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 and modifying grant programs to
higher education institutions; establishing the Inclusive Higher Education Technical
Assistance Center; creating a direct admissions program; providing aid to
postsecondary institutions for unemployment insurance; establishing higher
education bonding policy; requiring financial review of nonprofit grant recipients;
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.1791, subdivision 3a; 136A.246, subdivisions 4, 5, 6, 8; 136F.04, subdivision
1; 136F.38, subdivisions 3, 4, 5; 175.45, subdivision 1; 354B.23, subdivision 3;
proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 268;
repealing Minnesota Statutes 2022, sections 136F.03; 136F.38, subdivision 2.

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

ARTICLE 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
Sec. 2. MINNESOTA OFFICE OF HIGHER EDUCATION

Subdivision 1. Total Appropriation $347,030,000 $322,383,000

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

Subd. 2. State Grants 234,744,000 224,167,000

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

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

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 Supplemental Assistance
Grants

(a) For Tribal college assistance grants under

Minnesota Statutes, section 136A.1796.

(b) In addition to grants made pursuant to

Minnesota Statutes, section 136A.1796, the

commissioner shall use this appropriation to

make grants of $1,000,000 each to Leech Lake

Tribal College, White Earth Tribal College,

and Red Lake Nation Tribal College, to be

used for the Tribal colleges' general operations

and maintenance expenses. By September 30,

2024, each Tribal college receiving a grant

under this paragraph must submit a report to

the commissioner of the Office of Higher

Education and to the chairs and ranking

minority members of the legislative

committees with jurisdiction over higher

education finance and policy. The report must

include an accurate and detailed account of

how the funds were spent and a copy of the

college's most recent audit report.

(c) 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

1,942,000  1,142,000
4.1 For the intervention for college attendance
4.2 program under Minnesota Statutes, section
4.3 136A.861.
4.4 $300,000 in fiscal year 2024 is for providing
4.5 onetime catalyst funding on a competitive
4.6 basis to postsecondary institutions, nonprofit
4.7 organizations, and local government
4.8 organizations to create or enhance supports,
4.9 navigation, and precollege services for
4.10 students who were formerly incarcerated.
4.11 The commissioner may use no more than three
4.12 percent of this appropriation to administer the
4.13 intervention for college attendance program
4.14 grants.

4.15 Subd. 10. Student-Parent Information 122,000 122,000
4.16 Subd. 11. Get Ready! 180,000 180,000
4.17 Subd. 12. Minnesota Education Equity Partnership 45,000 45,000
4.18 Subd. 13. Midwest Higher Education Compact 115,000 115,000
4.19 Subd. 14. United Family Medicine Residency Program 501,000 501,000
4.20 For a grant to United Family Medicine
4.21 residency program. This appropriation shall
4.22 be used to support up to 21 resident physicians
4.23 each year in family practice at United Family
4.24 Medicine residency programs and shall
4.25 prepare doctors to practice family care
4.26 medicine in underserved rural and urban areas
4.27 of the state. It is intended that this program
4.28 will improve health care in underserved
4.29 communities, provide affordable access to
4.30 appropriate medical care, and manage the
4.31 treatment of patients in a cost-effective
4.32 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 be used by College Possible only for programs supporting students who are residents of Minnesota and attending colleges or universities within Minnesota.

(c) 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.

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

Subd. 20. Summer Academic Enrichment Program

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

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

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

For transfer to the Dual Training Competency Grants account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10. $132,000 each year is for transfer to the Department of Labor and Industry.
Subd. 22. **Campus Sexual Assault Reporting**

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

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

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.

Subd. 24. **Emergency Assistance for Postsecondary Students**

(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 $2,926,000.

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

Subd. 27. **Teacher Shortage Loan Repayment**

For transfer to the teacher shortage loan repayment account in the special revenue fund under Minnesota Statutes, section 136A.1791, subdivision 8. The commissioner may use no more than three percent of the amount transferred under this subdivision to administer the program.

Subd. 28. **Large Animal Veterinarian Loan Forgiveness Program**

For transfer to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2.
Subd. 29. Agricultural Educators Loan Forgiveness
For transfer to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2.

Subd. 30. Aviation Degree Loan Forgiveness Program
For transfer to the aviation degree loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1789, subdivision 2.

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

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.

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.

Subd. 34. Student Loan Debt Counseling
200,000 200,000
For student loan debt counseling under Minnesota Statutes, section 136A.1788.

The Office of Higher Education may use no more than three percent of the appropriation to administer the student loan debt counseling program.

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 base amount for this appropriation in fiscal year 2026 and later is $4,411,000.

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 $314,000 each year is for administrative costs, and up to $25,000 each year is for program marketing and outreach.
The base amount for this appropriation in fiscal year 2026 and later is $3,500,000.

Subd. 39. **Director of Tribal Relations**

Subd. 40. **Direct Admissions Program**

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

Subd. 41. **American Indian Scholars**

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

Of this amount, $4,032,000 in fiscal year 2024 and $4,032,000 in fiscal year 2025 are for transfer to the Board of Regents of the University of Minnesota.

Of this amount, $4,468,000 in fiscal year 2024 and $4,468,000 in fiscal year 2025 are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 42. **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. 43. **Child Development Associate Pathway**

For transfer to the Board of Trustees of the Minnesota State Colleges and Universities to...
12.1 develop a transparent pathway for current
child development associate credential holders
12.2 to be awarded academic credit that aligns with
related academic certificate, diploma, and
degree programs. Funds must be used to
12.3 develop curriculum at eight colleges and
universities, develop training and advising
tools for those institutions, and form a
12.4 statewide advisory committee to advise the
project development.
12.5
12.6 Subd. 44. Higher Education Public Service
Feasibility Study
75,000
-0-
12.7 For the commissioner of the Office of Higher
Education to conduct a feasibility study on
creating and implementing a Minnesota
service initiative. By October 31, 2023, the
12.8 commissioner shall report to the chairs and
12.9 ranking minority members of the legislative
12.10 committees with jurisdiction over higher
12.11 education on the feasibility of creating and
12.12 implementing a Minnesota service initiative
to increase student civic engagement. The
12.13 report must include but is not limited to
12.14 information about the program design,
12.15 implementation challenges and
12.16 recommendations, outcomes, and the
12.17 feasibility of scaling the program over time.
12.18
12.19 Subd. 45. Inclusive Higher Education
1,000,000
1,000,000
12.20 Of this amount, $250,000 in fiscal year 2024
and $250,000 in fiscal year 2025 are for the
12.21 Office of Higher Education to enter into a
12.22 contract establishing the Inclusive Higher
12.23 Education Technical Assistance Center under
12.24 Minnesota Statutes, section 135A.161, and
12.25 $750,000 in fiscal year 2024 and $750,000 in
fiscal year 2025 are for transfer to the
inclusive higher education grant account under
Minnesota Statutes, section 135A.162,
subdivision 4.
The Office of Higher Education may use no
more than three percent of the appropriation
to administer the program.

Subd. 46. Paramedic Scholarship Program  
3,200,000  -0-

For the paramedic scholarship program under
article 2, section 27. Of this amount:
(1) $3,000,000 is for awarding 600 student
scholarships;
(2) $100,000 is for promotion of the program
and student recruitment efforts; and
(3) $100,000 is for administering the program.
This appropriation is available until expended
or until June 30, 2026, whichever occurs first.

Subd. 47. Addiction Medicine Graduate Medical
Education Fellowship  
270,000  270,000

(a) For a grant to Hennepin County Medical
Center to support up to six physicians enrolled
in an addiction medicine fellowship program.
If the appropriation for either year is
insufficient, the appropriation for the other
year is available for it.

(b) Each year, in order to receive funds under
this subdivision, Hennepin County Medical
Center must certify to the commissioner the
number of physicians actually enrolled in an
addiction medicine fellowship for that year.
The commissioner shall transfer to Hennepin
County Medical Center $90,000 for each
physician enrolled in an addiction medicine
fellowship subject to the total funds appropriated by this subdivision.

(c) This appropriation shall be used to prepare fellows to practice addiction medicine in rural and underserved areas of the state, and to train fellows in: diagnostic interviewing; motivational interviewing; addiction counseling; recognition and care of common acute withdrawal syndromes and complications; pharmacotherapies of addictive disorders; epidemiology and pathophysiology of addiction; identification and treatment of addictive disorders in special populations; secondary interventions; the use of screening and diagnostic instruments; inpatient care; and working within a multidisciplinary team.

Subd. 48. Allied Health Technician Scholarship Program

(a) For the allied health technician scholarship program under article 2, section 28. Of the amount appropriated: (1) $5,000,000 is for awarding 1,000 student scholarships; (2) $230,000 is for promotion of the program and student recruitment efforts; and (3) $150,000 is for administering the program.

(b) This is a onetime appropriation. This appropriation is available until expended or until June 30, 2026, whichever occurs first.

Subd. 49. Unemployment Insurance Aid

For unemployment insurance aid to Tribal colleges under Minnesota Statutes, section 268.193. Of the amount appropriated, $24,000 each year is for administration of the unemployment insurance aid.
Subd. 50. Foster Care Grant

For a grant to a nonprofit organization for an education support and wraparound service program that provides assistance and support to individuals who were in foster care at the age of 13 or later, and for individuals who are transitioning from foster care to adulthood, up to age 27, to improve the likelihood of completing a degree and securing a stable career. The program shall provide one-on-one mentoring, leadership development, and additional resources to support each student's education journey through high school graduation and institutions of higher education. The commissioner shall develop an application process for the grant. This is a onetime appropriation. The base for this appropriation is $0 in fiscal year 2026 and later.

Subd. 51. Agency Administration

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

Subd. 52. Balances Forward

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

Subd. 53. 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
tenrichment 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
senate and house of representatives
committees with jurisdiction over higher
education finance.

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

Subdivision 1. Total Appropriation $ 967,781,000 $ 942,792,000
The amounts that may be spent for each
purpose are specified in the following
subdivisions.

Subd. 2. Central Office and Shared Services
Unit $ 34,401,000 $ 34,401,000
For the Office of the Chancellor and the
Shared Services Division.

Subd. 3. Operations and Maintenance

(a) This appropriation includes $25,000,000 in fiscal year 2024 and $50,000,000 in fiscal year 2025 for student tuition relief. The Board of Trustees may not set the tuition rates in any undergraduate degree-granting program for the 2023-2024 and 2024-2025 academic years at a rate greater than the 2022-2023 academic year rates. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student. Colleges and universities are permitted to increase differential tuition charges in fiscal years 2024 and 2025 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees.

(b) This appropriation includes $50,000,000 in fiscal year 2024 for onetime campus support. The Board of Trustees must allocate this amount to all colleges and universities based upon each institution's estimated tuition revenue loss due to declines in enrollment from fiscal year 2019 to fiscal year 2023, except that no institution shall receive an allocation less than $200,000. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is $0.

(c) $5,700,000 in fiscal year 2024 and $5,700,000 in fiscal year 2025 are to provide

Article 1 Sec. 3.
supplemental aid for operations and

maintenance to the president of each two-year

institution in the system with at least one

campus that is not located in a metropolitan

county, as defined in Minnesota Statutes,

section 473.121, subdivision 4. The board

shall transfer at least $158,000 for each

campus not located in a metropolitan county

in each year to the president of each institution

that includes such a campus.

(d) The Board of Trustees is requested to help

Minnesota close the attainment gap by funding

activities which improve retention and

completion for students of color.

(e) $10,750,000 in fiscal year 2024 and

$10,750,000 in fiscal year 2025 are for

workforce development scholarships under

Minnesota Statutes, section 136F.38.

$6,250,000 in fiscal year 2025 must be

matched with cash or in-kind contributions

from nonstate sources. The base amount for

this appropriation for fiscal year 2026 and later

is $4,500,000.

(f) $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.
(g) $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.

(h) $9,500,000 in fiscal year 2024 and $9,500,000 in fiscal year 2025 are for enterprise-wide technology, including upgrading the Integrated Statewide Record System and maintaining enterprise-wide technology services. The base for this appropriation in fiscal year 2026 and later is $9,100,000.

(i) $1,050,000 in fiscal year 2024 and $1,050,000 in fiscal year 2025 are to reduce students' out-of-pocket costs by expanding free offerings in course materials and resources, including through open educational resources, open textbooks, and implementation of Z-Degrees under Minnesota Statutes, section 136F.305. The base for this appropriation in fiscal year 2026 and later is $50,000.

(j) $13,000,000 in fiscal year 2024 and $13,000,000 in fiscal year 2025 are to expand student support services. This appropriation provides funding to campuses to address basic needs insecurity, mental health, and other high-need student support services by increasing the amount of available resources to students. In addition, this funding provides systemwide resources and coordination, including electronic connections for peer support and professional clinical support for mental health. These systemwide resources must be available online 24 hours a day, seven days a week.
20.1 days a week. The base amount for this
20.2 appropriation for fiscal year 2026 and later is
20.3 $2,000,000.
20.4 (k) $12,500,000 in fiscal year 2024 and
20.5 $12,500,000 in fiscal year 2025 are for
20.6 upgrades to college and university equipment
20.7 and learning environments. The amount
20.8 appropriated in fiscal year 2025 must be
20.9 matched with cash or in-kind contributions
20.10 from nonstate sources. Up to 1.5 percent of
20.11 the appropriation may be used for
20.12 administration of the program. This is a
20.13 onetime appropriation. The base for this
20.14 appropriation in fiscal year 2026 and later is
20.15 $0.
20.16 (l) $6,250,000 in fiscal year 2024 and
20.17 $6,250,000 in fiscal year 2025 are to develop
20.18 and expand industry sector programming to
20.19 build capacity and support new and redesigned
20.20 curricular options with an emphasis on
20.21 offering students work-based learning
20.22 experiences. The amount appropriated in fiscal
20.23 year 2025 must be matched with cash or
20.24 in-kind contributions from nonstate sources.
20.25 Up to 1.5 percent of the appropriation may be
20.26 used for administration of the program. This
20.27 is a onetime appropriation. The base for this
20.28 appropriation in fiscal year 2026 and later is
20.29 $0.
20.30 (m) $861,000 in fiscal year 2024 and $872,000
20.31 in fiscal year 2025 are for costs associated
20.32 with the increased employer contribution rates
20.33 for the higher education individual retirement
20.34 account plan under Minnesota Statutes, section
20.35 354B.23, subdivision 3. The base for fiscal
year 2026 is $883,000 and for fiscal year 2027 is $894,000.

(n) $809,000 in fiscal year 2024 and $809,000 in fiscal year 2025 are for unemployment insurance aid under Minnesota Statutes, section 268.193, to institutions within the system.

(o) The total operations and maintenance base for fiscal year 2026 is $852,787,000 and for fiscal year 2027 and later is $852,798,000.

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 $ 788,279,000 $ 788,279,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2024</th>
<th>2025</th>
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<tbody>
<tr>
<td>General</td>
<td>786,122,000</td>
<td>786,122,000</td>
</tr>
<tr>
<td>Health Care Access</td>
<td>2,157,000</td>
<td>2,157,000</td>
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</tbody>
</table>

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

Subd. 2. Operations and Maintenance 717,684,000  717,684,000

(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) $5,000,000 in fiscal year 2024 and
$5,000,000 in fiscal year 2025 are for
systemwide safety and security measures on
University of Minnesota campuses. The base
amount for this appropriation is $5,000,000
in fiscal year 2026 and later.

(f) $366,000 in fiscal year 2024 and $366,000
in fiscal year 2025 are for unemployment
insurance aid under Minnesota Statutes,
section 268.193.

(g) The total operations and maintenance base
for fiscal year 2026 and later is $695,684,000.
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.

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

For the geological survey and the talented youth mathematics program.

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

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.

$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.

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

This appropriation is for the following activities:

(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.

(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.

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

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

Subd. 2. Medical School

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

The state must pay stipend support for up to 42 residents each year.
Sec. 6. FINANCIAL REVIEW OF NONPROFIT GRANT RECIPIENTS REQUIRED.

Subdivision 1. Financial review required. (a) Before awarding a competitive, legislatively named, single source, or sole source grant to a nonprofit organization under this act, the grantor must require the applicant to submit financial information sufficient for the grantor to document and assess the applicant's current financial standing and management. Items of significant concern must be addressed with the applicant and resolved to the satisfaction of the grantor before a grant is awarded. The grantor must document the material requested and reviewed; whether the applicant had a significant operating deficit, a deficit in unrestricted net assets, or insufficient internal controls; whether and how the applicant resolved the grantor's concerns; and the grantor's final decision. This documentation must be maintained in the grantor's files.

(b) At a minimum, the grantor must require each applicant to provide the following information:

1) the applicant's most recent Form 990, Form 990-EZ, or Form 990-N filed with the Internal Revenue Service. If the applicant has not been in existence long enough or is not required to file Form 990, Form 990-EZ, or Form 990-N, the applicant must demonstrate to the grantor that the applicant is exempt and must instead submit documentation of internal controls and the applicant's most recent financial statement prepared in accordance with generally accepted accounting principles and approved by the applicant's board of directors or trustees, or if there is no such board, by the applicant's managing group;

2) evidence of registration and good standing with the secretary of state under Minnesota Statutes, chapter 317A, or other applicable law;

3) unless exempt under Minnesota Statutes, section 309.515, evidence of registration and good standing with the attorney general under Minnesota Statutes, chapter 309; and

4) if required under Minnesota Statutes, section 309.53, subdivision 3, the applicant's most recent audited financial statement prepared in accordance with generally accepted accounting principles.

Subd. 2. Authority to postpone or forgo. Notwithstanding any contrary provision in this act, a grantor that identifies an area of significant concern regarding the financial standing or management of a legislatively named applicant may postpone or forgo awarding the grant.

Subd. 3. Authority to award subject to additional assistance and oversight. A grantor that identifies an area of significant concern regarding an applicant's financial standing or
management may award a grant to the applicant if the grantor provides or the grantee otherwise obtains additional technical assistance, as needed, and the grantor imposes additional requirements in the grant agreement. Additional requirements may include but are not limited to enhanced monitoring, additional reporting, or other reasonable requirements imposed by the grantor to protect the interests of the state.

Subd. 4. Relation to other law and policy. The requirements in this section are in addition to any other requirements imposed by law, the commissioner of administration under Minnesota Statutes, sections 16B.97 to 16B.98, or agency policy.

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. [135A.161] INCLUSIVE HIGHER EDUCATION TECHNICAL ASSISTANCE CENTER.

Subdivision 1. Definitions. (a) For purposes of this section and section 135A.162, the following terms have the meanings given.

(b) "Center" means the Inclusive Higher Education Technical Assistance Center.

(c) "Commissioner" means the commissioner of the Office of Higher Education.

(d) "Comprehensive transition and postsecondary program for students with intellectual disabilities" means a degree, certificate, or nondegree program that is offered by an institution of higher education for students with intellectual disabilities and approved by the United States Department of Education.

(e) "Director" means the director of the Inclusive Higher Education Technical Assistance Center.

(f) "Inclusive higher education" means institution-approved access to higher education for students with an intellectual disability that allows for the same rights, privileges, experiences, benefits, and outcomes that result from a college experience the same as a matriculating student, resulting in a meaningful credential conferred by the institution of higher education. Inclusive higher education includes:
The commissioner must contract with the Institute on Community Integration at the University of Minnesota to establish the Inclusive Higher Education Technical Assistance Center. The purpose of the center is to increase access to self-sustaining postsecondary education options across Minnesota for students with an intellectual disability to earn meaningful credentials through degree, certificate, and nondegree initiatives leading to competitive integrated employment, genuine community membership, and more independent living. The center must:

1. Coordinate and facilitate the statewide initiative to expand and enhance inclusive higher education opportunities;
2. Provide expertise in inclusive higher education for students with an intellectual disability;
3. Provide technical assistance:
   - To Minnesota institutions of higher education;
(ii) to local education agencies; and

(iii) as requested by the commissioner; and

(4) provide information to students with intellectual disabilities and their families.

Subd. 3. Director; advisory committee. (a) The center must name a director.

(b) The center must make hiring decisions based on the Institute on Community Integration's values of diversity and inclusion of staff with disabilities.

(c) The director must appoint an advisory committee and seek the committee's review and recommendations on broad programmatic direction. The advisory committee must be composed of 50 percent students with an intellectual disability. The remaining positions must be filled by family members, key stakeholders, and allies. The director must convene the advisory committee at least quarterly. The advisory committee shall:

(1) review and recommend inclusive higher education offerings;

(2) review and recommend updates to state policy and practice;

(3) document existing and potential funding sources; and

(4) identify obstacles and barriers to students with an intellectual disability to access inclusive higher education opportunities.

Subd. 4. Responsibilities. (a) The center must advise and offer technical assistance to all Minnesota institutions of higher education planning or offering an inclusive higher education initiative to operate in accordance with federal requirements, the model Program Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities, and guiding principles for inclusive higher education as developed by the National Coordinating Center.

(b) The center must monitor federal and state law related to inclusive higher education and notify the governor, the legislature, and the Office of Higher Education of any change in law which may impact inclusive higher education.

(c) The center must provide technical assistance to institutions of higher education, administrators, faculty, and staff by:

(1) offering institution faculty and staff training and professional development to start, operate, or enhance their inclusive higher education initiative;

(2) providing faculty and staff with information, training, and consultation on the comprehensive transition and postsecondary program requirements, model Program
33.1 Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities, and guiding principles;

33.2 (3) organizing and offering learning community events, an annual inclusive higher education conference and community of practice events to share best practices, provide access to national experts, and address challenges and concerns;

33.3 (4) assisting institutions of higher education with identifying existing or potential funding sources for the institution of higher education, student financial aid, and funding for students with an intellectual disability; and

33.4 (5) advising faculty and staff with an inclusive higher education option of specific grant applications and funding opportunities.

33.5 (d) The center must disseminate information to students with an intellectual disability, their parents, and local education agencies, including but not limited to information about:

33.6 (1) postsecondary education options, services, and resources that are available at inclusive institutions of higher education;

33.7 (2) technical assistance and training provided by the center, the National Coordinating Center, and key stakeholder organizations and agencies; and

33.8 (3) mentoring, networking, and employment opportunities.

Sec. 3. [135A.162] INCLUSIVE HIGHER EDUCATION GRANTS.

Subdivision 1. Establishment. (a) The commissioner of the Office of Higher Education in collaboration with the director of the Inclusive Higher Education Technical Assistance Center must establish a competitive grant program for Minnesota institutions of higher education to develop new or enhance existing inclusive higher education initiatives to enroll or increase enrollment of students with an intellectual disability. The commissioner and director must collaborate to establish the grant program framework, including:

33.9 (1) minimum grant requirements;

33.10 (2) application format;

33.11 (3) criteria for evaluating applications;

33.12 (4) grant selection process;

33.13 (5) milestones and accountability; and

33.14 (6) reporting.
(b) The commissioner must send a description of the competitive grants, including materials describing the grant purpose and goals, an application, compliance requirements, and available funding to each institution of higher education that meets the requirements of subdivision 2, clauses (1) and (2).

Subd. 2. Eligible grantees. A public postsecondary two-year or four-year institution is eligible to apply for a grant under this section if the institution:

(1) is accredited by the Higher Learning Commission; and

(2) meets the eligibility requirements under section 136A.103.

Subd. 3. Application. (a) Applications must be made to the commissioner on a form developed and provided by the commissioner. The commissioner must, to the greatest extent possible, make the application form as short and simple to complete as is reasonably possible. The commissioner must establish a schedule for applications and grants. The application must include without limitation a written plan to develop or enhance a sustainable inclusive higher education initiative that:

(1) offers the necessary supports to students with an intellectual disability to access the same rights, privileges, experiences, benefits, and outcomes of a typically matriculating student;

(2) includes the development of a meaningful credential for students with an intellectual disability to attain upon successful completion of the student's postsecondary education;

(3) adopts admission standards that do not require a student with an intellectual disability to complete a curriculum-based, achievement college entrance exam that is administered nationwide;

(4) ensures that students with an intellectual disability:

(i) have access and choice in a wide array of academic courses to enroll in for credit or audit that align with the student's interest areas and are attended by students without disabilities;

(ii) have the option to live on or off campus in housing that is available to typically matriculating students;

(iii) have access and support for genuine membership in campus life, including events, social activities and organizations, institution facilities, and technology; and

(iv) are able to access and utilize campus resources available to typical matriculating students;
(5) provides students with an intellectual disability with the supports and experiences necessary to seek and sustain competitive integrated employment;

(6) develops and promotes the self-determination skills of students with an intellectual disability;

(7) utilizes peer mentors who support enrolled students with an intellectual disability in academic, campus engagement, residence life, employment, and campus clubs and organizations;

(8) provides professional development and resources for university professors and instructors to utilize universal design for learning and differentiated instruction that supports and benefits all students; and

(9) presents a ten-year plan including student enrollment projections for sustainability of an initiative that is financially accessible and equitable for all interested students with an intellectual disability.

(b) Eligible institutions of higher education may apply for funding in subsequent years for up to a total of ten years of funding.

(c) Receipt of grant funds does not preclude nor replace the provision of accommodation for enrolled students with disabilities.

Subd. 4. Grant account. An inclusive higher education grant account is created in the special revenue fund for depositing money appropriated to or received by the commissioner for the program. Money deposited in the account is appropriated to the commissioner, does not cancel, and is continuously available for grants under this section. The commissioner may use up to five percent of the amount deposited into the account for the administration of this section.

Subd. 5. Grant awards. (a) The commissioner must award grants to eligible institutions of higher education on a competitive basis using criteria established in collaboration with the center. The commissioner must consider and prioritize applicants that have submitted for or received a comprehensive transition and postsecondary program designation, or applicants with documented progress or intent toward submitting for federal approval. An eligible institution of higher education may apply annually for and receive up to $200,000 per year for four years and $100,000 in subsequent years pending performance and the funding limitation in subdivision 3, paragraph (b).

(b) A grant recipient must:
(1) adopt the model Program Accreditation Standards for Postsecondary Education Programs for Students with Intellectual Disabilities and the inclusive higher education guiding principles as developed by the National Coordinating Center;

(2) provide a 25 percent match for the grant funds, either monetary or in-kind; and

(3) collaborate with the Office of Higher Education, the center, and key stakeholders in the development of the inclusive higher education initiative.

Subd. 6. Grantee reporting. By August 1 and January 1 following a fiscal year in which a grant was received and for five years thereafter, the grantee must submit a report to the director that includes the status and outcomes of the initiative funded. The report must include performance indicators and information deemed relevant by the director and commissioner. The report must include the following performance indicators:

(1) student recruitment and number of students enrolled;

(2) student retention effort and retention rate;

(3) initiative goals and outcomes;

(4) student attainment rate;

(5) graduated student employment rates and salary levels at year one and year five after completion; and

(6) additional performance indicators or information established under subdivision 1, paragraph (a), clauses (5) and (6).

Subd. 7. Reporting. The director must evaluate the development and implementation of the Minnesota inclusive higher education initiatives receiving a grant under this section. The director must submit an annual report by October 1 on the progress to expand Minnesota inclusive higher education options for students with intellectual disabilities to the commissioner and chairs and ranking minority members of the legislative committees with jurisdiction over higher education policy and finance. The report must include statutory and budget recommendations.

EFFECTIVE DATE. This section is effective July 1, 2023, except that the reporting requirements under subdivision 7 are effective July 1, 2024.

Sec. 4. 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. 5. 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. 6. 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. 7. 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. 8. 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. 9. 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.
(f) 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. 10. 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.
(d) 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. 11. [136A.1251] 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, child care 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. 12. 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. 13. 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. 14. Minnesota Statutes 2022, section 136A.1791, subdivision 3a, is amended to read:

Subd. 3a. Eligibility. To be eligible for a disbursement under this section, a teacher must belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce, teach. To the extent that funds are available, a teacher who teaches in a rural school district, or teach teaches in a license shortage area may also be eligible for a disbursement under this section.

Sec. 15. Minnesota Statutes 2022, section 136A.246, subdivision 4, is amended to read:

Subd. 4. Application. Applications must be made to the commissioner on a form provided by the commissioner. The commissioner must, to the extent possible, make the application
form as short and simple to complete as is reasonably possible. The commissioner shall
establish a schedule for applications and grants. The application must include, without
limitation:

(1) the projected number of employee trainees;
(2) the competency standard for which training will be provided;
(3) the credential the employee will receive upon completion of training;
(4) the name and address of the eligible training provider;
(5) the period of the training; and
(6) the cost of the training charged by the eligible training provider. The cost of training
includes tuition, fees, and required and recommended books and materials.

An application may be made for training of employees of multiple employers either by
the employers or by an organization on their behalf.

Sec. 16. 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. 17. 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. 18. Minnesota Statutes 2022, section 136A.246, subdivision 8, is amended to read:

Subd. 8. Grant amounts. (a) The maximum grant for an application for the cost of
training is $150,000. The maximum grant for an application for trainee support is ten percent
of the grant amount for the cost of training. The maximum total grant per application is
$165,000. 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. 19. [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. 20. Minnesota Statutes 2022, section 136F.04, subdivision 1, is amended to read:

Subdivision 1. Responsibility. Notwithstanding section 136F.03, The State University
Student Association and the State College Student Association shall each have the
responsibility for recruiting, screening, and recommending qualified candidates for their
student members of the board.

Sec. 21. Minnesota Statutes 2022, section 136F.38, subdivision 3, is amended to read:

Subd. 3. Program eligibility. (a) Scholarships shall be awarded only to a student eligible
for resident tuition, as defined in section 135A.043, who is enrolled in any of the following
programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health
care services; (4) information technology; (5) early childhood; (6) transportation; or (7)
construction; (8) education; (9) public safety; or (10) a program of study under paragraph
(b).

(b) Each institution may add one additional area of study or certification, based on a
workforce shortage for full-time employment requiring postsecondary education that is
unique to the institution's specific region, as reported in the most recent Department of
Employment and Economic Development job vacancy survey data for the economic
development region in which the institution is located. A workforce shortage area is one in
which the job vacancy rate for full-time employment in a specific occupation in a region is
higher than the state average vacancy rate for that same occupation. The institution may
change the area of study or certification based on new data once every two years.

(c) The student must be in an eligible field enrolled for at least nine credits in a two-year
college in the Minnesota State Colleges and Universities system to be eligible for first-
and second-year scholarships of $2,500.
(d) The student is eligible for a one-year transfer scholarship if the student transfers from a two-year college after two or more terms, and the student is enrolled for at least nine credits in a four-year university in the Minnesota State Colleges and Universities system.

(d) A student in an eligible field enrolled for at least nine credits in a four-year university in the Minnesota State Colleges and Universities system is eligible for first-year and second-year scholarships of $3,500.

(e) A student in an eligible field enrolled in a select short-term credit and noncredit certificate program may receive scholarships of up to $1,500 or the full cost of instruction and credit for prior learning fees, whichever is less.

Sec. 22. Minnesota Statutes 2022, section 136F.38, subdivision 4, is amended to read:

Subd. 4. Renewal; cap. A student who has received a scholarship may apply again but total lifetime awards are not to exceed $7,500 $12,000 per student. Students may only be awarded a second scholarship upon completion of two academic terms. Students may be awarded a third scholarship if the student transfers to a corresponding program at a Minnesota state university.

Sec. 23. Minnesota Statutes 2022, section 136F.38, subdivision 5, is amended to read:

Subd. 5. Administration. (a) The board shall establish an application process and other guidelines for implementing this program.

(b) The board shall give preference to students in financial need.

(c) Up to 1.5 percent of funds appropriated for this program may be used for the administration of this program, including outreach to students and promotion of programs where graduates and certificate holders are currently most needed.

Sec. 24. Minnesota Statutes 2022, section 175.45, subdivision 1, is amended to read:

Subdivision 1. Duties; goal. The commissioner of labor and industry shall convene industry representatives, identify occupational competency standards, and provide technical assistance to develop dual-training programs. The competency standards shall be identified for employment in occupations in advanced manufacturing, health care services, information technology, and agriculture, transportation, and child care. Competency standards are not rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do not apply.
Sec. 25. [268.193] POSTSECONDARY UNEMPLOYMENT INSURANCE AID.

Subdivision 1. Postsecondary institutions. For the purposes of this section, "eligible postsecondary institution" means:

(1) the University of Minnesota;
(2) a postsecondary institution governed by the Board of Trustees of the Minnesota State Colleges and Universities; or
(3) a Tribal college, which includes Leech Lake Tribal College, White Earth Tribal College, or Red Lake Nation Tribal College.

Subd. 2. Unemployment insurance aid. Eligible postsecondary institutions are eligible to receive unemployment insurance aid under this section. For each fiscal year, an eligible entity's aid is the difference between fiscal year 2022's unemployment insurance costs and the current year's unemployment insurance costs, as reflected in the unemployment insurance employer accounts maintained by the state. If the total eligible unemployment insurance aid for a fiscal year is greater than the annual appropriation for that year, the Board of Trustees of the Minnesota State Colleges and Universities or the commissioner of the Office of Higher Education, as applicable, must proportionately reduce the aid payment to each eligible entity.

EFFECTIVE DATE. This section is effective for aid beginning in fiscal year 2024.

Sec. 26. Minnesota Statutes 2022, section 354B.23, subdivision 3, is amended to read:

Subd. 3. Employer contribution rate. The employer contribution rate on behalf of participants in the individual retirement account plan is six 8.75 percent of salary.

EFFECTIVE DATE. This section is effective the day following final enactment and applies at the beginning of the next full pay period.

Sec. 27. PARAMEDIC SCHOLARSHIP PROGRAM.

Subdivision 1. Establishment. The commissioner of the Office of Higher Education shall establish a program to provide up to 600 scholarships to students entering paramedic programs by 2026.

Subd. 2. Eligible students. (a) To be eligible for a scholarship under this section, a student must:

(1) apply in the form and manner specified by the commissioner;
49.1 (2) be a resident student, as defined by Minnesota Statutes, section 136A.101, subdivision 8;
49.2 (3) attend an eligible institution, as defined by Minnesota Statutes, section 136A.101, subdivision 4;
49.3 (4) be enrolled in a nationally accredited, degree- or diploma-awarding paramedic program at that institution; and
49.4 (5) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the student's intent to work as a paramedic in Minnesota after graduation.
49.5 (b) An eligible student may receive a scholarship under this section no more than two times.
49.6 Subd. 3. Administration; award amount. (a) The commissioner must establish an application process and other guidelines for implementing the paramedic scholarship program. The first set of scholarships must be awarded for the 2024-2025 academic year.
49.7 (b) The amount of a scholarship awarded under this section is $5,000. The scholarship must be paid in a lump sum directly to the institution where the recipient is enrolled.
49.8 Subd. 4. Reporting. By February 1, 2025, and again by February 1, 2026, the commissioner must submit a report on the program to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy. The report must include the following information and any other information the commissioner considers relevant:
49.9 (1) information about all postsecondary programs giving rise to eligibility for a scholarship under this section, including the programs' locations, costs, enrollment capacities, acceptance rates, and other relevant information;
49.10 (2) available data on the current and forecasted demand for paramedics in Minnesota; and
49.11 (3) the total number of scholarships issued, disaggregated by:
49.12 (i) year of award;
49.13 (ii) postsecondary institution attended; and
49.14 (iii) relevant and available demographic data about award recipients.
49.15 Subd. 5. Expiration. This section expires June 30, 2026.
Sec. 28. ALLIED HEALTH TECHNICIAN SCHOLARSHIP PROGRAM.

Subdivision 1. Establishment. The commissioner of the Office of Higher Education shall establish a program to provide up to 1,000 scholarships to students entering specified health technician programs by 2026.

Subd. 2. Eligible students. (a) To be eligible for a scholarship under this section, a student must:

(1) apply in the form and manner specified by the commissioner;

(2) be a resident student, as defined by Minnesota Statutes, section 136A.101, subdivision 8;

(3) attend an eligible institution, as defined by Minnesota Statutes, section 136A.101, subdivision 4;

(4) be enrolled in the student's first term in a nationally accredited degree, diploma, or certificate program in one of the following health technician fields:

(i) medical laboratory technologist;

(ii) medical laboratory technician;

(iii) respiratory therapist;

(iv) radiology technologist; or

(v) surgical technologist; and

(5) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the student's intent to work in Minnesota in the specified health technician field following graduation.

(b) A student may receive a scholarship under this section only once.

Subd. 3. Administration; award amount. (a) The commissioner must establish an application process and other guidelines for implementing this program. The first set of scholarships must be awarded for the 2024-2025 academic year.

(b) The amount of a scholarship awarded under this section is $5,000. The scholarship shall be paid in a lump sum directly to the institution where the recipient is enrolled.

Subd. 4. Reporting. By February 1, 2025, and again by February 1, 2026, the commissioner must submit a report on the program to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and
policy. The report must include the following information as well as any other information
the commissioner considers relevant:

(1) information about all postsecondary health technician programs giving rise to
eligibility for a scholarship under this section, including the programs' locations, costs,
enrollment capacities, acceptance rates, and other relevant information;

(2) available data on the current and forecasted demand for health technicians in
Minnesota; and

(3) the total number of scholarships issued broken out by:

(i) year of award;

(ii) postsecondary institution attended;

(iii) health technician field; and

(iv) relevant and available demographic data about award recipients.

Subd. 5. Expiration. This section expires June 30, 2026.

Sec. 29. UNEMPLOYMENT INSURANCE AID REPORTS.

By January 15 of each year, the Board of Regents of the University of Minnesota, the
Board of Trustees of the Minnesota State Colleges and Universities, and the Office of Higher
Education, in consultation with the Department of Employment and Economic Development,
must each report to the higher education committees of the legislature the balances in
unemployment insurance aid accounts and information about the annual changes in
reimbursable costs for higher education workers receiving unemployment insurance benefits.
To the extent possible, the report must break out the costs by campus and major job classes.
The report must be filed according to Minnesota Statutes, section 3.195.

Sec. 30. HIGHER EDUCATION BONDING POLICY.

It is the policy of the legislature that:

(1) an appropriation from the bond proceeds fund to either the Board of Regents of the
University of Minnesota or the Board of Trustees of the Minnesota State Colleges and
Universities shall fund the full cost of projects benefiting institutions within those public
postsecondary systems; and

(2) neither the Board of Regents of the University of Minnesota nor the Board of Trustees
of the Minnesota State Colleges and Universities shall be obligated to pay debt service on
the principal amount of state general obligation bonds sold to finance projects benefiting
institutions within those public postsecondary systems.

EFFECTIVE DATE. This section is effective January 1, 2024, and applies to
appropriations of bond proceeds on or after that date.

Sec. 31. REPEALER.

Minnesota Statutes 2022, sections 136F.03; and 136F.38, subdivision 2, are repealed.
136F.03 CANDIDATE ADVISORY COUNCIL.

Subdivision 1. Purpose. A Candidate Advisory Council for the board shall assist the governor in determining criteria for, and identifying and recruiting qualified candidates for, nonstudent membership on the board.

Subd. 2. Membership. The advisory council consists of 24 members. Twelve members are appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate. Twelve members are appointed by the speaker of the house. No more than one-third of the members appointed by each appointing authority may be current or former legislators. No more than two-thirds of the members appointed by each appointing authority may belong to the same political party; however, political activity or affiliation is not required for the appointment of a member. Geographical representation must be taken into consideration when making appointments. Section 15.0575 governs the advisory council, except that the members must be appointed to six-year terms.

Subd. 3. Duties. (a) The advisory council shall:

(1) develop a statement of the selection criteria to be applied and a description of the responsibilities and duties of a member of the board and shall distribute this to potential candidates; and

(2) for each position on the board, identify and recruit qualified candidates for the board, based on the background and experience of the candidates, and their potential for discharging the responsibilities of a member of the board.

(b) Selection criteria developed under this section must include the requirement that trustees represent diversity in geography, gender, race, occupation, and experience.

(c) Selection criteria developed under this section must also include the identification of the membership needs of the board for individual skills relevant to the governance of the Minnesota State Colleges and Universities and the needs for certain individual characteristics that include geographic location, gender, race, occupation, and experience.

Subd. 4. Recommendations. Except for seats filled under sections 136F.04 and 136F.045, the advisory council shall recommend at least two and not more than four candidates for each seat. By April 15 of each even-numbered year in which the governor makes appointments to the board, the advisory council shall submit its recommendations to the governor and to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The governor is not bound by these recommendations.

Subd. 5. Support services. The Legislative Coordinating Commission shall provide administrative and support services for the advisory council.

136F.38 WORKFORCE DEVELOPMENT SCHOLARSHIPS.

Subd. 2. Scholarship awards. The program shall award scholarships at the beginning of an academic term, in the amount of $2,500, to be distributed evenly between two terms.