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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3900

03/15/2018 Authored by Nornes
The bill was read for the first time and referred to the Committee on Higher Education and Career Readiness Policy and Finance

1.1 A bill for an act
1.2 relating to higher education; modifying certain higher education policy provisions;
1.3 amending Minnesota Statutes 2016, sections 127A.70, subdivision 2; 136A.15,
1.4 subdivision 8; 136A.16, subdivisions 1, 2, 5, 8, 9; 136A.162; 136A.1701,
1.5 subdivision 7; 136A.64, subdivision 1; 136A.822, subdivision 10; Minnesota
1.6 Statutes 2017 Supplement, sections 136A.1275, subdivisions 2, 3; 136A.646;
1.7 136A.822, subdivision 6; 136A.8295, by adding a subdivision; Laws 2017, chapter
1.8 89, article 1, section 2, subdivision 29; repealing Minnesota Statutes 2016, sections
1.9 136A.15, subdivisions 2, 7; 136A.1701, subdivision 12.

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

1.11 Section 1. Minnesota Statutes 2016, section 127A.70, subdivision 2, is amended to read:

1.12 Subd. 2. **Powers and duties; report.** (a) The partnership shall develop recommendations
1.13 to the governor and the legislature designed to maximize the achievement of all P-20 students
1.14 while promoting the efficient use of state resources, thereby helping the state realize the
1.15 maximum value for its investment. These recommendations may include, but are not limited
1.16 to, strategies, policies, or other actions focused on:

1.17 (1) improving the quality of and access to education at all points from preschool through
1.18 graduate education;

1.19 (2) improving preparation for, and transitions to, postsecondary education and work;

1.20 (3) ensuring educator quality by creating rigorous standards for teacher recruitment,
1.21 teacher preparation, induction and mentoring of beginning teachers, and continuous
1.22 professional development for career teachers; and

1.23 (4) realigning the governance and administrative structures of early education,
1.24 kindergarten through grade 12, and postsecondary systems in Minnesota.

2.1 (b) Under the direction of the P-20 Education Partnership Statewide Longitudinal
2.2 Education Data System Governance Committee, the Office of Higher Education and the
2.3 Departments of Education and Employment and Economic Development shall improve and
2.4 expand the Statewide Longitudinal Education Data System (SLEDS) to provide policymakers,
2.5 education and workforce leaders, researchers, and members of the public with data, research,
2.6 and reports to:

2.7 (1) expand reporting on students' educational outcomes for diverse student populations
2.8 including at-risk students, children with disabilities, English learners, and gifted students,
2.9 among others, and include formative and summative evaluations based on multiple measures
2.10 of child well-being, early childhood development, and student progress toward career and
2.11 college readiness;

2.12 (2) evaluate the effectiveness of (i) investments in young children and families and (ii)
2.13 educational and workforce programs; and

2.14 (3) evaluate the relationship between (i) investments in young children and families and
2.15 (ii) education and workforce outcomes, consistent with section 124D.49.

2.16 To the extent possible under federal and state law, research and reports should be
2.17 accessible to the public on the Internet, and disaggregated by demographic characteristics,
2.18 organization or organization characteristics, and geography.

2.19 It is the intent of the legislature that the Statewide Longitudinal Education Data System
2.20 inform public policy and decision-making. The SLEDS governance committee, with
2.21 assistance from staff of the Office of Higher Education, the Department of Education, and
2.22 the Department of Employment and Economic Development, shall respond to legislative
2.23 committee and agency requests on topics utilizing data made available through the Statewide
2.24 Longitudinal Education Data System as resources permit. Any analysis of or report on the
2.25 data must contain only summary data.

2.26 (c) By January 15 of each year, the partnership shall submit a report to the governor and
2.27 to the chairs and ranking minority members of the legislative committees and divisions with
2.28 jurisdiction over P-20 education policy and finance that summarizes the partnership's progress
2.29 in meeting its goals and identifies the need for any draft legislation when necessary to further
2.30 the goals of the partnership to maximize student achievement while promoting efficient use
2.31 of resources.

3.1 Sec. 2. Minnesota Statutes 2017 Supplement, section 136A.1275, subdivision 2, is amended
3.2 to read:

3.3 Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate
3.4 must:

3.5 (1) be enrolled in a Professional Educator Licensing and Standards Board-approved
3.6 teacher preparation program that requires at least 12 weeks of student teaching in order to
3.7 be recommended for a full professional teaching license;

3.8 (2) demonstrate financial need based on criteria established by the commissioner under
3.9 subdivision 3;

3.10 (3) ~~intend to teach in a shortage area or belong to an underrepresented racial or ethnic~~
3.11 ~~group~~ be meeting satisfactory academic progress as defined under section 136A.101,
3.12 subdivision 10; and

3.13 (4) ~~be meeting satisfactory academic progress as defined under section 136A.101,~~
3.14 ~~subdivision 10.~~ intend to teach in a shortage area or belong to an underrepresented racial
3.15 or ethnic group. Intent can be documented based on the teacher license field the student is
3.16 pursuing or a statement of intent to teach in an economic development region defined as a
3.17 shortage area in the year the student receives a grant.

3.18 Sec. 3. Minnesota Statutes 2017 Supplement, section 136A.1275, subdivision 3, is amended
3.19 to read:

3.20 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an
3.21 application process and other guidelines for implementing this program, ~~including repayment~~
3.22 ~~responsibilities for stipend recipients who do not complete student teaching or who leave~~
3.23 ~~Minnesota to teach in another state during the first year after student teaching.~~

3.24 (b) The commissioner must determine each academic year the stipend amount up to
3.25 \$7,500 based on the amount of available funding, the number of eligible applicants, and the
3.26 financial need of the applicants.

3.27 (c) The percentage of the total award funds available at the beginning of the fiscal year
3.28 reserved for teacher candidates who identify as belonging to an underrepresented a racial
3.29 or ethnic group underrepresented in the Minnesota teacher workforce must be equal to or
3.30 greater than the total percentage of students of ~~underrepresented~~ racial or ethnic groups
3.31 underrepresented in the Minnesota teacher workforce as measured under section 120B.35,
3.32 subdivision 3. If this percentage cannot be met because of a lack of qualifying candidates,

4.1 the remaining amount may be awarded to teacher candidates who intend to teach in a shortage
4.2 area.

4.3 Sec. 4. Minnesota Statutes 2016, section 136A.15, subdivision 8, is amended to read:

4.4 Subd. 8. **Eligible student.** "Eligible student" means a student who is officially registered
4.5 or accepted for enrollment at an eligible institution in Minnesota or a Minnesota resident
4.6 who is officially registered as a student or accepted for enrollment at an eligible institution
4.7 in another state or province. Non-Minnesota residents are eligible students if they are enrolled
4.8 or accepted for enrollment in a minimum of one course of at least 30 days in length during
4.9 the academic year that requires physical attendance at an eligible institution located in
4.10 Minnesota. Non-Minnesota resident students enrolled exclusively during the academic year
4.11 in correspondence courses or courses offered over the Internet are not eligible students.
4.12 Non-Minnesota resident students not physically attending classes in Minnesota due to
4.13 enrollment in a study abroad program for 12 months or less are eligible students.
4.14 Non-Minnesota residents enrolled in study abroad programs exceeding 12 months are not
4.15 eligible students. An eligible student, for section 136A.1701, means a student who gives
4.16 informed consent authorizing the disclosure of data specified in section 136A.162, paragraph
4.17 (c), to a consumer credit reporting agency.

4.18 Sec. 5. Minnesota Statutes 2016, section 136A.16, subdivision 1, is amended to read:

4.19 Subdivision 1. **Designation.** Notwithstanding chapter 16C, the office is designated as
4.20 the administrative agency for carrying out the purposes and terms of sections 136A.15 to
4.21 ~~136A.1702~~ 136A.1704. The office may establish one or more loan programs.

4.22 Sec. 6. Minnesota Statutes 2016, section 136A.16, subdivision 2, is amended to read:

4.23 Subd. 2. **Rules, policies, and conditions.** The office shall adopt policies and may
4.24 prescribe appropriate rules and conditions to carry out the purposes of sections 136A.15 to
4.25 136A.1702. ~~The policies and rules except as they relate to loans under section 136A.1701~~
4.26 ~~must be compatible with the provisions of the National Vocational Student Loan Insurance~~
4.27 ~~Act of 1965 and the provisions of title IV of the Higher Education Act of 1965, and any~~
4.28 ~~amendments thereof.~~

5.1 Sec. 7. Minnesota Statutes 2016, section 136A.16, subdivision 5, is amended to read:

5.2 Subd. 5. **Agencies.** The office may contract with loan servicers, collection agencies,
5.3 credit bureaus, or any other person, to carry out the purposes of sections 136A.15 to
5.4 ~~136A.1702~~ 136A.1704.

5.5 Sec. 8. Minnesota Statutes 2016, section 136A.16, subdivision 8, is amended to read:

5.6 Subd. 8. **Investment.** Money made available to the office that is not immediately needed
5.7 for the purposes of sections 136A.15 to ~~136A.1702~~ 136A.1704 may be invested by the
5.8 office. The money must be invested in bonds, certificates of indebtedness, and other fixed
5.9 income securities, except preferred stocks, which are legal investments for the permanent
5.10 school fund. The money may also be invested in prime quality commercial paper that is
5.11 eligible for investment in the state employees retirement fund. All interest and profits from
5.12 such investments inure to the benefit of the office or may be pledged for security of bonds
5.13 issued by the office or its predecessors.

5.14 Sec. 9. Minnesota Statutes 2016, section 136A.16, subdivision 9, is amended to read:

5.15 Subd. 9. **Staff.** The office may employ the professional and clerical staff the commissioner
5.16 deems necessary for the proper administration of the loan programs established and defined
5.17 by sections 136A.15 to ~~136A.1702~~ 136A.1704.

5.18 Sec. 10. Minnesota Statutes 2016, section 136A.162, is amended to read:

5.19 **136A.162 CLASSIFICATION OF DATA.**

5.20 (a) Except as provided in paragraphs (b) and (c), data on applicants for financial assistance
5.21 collected and used by the office for student financial aid programs administered by that
5.22 office are private data on individuals as defined in section 13.02, subdivision 12.

5.23 (b) Data on applicants may be disclosed to the commissioner of human services to the
5.24 extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5).

5.25 (c) The following data collected in the Minnesota supplemental loan program under
5.26 ~~section~~ sections 136A.1701 and 136A.1704 may be disclosed to a consumer credit reporting
5.27 agency only if the borrower and the cosigner give informed consent, according to section
5.28 13.05, subdivision 4, at the time of application for a loan:

5.29 (1) the lender-assigned borrower identification number;

5.30 (2) the name and address of borrower;

- 6.1 (3) the name and address of cosigner;
- 6.2 (4) the date the account is opened;
- 6.3 (5) the outstanding account balance;
- 6.4 (6) the dollar amount past due;
- 6.5 (7) the number of payments past due;
- 6.6 (8) the number of late payments in previous 12 months;
- 6.7 (9) the type of account;
- 6.8 (10) the responsibility for the account; and
- 6.9 (11) the status or remarks code.

6.10 Sec. 11. Minnesota Statutes 2016, section 136A.1701, subdivision 7, is amended to read:

6.11 Subd. 7. **Repayment of loans.** ~~(a) The office shall establish repayment procedures for~~
 6.12 ~~loans made under this section, but in no event shall the period of permitted repayment for~~
 6.13 ~~SELF II or SELF III loans exceed ten years from the eligible student's termination of the~~
 6.14 ~~student's postsecondary academic or vocational program, or 15 years from the date of the~~
 6.15 ~~student's first loan under this section, whichever is less. in accordance with the policies,~~
 6.16 ~~rules, and conditions authorized under section 136A.16, subdivision 2. The office will take~~
 6.17 ~~into consideration the loan limits and current financial market conditions when establishing~~
 6.18 ~~repayment terms.~~

6.19 ~~(b) For SELF IV loans, eligible students with aggregate principal loan balances from~~
 6.20 ~~all SELF phases that are less than \$18,750 shall have a repayment period not exceeding ten~~
 6.21 ~~years from the eligible student's graduation or termination date. For SELF IV loans, eligible~~
 6.22 ~~students with aggregate principal loan balances from all SELF phases of \$18,750 or greater~~
 6.23 ~~shall have a repayment period not exceeding 15 years from the eligible student's graduation~~
 6.24 ~~or termination date. For SELF IV loans, the loans shall enter repayment no later than seven~~
 6.25 ~~years after the first disbursement date on the loan.~~

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

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

6.30 ~~(2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years from~~
 6.31 ~~the eligible student's graduation or termination date; and~~

7.1 ~~(3) \$40,000 or greater, must have a repayment period not exceeding 20 years from the~~
 7.2 ~~eligible student's graduation or termination date. For SELF loans from phases after SELF~~
 7.3 ~~IV, the loans must enter repayment no later than nine years after the first disbursement date~~
 7.4 ~~of the loan.~~

7.5 Sec. 12. Minnesota Statutes 2016, section 136A.64, subdivision 1, is amended to read:

7.6 Subdivision 1. **Schools to provide information.** As a basis for registration, schools
 7.7 shall provide the office with such information as the office needs to determine the nature
 7.8 and activities of the school, including but not limited to the following which shall be
 7.9 accompanied by an affidavit attesting to its accuracy and truthfulness:

7.10 (1) articles of incorporation, constitution, bylaws, or other operating documents;

7.11 (2) a duly adopted statement of the school's mission and goals;

7.12 (3) evidence of current school or program licenses granted by departments or agencies
 7.13 of any state;

7.14 (4) a fiscal balance sheet on an accrual basis, or a certified audit of the immediate past
 7.15 fiscal year including any management letters provided by the independent auditor or, if the
 7.16 school is a public institution outside Minnesota, an income statement for the immediate past
 7.17 fiscal year;

7.18 (5) all current promotional and recruitment materials and advertisements; and

7.19 (6) the current school catalog and, if not contained in the catalog:

7.20 (i) the members of the board of trustees or directors, if any;

7.21 (ii) the current institutional officers;

7.22 (iii) current full-time and part-time faculty with degrees held or applicable experience;

7.23 (iv) a description of all school facilities;

7.24 (v) a description of all current course offerings;

7.25 (vi) all requirements for satisfactory completion of courses, programs, and degrees;

7.26 (vii) the school's policy about freedom or limitation of expression and inquiry;

7.27 (viii) a current schedule of fees, charges for tuition, required supplies, student activities,
 7.28 housing, and all other standard charges;

7.29 (ix) the school's policy about refunds and adjustments;

- 8.1 (x) the school's policy about granting credit for prior education, training, and experience;
 8.2 ~~and~~
- 8.3 (xi) the school's policies about student admission, evaluation, suspension, and dismissal;
 8.4 and
- 8.5 (xii) the school's disclosure to students on the student complaint process under section
 8.6 136A.672.

8.7 Sec. 13. Minnesota Statutes 2017 Supplement, section 136A.646, is amended to read:

8.8 **136A.646 ADDITIONAL SECURITY.**

8.9 (a) New schools that have been granted conditional approval for degrees or names to
 8.10 allow them the opportunity to apply for and receive accreditation under section 136A.65,
 8.11 subdivision 7, ~~or~~ shall provide a surety bond in a sum equal to ten percent of the net revenue
 8.12 from tuition and fees in the registered institution's prior fiscal year, but in no case shall the
 8.13 bond be less than \$10,000.

8.14 (b) Any registered institution that is notified by the United States Department of Education
 8.15 that it has fallen below minimum financial standards and that its continued participation in
 8.16 Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal
 8.17 Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code
 8.18 of Federal Regulations, title 34, section 668.175, paragraph (c), shall provide a surety bond
 8.19 in a sum equal to the "letter of credit" required by the United States Department of Education
 8.20 in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor
 8.21 more than \$250,000. In the event the letter of credit required by the United States Department
 8.22 of Education is higher than ten percent of the Title IV, Higher Education Act program funds
 8.23 received by the institution during its most recently completed fiscal year, the office shall
 8.24 reduce the office's surety requirement to represent ten percent of the Title IV, Higher
 8.25 Education Act program funds received by the institution during its most recently completed
 8.26 fiscal year, subject to the minimum and maximum in this paragraph.

8.27 ~~(b)~~ (c) In lieu of a bond, the applicant may deposit with the commissioner of management
 8.28 and budget:

8.29 (1) a sum equal to the amount of the required surety bond in cash;

8.30 (2) securities, as may be legally purchased by savings banks or for trust funds, in an
 8.31 aggregate market value equal to the amount of the required surety bond; or

9.1 (3) an irrevocable letter of credit issued by a financial institution to the amount of the
9.2 required surety bond.

9.3 ~~(e)~~ (d) The surety of any bond may cancel it upon giving 60 days' notice in writing to
9.4 the office and shall be relieved of liability for any breach of condition occurring after the
9.5 effective date of cancellation.

9.6 ~~(d)~~ (e) In the event of a school closure, the additional security must first be used to
9.7 destroy any private educational data under section 13.32 left at a physical campus in
9.8 Minnesota after all other governmental agencies have recovered or retrieved records under
9.9 their record retention policies. Any remaining funds must then be used to reimburse tuition
9.10 and fee costs to students that were enrolled at the time of the closure or had withdrawn in
9.11 the previous 120 calendar days but did not graduate. Priority for refunds will be given to
9.12 students in the following order:

9.13 (1) cash payments made by the student or on behalf of a student;

9.14 (2) private student loans; and

9.15 (3) Veteran Administration education benefits that are not restored by the Veteran
9.16 Administration. If there are additional security funds remaining, the additional security
9.17 funds may be used to cover any administrative costs incurred by the office related to the
9.18 closure of the school.

9.19 Sec. 14. Minnesota Statutes 2017 Supplement, section 136A.822, subdivision 6, is amended
9.20 to read:

9.21 Subd. 6. **Bond.** (a) No license shall be issued to any private career school which
9.22 maintains, conducts, solicits for, or advertises within the state of Minnesota any program,
9.23 unless the applicant files with the office a continuous corporate surety bond written by a
9.24 company authorized to do business in Minnesota conditioned upon the faithful performance
9.25 of all contracts and agreements with students made by the applicant.

9.26 (b)(1) The amount of the surety bond shall be ten percent of the preceding year's net
9.27 ~~income~~ revenue from student tuition, fees, and other required institutional charges collected,
9.28 but in no event less than \$10,000, except that a private career school may deposit a greater
9.29 amount at its own discretion. A private career school in each annual application for licensure
9.30 must compute the amount of the surety bond and verify that the amount of the surety bond
9.31 complies with this subdivision. A private career school that operates at two or more locations
9.32 may combine net ~~income~~ revenue from student tuition, fees, and other required institutional
9.33 charges collected for all locations for the purpose of determining the annual surety bond

10.1 requirement. The net revenue from tuition and fees used to determine the amount of the
10.2 surety bond required for a private career school having a license for the sole purpose of
10.3 recruiting students in Minnesota shall be only that paid to the private career school by the
10.4 students recruited from Minnesota.

10.5 (2) A person required to obtain a private career school license due to the use of
10.6 "academy," "institute," "college," or "university" in its name and which is also licensed by
10.7 another state agency or board, except not including those schools licensed exclusively in
10.8 order to participate in state grants or SELF loan financial aid programs, shall be required
10.9 to provide a school bond of \$10,000.

10.10 (c) The bond shall run to the state of Minnesota and to any person who may have a cause
10.11 of action against the applicant arising at any time after the bond is filed and before it is
10.12 canceled for breach of any contract or agreement made by the applicant with any student.
10.13 The aggregate liability of the surety for all breaches of the conditions of the bond shall not
10.14 exceed the principal sum deposited by the private career school under paragraph (b). The
10.15 surety of any bond may cancel it upon giving 60 days' notice in writing to the office and
10.16 shall be relieved of liability for any breach of condition occurring after the effective date
10.17 of cancellation.

10.18 (d) In lieu of bond, the applicant may deposit with the commissioner of management
10.19 and budget a sum equal to the amount of the required surety bond in cash, an irrevocable
10.20 letter of credit issued by a financial institution equal to the amount of the required surety
10.21 bond, or securities as may be legally purchased by savings banks or for trust funds in an
10.22 aggregate market value equal to the amount of the required surety bond.

10.23 (e) Failure of a private career school to post and maintain the required surety bond or
10.24 deposit under paragraph (d) may result in denial, suspension, or revocation of the school's
10.25 license.

10.26 Sec. 15. Minnesota Statutes 2016, section 136A.822, subdivision 10, is amended to read:

10.27 Subd. 10. **Catalog, brochure, or electronic display.** Before a license is issued to a
10.28 private career school, the private career school shall furnish to the office a catalog, brochure,
10.29 or electronic display including:

10.30 (1) identifying data, such as volume number and date of publication;

10.31 (2) name and address of the private career school and its governing body and officials;

10.32 (3) a calendar of the private career school showing legal holidays, beginning and ending
10.33 dates of each course quarter, term, or semester, and other important dates;

- 11.1 (4) the private career school policy and regulations on enrollment including dates and
11.2 specific entrance requirements for each program;
- 11.3 (5) the private career school policy and regulations about leave, absences, class cuts,
11.4 make-up work, tardiness, and interruptions for unsatisfactory attendance;
- 11.5 (6) the private career school policy and regulations about standards of progress for the
11.6 student including the grading system of the private career school, the minimum grades
11.7 considered satisfactory, conditions for interruption for unsatisfactory grades or progress, a
11.8 description of any probationary period allowed by the private career school, and conditions
11.9 of reentrance for those dismissed for unsatisfactory progress;
- 11.10 (7) the private career school policy and regulations about student conduct and conditions
11.11 for dismissal for unsatisfactory conduct;
- 11.12 (8) a detailed schedule of fees, charges for tuition, books, supplies, tools, student
11.13 activities, laboratory fees, service charges, rentals, deposits, and all other charges;
- 11.14 (9) the private career school policy and regulations, including an explanation of section
11.15 136A.827, about refunding tuition, fees, and other charges if the student does not enter the
11.16 program, withdraws from the program, or the program is discontinued;
- 11.17 (10) a description of the available facilities and equipment;
- 11.18 (11) a course outline syllabus for each course offered showing course objectives, subjects
11.19 or units in the course, type of work or skill to be learned, and approximate time, hours, or
11.20 credits to be spent on each subject or unit;
- 11.21 (12) the private career school policy and regulations about granting credit for previous
11.22 education and preparation;
- 11.23 (13) a notice to students relating to the transferability of any credits earned at the private
11.24 career school to other institutions;
- 11.25 (14) a procedure for investigating and resolving student complaints; ~~and~~
- 11.26 (15) the name and address of the office; and
- 11.27 (16) the student complaint process and rights under section 136A.8295.
- 11.28 A private career school that is exclusively a distance education school is exempt from
11.29 clauses (3) and (5).

12.1 Sec. 16. Minnesota Statutes 2017 Supplement, section 136A.8295, is amended by adding
12.2 a subdivision to read:

12.3 Subd. 6. **Disclosure.** Schools must disclose on their Web site, student handbook, and
12.4 student catalog the student complaint process under this section to students.

12.5 Sec. 17. Laws 2017, chapter 89, article 1, section 2, subdivision 29, is amended to read:

12.6 **Subd. 29. Emergency Assistance for** 175,000 175,000
12.7 **Postsecondary Students**

12.8 (a) This appropriation is for the Office of
12.9 Higher Education to allocate grant funds on a
12.10 matching basis to ~~schools~~ eligible institutions
12.11 as defined under Minnesota Statutes, section
12.12 136A.103, located in Minnesota with a
12.13 demonstrable homeless student population.

12.14 (b) This appropriation shall be used to meet
12.15 immediate student needs that could result in
12.16 a student not completing the term or their
12.17 program including, but not limited to,
12.18 emergency housing, food, and transportation.
12.19 ~~Emergency assistance does not impact the~~
12.20 ~~amount of state financial aid received.~~

12.21 (c) The commissioner shall determine the
12.22 application process and the grant amounts.
12.23 Any balance in the first year does not cancel
12.24 but shall be available in the second year. The
12.25 Office of Higher Education shall partner with
12.26 interested postsecondary institutions, other
12.27 state agencies, and student groups to establish
12.28 the programs.

12.29 Sec. 18. **REPEALER.**

12.30 Minnesota Statutes 2016, sections 136A.15, subdivisions 2 and 7; and 136A.1701,
12.31 subdivision 12, are repealed.

APPENDIX
Repealed Minnesota Statutes: HF3900-0

136A.15 DEFINITIONS.

Subd. 2. **Academic year or its equivalent.** "Academic year or its equivalent" shall be as defined in the federal regulations which govern the administration of the National Vocational Student Loan Insurance Act of 1965 and title IV of the Higher Education Act of 1965.

Subd. 7. **Eligible lender.** "Eligible lender" means an eligible institution, an agency or instrumentality of a state, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the state of Minnesota or of the United States.

136A.1701 SUPPLEMENTAL AND ADDITIONAL LOANS.

Subd. 12. **Eligible student.** "Eligible student" means a student who is a Minnesota resident who is enrolled or accepted for enrollment at an eligible institution in Minnesota or in another state or province. Non-Minnesota residents are eligible students if they are enrolled or accepted for enrollment in a minimum of one course of at least 30 days in length during the academic year that requires physical attendance at an eligible institution located in Minnesota. Non-Minnesota resident students enrolled exclusively during the academic year in correspondence courses or courses offered over the Internet are not eligible students. Non-Minnesota resident students not physically attending classes in Minnesota due to enrollment in a study abroad program for 12 months or less are eligible students. Non-Minnesota residents enrolled in study abroad programs exceeding 12 months are not eligible students. For purposes of this section, an "eligible student" must also meet the eligibility requirements of section 136A.15, subdivision 8.