

S.F. No. 869 – Office of Higher Education Policy Bill (as proposed to be amendment by the A-2 author’s amendment)

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Section 1 (135A.144) prohibits an institution from refusing to provide a transcript for a current or former student under certain circumstances.

Sections 2 and 3 (136A.121, subd. 2, and 136A.125, subd. 2) amend the state grant program eligibility and the child care grants sections of law, respectively. The provisions are restructured to clarify when a student is entitled to an additional semester or the equivalent of grant eligibility, which includes when a student withdraws from enrollment due to a “serious health condition” instead of “major illness”, and if the student is providing care to a spouse, child, or parent with a serious health condition that substantially limits the student’s ability to complete the term.

Section 4 (136A.1703) is deleted and repealed in the amendment.

Section 5 (136A.1704) amends the SELF Refi program by removing the maximum amount that OHE is authorized to refinance, which is currently \$100,000,000, and removing the cap on loans to applicants, which is currently \$70,000. New language requires the office to consider different factors in determining the annual loan limit.

Sections 6-13 modify the Dual Training Competency Grants. This program was established in 2015 to support the dual training pipeline training program administered by the Department of Labor and Industry (DOLI). This program reimburses employers who provide instruction and training to students to achieve the competency standard for an occupation identified by DOLI.

Sections 6 (136A.246, subd. 1) strikes language that is moved to section 7.

Section 7 (136A.246, subd. 1a) defines terms. The term competency standard is moved from the previous section, and newly defined terms include “eligible training,” “eligible training provider,” “industry-recognized degrees, certificates, or credentials,” to clarify the program components.

Sections 8 to 12 (136A.246, subd. 2, 136A.246, subd. 3, 136A.246, subd. 4, 136A.246, subd. 6, 136A.246, subd. 7) are conforming changes: most of the stricken language is moved to a more appropriate section of law or to the definitions section and terms are updated.

Section 13 (136A.246, subd. 8) requires certain employees to apply for Pell and state grants as a condition of payment for training that employee.

Sections 14 to 18 modify statutes related to Minnesota Private and out-of-state public institutions.

Section 14 (136A.63, subd. 2) adds to the definition of “change of ownership” a school that has entered receivership. When there is a change of ownership, the school must comply with the requirements under this section.

Section 15 (136A.645) consists of procedures related to a school closure. New language provides that a school shall be deemed to have ceased operations if the school fails to complete a renewal application after a change in ownership under the previous section.

Section 16 (136A.653, subd. 5) amends the statute in response to federal changes related to regional accreditors of institutions. The federal Department of Education repealed regional accreditor rules, which ended the distinction between national and regional accreditors. The provision in this section strikes the reference to “regionally accredited” institutions and specifies that the institution must be accredited by the Higher Learning Commission or its successor.

Section 17 (136A.675) modifies the risk analysis section of law, which requires OHE to develop indicators to screen and detect the financial and administrative strength of an institution. This section requires OHE to develop financial and nonfinancial indicators, and use those indicators to identify if an institution is at risk of failing to meet standards in the law.

New **subdivision 2** requires institutions to notify OHE if any of the circumstances under new paragraphs (b) to (e) occur.

New **subdivision 3** requires OHE to conduct a systematic evaluation to make a preliminary determination as to whether corrective action is necessary if OHE identifies a potential risk based on the indicators, receives notification under subdivision 2, or identifies exigent circumstances impacting the institutions that may deny students the opportunity to complete their education. This section also requires OHE to provide notice of the preliminary determination, specifies the process for obtaining additional information from the institution, and consequences for failing to do so.

Subdivision 4 classifies data under this section as financial data under section 136A.64, subdivision 2.

Sections 18 and 19 (136A.68, 136A.822, subd. 12) amend the statutes related to private, out-of-state institutions and private career schools, respectively, by requiring the schools to maintain records related to a student’s professional licensure for ten years.

Sections 19 to 23 modify statutes related to private career schools.

Section 20 (136A.8225) relates to school closures, and imposes the same requirement related to a change in ownership to private career schools as in section 15.

Section 21 (136A.823, subd. 3) adds a new subdivision imposing requirements when there is a change in ownership and defines the term, consistent with the provision in section 14 related to private schools.

Section 22 (136A.827, subd. 4) addresses the refund policy of private career schools when a student does not complete the program of instruction. If a student has completed 75 percent or more of the program, the student is not entitled to a refund. If the student completed less than 75 percent, this section provides a formula to determine the amount of the refund.

Section 23 (136A.827, subd. 8) relates to the cancellation of a program of study by the student. The notice of cancellation does not need to be in writing.

Section 24 (136G.05, subd. 10) amends the college savings plan, allowing account owner data to be used by OHE in cooperation with the Department of Revenue for research and analysis in order to make ongoing informed decisions regarding the plan.

Section 25 contains the repealers.

Minnesota Statutes, section 136A.823, repeals the provision that requires the commissioner to adopt rules establishing conditions for renewal of a license and specifies conditions for license renewal.

Minnesota Statutes, section 136A.1703 repeals an obsolete program. This repealer is in the amendment.

This section also repeals rules establishing the Minnesota National Service Scholars Matching Grant, which is an obsolete program.