, clauses (1), (4), (7), (8), ~~and (9), and (10)~~;  
51.15 9; 10; 11; and 12. If a school is licensed to participate in state financial aid under this chapter,  
51.16 the school must follow the refund policy in section 136A.827, even if that section conflicts  
51.17 with the refund policy of the licensing agency or board. A distance education private career  
51.18 school located in another state, or a school licensed to recruit Minnesota residents for  
51.19 attendance at a school outside of this state, or a school licensed by another state agency as  
51.20 its primary licensing body, may continue to use the school's name as permitted by its home  
51.21 state or its primary licensing body.

51.22 Sec. 39. Minnesota Statutes 2024, section 136A.824, subdivision 1, is amended to read:

51.23 Subdivision 1. **Initial licensure fee.** (a) The office processing fee for an initial licensure  
51.24 application is:

51.25 (1) ~~\$2,500~~ \$3,730 for a private career school that will offer no more than one program  
51.26 during its first year of operation;

51.27 (2) ~~\$750~~ \$1,500 for a private career school licensed exclusively ~~due to the use of the~~  
51.28 ~~term "college," "university," "academy," or "institute" in its name, or licensed exclusively~~  
51.29 in order to participate in state grant or SELF loan financial aid programs, be listed on the  
51.30 eligible training provider list, access WIOA funding, or receive the dual training grant; and

51.31 (3) ~~\$2,500~~ \$3,730, plus \$500 for each additional program offered by the private career  
51.32 school, for a private career school during its first year of licensed operation.

(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with additional application submissions. If this fee is paid, the private career school may submit two final application submissions for review prior to application denial under section 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive questions or clarifications initiated by the school before the submission of the application, initial interpretation questions or inquiries from the office regarding a completed application, and initial requests from the office for verification or validation of a completed application.

Sec. 40. Minnesota Statutes 2024, section 136A.824, subdivision 2, is amended to read:

Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal licensure application is:

(1) for a private career school ~~that offers one program~~, the license renewal fee is ~~\$1,150~~ \$3,160; and

~~(2) for a private career school that offers more than one program, the license renewal fee is \$1,150, plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;~~

~~(3) for a private career school licensed exclusively due to the use of the term "college," "university," "academy," or "institute" in its name, the license renewal fee is \$750; and~~

~~(4)~~ (2) for a private career school licensed by another state agency and also licensed with the office exclusively in order to participate in state ~~student~~ financial aid programs, be listed on the eligible training provider list, access WIOA funding, or receive the dual training grant, the license renewal fee is ~~\$750~~ \$1,500.

(b) If a license renewal application is not received by the office by ~~the close of business at least 60 days before~~ the expiration of the current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

(c) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal application that: (1) has had four revisions, corrections, amendment requests, or application reminders for the same application or licensure requirement; or (2) cumulatively has had six revisions, corrections, amendment requests, or application reminders for the same license application and the private career school seeks to continue with the application process with

53.1 additional application submissions. If this fee is paid, the private career school may submit  
53.2 two final application submissions for review prior to application denial under section  
53.3 136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive  
53.4 questions or clarifications initiated by the school before the submission of the application,  
53.5 initial interpretation questions or inquiries from the office regarding a completed application,  
53.6 and initial requests from the office for verification or validation of a completed application.

53.7 Sec. 41. Minnesota Statutes 2024, section 136A.824, subdivision 6, is amended to read:

53.8 Subd. 6. **Solicitor permit fee.** The solicitor permit fee is ~~\$350~~ \$500 and must be paid  
53.9 annually.

53.10 Sec. 42. Minnesota Statutes 2024, section 136A.824, subdivision 7, is amended to read:

53.11 Subd. 7. **Multiple location fee.** Private career schools wishing to operate at multiple  
53.12 locations must pay the greater of:

53.13 (1) ~~\$250~~ \$500 per location, ~~for locations two to five; and; or~~

53.14 (2) ~~an additional \$100 for each location over five;~~ the actual cost of travel expenses,  
53.15 lodging, and customary meals incurred for an in-person site visit, should the office determine  
53.16 one is necessary.

53.17 Sec. 43. Minnesota Statutes 2024, section 136A.833, is amended to read:

53.18 **136A.833 EXEMPTIONS.**

53.19 Subdivision 1. **Application for exemptions.** (a) A school that seeks an exemption from  
53.20 the provisions of sections 136A.822 to 136A.834 for the school and all of its programs or  
53.21 some of its programs must apply to the office to establish that the school or program meets  
53.22 the requirements of an exemption. An exemption for the school or program expires two  
53.23 years from the date of approval or when a school adds a new program or makes a  
53.24 modification equal to or greater than 25 percent to an existing educational program. If a  
53.25 school is reapplying for an exemption, the application must be submitted to the office 90  
53.26 days before the current exemption expires. If a school fails to apply within 90 days of  
53.27 expiration, the school is subject to fees and penalties under sections 136A.831 and 136A.832.

53.28 This exemption shall not extend to any school that uses any publication or advertisement  
53.29 that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading  
53.30 impressions about the school or its personnel, programs, services, or occupational  
53.31 opportunities for its graduates for promotion and student recruitment. Exemptions denied  
53.32 under this section are subject to appeal under section 136A.829. If an appeal is initiated,

54.1 the denial of the exemption is not effective until the final determination of the appeal, unless  
54.2 immediate effect is ordered by the court.

54.3 (b) A school that meets any of the exemptions in this section and exclusively seeks to  
54.4 be listed on the eligible training provider list, access WIOA funding, or receive the dual  
54.5 training grant, is exempt from sections 136A.822 to 136A.834, except that the school must  
54.6 satisfy the requirements of section 136A.822 subdivisions 4, clauses (1), (2), and (3); 8,  
54.7 clauses (9) and (10); 10, clause (8); and 12.

54.8 Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the  
54.9 following:

54.10 ~~(1) public postsecondary institutions;~~

54.11 ~~(2) postsecondary institutions registered under sections 136A.61 to 136A.71;~~

54.12 ~~(3) postsecondary institutions exempt from registration under sections 136A.653,~~  
54.13 ~~subdivisions 1b, 2, 3, and 3a; 136A.657; and 136A.658;~~

54.14 ~~(4) private schools complying with the requirements of section 120A.22, subdivision 4;~~

54.15 ~~(5) courses taught to students in an apprenticeship program registered by the United~~  
54.16 ~~States Department of Labor or Minnesota Department of Labor and taught by or required~~  
54.17 ~~by a trade union. A trade union is an organization of workers in the same skilled occupation~~  
54.18 ~~or related skilled occupations who act together to secure all members favorable wages,~~  
54.19 ~~hours, and other working conditions;~~

54.20 ~~(6) private career schools exclusively engaged in training physically or mentally disabled~~  
54.21 ~~persons;~~

54.22 ~~(7) private career schools licensed or approved by boards authorized under Minnesota~~  
54.23 ~~law to issue licenses for training programs except private career schools required to obtain~~  
54.24 ~~a private career school license due to the use of "academy," "institute," "college," or~~  
54.25 ~~"university" in their names;~~

54.26 ~~(8) private career schools and educational programs, or training programs, contracted~~  
54.27 ~~for by persons, firms, corporations, government agencies, or associations, for the training~~  
54.28 ~~of their own employees, for which no fee is charged the employee, regardless of whether~~  
54.29 ~~that fee is reimbursed by the employer or third party after the employee successfully~~  
54.30 ~~completes the training;~~

54.31 ~~(9)~~ (1) private career schools engaged exclusively in the teaching of purely avocational  
54.32 programs that are engaged primarily for personal development, recreational recreation, or

55.1 remedial ~~subjects that~~ education, and are not advertised or maintained generally intended  
55.2 for vocational or career advancement, including adult basic education, exercise or fitness  
55.3 teacher programs, modeling, or acting, as determined by the office ~~except private career~~  
55.4 ~~schools required to obtain a private career school license due to the use of "college" or~~  
55.5 ~~"university" in their names;~~

55.6 ~~(10) classes, courses, or programs conducted by a bona fide trade, professional, or~~  
55.7 ~~fraternal organization, solely for that organization's membership and not available to the~~  
55.8 ~~public. In making the determination that the organization is bona fide, the office may request~~  
55.9 ~~the school provide three certified letters from persons that qualify as evaluators under section~~  
55.10 ~~136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;~~

55.11 ~~(11) programs in the fine arts provided by organizations exempt from taxation under~~  
55.12 ~~section 290.05 and registered with the attorney general under chapter 309. For the purposes~~  
55.13 ~~of this clause, "fine arts" means activities resulting in artistic creation or artistic performance~~  
55.14 ~~of works of the imagination which are engaged in for the primary purpose of creative~~  
55.15 ~~expression rather than commercial sale, vocational or career advancement, or employment.~~  
55.16 ~~In making this determination the office may seek the advice and recommendation of the~~  
55.17 ~~Minnesota Board of the Arts;~~

55.18 ~~(12) classes, courses, or programs intended to fulfill the continuing education~~  
55.19 ~~requirements for a bona fide licensure or certification in a profession, that have been approved~~  
55.20 ~~by a legislatively or judicially established board or agency responsible for regulating the~~  
55.21 ~~practice of the profession or by an industry-specific certification entity, and that are offered~~  
55.22 ~~exclusively to individuals with the professional licensure or certification. In making the~~  
55.23 ~~determination that the licensure or certification is bona fide, the office may request the~~  
55.24 ~~school provide three certified letters from persons that qualify as evaluators under section~~  
55.25 ~~136A.828, subdivision 3, paragraph (1), that the licensure and certification is recognized in~~  
55.26 ~~Minnesota;~~

55.27 ~~(13) review classes, courses, or programs intended to prepare students to sit for~~  
55.28 ~~undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance~~  
55.29 ~~examinations and does not include the instruction to prepare students for that license,~~  
55.30 ~~occupation, certification, or exam;~~

55.31 ~~(14)~~ (2) classes, courses, or programs providing ~~16~~ 40 or fewer clock hours of instruction;  
55.32 and

55.33 ~~(15) classes, courses, or programs providing instruction in personal development that is~~  
55.34 ~~not advertised or maintained for vocational or career advancement, modeling, or acting;~~

56.1 ~~(16) private career schools with no physical presence in Minnesota engaged exclusively~~  
56.2 ~~in offering distance instruction that are located in and regulated by other states or jurisdictions~~  
56.3 ~~if the distance education instruction does not include internships, externships, field~~  
56.4 ~~placements, or clinical placements for residents of Minnesota; and~~

56.5 ~~(17)~~ (3) private career schools providing ~~exclusively~~ training, instructional programs,  
56.6 or courses where tuition, fees, and any other charges, ~~regardless of payment or reimbursement~~  
56.7 ~~method~~, for a student to participate do not exceed ~~\$100.~~ \$500.

56.8 Sec. 44. Minnesota Statutes 2024, section 136A.834, subdivision 1, is amended to read:

56.9 Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections  
56.10 136A.821 to 136A.832 if it is:

56.11 (1) offered by a ~~private career~~ school or any department or branch of a ~~private career~~  
56.12 school that is substantially owned, operated, or supported by a bona fide church or religious  
56.13 organization;

56.14 (2) primarily designed for, aimed at, and attended by persons who sincerely hold or seek  
56.15 to learn the particular religious faith or beliefs of that church or religious organization; and

56.16 (3) primarily intended to prepare its students to become ministers of, to enter into some  
56.17 other vocation closely related to, or to conduct their lives in consonance with the particular  
56.18 faith of that church or religious organization.

56.19 (b) Any ~~private career~~ school or any department or branch of a ~~private career~~ school is  
56.20 exempt from the provisions of sections 136A.821 to 136A.832 if all of its programs are  
56.21 exempt under paragraph (a).

56.22 Sec. 45. Minnesota Statutes 2024, section 136A.834, subdivision 5, is amended to read:

56.23 Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections  
56.24 136A.82 to 136A.834 must apply to the office to establish that the school meets the  
56.25 requirements of an exemption. An exemption expires two years from the date of approval  
56.26 or when a school adds a new program or makes a modification equal to or greater than 25  
56.27 percent to an existing educational program. If a school is reapplying for an exemption, the  
56.28 application must be submitted to the office 90 days before the current exemption expires.  
56.29 If a school fails to apply within 90 days of expiration, the school is subject to the fees and  
56.30 penalties under sections 136A.831 and 136A.832.



Sec. 46. Minnesota Statutes 2024, section 136A.901, subdivision 1, is amended to read:

Subdivision 1. **Grant program.** (a) The commissioner shall establish a grant program to award grants to institutions in Minnesota for research into spinal cord injuries and traumatic brain injuries. Grants shall be awarded to conduct research into new and innovative treatments and rehabilitative efforts for the functional improvement of people with spinal cord and traumatic brain injuries. Research topics may include, but are not limited to, pharmaceutical, medical device, brain stimulus, and rehabilitative approaches and techniques. The commissioner, in consultation with the advisory council established under section 136A.902, shall award 50 percent of the grant funds for research involving spinal cord injuries and 50 percent to research involving traumatic brain injuries. In addition to the amounts appropriated by law, the commissioner may accept additional funds from private and public sources. Amounts received from these sources are appropriated to the commissioner for the purposes of issuing grants under this section.

(b) Institutions that are eligible to apply for a grant under this section include postsecondary institutions, nonprofit organizations, and for-profit organizations.

(c) A spinal cord and traumatic brain injury grant account is established in the special revenue fund. Money in the account is appropriated to the commissioner to make grants and to administer the grant program under this section. Appropriations to the commissioner for the program are for transfer to the account. Appropriations from the account do not cancel and are available until expended.

Sec. 47. **REVISOR INSTRUCTIONS.**

Subdivision 1. **Student parent support.** The revisor of statutes must renumber Minnesota Statutes, section 136A.1251, as Minnesota Statutes, section 136A.915. The revisor must also make cross-reference changes consistent with the renumbering.

Subd. 2. **Inclusive higher education.** The revisor of statutes must renumber Minnesota Statutes, section 135A.161, as Minnesota Statutes, section 136A.921. The revisor of statutes must renumber Minnesota Statutes, section 135A.162, as Minnesota Statutes, section 136A.922. The revisor must also make cross-reference changes consistent with the renumbering.

Subd. 3. **Hunger-Free Campus designation.** The revisor of statutes must renumber Minnesota Statutes, section 135A.137, as Minnesota Statutes, section 136A.912. The revisor must also make cross-reference changes consistent with the renumbering.

58.1      Sec. 48. **REPEALER.**

58.2          (a) Minnesota Statutes 2024, sections 5.41, subdivision 2; 136A.057; 136A.1251,  
58.3 subdivision 5; 136A.246, subdivision 9; 136A.69, subdivisions 3 and 5; 136A.824,  
58.4 subdivisions 3 and 5; 136A.861, subdivision 7; and 136A.901, subdivision 2, are repealed.

58.5          (b) Minnesota Rules, part 4850.0014, subparts 1 and 2, are repealed."

58.6          Amend the title accordingly