

SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION

S.F. No. 2964

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DATE	D-PG	OFFICIAL STATUS
02/07/2022	4927	Introduction and first reading
		Referred to Higher Education Finance and Policy
02/10/2022	4976	Author added Rarick

1.1 A bill for an act

1.2 relating to higher education; expanding workforce development scholarships to

1.3 include law enforcement; appropriating money; amending Minnesota Statutes

1.4 2020, section 136F.38, subdivisions 2, 4; Minnesota Statutes 2021 Supplement,

1.5 section 136F.38, subdivision 3; Laws 2021, First Special Session chapter 2, article

1.6 1, section 3, subdivisions 1, 3.

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

1.8 Section 1. Minnesota Statutes 2020, section 136F.38, subdivision 2, is amended to read:

1.9 Subd. 2. **Scholarship awards.** The program shall award scholarships at the beginning

1.10 of an academic term, in the amount of \$2,500, or \$5,000 for law enforcement students, to

1.11 be distributed evenly between two terms.

1.12 Sec. 2. Minnesota Statutes 2021 Supplement, section 136F.38, subdivision 3, is amended

1.13 to read:

1.14 Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible

1.15 for resident tuition, as defined in section 135A.043, who is enrolled in any of the following

1.16 programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health

1.17 care services; (4) information technology; (5) early childhood; (6) transportation; (7) law

1.18 enforcement, or ~~(7)~~ (8) a program of study under paragraph (b).

1.19 (b) Each institution may add one additional area of study or certification, based on a

1.20 workforce shortage for full-time employment requiring postsecondary education that is

1.21 unique to the institution's specific region, as reported in the most recent Department of

1.22 Employment and Economic Development job vacancy survey data for the economic

1.23 development region in which the institution is located. A workforce shortage area is one in

2.1 which the job vacancy rate for full-time employment in a specific occupation in a region is  
 2.2 higher than the state average vacancy rate for that same occupation. The institution may  
 2.3 change the area of study or certification based on new data once every two years.

2.4 (c) The student must be enrolled for at least nine credits in a two-year college in the  
 2.5 Minnesota State Colleges and Universities system to be eligible for first- and second-year  
 2.6 scholarships.

2.7 (d) The student is eligible for a one-year transfer scholarship if the student transfers from  
 2.8 a two-year college after two or more terms, and the student is enrolled for at least nine  
 2.9 credits in a four-year university in the Minnesota State Colleges and Universities system.

2.10 Sec. 3. Minnesota Statutes 2020, section 136F.38, subdivision 4, is amended to read:

2.11 Subd. 4. **Renewal; cap.** A student who has received a scholarship may apply again but  
 2.12 total lifetime awards are not to exceed \$7,500 per student, or \$15,000 for law enforcement  
 2.13 students. Students may only be awarded a second scholarship upon completion of two  
 2.14 academic terms. Students may be awarded a third scholarship if the student transfers to a  
 2.15 corresponding program at a Minnesota state university.

2.16 Sec. 4. Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 1, is  
 2.17 amended to read:

2.18			<b><u>789,491,000</u></b>
2.19	Subdivision 1. <b>Total Appropriation</b>	<b>\$ 791,992,000</b>	<b>\$ <u>809,491,000</u></b>

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

2.23 Sec. 5. Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 3, is  
 2.24 amended to read:

2.25			<b><u>751,295,000</u></b>
2.26	Subd. 3. <b>Operations and Maintenance</b>	<b>753,795,000</b>	<b><u>771,295,000</u></b>

2.27 (a) The Board of Trustees must establish  
 2.28 tuition rates as follows:

2.29 (1) for the 2021-2022 and 2022-2023  
 2.30 academic years, tuition rates for undergraduate  
 2.31 students at colleges and universities must not  
 2.32 be increased by more than 3.5 percent as

3.1 compared to the previous academic year,  
3.2 except that a university may change base  
3.3 tuition to adjust for the reduction of online  
3.4 differential charges provided the change is  
3.5 revenue-neutral; and

3.6 (2) the student tuition relief may not be offset  
3.7 by increases in mandatory fees, charges, or  
3.8 other assessments to the student. Colleges and  
3.9 universities are permitted to increase  
3.10 differential tuition charges in fiscal years 2022  
3.11 and 2023 where costs for course or program  
3.12 delivery have increased due to extraordinary  
3.13 circumstances beyond the control of the  
3.14 college or university. Rates and rationale must  
3.15 be approved by the Board of Trustees.

3.16 (b) The Board of Trustees must request  
3.17 guidance from the United States Department  
3.18 of Education regarding whether it is  
3.19 permissible to allocate federal funds received  
3.20 under section 314 of the Consolidated  
3.21 Appropriations Act, 2021, as provided by  
3.22 Public Law 116-260, and section 2003 of the  
3.23 American Rescue Plan Act, as provided by  
3.24 Public Law 117-2, to provide a tuition credit  
3.25 for enrolled students or refund for students  
3.26 who are no longer enrolled in an amount equal  
3.27 to the amount of the online differential tuition  
3.28 rate charged to students for courses moved  
3.29 online due to the coronavirus pandemic during  
3.30 the 2020-2021 academic year that were not  
3.31 offered as online courses during the previous  
3.32 academic year. If the department advises that  
3.33 this is a permissible use of the federal funds,  
3.34 institutions must issue such tuition credits to  
3.35 enrolled students and must inform students

4.1 who are no longer enrolled in the institution  
4.2 of their eligibility for a refund. In order to  
4.3 receive a refund, the student must apply for  
4.4 the refund.

4.5 (c) \$5,700,000 in fiscal year 2022 and  
4.6 \$5,700,000 in fiscal year 2023 are to provide  
4.7 supplemental aid for operations and  
4.8 maintenance to the president of each two-year  
4.9 institution in the system with at least one  
4.10 campus that is not located in a metropolitan  
4.11 county, as defined in Minnesota Statutes,  
4.12 section 473.121, subdivision 4. The board  
4.13 shall transfer at least \$158,000 for each  
4.14 campus not located in a metropolitan county  
4.15 in each year to the president of each institution  
4.16 that includes such a campus.

4.17 (d) The Board of Trustees is requested to help  
4.18 Minnesota close the attainment gap by funding  
4.19 activities which improve retention and  
4.20 completion for students of color.

4.21 (e) \$4,500,000 in fiscal year 2022 and  
4.22 ~~\$4,500,000~~ \$24,500,000 in fiscal year 2023  
4.23 are for workforce development scholarships  
4.24 under Minnesota Statutes, section 136F.38.  
4.25 Of this amount, \$15,000,000 in the second  
4.26 year and later must be used for scholarships  
4.27 to students enrolled in a law enforcement  
4.28 program of study. If there is a balance of  
4.29 unobligated funds to law enforcement students  
4.30 by February 15 of each year, the board may  
4.31 reallocate the balance to other purposes under  
4.32 this paragraph. The base for this appropriation  
4.33 is \$24,500,000 for fiscal year 2024 and later.

4.34 (f) \$300,000 in fiscal year 2022 and \$300,000  
4.35 in fiscal year 2023 are for transfer to the Cook

5.1 County Higher Education Board to provide  
5.2 educational programming, workforce  
5.3 development, and academic support services  
5.4 to remote regions in northeastern Minnesota.

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

5.10 (g) This appropriation includes \$40,000 in  
5.11 fiscal year 2022 and \$40,000 in fiscal year  
5.12 2023 to implement the sexual assault policies  
5.13 required under Minnesota Statutes, section  
5.14 135A.15.

5.15 (h) This appropriation includes \$8,000,000 in  
5.16 fiscal year 2022 and \$8,000,000 in fiscal year  
5.17 2023 for upgrading the Integrated Statewide  
5.18 Record System.

5.19 (i) This appropriation includes \$250,000 in  
5.20 fiscal year 2022 and \$250,000 in fiscal year  
5.21 2023 to implement the Z-Degree program  
5.22 under Minnesota Statutes, section 136F.305.

5.23 The base for this appropriation is \$50,000 in  
5.24 fiscal year 2024 and later.

5.25 (j) \$1,500,000 in fiscal year 2022 is for the  
5.26 mental health awareness program for students  
5.27 required under Minnesota Statutes, section  
5.28 136F.20, subdivision 4. Of this amount:  
5.29 \$500,000 must be used for training  
5.30 opportunities under Minnesota Statutes,  
5.31 section 136F.20, subdivision 4, paragraph (a),  
5.32 clause (2); and \$200,000 must be used for  
5.33 grants to colleges and universities to establish  
5.34 peer support pilot programs in Minnesota  
5.35 Statutes, section 136F.20, subdivision 4,

6.1 paragraph (c). The Board of Trustees shall  
6.2 convene a committee that includes students to  
6.3 review and approve grant applications.

6.4 Notwithstanding Minnesota Statutes, section  
6.5 16A.28, unencumbered balances under this  
6.6 paragraph do not cancel until July 1, 2025.

6.7 (k) \$1,000,000 in fiscal year 2022 is for  
6.8 colleges and universities to comply with the  
6.9 student basic needs requirements under  
6.10 Minnesota Statutes, section 136F.202. The  
6.11 Board of Trustees must use at least 25 percent  
6.12 of this appropriation for grants to colleges and  
6.13 universities to comply with Minnesota  
6.14 Statutes, section 136F.202, subdivision 1,

6.15 paragraph (a). The board must use a  
6.16 consultation and committee process that  
6.17 includes students to review and approve grant  
6.18 applications. Notwithstanding Minnesota  
6.19 Statutes, section 16A.28, unencumbered  
6.20 balances under this paragraph do not cancel  
6.21 until July 1, 2025.

6.22 (l) The total operations and maintenance base  
6.23 for fiscal year 2024 and later is ~~\$751,095,000~~  
6.24 \$771,095,000.