A bill for an act

relating to higher education; providing funding and policy related changes for the
Office of Higher Education, Minnesota State Colleges and Universities, the
University of Minnesota, and the Mayo Clinic; creating and modifying certain
scholarships and student aid programs; creating a direct admissions program;
requiring reports; appropriating money; amending Minnesota Statutes 2022, sections
136A.101, subdivisions 5a, 7; 136A.121, subdivisions 6, 9, 13; 136A.1241,
subdivision 5; 136A.125, subdivision 4; 136A.126, subdivision 4; 136A.1312;
136A.1796; 136A.246, subdivisions 5, 6, 8; proposing coding for new law in
Minnesota Statutes, chapters 135A; 136A.

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

ARTICLE 1

APPROPRIATIONS

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies
and for the purposes specified in this article. The appropriations are from the general fund,
or another named fund, and are available for the fiscal years indicated for each purpose.
The figures "2024" and "2025" used in this article mean that the appropriations listed under
them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
"The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
is fiscal years 2024 and 2025.

APPROPRIATIONS
Available for the Year
Ending June 30
2024 2025

Sec. 2. MINNESOTA OFFICE OF HIGHER
EDUCATION
Subdivision 1. **Total Appropriation**  
$341,367,000 $332,230,000

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

Subd. 2. **State Grants**  
247,737,000 240,066,000

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

(b) The base for this appropriation is $262,866,000 for fiscal year 2026 and later.

Subd. 3. **Child Care Grants**  
6,694,000 6,694,000

Subd. 4. **State Work-Study**  
14,502,000 14,502,000

Subd. 5. **Interstate Tuition Reciprocity**  
8,500,000 8,500,000

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

Subd. 6. **Safety Officer's Survivors**  
100,000 100,000

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

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

Subd. 7. **American Indian Scholarships**  
3,500,000 3,500,000

The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the city of Bemidji to assist students with the scholarships under Article 1 Sec. 2.
Minnesota Statutes, section 136A.126, and
with other information about financial aid for
which the students may be eligible. This
appropriation includes funding to administer
the American Indian scholarship program.

Subd. 8. **Tribal College Grants**

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

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

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

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

$300,000 in fiscal year 2024 is for providing
one-time catalyst funding on a competitive
basis to postsecondary institutions, nonprofit
organizations, and local government
organizations to create or enhance supports,
navigation, and precollege services for
students who were formerly incarcerated.

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

Subd. 10. **Student-Parent Information**

Subd. 11. **Get Ready!**

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

Subd. 13. **Midwest Higher Education Compact**
Subd. 14. **United Family Medicine Residency Program**

For a grant to United Family Medicine residency program. This appropriation shall be used to support up to 21 resident physicians each year in family practice at United Family Medicine residency programs and shall prepare doctors to practice family care medicine in underserved rural and urban areas of the state. It is intended that this program will improve health care in underserved communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a cost-effective manner.

Subd. 15. **MnLINK Gateway and Minitex**

The base for this appropriation for fiscal year 2026 is $6,655,000 and for fiscal year 2027 is $6,708,000.

Subd. 16. **Statewide Longitudinal Education Data System**

Subd. 17. **Hennepin Healthcare**

For transfer to Hennepin Healthcare for graduate family medical education programs at Hennepin Healthcare.

Subd. 18. **College Possible**

(a) This appropriation is for immediate transfer to College Possible to support programs of college admission and college graduation for low-income students through an intensive curriculum of coaching and support at both the high school and postsecondary levels.

(b) This appropriation must, to the extent possible, be proportionately allocated between...
students from greater Minnesota and students in the seven-county metropolitan area.

(c) This appropriation must be used by College Possible only for programs supporting students who are residents of Minnesota and attending colleges or universities within Minnesota.

(d) By February 1 of each year, College Possible must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over higher education and E-12 education on activities funded by this appropriation. The report must include but is not limited to information about the work of College Possible Minnesota throughout the state; the number of College Possible coaches hired; the number of existing partner high schools; the geographic distribution of participants; the number of high school and college students specifically supported by the appropriations funds; the percentages of students who applied to college, were admitted into college, and enrolled in college from the previous program year; the number of college graduates supported by the appropriation funding in the previous program year; and a list of all communities and partner institutions benefiting from coaching and support through College Possible programming.

Subd. 19. Spinal Cord Injury and Traumatic Brain Injury Research Grant Program

For transfer to the spinal cord and traumatic brain injury grant account in the special revenue fund under Minnesota Statutes, section 136A.901, subdivision 1.
6.1 The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the grant program.

6.4 Subd. 20. Summer Academic Enrichment Program

6.2 For summer academic enrichment grants under Minnesota Statutes, section 136A.091.

6.8 The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

6.10

6.11 Subd. 21. Dual Training Competency Grants; Office of Higher Education

6.12 For transfer to the Dual Training Competency Grants account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10.

6.17 Subd. 22. Campus Sexual Assault Reporting

6.18 For the sexual assault reporting required under Minnesota Statutes, section 135A.15.

6.20 Subd. 23. Campus Sexual Violence Prevention and Response Coordinator

6.22 For the Office of Higher Education to staff a campus sexual violence prevention and response coordinator to serve as a statewide resource providing professional development and guidance on best practices for postsecondary institutions. $50,000 each year is for administrative funding to conduct trainings and provide materials to postsecondary institutions.

6.31 Subd. 24. Emergency Assistance for Postsecondary Students

6.33 (a) For the Office of Higher Education to allocate grant funds on a matching basis to
eligible institutions as defined under Minnesota Statutes, section 136A.103, located in Minnesota with a demonstrable homeless student population.

(b) This appropriation shall be used to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Institutions shall minimize any negative impact on student financial aid resulting from the receipt of emergency funds.

(c) The commissioner shall determine the application process and the grant amounts. The Office of Higher Education shall partner with interested postsecondary institutions, other state agencies, and student groups to establish the programs.

(d) The base amount for this appropriation for fiscal year 2026 is $1,159,000 and for fiscal year 2027 and later is $1,160,000.

Subd. 25. Grants to Student Teachers in Shortage Areas

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

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

Subd. 26. Grants to Underrepresented Student Teachers

For grants to underrepresented student teachers under Minnesota Statutes, section 136A.1274.
8.1 The commissioner may use no more than three percent of the appropriation for administration of the program.

8.4 Subd. 27. Teacher Shortage Loan Repayment

8.5 For transfer to the teacher shortage loan repayment account in the special revenue fund under Minnesota Statutes, section 136A.1791, subdivision 8.

8.9 The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the program.

8.12 Subd. 28. Large Animal Veterinarian Loan Forgiveness Program

8.14 For transfer to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2.

8.18 Subd. 29. Agricultural Educators Loan Forgiveness

8.20 For transfer to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2.

8.24 Subd. 30. Aviation Degree Loan Forgiveness Program

8.26 For transfer to the aviation degree loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1789, subdivision 2.


8.32 For grants for students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.
9.1 **Subd. 32. Loan Repayment Assistance Program**

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

9.2 **Subd. 33. Minnesota Independence College and Community**

For a grant to Minnesota Independence College and Community for need-based scholarships and tuition reduction. Beginning with students first enrolled in the fall of 2019, eligibility is limited to resident students as defined in Minnesota Statutes, section 136A.101, subdivision 8.

9.3 **Subd. 34. Student Loan Debt Counseling**

For student loan debt counseling under Minnesota Statutes, section 136A.1788.

9.4 **Subd. 35. Hunger-Free Campus Grants**

For the Office of Higher Education to provide initial and sustaining grants to Minnesota public postsecondary institutions and Tribal colleges under Minnesota Statutes, section 135A.137, subdivision 3, to meet and maintain the criteria in that same section to address food insecurity on campus.
Subd. 36. **Fostering Independence Higher Education Grants**

For grants to eligible students under Minnesota Statutes, section 136A.1241.

The Office of Higher Education may use no more than three percent of the appropriation to administer the grants.

Subd. 37. **Concurrent Enrollment Grants**

For concurrent enrollment grants under Minnesota Statutes, section 136A.91.

Subd. 38. **Student Parent Support Initiative**

For grants to support student parents under Minnesota Statutes, section 136A.1251. Of this amount, up to five percent each year is for administrative costs.

The base amount for this appropriation in fiscal year 2026 and later is $5,939,000.

Subd. 39. **P-20 Partnership Executive Director**

Subd. 40. **Director of Tribal Relations, Public Engagement, and Equal Opportunity**

Subd. 41. **Direct Admissions Program**

For the direct admissions program under Minnesota Statutes, section 136A.84.

Subd. 42. **American Indian Scholars**

To support implementation of Minnesota Statutes, section 135A.121.

Of this amount, $4,031,801 in fiscal year 2024 and $4,031,801 in fiscal year 2025 is for transfer to Board of Regents of the University of Minnesota.

Of this amount, $4,468,199 in fiscal year 2024 and $4,468,199 in fiscal year 2025 is for
transfer to Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 43. **Next Generation Nursing Initiative**

For transfer to the Board of Trustees of the Minnesota State Colleges and Universities for HealthForce Minnesota to coordinate and implement the Next Generation Nursing Assistant Training Program for the recruitment and training of students to become certified nursing assistants. The program must use a "free up-front" model for covering the student costs. This appropriation may also be used for marketing and outreach across the state and covering the cost for retraining, retesting, and refresher courses.

Subd. 44. **Child Development Associate Pathway**

For transfer to the Board of Trustees of the Minnesota State Colleges and Universities to develop a transparent pathway for current child development associate credential holders to be awarded academic credit that aligns with related academic certificate, diploma, and degree programs. Funds must be used to develop curriculum at eight colleges and universities, develop training and advising tools for those institutions, and form a statewide advisory committee to advise the project development.

Subd. 45. **Agency Administration**

The base amount for this appropriation for fiscal years 2026 and later is $6,096,000.

Subd. 46. **Balances Forward**
A balance in the first year under this section does not cancel, but is available for the second year.

Subd. 47. Transfers

The commissioner of the Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the get ready appropriation, the intervention for college attendance appropriation, the student-parent information appropriation, the summer academic enrichment program appropriation, the public safety officers' survivors appropriation, and the fostering independence higher education grant program. The commissioner may transfer unencumbered balances from the hunger-free campus appropriations to the emergency assistance for postsecondary students grant.

To the extent there is a projected surplus in the appropriation for either the student teachers in shortage areas grant program or the underrepresented student teacher grant program, the commissioner may transfer unencumbered balances between the two programs as needed to meet demand. Transfers from the child care, state work-study, or the hunger-free campus appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs and ranking minority members of the
13.1 senate and house of representatives
13.2 committees with jurisdiction over higher
13.3 education finance.

13.4 Sec. 3. BOARD OF TRUSTEES OF THE
13.5 MINNESOTA STATE COLLEGES AND
13.6 UNIVERSITIES

13.7 Subdivision 1. Total Appropriation $ 855,361,000 $ 855,361,000
13.8 The amounts that may be spent for each
13.9 purpose are specified in the following
13.10 subdivisions.

13.11 Subd. 2. Central Office and Shared Services
13.12 Unit 34,401,000 34,401,000
13.13 For the Office of the Chancellor and the
13.14 Shared Services Division.

13.15 Subd. 3. Operations and Maintenance 816,845,000 816,845,000
13.16 (a) $5,700,000 in fiscal year 2024 and
13.17 $5,700,000 in fiscal year 2025 are to provide
13.18 supplemental aid for operations and
13.19 maintenance to the president of each two-year
13.20 institution in the system with at least one
13.21 campus that is not located in a metropolitan
13.22 county, as defined in Minnesota Statutes,
13.23 section 473.121, subdivision 4. The board
13.24 shall transfer at least $158,000 for each
13.25 campus not located in a metropolitan county
13.26 in each year to the president of each institution
13.27 that includes such a campus.
13.28 (b) The Board of Trustees is requested to help
13.29 Minnesota close the attainment gap by funding
13.30 activities which improve retention and
13.31 completion for students of color.
13.32 (c) $5,250,000 in fiscal year 2024 and
13.33 $5,250,000 in fiscal year 2025 are for
13.34 workforce development scholarships under
Minnesota Statutes, section 136F.38. The base amount for this appropriation for fiscal year 2026 and later is $4,500,000.

(d) $300,000 in fiscal year 2024 and $300,000 in fiscal year 2025 are for transfer to the Cook County Higher Education Board to provide educational programming, workforce development, and academic support services to remote regions in northeastern Minnesota.

The Cook County Higher Education Board shall continue to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students.

(e) $40,000 in fiscal year 2024 and $40,000 in fiscal year 2025 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

(f) $8,000,000 in fiscal year 2024 and $8,000,000 in fiscal year 2025 for upgrading the Integrated Statewide Record System.

(g) $50,000 in fiscal year 2024 and $50,000 in fiscal year 2025 to implement the Z-Degree program under Minnesota Statutes, section 136F.305.

(h) $2,500,000 in fiscal year 2024 and $2,500,000 in fiscal year 2025 for student supports, which include supports to allow campuses to add more staff in the areas of highest need, such as student advisors, social workers, basic needs coordinators, community resource connectors, and mental health support staff; expand experiential education and training opportunities focusing on mental

Article 1 Sec. 3. 14
health and well-being, including mental health
first aid and other evidence-based training;
and fund, expand, and sustain student access
to the Basic Needs Resource Hub. The base
amount for this appropriation for fiscal year
2026 and later is $5,000,000.

(i) The total operations and maintenance base
for fiscal year 2026 and later is $841,095,000.

Subd. 4. Learning Network of Minnesota 4,115,000 4,115,000

Sec. 4. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation 726,413,000 726,413,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>724,256,000</td>
<td>724,256,000</td>
</tr>
<tr>
<td>Health Care Access</td>
<td>2,157,000</td>
<td>2,157,000</td>
</tr>
</tbody>
</table>

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

Subd. 2. Operations and Maintenance 655,818,000 655,818,000

(a) $15,000,000 in fiscal year 2024 and $15,000,000 in fiscal year 2025 are to: (1) increase the medical school's research capacity; (2) improve the medical school's ranking in National Institutes of Health funding; (3) ensure the medical school's national prominence by attracting and retaining world-class faculty, staff, and students; (4) invest in physician training programs in rural and underserved communities; and (5) translate the medical school's research discoveries into new treatments and cures to improve the health of Minnesotans.
(b) $7,800,000 in fiscal year 2024 and $7,800,000 in fiscal year 2025 are for health training restoration. This appropriation must be used to support all of the following: (1) faculty physicians who teach at eight residency program sites, including medical resident and student training programs in the Department of Family Medicine; (2) the Mobile Dental Clinic; and (3) expansion of geriatric education and family programs.

(c) $4,000,000 in fiscal year 2024 and $4,000,000 in fiscal year 2025 are for the Minnesota Discovery, Research, and InnoVation Economy funding program for cancer care research.

(d) $500,000 in fiscal year 2024 and $500,000 in fiscal year 2025 are for the University of Minnesota, Morris branch, to cover the costs of tuition waivers under Minnesota Statutes, section 137.16.

(e) The total operations and maintenance base for fiscal year 2026 and later is $665,818,000. $500,000 of the base amount for fiscal year 2026 and later is for systemwide safety and security measures on University of Minnesota campuses.

Subd. 3. Primary Care Education Initiatives

This appropriation is from the health care access fund.

Subd. 4. Special Appropriations

(a) Agriculture and Extension Service

For the Agricultural Experiment Station and the Minnesota Extension Service:
(1) the agricultural experiment stations and Minnesota Extension Service must convene agricultural advisory groups to focus research, education, and extension activities on producer needs and implement an outreach strategy that more effectively and rapidly transfers research results and best practices to producers throughout the state;

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

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

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

(3) this appropriation includes funding for the College of Food, Agricultural, and Natural Resources Sciences to establish and provide leadership for organic agronomic, horticultural, livestock, and food systems research, education, and outreach and for the purchase of state-of-the-art laboratory, planting, tilling, harvesting, and processing equipment necessary for this project;
(4) this appropriation includes funding for research efforts that demonstrate a renewed emphasis on the needs of the state's agriculture community. The following areas should be prioritized and carried out in consultation with Minnesota farm organizations:

(i) vegetable crop research with priority for extending the Minnesota vegetable growing season;

(ii) fertilizer and soil fertility research and development;

(iii) soil, groundwater, and surface water conservation practices and contaminant reduction research;

(iv) discovering and developing plant varieties that use nutrients more efficiently;

(v) breeding and development of turf seed and other biomass resources in all three Minnesota biomes;

(vi) development of new disease-resistant and pest-resistant varieties of turf and agronomic crops;

(vii) utilizing plant and livestock cells to treat and cure human diseases;

(viii) the development of dairy coproducts;

(ix) a rapid agricultural response fund for current or emerging animal, plant, and insect problems affecting production or food safety;

(x) crop pest and animal disease research;

(xi) developing animal agriculture that is capable of sustainably feeding the world;
(xii) consumer food safety education and outreach;

(xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and

(xiv) alternative bioenergy crops and cropping systems; and growing, harvesting, and transporting biomass plant material; and

(5) by February 1, 2025, the Board of Regents must submit a report to the legislative committees and divisions with jurisdiction over agriculture and higher education finance on the status and outcomes of research and initiatives funded in this paragraph.

(b) Health Sciences

$346,000 each year is to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program. The program must prepare doctors to practice primary care medicine in rural areas of the state. The legislature intends this program to improve health care in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner. The remainder of this appropriation is for the rural physicians associates program; the Veterinary Diagnostic Laboratory; health sciences research; dental care; the Biomedical Engineering Center; and the collaborative partnership between the University of Minnesota and Mayo Clinic for regenerative medicine, research, clinical translation, and commercialization.
20.1 (c) **College of Science and Engineering**  
1,140,000 1,140,000

20.2 For the geological survey and the talented youth mathematics program.

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

20.5 For general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit.

20.10 $2,000,000 in fiscal year 2024 and $2,000,000 in fiscal year 2025 are for the Natural Resources Research Institute to invest in applied research for economic development.

20.14 (e) **University of Minnesota and Mayo Foundation Partnership**  
7,991,000 7,991,000

20.16 This appropriation is for the following activities:

20.18 (1) $7,491,000 in fiscal year 2024 and $7,491,000 in fiscal year 2025 are for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. An annual report on the expenditure of these funds must be submitted to the governor and the chairs of the legislative committees responsible for higher education finance by June 30 of each fiscal year.

20.29 (2) $500,000 in fiscal year 2024 and $500,000 in fiscal year 2025 are to award competitive grants to conduct research into the prevention, treatment, causes, and cures of Alzheimer's disease and other dementias.

20.34 Subd. 5. **Academic Health Center**
The appropriation for Academic Health Center funding under Minnesota Statutes, section 297F.10, is estimated to be $22,250,000 each year.

Sec. 5. MAYO CLINIC

Subdivision 1. Total Appropriation $1,799,000 $1,799,000

The amounts that may be spent are specified in the following subdivisions.

Subd. 2. Medical School 665,000 665,000

The state must pay a capitation each year for each student who is a resident of Minnesota. The appropriation may be transferred between each year of the biennium to accommodate enrollment fluctuations. It is intended that during the biennium the Mayo Clinic use the capitation money to increase the number of doctors practicing in rural areas in need of doctors.

Subd. 3. Family Practice and Graduate Residency Program 1,134,000 1,134,000

The state must pay stipend support for up to 27 residents each year.

ARTICLE 2
HIGHER EDUCATION PROVISIONS

Section 1. [135A.121] AMERICAN INDIAN SCHOLARS.

Subdivision 1. Establishment. The American Indian Scholars program is established to provide a first-dollar tuition and fee free pathway for eligible Minnesota American Indian students to complete an undergraduate education.

Subd. 2. Eligibility. To be eligible each year for the program a student must:

(1) be enrolled in an undergraduate certificate, diploma, or degree program at the University of Minnesota or a Minnesota state college or university;
(2) be either (i) a Minnesota resident for resident tuition purposes who is an enrolled member or citizen of a federally recognized American Indian Tribe or Canadian First Nation, or (ii) an enrolled member or citizen of a Minnesota Tribal Nation, regardless of resident tuition status; and

(3) have not (i) obtained a baccalaureate degree, or (ii) been enrolled for 180 credits or the equivalent, excluding courses taken that qualify as developmental education or below college-level.

Subd. 3. Administration. Minnesota State Colleges and Universities must and the University of Minnesota is requested to provide a full tuition and fee waiver to a student eligible under subdivision 2. Funds appropriated with reference to this section may be used to offset the institutional costs of the waivers; fund existing waivers, scholarships, or grant programs for students eligible under subdivision 2; provide student supports for eligible students; and administer these programs.

Subd. 4. Reports. (a) Each institution receiving funds under this section must annually report to the commissioner of the Office of Higher Education the following:

(1) how the systems or institutions have administered, distributed, and awarded the funds;

(2) enrollment and graduation data for all eligible students, including applicants and recipients of funds; and

(3) the aggregate awarded financial aid information for all recipients of funds under this program.

(b) Using the data submitted to the office by institutions pursuant to paragraph (a), as well as other data available to the office, the office shall provide the following on its website by placing a prominent link on its website home page:

(1) information made available in a searchable database, including but not limited to persistence and completion, debt of graduates, employment and wage information, and other relevant data for each institution subject to paragraph (a); and

(2) other information and links that are useful to students and parents who are in the process of selecting a college or university.

Sec. 2. Minnesota Statutes 2022, section 136A.101, subdivision 5a, is amended to read:

Subd. 5a. Assigned family responsibility. "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. If the student contribution is less than $0, the assigned family responsibility is 100 percent of the student contribution. 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.

Sec. 3. Minnesota Statutes 2022, section 136A.101, subdivision 7, is amended to read:

Subd. 7. Student. "Student" means a person who is enrolled for at least three credits one credit per term, in a program or course of study that applies to a degree, diploma, or certificate. Credit equivalencies assigned by an institution that are applicable to federal Pell grant calculations shall be counted as part of a student's credit load.

Sec. 4. Minnesota Statutes 2022, section 136A.121, subdivision 6, is amended to read:

Subd. 6. Cost of attendance. (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no living and miscellaneous expense allowance is established in law, the allowance is equal to 109 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled using the ratio of the number of credits the student is enrolled in to the number of credits for full-time enrollment.
(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

Sec. 5. Minnesota Statutes 2022, 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 been enrolled full time or the equivalent for eight semesters or the equivalent previously has received a state grant award for 180 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.

Sec. 6. Minnesota Statutes 2022, section 136A.121, subdivision 13, is amended to read:

Subd. 13. Deadline. The deadline for the office to accept applications for state grants for a term is 30 days after the start of that term June 30 of the fiscal year for which the student applies for a grant.

Sec. 7. Minnesota Statutes 2022, section 136A.1241, subdivision 5, is amended to read:

Subd. 5. Foster grant amount; payment; opt-out. (a) Each student shall be awarded a foster grant based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the foster grant must be equal to the applicant's recognized cost of attendance after deducting accounting for:

(1) the student aid index as calculated by results of the federal need analysis;

(2) the amount of a federal Pell Grant award for which the applicant is eligible;

(3) the amount of the state grant;
(4) the Federal Supplemental Educational Opportunity Grant;

(5) the sum of all Tribal scholarships;

(6) the amount of any other state and federal gift aid;

(7) the Education and Training Voucher Program;

(8) extended foster care benefits under section 260C.451;

(9) the amount of any private grants or scholarships, excluding grants and scholarships provided by the private institution of higher education in which the eligible student is enrolled; and

(10) for public institutions, the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts.

(b) The foster grant shall be paid directly to the eligible institution where the student is enrolled.

(c) An eligible private institution may opt out of participating in the foster grant program established under this section. To opt out, the institution shall provide notice to the office by September 1 for the next academic year.

(d) An eligible private institution that does not opt out under paragraph (c) and accepts the student's application to attend the institution must provide institutional grants, scholarships, tuition waivers, or tuition remission in an amount equal to the difference between:

(1) the institution's cost of attendance as calculated under subdivision 4, paragraph (b), clause (1); and

(2) the sum of the foster grant under this subdivision and the sum of the amounts in paragraph (a), clauses (1) to (9).

(e) An undergraduate student who is eligible may apply for and receive a foster grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time as defined in section 136A.101, subdivision 7a, or the equivalent for eight semesters or the equivalent, or received a foster grant for five years, whichever occurs first. A foster grant must not be awarded to a student for more than three years for a two-year degree, certificate, or diploma, or five years for a four-year undergraduate degree.
Foster grants may be awarded to an eligible student for four quarters, three semesters, or the equivalent during the course of a single fiscal year. In calculating the award amount, the office must use the same calculation it would for any other term.

Sec. 8. Minnesota Statutes 2022, section 136A.125, subdivision 4, is amended to read:

Subd. 4. Amount and length of grants. (a) The maximum award to the applicant shall be $6,500 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community.

(b) Applicants with expected family contributions at or below the qualifying expected family contribution as determined by the federal need analysis for the federal Pell Grant, as determined by the commissioner, qualify for the maximum award. Applicants with expected family contributions as determined by the federal need analysis exceeding that threshold but less than 200 percent of the qualifying expected family contribution receive an amount proportional to their expected family contribution as determined by the commissioner.

(c) The academic year award amount must be disbursed by academic term using the following formula:

1. the academic year amount described in paragraph (a);
2. divided by the number of terms in the academic year; and
3. multiplied by the applicable enrollment factor:
   (i) 1.00 for undergraduate students enrolled in 12 or more semester credits or the equivalent or for graduate students enrolled in six or more semester credits or the equivalent;
   (ii) 0.75 for undergraduate students enrolled in nine, ten, or 11 semester credits or the equivalent or for graduate students enrolled in five semester credits or the equivalent;
   (iii) 0.50 for undergraduate students enrolled in six, seven, or eight semester credits or the equivalent or for graduate students enrolled in three or four semester credits or the equivalent; and
   (iv) 0.25 for undergraduate students enrolled in at least one but less than six semester credits or the equivalent or for graduate students enrolled in one or two semester credits or the equivalent.
Payments shall be made each academic term to the student or to the child care provider, as determined by the institution. Institutions may make payments more than once within the academic term.

Sec. 9. STUDENT-PARENT SUPPORT INITIATIVE.

Subdivision 1. Grants. (a) To address the needs and support the educational goals of expectant and parenting college students across Minnesota, the commissioner shall award grants and provide support services to institutions and partnering entities that assist expectant parents and parents of young children. Grants shall be awarded to postsecondary institutions, professional organizations, community-based organizations, or other applicants deemed appropriate by the commissioner. Grants must be used to offer services to support the academic goals, health, and well-being of student parents. Services and costs eligible for grant funding include but are not limited to:

1. program development costs;
2. costs related to the start-up of on-campus child care;
3. evaluation and data collection; and
4. direct assistance to student parents including:
   i. scholarships;
   ii. basic needs support; and
   iii. expenses related to child care.

(b) Postsecondary institutions may act as the fiscal agents in partnership with a local nongovernmental agency, childcare center, or other organization that serves student parents.

Subd. 2. Application process. The commissioner shall develop a grant application process. The commissioner shall support projects in a manner that attempts to ensure eligible students throughout the state have access to program services.

Subd. 3. Health-related supports. The commissioner, in partnership with the Department of Health, shall provide health-related supports. Activities for health-related supports include:

1. ensuring programs, services, and materials are medically accurate, age appropriate, culturally and linguistically appropriate, and inclusive of all populations;
2. working with community health care providers and other service support organizations that serve the target population for this program; and
(3) providing technical assistance and training for institutional parent support center staff on how to conduct screenings and referrals for the health concerns of student parents, including alcohol misuse, substance use disorders, depression, anxiety, intimate partner violence, tobacco and nicotine, and other health concerns.

Subd. 4. Report and evaluation. By August 1 of each odd-numbered year, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance regarding the grant recipients and their activities. The report shall include information about the students served, the organizations providing services, program activities, program goals, and outcomes.

Sec. 10. Minnesota Statutes 2022, section 136A.126, subdivision 4, is amended to read:

Subd. 4. Award amount. (a) Each student shall be awarded a scholarship based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the award must not exceed the applicant's cost of attendance, as defined in subdivision 3, after deducting accounting for:

1. the expected family contribution as calculated by results of the federal need analysis;
2. the amount of a federal Pell Grant award for which the applicant is eligible;
3. the amount of the state grant;
4. the federal Supplemental Educational Opportunity Grant;
5. the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts;
6. the sum of all Tribal scholarships;
7. the amount of any other state and federal gift aid; and
8. the amount of any private grants or scholarships.
(b) The award shall be paid directly to the postsecondary institution where the student receives federal financial aid.
(c) Awards are limited as follows:
1. the maximum award for an undergraduate is $4,000 per academic year;
2. the maximum award for a graduate student is $6,000 per academic year; and
3. the minimum award for all students is $100 per academic year.
(d) Scholarships may not be given to any Indian student for more than three years of study for a two-year degree, certificate, or diploma program or five years of study for a four-year degree program at the undergraduate level and for more than five years at the graduate level. Students may acquire only one degree per level and one terminal graduate degree. Scholarships may not be given to any student for more than ten years including five years of undergraduate study and five years of graduate study.

(e) Scholarships may be given to an eligible student for four quarters, three semesters, or the equivalent during the course of a single fiscal year. In calculating the award amount, the office must use the same calculation it would for any other term.

Sec. 11. Minnesota Statutes 2022, section 136A.1312, is amended to read:

136A.1312 FINANCIAL AID ADMINISTRATOR, PROFESSIONAL JUDGMENT.

Nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of student financial aid administrators, on the basis of adequate documentation, to make necessary adjustments to the cost of attendance and expected family contribution computations adjust a student's dependency status or elements of a student's cost of attendance for federal needs analysis calculation to allow for treatment of individual students with special circumstances, with the exception of the cost of attendance defined under section 136A.121, subdivision 6. In addition, nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of the student financial aid administrator to use supplementary information about the financial status of eligible applicants with special circumstances in selecting recipients of state financial aid and determining the amount of awards. Nothing in this section precludes a financial aid administrator from establishing an appeals process for other extenuating circumstances.

Sec. 12. Minnesota Statutes 2022, section 136A.1796, is amended to read:

136A.1796 TRIBAL COLLEGE SUPPLEMENTAL GRANT ASSISTANCE.

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

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

(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 equal to the highest tuition and fees charged at a public two-year institution 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. 13. Minnesota Statutes 2022, section 136A.246, subdivision 5, is amended to read:

Subd. 5. Grant criteria. (a) The commissioner shall make at least an approximately equal dollar amount of grants for training for employees whose work site is projected to be outside the metropolitan area as defined in section 473.121, subdivision 2, as for employees whose work site is projected to be within the metropolitan area.

(b) In determining the award of grants, the commissioner must consider, among other factors:

(1) the aggregate state and regional need for employees with the competency to be trained;

(2) the competency standards developed by the commissioner of labor and industry as part of the Minnesota PIPELINE Project dual-training pipeline program;

(3) the per employee cost of training;

(4) the additional employment opportunities for employees because of the training;

(5) the on-the-job training the employee receives;

(6) the employer's demonstrated ability to recruit, train, and retain employees who are recent high school graduates or who recently passed high school equivalency tests;

(7) projected increases in compensation for employees receiving the training; and

(8) the amount of employer training cost match, if required, on both a per employee and aggregate basis; and

(9) the employer's demonstrated ability to recruit, train, and retain employees who are employees of color, American Indian employees, and employees with disabilities.

Sec. 14. Minnesota Statutes 2022, section 136A.246, subdivision 6, is amended to read:

Subd. 6. Employer match. A large employer must pay for at least 25 percent of the eligible training provider's charge for the eligible training to the provider cost of training. For the purpose of this subdivision, a "large employer" means a business with more than $25,000,000 in annual gross revenue in the previous calendar year.

Sec. 15. Minnesota Statutes 2022, section 136A.246, subdivision 8, is amended to read:

Subd. 8. Grant amounts. (a) The maximum grant for an application is $150,000. The office may allow for a grantee to utilize up to ten percent of the grant amount for the cost
of employees' trainee supports. A grant may not exceed $6,000 per year for a maximum of
four years $24,000 per employee.

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

Sec. 16. [136A.84] DIRECT ADMISSIONS PROGRAM.

Subdivision 1. Authorization. The commissioner shall administer the direct admissions
program in consultation with stakeholders, including Minnesota State Colleges and
Universities, the University of Minnesota, the Student Advisory Council under section
136A.031, the Minnesota Department of Education, the Minnesota Association of Secondary
School Principals, and the Minnesota School Board Association, to automatically offer
conditional admission into Minnesota public colleges and universities to Minnesota high
school seniors based on a student's high school grade point average, high school and college
transcript information, standardized tests, statewide assessments, and other measures as
determined by stakeholders.

Subd. 2. Implementation. The program shall establish and, to the extent feasible,
implement a process for leveraging existing kindergarten through grade 12 and higher
education student information systems to automate the admissions process for students. The
program must specifically evaluate the impact this process has on outcomes for students
with lower levels of college knowledge, low-income students, and students from populations
underserved in higher education. The office shall attempt to achieve statewide representation
and may prioritize program participants to include high schools with a significant number
of students of color, low-income students, or both.

Subd. 3. Report. Annually, by February 1, the Office of Higher Education shall report
to the legislative committees with jurisdiction over kindergarten through grade 12 education
finance and policy and higher education on activities occurring under this section. The report
must include but is not limited to information about implementation, recommendations, and
outcomes.

Sec. 17. STATE GRANT FISCAL YEAR 2024 AND 2025 LIVING AND
MISCELLANEOUS EXPENSES.

Notwithstanding Minnesota Statutes, section 136A.121, subdivision 7a, the living and
miscellaneous expense allowance for fiscal years 2024 and 2025 is equal to 120 percent of
the federal poverty guidelines for a one-person household in Minnesota for nine months.