

# Higher Education Omnibus Appropriations Summary

## Overall Total

Increase of \$174.394 million for the biennium (6%)

## Office of Higher Education

OHE Total of \$14.8 million increase (3%) for OHE for the biennium

- **State Grant** - increase of \$7 million (4%) for the biennium (Art. 1, Sec. 3, Subd. 2)
  - Reinvests \$74 million in existing State Grant funding in addition to the \$7 million in new State Grant funding
  - Current 86,000 recipients will see an average State Grant increase of \$188
  - Maintaining the LME level prevents 6,000 students from losing their State Grant
  - 1,700 new students will receive a State Grant
- **American Indian Scholarships** - \$800,000 increase (13%) for the biennium allows the program to serve all students on waitlist (approximately 250 students) (Art. 1, Sec. 3, Subd. 7)
- **United Family Medicine Residency Program** - increase of \$300,000 over the biennium (42%) to support an additional three resident family practice physicians working in underserved communities each year (OHE pass through) (Art. 1, Sec. 3, Subd. 14)
- The new **MnSCU College Occupational Scholarship Pilot Program** provides last dollar financial aid to recent high school, ABE, or GED graduates who are pursuing a Perkins-eligible certificate or associates program in a “high need” program area as designated by the Department of Employment and Economic Development. Appropriates \$5 million for FY 17 to pilot the program (Art. 1, Sec. 3, Subd. 18)
  - Program launch in fall 2016. Includes mentoring component for recipients. Serves an estimated 1,300 students (Art. 3, Sec. 20)
- **College Possible** - direct transfer of \$500,000 over biennium to support nonprofit’s programming to increase college admission and college graduation for low-income students through coaching and support at high schools and postsecondary institutions (OHE pass through) (Art. 1, Sec. 3, Subd. 19)
- **Large Animal Veterinarian Loan Forgiveness Program** – one time appropriation of \$250,000 in FY 16 to renew fund for program established in 2009. Program funds may serve up to five veterinarians per year through 2022 (Art. 1, Sec. 3, Subd. 20)
- **Spinal Cord and Traumatic Brain Injury Research Grant Program** – provides \$1 million for medical research grants over the biennium. New program (Art. 1, Sec. 3, Subd. 21)
  - Grants must be distributed to research involving spinal cord injuries (50%) and traumatic brain injuries (50%) (Art. 3, Sec. 13)
  - Establishes 12-member appointed advisory board to lead grant review process (Art. 3, Sec. 14)

- **Summer Academic Enrichment Program (SAEP)** - \$200,000 over the biennium to support grant program. Previously funded by federal grants; FY16-17 funded from repeal of the High School to College Summer Transition Grant program (Art. 1, Sec. 3, Subd. 22)
  - Provides grants of up to \$1,000 for low-income students in grades 3-12 to participate in Summer Academic Enrichment programs approved by the Office (Art. 3, Sec. 7)
- **Dual Training Competency Grants (Earn While You Learn)** - Appropriates \$3M to OHE to manage grant program, and transfers \$400,000 to Department of Labor and Industry to establish competency standards, over the biennium. New item (Art. 1, Sec. 3, Subd. 23 & 24)
  - Provides grants to institutions or programs who enter into agreements with employers to provide training to their employees (employer pays at least 25%) (Art. 3, Sec. 11)
  - Establishes competency standards in key occupational fields (advanced manufacturing, health care sciences, information technology, and agriculture) (Art. 3, Sec. 18)
- **Concurrent Enrollment Courses** - \$450,000 is appropriated for grants to develop new concurrent enrollment courses in career and technical education, and \$230,000 is to expand existing programs at capacity. New item (Art. 1, Sec. 3, Subd. 25)
  - MDE must conduct survey of all concurrent enrollment participants. All host institutions must belong to NACEP by 2020 (Art. 3, Sec. 3)
  - Establishes an advisory board at each institution (Art. 3, Sec. 4)
- **Student Loan Debt Counseling Grant** – Onetime appropriation of \$300,000 over biennium for new grant program (Art. 1, Sec. 3, Subd. 26)
  - Creates pilot program to support loan debt counseling to borrowers who are 30-60 days delinquent provided by one nonprofit qualified debt counseling organization. (Art. 3, Sec. 24)
- **Sexual Assault Reporting** - \$50,000 over the biennium for OHE to collect and publish institution-level data on sexual assault on the web. New requirement (Art. 1, Sec. 3, Subd. 27)
  - Significant requirements for institution policies, including collaboration with local law enforcement and establishment of anonymous online reporting system (Art. 4)
- **Teacher Loan Forgiveness Program** for teachers working in high need areas or fields, as determined by the Department of Education. \$400,000 over biennium. New program (Art. 1, Sec. 3, Subd. 28)
  - OHE establishes and administers loan forgiveness (up to \$1,000/year) for teachers in MDE-designated teacher shortage areas (Art. 3, Sec. 10)
- **Agency Administration** - increase of \$109,000 (1.8%) over the biennium to maintain current employment levels (Art. 1, Sec. 3, Subd. 29)

## Minnesota State Colleges and Universities (MnSCU)

MnSCU total of \$106.4 million increase (9.5%) for the biennium

- **Tuition Relief** for undergraduate students - \$100 million (Art. 1, Sec. 4, Subd. 3)
  - 2 Year State Colleges – freeze tuition first year, decrease by 1% in second year
  - 4 Year State Universities – no language first year (Board will determine tuition at June Board meeting), freeze at new rate second year
  - The tuition relief may not be offset by increases in mandatory fees, charges or other assessments to the students
- **Transfer Pathways** - \$115,000 for the biennium for activities related to the implementation of new transfer pathways from associates to baccalaureate programs at MnSCU. New item (Art. 1, Sec. 4, Subd. 3)
- **School Year-Long Student Teaching Pilot Program.** Onetime appropriation of \$200,000 over the biennium for MnSCU to establish pilot in collaboration with Board of Teaching. New item (Art. 1, Sec. 4, Subd. 3)
- **Cook County Higher Ed. Board** - transfer of an additional \$36,000 over biennium to provide educational programming and academic support services to remote regions in northeastern Minnesota, increasing base appropriation to \$120,000 per year (Art. 1, Sec. 4, Subd. 3)
- **Online Farm Business Management** - \$100,000 over the biennium for course development. New item (Art. 1, Sec. 4, Subd. 3)
- **Foreign-Born Nurses** - \$70,000 for Kathleen McCullough-Zander Success in Nursing Program to support students at four MnSCU campuses. New item (Art. 1, Sec. 4, Subd. 3)
- **Agricultural Education** - \$450,000 over the biennium to establish teacher preparation program at Southwest Minnesota State University. New item (Art. 1, Sec. 4, Subd. 3)
- **Veterans to Agriculture Pilot Program** - \$350,000 over the biennium to establish program at South Central College, North Mankato campus, and support six other program sites statewide. New item (Art. 1, Sec. 4, Subd. 3)
  - Program facilitates the entrance of military veterans into careers related to agriculture and food production, processing, and distribution, through intensive academic training, job development programs and outreach to potential employers.
- **Sexual Assault Reporting.** \$80,000 to implement requirements of Article 4: Campus Sexual Assault (Art. 1, Sec. 4, Subd. 3)
- **Performance funding** - Up to 5% of FY17 appropriation (sliding scale dependent on their performance on five goals). Funds will be reallocated to State Grant program if not met.
  - Degrees, diplomas and certificates conferred increase of 4%
  - Related employment of graduate's increase of 5%
  - Reallocate \$22 million within MnSCU
  - Students enrolled on developmental courses decrease of 10%
  - Degrees awarded to students who took more than 128 credits for baccalaureate degrees and 68 credits for associate degrees increase of 5%(Art. 1, Sec. 4)

## University of Minnesota

U of M total increase of \$53.2M (4.7%) for the biennium

- **Tuition relief** for undergraduate students - \$22.2M for the biennium (Art. 1, Sec. 5, Subd. 2)
  - \$11.1M in FY16 and \$11.1M in FY17 to minimize any increase in a student's cost of attendance
- **Medical School** investment of \$30 million over the biennium. Response to Governor Dayton's Blue Ribbon Commission. New item (Art. 1, Sec. 5, Subd. 2)
  - Funding aimed to return the Medical School to national preeminence and train the next generation of world-class medical professionals
- **Performance funding** - Up to 5% of FY 17 appropriation (sliding scale dependent on their performance on five goals). Funds will be reallocated to State Grant program if not met.
  - Undergraduate graduation rates within four, five, or six years, for students of color increase of 1%
  - Undergraduate STEM degrees increase of 2%
  - Reallocate \$15 million of administrative costs within University of Minnesota
  - Four year undergraduate graduation rates increase of 1%
  - Licensing disclosures increase 3% (Art. 1, Sec. 5, Subd. 2)
- **Alzheimer's and Dementia Research** - \$1 million through U of M-Mayo Partnership over biennium (Art. 1, Sec. 5, Subd. 4e)

## Policy Changes

- **Statewide Attainment Goal** - 70 percent or more of Minnesota residents ages 25-44 shall hold a postsecondary degree or certificate by 2025, with an emphasis on addressing racial disparities (Art. 3, Sec. 6)
- Supports expansion of **concurrent enrollment** for high school students across the state. An advisory board is established. MDE must survey participants (Art. 3, Sec. 3-5)
- **Distributes Institution-Level Information** on program retention and completion, financial aid and debt, and graduate employment and wage information to high schools and workforce centers across the state (Art. 3, Sec. 9)
- **Teacher Shortage Loan Forgiveness** program administered by OHE. Application created and loan forgiveness up to \$1,000/yr. is given to qualified teachers working in a shortage area (as determined by MDE). (Art. 3, Sec. 10)
- **Research Dogs and Cats** - sunset date on requirement to find animal rescue organization for research animals repealed (Art. 3, Sec. 19)
- **Timely Degree Completion** strategies at MnSCU and the U of M - Requires MnSCU and requests the U of M to create a plan to implement research-based strategies to increase program or degree completion rates. (Art. 3, Sec. 22 & 23)

- **Withholding Transcripts** - Prohibits for-profit schools from withholding transcripts if a student is delinquent in paying a loan from that institution (Art. 3, Sec. 12 & 39)
- **Campus Sexual Assault Policy** requires institutions to develop comprehensive policies related to sexual assault and harassment and provide students with an online tool for anonymous reporting. Publicizes sexual assault statistics by institution, and statewide, to enhance public awareness of this issue. (Art. 4, Sec. 1-3)

### ***MnSCU***

- **MnSCU Presidential Selection Process Report** - MnSCU is to report to the legislature its schedule for adopting presidential selection process as a comprehensive formal written policy and are encouraged to develop a board policy (Art. 1, Sec. 7)
- **Remedial Course Regulations** established for the MnSCU system. Students not required to take a remedial, noncredit course in a subject area if they meet benchmark on ACT in that subject area. Institutions must also provide study materials and opportunity to retake placement test for remedial courses. (Art. 3, Sec. 15)
- MnSCU must report on **degree and certificate completion** (Art. 3, Sec. 16)
- **Transfer pathways** policy creates transfer pathways from MnSCU colleges to universities, easing the transition from an associates to baccalaureate program (Art. 3, Sec. 21)

### ***U of M***

- **University of Minnesota Budget Allocation Reporting** - Board must report to the legislature factors it considers to allocate funds to separate campuses (Art. 1, Sec. 8)
- **Renegotiation of Bonds.** The U of Mn is given the authority to renegotiate the bonds for the TCF stadium (Art. 3, Sec. 17)
- **Human Subjects Research Standards Report** - In response to Markingson case and Office of the Legislative Auditor report, the U must provide monthly updates on improvements in human subject research policies and practices (Art. 3, Sec. 26)

### ***OHE***

- **Unsession Language** - The Higher Education Unsession bill signed into law in the 2014 session only adopted a fraction of the proposed items introduced to streamline statutes by “eliminating unnecessary or redundant laws, rules and regulations; reducing the verbiage in those that remain; shortening timelines for developing and implementing them; and undoing anything else, which makes government nearly impossible to understand, operate, or support.” In 2015, the executive branch recommended the remaining Higher Education “Unsession” items (Art. 2)
- **E-Verify** - Exempts the SELF Loan program from the E-Verify provision should credit bureaus report they are unable to comply (Art. 2, Sec. 2)
- **SELF Loan Limits** – Grants OHE the authority to set loan limits for the SELF Loan program (Art. 2, Sec. 10)
- **Small Promotional Incentives** - Clarifies that OHE has the authority to use up to \$10,000 for small promotional incentives (Art. 2, Sec. 4)
- **Postsecondary Child Care Grants** -

- Provides the agency with flexibility to determine the formula based on the federal poverty level and fully spend the appropriation (Art. 2, Sec. 8 & 9)
- Language change in residency definition to allow the spouse of a resident to qualify for the Child Care Grant (Art. 2, Sec. 7)
- **Intervention for College Attendance Program** - Provides preference to program applicants located outside of the Twin Cities metropolitan area (Art. 3, Sec. 12)
- **State Financial Aid Eligibility** – updated definition to include active members of the National Guard or armed forces reserve and their spouses or dependents (Art. 3, Sec. 8)
- **State Grant** – Language changes maintain the purchasing power of grant recipients and protect students against increases in living expenses and tuition rates
  - Living and Miscellaneous Expenses (LME) set to the federal poverty level for 9 months *if* an amount is not specified in law. Similar language is already in law for tuition and fee (T&F) maximums (Art. 5, Sec. 1)
  - Allows for the allocation of unspent funds in law via LME adjustments or T&F maximums in the 2<sup>nd</sup> year of the biennium (Art. 5, Sec. 2)
- **Amends Chapter 141** - Regulation of private career schools. Instructs the Revisor to move the provisions of Chapter 141 into 136A and renumber them accordingly so that all language on regulating private postsecondary institutions is in one chapter. Updates the name “school” to “private career school” (Art. 2, Sec. 46)

## Repealers:

- 136A.27. Achieve Scholarship Program. The program has not been funded since FY11.
- 136A.862 the High School to College Summer Transition Grant Program. The program had very low participation. The ongoing appropriation was cancelled and used to support the Summer Academic Enrichment Program.
- 141.271, subd. 4 and 6. Refunds. Given other amendments, these two subdivisions are now redundant.
- 158.01 through 158.12. U of MN Hospital. The language is obsolete. The hospital was sold by the University in 1996.
- 4830.7500, subparts 2a and 2b. Postsecondary Childcare Grants. This language is moved from rules to statute.