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State of Minnesota HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE No. 3354

March 4, 2010

Authored by Nornes

The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to higher education; modifying grant eligibility; modifying loan
1.3 limits and terms; increasing private institution fees; eliminating the high
1.4 school-to-college developmental transition program; defining terms; transferring
1.5 funds; modifying and reducing appropriations; amending Minnesota Statutes
1.6 2008, sections 136A.127, by adding subdivisions; 136A.1701, subdivisions 4, 7;
1.7 136A.69, subdivisions 1, 3, 4; 141.255; Minnesota Statutes 2009 Supplement,
1.8 sections 136A.121, subdivision 9; 136A.127, subdivision 9; Laws 2009, chapter
1.9 95, article 1, sections 3, subdivisions 6, 12; 4, subdivision 4, as amended;
1.10 5, subdivision 2; repealing Minnesota Statutes 2008, sections 136A.1701,
1.11 subdivision 5; 136A.69, subdivision 2; 141.255, subdivision 3; Minnesota
1.12 Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision 9b.

1.13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.14 ARTICLE 1

1.15 HIGHER EDUCATION APPROPRIATIONS

1.16 Section 1. SUMMARY OF APPROPRIATIONS.

1.17 Subdivision 1. Summary Total. The amounts shown in this section summarize
1.18 direct appropriations, by fund, made in this article.

Table with 4 columns: Fund Name, 2010, 2011, Total. Rows include General, Health Care Access, Federal, State Government Special Revenue, and Total.

1.26 Subd. 2. Summary by Agency - All Funds. The amounts shown in this subdivision
1.27 summarize direct appropriations, by agency, made in this article.

2.1	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.2 <u>Minnesota Office of Higher</u>			
2.3 <u>Education</u>	\$ (619,000)	\$ (6,077,000)	\$ (6,696,000)
2.4 <u>Board of Trustees of the</u>			
2.5 <u>Minnesota State Colleges and</u>			
2.6 <u>Universities</u>	-0-	(10,467,000)	(10,467,000)
2.7 <u>Board of Regents of the</u>			
2.8 <u>University of Minnesota</u>	-0-	(36,120,000)	(36,120,000)
2.9 <u>Total</u>	\$ (619,000)	\$ (52,664,000)	\$ (53,283,000)

2.10 Sec. 2. **APPROPRIATIONS.**

2.11 The sums shown in the columns marked "Appropriations" are added to or, if shown
 2.12 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to
 2.13 the agencies and for the purposes specified in this article. The appropriations are from the
 2.14 general fund, or another named fund, and are available for the fiscal years indicated for
 2.15 each purpose. The figures "2010" and "2011" used in this article mean that the addition
 2.16 to or subtraction from the appropriation listed under them is available for the fiscal year
 2.17 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
 2.18 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
 2.19 day following final enactment.

2.20	<u>APPROPRIATIONS</u>
2.21	<u>Available for the Year</u>
2.22	<u>Ending June 30</u>
2.23	<u>2010</u> <u>2011</u>

2.24 Sec. 3. **OFFICE OF HIGHER EDUCATION**

2.25 <u>Subdivision 1. Total Appropriation</u>	\$	<u>(619,000)</u>	\$	<u>(6,077,000)</u>
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2.26 The amounts that may be spent for each
 2.27 purpose are specified in the following
 2.28 subdivisions.

2.29 <u>Subd. 2. State Grants</u>		<u>(233,000)</u>		<u>(2,063,000)</u>
2.30 <u>Subd. 3. Child Care Grants</u>		<u>-0-</u>		<u>(500,000)</u>
2.31 <u>Subd. 4. State Work-Study</u>		<u>-0-</u>		<u>(2,500,000)</u>
2.32 <u>Subd. 5. Indian Scholarships</u>		<u>-0-</u>		<u>(120,000)</u>
2.33 <u>Subd. 6. Intervention for College Attendance</u>				
2.34 <u>Program Grants</u>		<u>(22,000)</u>		<u>(43,000)</u>
2.35 <u>Subd. 7. Midwest Higher Education Compact</u>		<u>(3,000)</u>		<u>(3,000)</u>

3.1	<u>Subd. 8. Technical and Community College</u>		
3.2	<u>Emergency Grants</u>	-0-	(150,000)
3.3	<u>Subd. 9. United Family Medicine Residency</u>	(13,000)	(28,000)
3.4	<u>Subd. 10. Interstate Tuition Reciprocity</u>	(165,000)	(165,000)
3.5	<u>Subd. 11. Minnesota College Savings Plan</u>	(22,000)	(50,000)
3.6	<u>Subd. 12. MnLink Gateway and Minitex</u>	(95,000)	(362,000)
3.7	<u>Subd. 13. Other Programs</u>	(6,000)	(12,000)
3.8	<u>The reduction in the student and parent</u>		
3.9	<u>information program is \$6,000 in fiscal year</u>		
3.10	<u>2010 and \$3,000 in fiscal year 2011. The</u>		
3.11	<u>reduction in get ready program funds is</u>		
3.12	<u>\$6,000 in fiscal year 2011. The reduction in</u>		
3.13	<u>funds for the Minnesota Minority Education</u>		
3.14	<u>Partnership is \$3,000 in fiscal year 2011.</u>		
3.15	<u>Subd. 14. Agency Administration</u>	(60,000)	(81,000)
3.16	<u>Sec. 4. BOARD OF TRUSTEES OF THE</u>		
3.17	<u>MINNESOTA STATE COLLEGES AND</u>		
3.18	<u>UNIVERSITIES</u>		
3.19	<u>Subdivision 1. Total Appropriation</u>	\$	-0- \$ (10,467,000)
3.20	<u>The amounts that must be reduced or</u>		
3.21	<u>added for each purpose are specified in the</u>		
3.22	<u>following subdivisions.</u>		
3.23	<u>Subd. 2. Central Office and Shared Services</u>		
3.24	<u>Unit</u>	-0-	(742,000)
3.25	<u>Subd. 3. Operations and Maintenance</u>	-0-	(9,642,000)
3.26	<u>Subd. 4. Learning Network of Minnesota</u>	-0-	(82,000)
3.27	<u>Sec. 5. BOARD OF REGENTS OF THE</u>		
3.28	<u>UNIVERSITY OF MINNESOTA</u>		
3.29	<u>Subdivision 1. Total Appropriation</u>	\$	-0- \$ (36,120,000)
3.30	<u>The amounts that must be reduced or</u>		
3.31	<u>added for each purpose are specified in the</u>		
3.32	<u>following subdivisions.</u>		

4.1	<u>Subd. 2. Operations and Maintenance</u>	<u>-0-</u>	<u>(32,223,000)</u>
4.2	<u>Subd. 3. Special Appropriations</u>		
4.3	<u>(a) Agriculture and Extension Service</u>	<u>-0-</u>	<u>(2,787,000)</u>
4.4	<u>(b) Health Sciences</u>	<u>-0-</u>	<u>(281,000)</u>
4.5	<u>\$18,000 in fiscal year 2011 is a reduction to</u>		
4.6	<u>the appropriation to support up to 12 resident</u>		
4.7	<u>physicians in the St. Cloud Hospital family</u>		
4.8	<u>practice residency program.</u>		
4.9	<u>(c) Institute of Technology</u>	<u>-0-</u>	<u>(74,000)</u>
4.10	<u>(d) System Special</u>	<u>-0-</u>	<u>(328,000)</u>
4.11	<u>(e) University of Minnesota and Mayo</u>		
4.12	<u>Foundation Partnership</u>	<u>-0-</u>	<u>(427,000)</u>
4.13	Sec. 6. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:		
4.14	Subd. 6. Achieve Scholarship Program	4,350,000	4,350,000
4.15	For scholarships under Minnesota Statutes,		
4.16	section 136A.127, <u>the office shall transfer</u>		
4.17	<u>the appropriation for fiscal year 2011 to the</u>		
4.18	<u>appropriation for state grants.</u>		
4.19	Sec. 7. Laws 2009, chapter 95, article 1, section 3, subdivision 12, is amended to read:		
4.20	Subd. 12. Technical and Community College		
4.21	Emergency Grants	150,000	150,000
4.22	For transfer to the financial aid offices		
4.23	at each of the colleges of the Minnesota		
4.24	State Colleges and Universities to provide		
4.25	emergency aid grants to technical and		
4.26	community college students who are		
4.27	experiencing extraordinary economic		
4.28	circumstances that may result in the students		
4.29	dropping out of school without completing		
4.30	the term or their program. <u>This is a onetime</u>		
4.31	<u>appropriation.</u>		

5.1 Sec. 8. Laws 2009, chapter 95, article 1, section 4, subdivision 4, as amended by Laws
 5.2 2009, chapter 177, section 10, subdivision 4, is amended to read:

5.3 Subd. 4. **Operations and Maintenance** 562,041,000 613,833,000

5.4 (a) It is the intention of the legislature to
 5.5 increase the amount of funding distributed
 5.6 to colleges and universities through the
 5.7 allocation model to provide direct support of
 5.8 instruction and related functions necessary
 5.9 to protect the core mission of educating
 5.10 students.

5.11 (b) The Board of Trustees shall submit
 5.12 expenditure reduction plans by March 15,
 5.13 2010, to the committees of the legislature
 5.14 with responsibility for higher education
 5.15 finance to achieve the 2012-2013 base
 5.16 established in this section at the central
 5.17 office and at each institution. The plan
 5.18 submitted by the board must be based on
 5.19 plans developed at each institution detailing
 5.20 reductions to achieve lower base allocations
 5.21 at that institution. Each plan must focus on
 5.22 protecting direct instruction.

5.23 (c) For the biennium ending June 30,
 5.24 2011, expenditures under this subdivision
 5.25 must not exceed \$40,000,000 for
 5.26 technology initiatives, including technology
 5.27 infrastructure improvements.

5.28 (d) \$1,000,000 each year is for the Northeast
 5.29 Minnesota Higher Education District and
 5.30 high schools in its area. Students from area
 5.31 high schools may also access the facilities
 5.32 and faculty of the Northeast Minnesota
 5.33 Higher Education District for state-of-the-art
 5.34 technical education opportunities, including
 5.35 MnSCU's 2+2 Pathways initiative.

6.1 (e) \$225,000 each year is to enhance eFolio
 6.2 Minnesota and for a center to provide on-site
 6.3 and Internet-based support and technical
 6.4 assistance to users of the state's eFolio
 6.5 Minnesota system to promote workforce and
 6.6 economic development and to enable access
 6.7 to workforce information generated through
 6.8 the eFolio Minnesota system.

6.9 ~~(f) For fiscal years 2012 and 2013 the base for~~
 6.10 ~~operations and maintenance is \$602,759,000~~
 6.11 ~~each year.~~

6.12 Sec. 9. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

6.13	Subd. 2. Operations and Maintenance	550,345,000	604,239,000
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6.14 (a) This appropriation includes funding for
 6.15 operation and maintenance of the system.

6.16 (b) The Board of Regents shall submit
 6.17 expenditure reduction plans by March 15,
 6.18 2010, to the committees of the legislature
 6.19 with responsibility for higher education
 6.20 finance to achieve the 2012-2013 base
 6.21 established in this section. The plan must
 6.22 focus on protecting direct instruction.

6.23 (c) Appropriations under this subdivision
 6.24 may be used for a new scholarship under
 6.25 Minnesota Statutes, section 137.0225, to
 6.26 complement the University's Founders
 6.27 scholarship.

6.28 (d) This appropriation includes amounts for
 6.29 an Ojibwe Indian language program on the
 6.30 Duluth campus.

6.31 (e) This appropriation includes money for the
 6.32 Dakota language teacher training immersion
 6.33 program on the Twin Cities campus to

7.1 prepare teachers to teach in Dakota language
7.2 immersion programs.

7.3 (f) This appropriation includes money for the
7.4 Veterinary Diagnostic Laboratory to preserve
7.5 accreditation.

7.6 (g) This appropriation includes money in
7.7 fiscal year 2010 for a onetime grant to the
7.8 Minnesota Wildlife Rehabilitation Center for
7.9 their uncompensated expenses.

7.10 ~~(h) For fiscal years 2012 and 2013, the~~
7.11 ~~base for operations and maintenance is~~
7.12 ~~\$596,930,000 each year.~~

7.13 ARTICLE 2

7.14 RELATED HIGHER EDUCATION PROVISIONS

7.15 Section 1. Minnesota Statutes 2009 Supplement, section 136A.121, subdivision 9,
7.16 is amended to read:

7.17 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements
7.18 is eligible to apply for and receive a grant in any year of undergraduate study unless the
7.19 student has obtained a baccalaureate degree or previously has been enrolled full time or
7.20 the equivalent for ~~nine~~ eight semesters or the equivalent, excluding courses taken from a
7.21 Minnesota school or postsecondary institution which is not participating in the state grant
7.22 program and from which a student transferred no credit. A student who withdraws from
7.23 enrollment for active military service, or for a major illness, while under the care of a
7.24 medical professional, that substantially limits the student's ability to complete the term is
7.25 entitled to an additional semester or the equivalent of grant eligibility. A student enrolled
7.26 in a two-year program at a four-year institution is only eligible for the tuition and fee
7.27 maximums established by law for two-year institutions.

7.28 Sec. 2. Minnesota Statutes 2009 Supplement, section 136A.127, subdivision 9, is
7.29 amended to read:

7.30 Subd. 9. **Scholarship awards.** The amount of the scholarship is equal to the
7.31 maximum assigned student responsibility for a four-year program, as defined in section
7.32 136A.121, subdivision 5, minus the assigned family responsibility as defined in section
7.33 136A.101, subdivision 5a, multiplied by 0.50. The minimum scholarship is \$1,200 per

8.1 academic year based on the institution's academic calendar and the student's continued
8.2 eligibility and available appropriations. Awards are subject to student priority under
8.3 subdivision 9d. The scholarship may be used to pay for qualifying expenses at eligible
8.4 institutions.

8.5 Sec. 3. Minnesota Statutes 2008, section 136A.127, is amended by adding a
8.6 subdivision to read:

8.7 Subd. 9c. **Insufficient appropriation.** If the amount appropriated is determined by
8.8 the office to be insufficient to make full awards to applicants under subdivision 9, awards
8.9 may be reduced by one or more of the following:

8.10 (1) a percentage reduction in the maximum award;

8.11 (2) a dollar amount reduction in the minimum award; or

8.12 (3) adding a surcharge to the applicant's assigned family responsibility, as defined in
8.13 section 136A.101, subdivision 5a.

8.14 Sec. 4. Minnesota Statutes 2008, section 136A.127, is amended by adding a
8.15 subdivision to read:

8.16 Subd. 9d. **Student priority.** Achieve scholarship awards must be made to students
8.17 with complete applications received as of August 31 of each respective fiscal year.

8.18 Sec. 5. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

8.19 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such
8.20 terms and conditions as the office may prescribe. ~~The~~ Under the SELF IV program, the
8.21 principal amount of a loan to an undergraduate student for a single academic year shall
8.22 not exceed \$6,000 for grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.
8.23 Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not
8.24 exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed
8.25 \$7,500 effective July 1, 2006 \$7,500 per grade level. The aggregate principal amount of
8.26 all loans made under this section to an undergraduate student shall not exceed ~~\$34,500~~
8.27 ~~through June 30, 2007, and \$37,500 after June 30, 2007.~~ The principal amount of a loan
8.28 to a graduate student for a single academic year shall not exceed \$9,000. The aggregate
8.29 principal amount of all loans made under this section to a student as an undergraduate
8.30 and graduate student shall not exceed ~~\$52,500 through June 30, 2007, and \$55,500~~
8.31 ~~after June 30, 2007.~~ The amount of the loan may not exceed the cost of attendance less
8.32 all other financial aid, including PLUS loans or other similar parent loans borrowed on

9.1 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing
 9.2 maximums in paragraph (b).

9.3 (b) The cumulative undergraduate borrowing maximums for SELF IV loans are:

9.4 (1) ~~effective July 1, 2006, through June 30, 2007:~~

9.5 ~~(i) grade level 1, \$6,000;~~

9.6 ~~(ii) grade level 2, \$12,000;~~

9.7 ~~(iii) grade level 3, \$19,500;~~

9.8 ~~(iv) grade level 4, \$27,000; and~~

9.9 ~~(v) grade level 5, \$34,500; and~~

9.10 ~~(2) effective July 1, 2007:~~

9.11 ~~(i) grade level 1, \$7,500;~~

9.12 ~~(ii) (2) grade level 2, \$15,000;~~

9.13 ~~(iii) (3) grade level 3, \$22,500;~~

9.14 ~~(iv) (4) grade level 4, \$30,000; and~~

9.15 ~~(v) (5) grade level 5, \$37,500.~~

9.16 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled
 9.17 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed
 9.18 \$10,000 per grade level. For all other eligible students, the principal amount of the loan
 9.19 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans
 9.20 made under this section to a student as an undergraduate and graduate student must not
 9.21 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less
 9.22 all other financial aid, including PLUS loans or other similar parent loans borrowed on
 9.23 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing
 9.24 maximums in paragraph (d).

9.25 (d)(1) The cumulative borrowing maximums for SELF V loans and subsequent
 9.26 phases for students enrolled in a bachelor's degree program or postbaccalaureate program
 9.27 are:

9.28 (i) grade level 1, \$10,000;

9.29 (ii) grade level 2, \$20,000;

9.30 (iii) grade level 3, \$30,000;

9.31 (iv) grade level 4, \$40,000; and

9.32 (v) grade level 5, \$50,000.

9.33 (2) For graduate level students, the borrowing limit is \$10,000 per nine-month
 9.34 academic year, with a cumulative maximum for all SELF debt of \$70,000.

9.35 (3) For all other eligible students, the cumulative borrowing maximums for SELF V
 9.36 loans and subsequent phases are:

- 10.1 (i) grade level 1, \$7,500;
 10.2 (ii) grade level 2, \$15,000;
 10.3 (iii) grade level 3, \$22,500;
 10.4 (iv) grade level 4, \$30,000; and
 10.5 (v) grade level 5, \$37,500.

10.6 Sec. 6. Minnesota Statutes 2008, section 136A.1701, subdivision 7, is amended to read:

10.7 Subd. 7. **Repayment of loans.** (a) The office shall establish repayment procedures
 10.8 for loans made under this section, but in no event shall the period of permitted repayment
 10.9 for SELF II or SELF III loans exceed ten years from the eligible student's termination of
 10.10 the student's postsecondary academic or vocational program, or 15 years from the date of
 10.11 the student's first loan under this section, whichever is less.

10.12 (b) For SELF IV loans ~~from phases after SELF III~~, eligible students with aggregate
 10.13 principal loan balances from all SELF phases that are less than \$18,750 shall have a
 10.14 repayment period not exceeding ten years from the eligible student's graduation or
 10.15 termination date. For SELF IV loans ~~from phases after SELF III~~, eligible students with
 10.16 aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have
 10.17 a repayment period not exceeding 15 years from the eligible student's graduation or
 10.18 termination date. For SELF IV loans ~~from phases after SELF III~~, the loans shall enter
 10.19 repayment no later than seven years after the first disbursement date on the loan.

10.20 (c) For SELF loans from phases after SELF IV, eligible students with aggregate
 10.21 principal loan balances from all SELF phases that are:

10.22 (1) less than \$20,000, must have a repayment period not exceeding ten years from
 10.23 the eligible student's graduation or termination date;

10.24 (2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years
 10.25 from the eligible student's graduation or termination date; and

10.26 (3) \$40,000 or greater, must have a repayment period not exceeding 20 years
 10.27 from the eligible student's graduation or termination date. For SELF loans from phases
 10.28 after SELF IV, the loans must enter repayment no later than nine years after the first
 10.29 disbursement date of the loan.

10.30 Sec. 7. Minnesota Statutes 2008, section 136A.69, subdivision 1, is amended to read:

10.31 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration
 10.32 fees that are sufficient to recover, but do not exceed, its costs of administering the
 10.33 registration program. The office shall charge ~~\$1,100 for initial registration fees and \$950~~
 10.34 ~~for annual renewal fees.~~ the fees listed in paragraphs (b) and (c) for new registrations.

11.1 (b) A new school offering no more than one degree at each level during its first year
 11.2 must pay registration fees for each applicable level in the following amounts:

11.3	<u>associate degree</u>	<u>\$2,000</u>
11.4	<u>baccalaureate degree</u>	<u>\$2,500</u>
11.5	<u>master's degree</u>	<u>\$3,000</u>
11.6	<u>doctorate degree</u>	<u>\$3,500</u>

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

11.11	<u>nondegree program</u>	<u>\$250</u>
11.12	<u>additional associate degree</u>	<u>\$250</u>
11.13	<u>additional baccalaureate degree</u>	<u>\$500</u>
11.14	<u>additional master's degree</u>	<u>\$750</u>
11.15	<u>additional doctorate degree</u>	<u>\$1,000</u>

11.16 (d) The annual renewal registration fee is \$1,200.

11.17 Sec. 8. Minnesota Statutes 2008, section 136A.69, subdivision 3, is amended to read:

11.18 Subd. 3. **Degree or nondegree program addition fee.** The office processing fee
 11.19 fees for adding a degree or nondegree program that represents a significant departure in
 11.20 the objectives, content, or method of delivery of degree or nondegree programs that are
 11.21 currently offered by the school is \$500 per degree or nondegree program are as follows:

11.22	<u>nondegree program that is part of existing degree</u>	<u>-0-</u>
11.23	<u>nondegree program that is not a part of an existing degree</u>	<u>\$250 each</u>
11.24	<u>majors, specializations, emphasis areas, concentrations, and other</u>	<u>\$250 each</u>
11.25	<u>similar areas of emphasis</u>	
11.26	<u>associate degrees</u>	<u>\$500 each</u>
11.27	<u>baccalaureate degrees</u>	<u>\$500 each</u>
11.28	<u>master's degrees</u>	<u>\$750 each</u>
11.29	<u>doctorate degrees</u>	<u>\$2,000 each</u>

11.30 Sec. 9. Minnesota Statutes 2008, section 136A.69, subdivision 4, is amended to read:

11.31 Subd. 4. **Visit or consulting fee.** If the office determines that a fact-finding visit
 11.32 or outside consultant is necessary to review or evaluate any new or revised degree or
 11.33 nondegree program, the office shall be reimbursed for the expenses incurred related to the
 11.34 review as follows:

11.35 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant
 11.36 if the office determines that a fact-finding visit is not required;

- 12.1 (2) \$300 for each day or part thereof on site per team member; and
 12.2 (3) the actual cost of customary meals, lodging, and related travel expenses incurred
 12.3 by team members.

12.4 Sec. 10. Minnesota Statutes 2008, section 141.255, is amended to read:

12.5 **141.255 FEES.**

12.6 Subdivision 1. **Initial licensure fee.** The office processing fee for an initial licensure
 12.7 application is:

12.8 (1) ~~\$1,500~~ \$2,500 for a school that will offer no more than one program during
 12.9 its first year of operation;

12.10 (2) \$750 for a school licensed exclusively due to the use of the term "college,"
 12.11 "university," "academy," or "institute" in their name, or licensed exclusively in order to
 12.12 participate in state grant or SELF loan financial aid programs; and

12.13 ~~(2) \$2,000 for a school that will offer two or more nondegree level programs~~

12.14 (3) \$2,500, plus \$500 for each additional program offered by the school, for a school
 12.15 during its first year of operation; and.

12.16 ~~(3) \$2,500 for a school that will offer two or more degree level programs during~~
 12.17 ~~its first year of operation.~~

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

12.20 ~~(1) for a category A school, as determined by the office, the fee is \$865 if the school~~
 12.21 ~~offers one program or \$1,150 if the school offers two or more programs; and~~

12.22 ~~(2) for a category B or C school, as determined by the office, the fee is \$430 if the~~
 12.23 ~~school offers one program or \$575 if the school offers two or more programs.~~

12.24 (1) for a school that offers one program, the license renewal fee is \$1,150;

12.25 (2) for a school that offers more than one program, the license renewal fee is
 12.26 \$1,150, plus \$200 for each additional program with a maximum renewal licensing fee
 12.27 of \$2,000; and

12.28 (3) schools licensed exclusively due to the use of the term "college," "university,"
 12.29 "academy," or "institute" in their name or licensed exclusively in order to participate in
 12.30 state grant or SELF loan financial aid programs shall pay a renewal fee of \$750.

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

12.34 ~~Subd. 3. **Degree level addition fee.** The office processing fee for adding a degree~~
 12.35 ~~level to an existing program is \$2,000 per program.~~

13.1 Subd. 4. **Program addition fee.** The office processing fee for adding a program
 13.2 ~~that represents a significant departure in the objectives, content, or method of delivery of~~
 13.3 ~~programs~~ to those that are currently offered by the school is \$500 per program.

13.4 Subd. 5. **Visit or consulting fee.** If the office determines that a fact-finding visit
 13.5 or outside consultant is necessary to review or evaluate any new or revised program, the
 13.6 office shall be reimbursed for the expenses incurred related to the review as follows:

13.7 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant
 13.8 if the office determines that a fact-finding visit is not required;

13.9 (2) \$300 for each day or part thereof on site per team member; and

13.10 (3) the actual cost of customary meals, lodging, and related travel expenses incurred
 13.11 by team members.

13.12 Subd. 6. **Modification fee.** The fee for modification of any existing program is
 13.13 \$100 and is due if there is:

13.14 (1) an increase or decrease of 25 percent or more, from the original date of program
 13.15 approval, in clock hours, credit hours, or calendar length of an existing program;

13.16 (2) a change in academic measurement from clock hours to credit hours or vice
 13.17 versa; or

13.18 (3) an addition or alteration of courses that represent a 25 percent change or more in
 13.19 the objectives, content, or methods of delivery.

13.20 Subd. 7. **Solicitor permit fee.** The solicitor permit fee is \$350 and must be paid
 13.21 annually.

13.22 Subd. 8. **Multiple location fee.** Schools wishing to operate at multiple locations
 13.23 must pay:

13.24 (1) \$250 per location, for locations two to five ~~locations~~; and

13.25 (2) an additional ~~\$50~~ \$100 for each location over five.

13.26 Subd. 9. **Student transcript fee.** The fee for a student transcript requested from
 13.27 a closed school whose records are held by the office is ~~\$10~~ \$15, with a maximum of
 13.28 five transcripts per request.

13.29 Subd. 10. **Public office documents; copies.** ~~The office shall establish~~ rates for
 13.30 copies of any public office document shall be 50 cents per page.

13.31 Sec. 11. **REPEALER.**

13.32 Minnesota Statutes 2008, sections 136A.1701, subdivision 5; 136A.69, subdivision
 13.33 2; and 141.255, subdivision 3, are repealed.

13.34 Minnesota Statutes 2009 Supplement, sections 135A.61; and 136A.121, subdivision
 13.35 9b, are repealed.

135A.61 HIGH SCHOOL-TO-COLLEGE DEVELOPMENTAL TRANSITION PROGRAMS.

Subdivision 1. **High school-to-college developmental transition programs.** All public higher education systems and other higher education institutions in Minnesota are encouraged to offer research-based high school-to-college developmental transition programs to prepare students for college-level academic coursework. A program under this section must, at a minimum, include instruction to develop the skills and abilities necessary to be ready for college-level coursework when the student enrolls in a degree, diploma, or certificate program and must address the academic skills identified as needing improvement by a college readiness assessment completed by the student. A program offered under this section must not constitute more than the equivalent of one semester of full-time study occurring in the summer following high school graduation. The courses completed in a program under this section must be identified on the student's transcript with a unique identifier to distinguish it from other developmental education courses or programs.

Subd. 2. **High school-to-college developmental transition programs evaluation report.** (a) Institutions that offer a high school-to-college developmental transition program and enroll students that receive a grant under section 136A.121, subdivision 9b, must annually submit data and information about the services provided and program outcomes to the director of the Minnesota Office of Higher Education.

(b) The director must establish and convene a data working group to develop: (1) the data methodology to be used in evaluating the effectiveness of the programs implemented to improve the academic performance of participants, including the identification of appropriate comparison groups; and (2) a timeline for institutions to submit data and information to the director. The data working group must develop procedures that ensure consistency in the data collected by each institution. Data group members must have expertise in data collection processes and the delivery of academic programs to students, and represent the types of institutions that offer a program under this section. The data group must assist the director in analyzing and synthesizing institutional data and information to be included in the evaluation report submitted to the legislature under subdivision 3.

(c) Participating institutions must specify both program and student outcome goals and the activities implemented to achieve the goals. The goals must be clearly stated and measurable, and data collected must enable the director to verify the program has met the outcome goals established for the program.

(d) The data and information submitted must include, at a minimum, the following:

- (1) demographic information about program participants;
- (2) names of the high schools from which the students graduated;
- (3) the college readiness test used to determine the student was not ready for college-level academic coursework;
- (4) the academic content areas assessed and the scores received by the students on the college readiness test;
- (5) a description of the services, including any supplemental noncredit academic support services, provided to students;
- (6) data on the registration load, courses completed, and grades received by students;
- (7) the retention of students from the term they participated in the program to the fall term immediately following graduation from high school;
- (8) information about the student's enrollment in subsequent terms; and
- (9) other information specified by the director or the data group that facilitates the evaluation process.

Subd. 3. **Report to legislature.** By March 15 of each year, beginning in 2011, the director shall submit a report to the committees of the legislature with jurisdiction over higher education finance and policy that evaluates the effectiveness of programs in improving the academic performance of students who participated in the transition programs.

136A.121 GRANTS.

Subd. 9b. **Onetime grant for high school-to-college developmental transition program.** (a) A student who enrolls in a program under section 135A.61 is eligible for a onetime grant to help pay expenses to attend the program. The amount of the grant must be determined according to subdivision 5, except as modified by paragraph (b). The requirement in subdivision 9a that subtracts a federal Pell Grant award for which a student would be eligible, even if the student has exhausted the federal Pell Grant award, does not apply to a student who receives a

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grant under this subdivision in the award year in which the grant is received. The maximum grant under this subdivision must be reduced by the average amount a student would earn working in an on-campus work-study position for ten hours per week during a summer term. The office must determine an amount for student earnings in a summer term, using available data about earnings, before determining the amount awarded under this subdivision.

(b) For a student with an expected family contribution of zero, the maximum amount of the grant is the cost of attendance under subdivision 6.

(c) A grant under this subdivision counts as one of the nine semesters of eligibility under subdivision 9. A grant under this subdivision must not be awarded for the same term for which another grant is awarded under this section.

136A.1701 SUPPLEMENTAL AND ADDITIONAL LOANS.

Subd. 5. **Maximum loans for students.** Loans made under this section or sections 136A.15 to 136A.1702 to an individual eligible student for vocational study may be made for a maximum of three academic years or their equivalent and loans made to any other individual eligible student may be made for a maximum of eight academic years or their equivalent.

136A.69 FEES.

Subd. 2. **Degree level addition fee.** The office processing fee for adding a degree level to an existing program is \$2,000 per degree.

141.255 FEES.

Subd. 3. **Degree level addition fee.** The office processing fee for adding a degree level to an existing program is \$2,000 per program.

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