

Section Description – Article 1: Appropriations

residency program recently acquired from UMN and increases funding for the preexisting Rochester program.

6 Financial review of nonprofit grant recipients required.

Requires any entity that awards a grant to a nonprofit organization pursuant to this bill to first assess the nonprofit's financial standing and management. Authorizes grantors with significant concerns to postpone or forgo the grant altogether or award the grant subject to additional technical assistance and requirements imposed by the grantor to protect the state's interests.

Specifies information that grantors must require each nonprofit applicant to provide, including the nonprofit's latest annual return filed with the Internal Revenue Service, where applicable, and evidence of registration and good standing with the Office of the Secretary of State and the Office of the Attorney General. Requires nonprofits with more than \$750K in annual revenue to submit audited financial statements. Requires grantors to document and retain specified information, including whether and how the applicant resolved the grantor's initial concerns regarding the nonprofit's financial standing and management.

Article 2: Higher Education Provisions

This article contains higher education policy provisions, including new programs and changes to existing programs.

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1 American Indian scholars.

Establishes a new statutory program to provide tuition- and fee-free undergraduate education to American Indian students at public postsecondary institutions.

Subd. 1. Establishment. Establishes the program.

Subd. 2. Eligibility. Limits the program to undergraduate education (certificate, degree, or diploma programs) at public postsecondary institutions. Limits eligibility to students who have not already obtained a baccalaureate degree or taken more than 180 credits (twelve semesters of a 15-credit full time load). To qualify a student may either be a Minnesota resident of any federally recognized Tribe, or a resident of any state if a member of a Minnesota Tribal Nation.

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Subd. 3. Administration. Requires MnState and requests UMN to offer the tuition waivers and use funds for the program to offset the costs. Also allows appropriated funds to be used for student supports and program administration.

Subd. 4. Reports. Requires MnState and UMN to report to OHE annually about the program, and requires OHE to post certain reported data for the public on its website.

2 Access to menstrual products.

Requires MnState and requests UMN to provide students access to free menstrual products.

3 Hunger-free campus designation: designation approval.

Makes OHE's student advisory council (SAC) responsible for the application and review process. *See also section 7.*

4 Hunger-free campus designation: competitive grant.

Expands the competitive grant program to nonprofit private postsecondary institutions, but provides that no more than 20 percent of grants may be awarded to those institutions. Also increases maximum grant award amounts.

5 Inclusive Higher Education Technical Assistance Center.

Subd. 1. Definitions. Defines terms for this section and for section 2 of the bill.

Subd. 2. Establishment. Requires OHE, in conjunction with the Institute on Community Integration at the University of Minnesota, to establish an Inclusive Higher Education Technical Assistance Center to increase higher education access for students with intellectual disabilities. Lays out requirements for the center.

Subd. 3. Director; advisory committee. Requires the naming of a director and the appointment of an advisory committee.

Subd. 4. Responsibilities. Sets forth the duties of the center, which include: (a) advising higher education institutions on various standards and requirements; (b) monitoring relevant changes in federal and state law; (c) providing technical assistance to higher education institutions; and (d) distributing information to students with intellectual disabilities and their parents.

6 Inclusive higher education grants.

Subd. 1. Establishment. Requires OHE, in collaboration with the center established in section 1, to create a competitive grant program for Minnesota

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postsecondary institutions to create new or expand existing programs for students with intellectual disabilities.

Subd. 2. Eligible grantees. Allows public and private nonprofit institutions to receive grants under this section.

Subd. 3. Application. Provides that grant applicants must develop a written plan meeting the enumerated requirements.

Subd. 4. Grant account. Creates an account in the special revenue fund for depositing money appropriated for the grant program.

Subd. 5. Grant awards. Sets maximum grant awards amounts, puts additional requirements on grant recipients, and requires a 25 percent match of the grant funds.

Subd. 6. Grantee reporting. Requires grant recipients to report to the center on the funded initiatives.

Subd. 7. Reporting. Requires the center to submit an annual legislative report on the grant program.

7 Hunger-free campus designation: student advisory council.

Adds oversight of the hunger-free campus designation application and review process to the list of responsibilities for the SAC. *See also section 3.*

8 State grant program: assigned family responsibility.

Amends the definition of “assigned family responsibility” (AFR) for the state grant program to conform to changes in federal student aid calculations. Allows OHE to adjust AFR to reflect part-time enrollment.

9 State financial aid programs: student.

Amends the definition of “student” for purposes of state financial aid programs to include any enrollment of one credit per term or more.

10 State grant program: cost of attendance.

Increase the living and miscellaneous expense allowance from 109 percent to 115 percent of the federal poverty guidelines for a one-person household in Minnesota for nine months. This increases the recognized cost of attendance used to calculate state grant awards, which has the effect of raising awards. Also makes a clarifying change regarding proration of awards for less than full time enrollment.

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- 11 **State grant program: awards.**
Amends the cap on state grant awards from eight full time semesters to 180 total credits (i.e. twelve full-time semesters under the state grant program’s 15-credits per term definition of full-time enrollment).
- 12 **State grant program: deadline.**
Extends the deadline for state grant applications.
- 13 **North Star Promise: reporting.**
Expands OHE’s existing reporting requirements for the state grant program to include spending projections for the new North Star Promise program.
- 14 **Fostering independence grants: grant amount; payment; opt-out.**
Makes technical adjustments to conform to changes in federal student aid calculations.
- 15 **Child care grants: amount and length of grants.**
Makes technical adjustments to conform to changes in federal student aid calculations.
- 16 **Student-parent support initiative.**
Established a new statutory program to provide grants to postsecondary institutions and other applicants to support expectant parents and parents of young children.
- Subd. 1. Grants.** Establishes the program within OHE. Specifies that grants may be awarded to postsecondary institutions and other applicants for services supporting student parents. Allows a postsecondary institution to act as a fiscal agent for another entity.
- Subd. 2. Application process.** Requires OHE to develop an application process. Encourages distribution of funds throughout the state.
- Subd. 3. Health-related supports.** Requires the Department of Health to work with OHE on health-related supports.
- Subd. 4. Report and evaluation.** Requires an annual report to the legislature on the program.
- 17 **Indian scholarships: award amount.**
Makes technical adjustments to conform to changes in federal student aid calculations.

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18 Financial aid administrator, professional judgment.

Makes technical adjustments to conform to changes in federal student aid calculations.

19 North Star Promise.

Establishes a new financial aid program to make public postsecondary institutions free for students whose families make under \$80K per year.

Subd. 1. Definitions. Defines key terms for the section. Includes Tribal colleges in the definition of public postsecondary institutions.

Subd. 2. Conditions for eligibility. Sets eligibility criteria, which include having a family adjusted gross income under \$80K and not yet having a bachelor's degree.

Subd. 3. Scholarship. Awards scholarships sufficient to cover all of the actual tuition and fees charged by an institution, after deducting other grants and scholarships received. Also, for the first three years of the program, surplus funds may be used to match students' Pell grants up to 50 percent.

Subd. 3a. Maintain current levels of institutional assistance. Prohibits institutions from reducing institutional gift aid to students eligible for a scholarship under this section.

Subd. 4. Duration of scholarship authorized; scholarship paid to institution. Allows a student to receive a scholarship—on a semester-by-semester basis—for up to 60 credits for associate degree or certificate programs, and up to 120 credits for a bachelor's degree, with a maximum lifetime cap of 120 credits. OHE is authorized to determine a time limit for completing a program for which a scholarship is awarded.

Subd. 5. Termination of scholarship authorized. Allows OHE to terminate a scholarship if a student fails to meet satisfactory academic progress or fails to comply with program requirements.

Subd. 5a. Institutions administering certain financial aid programs. Requires institutions that already provide institution-level financial aid covering all tuition and fees to students' making under \$80K to report data on those aid awards to OHE.

Subd. 6. Account established; appropriation. Creates a special revenue fund for the program.

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Subd. 7. Office administration. Makes OHE responsible for administering the program and empowers it to make certain necessary adjustments to awards.

Subd. 8. Report. Requires OHE to provide a preliminary and recurring annual report to the legislature on the program.

20 Teacher shortage loan repayment: eligibility.

Prioritizes applicants eligible based on race/ethnicity. Allows other eligibility categories (i.e., rural school district, license shortage area) to receive any remaining funds.

21 Dual training competency grants: application.

Adds to the cost of training “recommended” books and materials, in addition to required books and materials.

22 Dual training competency grants: grant criteria.

Adds to the criteria for evaluating grant applications the employer’s ability to recruit and retain employees of color, American Indian employees, and employees with disabilities.

23 Dual training competency grants: employer match.

Clarifies that a large employer must pay at least 25 percent of the cost of employee training.

24 Dual training competency grants: grant amounts.

Allows employers to use up to ten percent of the grant to pay for employees’ training supports. Clarifies the per employee maximum grant amount.

25 Direct admissions program.

Establishes in statute program to provide qualifying Minnesota high school seniors automatic conditional admission to public colleges and universities. This was previously a pilot program. *See 2021 Laws, 1Spec. Sess. ch. 2, art. 2, § 42.*

Subd. 1. Authorization. Establishes the program in OHE, to be administered in consultation with other relevant stakeholders.

Subd. 2. Implementation. Requires the program to use existing information systems to automate the direct admissions process. Sets a goal of statewide representation and allows prioritization of high schools with high numbers of low-income students and students of color.

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Subd. 3. Information. Requires OHE to provide information to students on state financial aid and encourage completion of financial aid applications.

Subd. 4. Report. Requires an annual report to the legislature on the program.

26 MnState Board of Trustees: responsibility.

In the statute regarding selection of a student board member, makes a technical change to eliminate a reference to the Trustee Candidate Advisory Council, which is repealed in section 35 of this article.

27 Workforce development scholarships: program eligibility.

Adds construction, education, and public safety to the program areas eligible for a workforce development scholarship.

28 Dual Training Competency Grants: duties; goal.

Adds transportation and child care to the list of occupations eligible for grants.

29 Postsecondary unemployment insurance aid.

Provides for state aid to support unemployment insurance payments by UMN, MnState, and Tribal colleges. The aid must be appropriated by the legislature, but target amounts are set by this section at the difference between each entity's unemployment insurance costs in 2022 and those costs for the current year. This is intended to compensate for the expanded eligibility of certain higher education employees for unemployment benefits between school terms, a provision which is being carried in the house's omnibus education finance bill (H.F. 2497).

30 Pensions: employer contribution rate.

Increases the employer contribution rate for the individual retirement account plan (IRAP) to 8.75 percent so that it equals the employer contribution rate for the teachers retirement association (TRA) plan.

31 Paramedic scholarship program.

Subd. 1. Establishment. Establishes the program within the Office of Higher Education. Sets a goal of providing up to 600 scholarships by 2026.

Subd. 2. Eligible students. Sets eligibility criteria for the scholarship, which includes Minnesota residency and intent to work as a paramedic in Minnesota after graduation. Allows a student to receive a scholarship under this section no more than twice.

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Subd. 3. Administration; award amount. Instructs the Office of Higher Education to establish guidelines for the program and award the first set of scholarships in the 2024-2025 academic year. The scholarship is a flat amount of \$5,000.

Subd. 4. Reporting. Requires two legislative reports on the program.

Subd. 5. Expiration. Expires the program on June 30, 2026.

32 Unemployment insurance aid reports.

Requires annual reports to the legislature on unemployment insurance aid under Minn. Stat. § 268.193.

33 Postsecondary student basic needs working group; report.

Requires OHE to convene a working group to review information and make recommendations on how to support postsecondary students experiencing homelessness or food insecurity. A report to the legislature is due September 2024 and the working group expires September 2026.

34 Report on MnState course placement practices.

Requires OHE to analyze MnState course placement policies and practices to determine whether they have adverse consequences for students or disparate impacts on certain groups. A preliminary report to the legislature is required by February 2024 and a final report with recommended changes is required by February 2025.

35 Repealer.

Repeals the MnState Trustee Candidate Advisory Council, which is tasked with making nonbinding recommendations to the governor for appointments to the MnState Board of Trustees. This board has not been active since 2012.



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