

1.1 Senator moves to amend the delete-everything amendment (SCS3510A-3)
1.2 to S.F. No. 3510 as follows:

1.3 Page 17, after line 33, insert:

1.4 "Section 2. Minnesota Statutes 2020, section 136A.103, is amended to read:

1.5 **136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.**

1.6 (a) A postsecondary institution is eligible for state student aid under chapter 136A and
1.7 sections 197.791 and 299A.45, if the institution ~~is located in this state and:~~

1.8 (1) is operated by this state or the Board of Regents of the University of Minnesota; ~~or~~

1.9 (2) is operated privately, is located in the state, and, as determined by the office, meets
1.10 the requirements of paragraph (b); or

1.11 (3) is a university that:

1.12 (i) is a nonprofit entity as defined by Internal Revenue Code, section 501(c)(3);

1.13 (ii) is accredited by the institutional accreditor, Northwest Commission on Colleges and
1.14 Universities;

1.15 (iii) provides online education;

1.16 (iv) offers exclusively competency-based education; and

1.17 (v) as determined by the office, meets the requirements of paragraph (b).

1.18 For purposes of this clause, competency-based education means an educational delivery
1.19 model which organizes academic content by competency rather than more traditional
1.20 methods, such as by course, and measures a student's academic progress by assessing learning
1.21 outcomes, typically on the basis of mastery of a defined set of competency standards.

1.22 (b) A private institution must:

1.23 (1) maintain academic standards substantially equivalent to those of comparable
1.24 institutions operated in this state;

1.25 (2) be licensed or registered as a postsecondary institution by the office; and

1.26 (3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of
1.27 the Higher Education Act of 1965, Public Law 89-329, as amended; or

1.28 (ii) if an institution was participating in state student aid programs as of June 30, 2010,
1.29 and the institution did not participate in the federal Pell Grant program by June 30, 2010,

2.1 the institution must require every student who enrolls to sign a disclosure form, provided
2.2 by the office, stating that the institution is not participating in the federal Pell Grant program.

2.3 (c) An institution that offers only graduate-level degrees or graduate-level nondegree
2.4 programs is an eligible institution if the institution is licensed or registered as a postsecondary
2.5 institution by the office.

2.6 (d) An eligible institution under paragraph (b), clause (3), item (ii), that changes
2.7 ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell
2.8 Grant program within four calendar years of the first ownership change to continue eligibility.

2.9 (e) An institution that loses its eligibility for the federal Pell Grant program is not an
2.10 eligible institution. The office may terminate an institution's eligibility to participate in state
2.11 student aid programs effective the date of the loss of eligibility for the federal Pell Grant
2.12 program.

2.13 (f) An institution must maintain adequate administrative and financial standards and
2.14 compliance with all state statutes, rules, and administrative policies related to state financial
2.15 aid programs.

2.16 (g) The office may terminate a postsecondary institution's eligibility to participate in
2.17 state student aid programs if the institution is terminated from participating in federal
2.18 financial aid programs by the United States Department of Education for a violation of laws,
2.19 regulations, or participation agreements governing federal financial aid programs.

2.20 **EFFECTIVE DATE.** This section is effective July 1, 2023."

2.21 Renumber the sections in sequence and correct the internal references