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S.F. No. 4003 – Certain higher education provisions technical and policy changes.

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Date: March 11, 2024

Sections 1 (135A.031, subd 7) and 3 (135A.144) are related to transcript access language, which was originally passed as a pilot program in 2021 but expires on June 30, 2024. **Section 1** adds to the list of information required to be provided by the Minnesota State Colleges and Universities and the University of Minnesota to include data on the number of students owing a balance for whom a transcript was withheld due to nonpayment. **Section 3** prohibits a school, which includes public and private schools, from withholding a transcript for students with unpaid debt, except under certain circumstances. Differences from the 2021 law include increasing the debt threshold from \$250 to \$1,000 and requiring the school to provide a transcript to incarcerated persons. A school that uses transcript issuance as a tool for debt collection must have a policy accessible to students that outlines how the school collects on debts owed to the institution.

Section 2 (135A.121, subd 2) modifies the American Indian Scholars program established in the last session to clarify that eligibility includes meeting satisfactory progress, which is consistent with the eligibility requirements for other financial aid and scholarship programs.

Sections 4 to 8 (135A.15) amend the sexual harassment and violence policy section of the law.

Section 4 limits the applicability of the sexual harassment and violence policy regarding private schools to those participating in the federal Pell Grant program.

Section 5 defines new terms and modifies existing terms.

Section 6 updates terminology and allows victim-survivors to determine whether to participate in investigations or disciplinary proceedings, or not report sexual misconduct. This section also provides that the victim-survivor rights under this section are not contingent on entering into a nondisclosure agreement. Further, a nondisclosure agreement or other contract restricting the ability

to disclose information in connection with a sexual misconduct complaint may not be used as a condition of financial aid or remedial action.

Section 7 is a new subdivision related to campus investigation and disciplinary hearing procedures. An institution must provide a reporting party with an opportunity for an impartial, timely, and thorough investigation of a report of sexual misconduct. If an investigation reveals that sexual misconduct occurred, the institution must take steps to end the misconduct, prevent its recurrence, and, as appropriate, remedy its effects. The institution must treat all parties with dignity, respect, and fairness. If an institution conducts a hearing, an advisor may provide opening and closing remarks on behalf of the party.

Section 8 requires training to be culturally responsive and address the unique experiences and challenges of students.

Section 9 (135A.1581) establishes a program for parenting students, requiring public and private institutions of higher education to designate at least one employee as a college navigator for parenting students. The University of Minnesota is requested to comply. This section specifies the information that must be provided to students and requires the Office of Higher Education to report annually, beginning January 15, 2026, data on parenting students.

Section 10 (135A.1582) establishes protections for pregnant and parenting students, applicable to public colleges and universities. The University of Minnesota is requested to comply. This section lists the rights of a pregnant or parenting student, which include prohibiting a school from requiring the student to take a leave of absence, limiting the student's studies, or changing the program of study, to name a few. This section also requires the school to provide reasonable accommodations, as listed in this section, and to provide other protections. Schools are required to adopt a policy with information related to discrimination against pregnant and parenting minors. OHE is required to work with the systems to adopt rules to administer the program.

Sections 11 and 12 (135A.161 and 135A.162) modify the Minnesota Inclusive Higher Education provisions passed last session, moving a reporting requirement to a more appropriate place in the law and adding Tribal colleges to the list of eligible grantees.

Section 13 (136A.053) allows the Office of Higher Education to consolidate mandated reports on several programs into one annual report beginning February 15, 2026. The attachment to the summary lists the affected programs.

Section 14 (136A.091, subd 3) modifies the summer academic enrichment program to update a reference to universal free meals.

Section 15 (136A.097) provides the commissioner with flexibility in calculating financial aid when a student is eligible for multiple financial aid programs.

Sections 16 and 17 (136A.1241) modify the Fostering Independence Grants to align eligibility with other financial aid programs and to allow the commissioner to start a waitlist for the program.

Sections 18 to 22 (136A.1465) amend the North Star Promise Program

Section 18 amends the definitions, clarifies the term "gift aid," and defines new terms.

Section 19 modifies eligibility, primarily to align with other financial aid programs.

Section 20 clarifies that the program begins in fall 2024 and modifies the supplemental grants for Pell eligible students, capping the amount at the students' recognized cost of attendance.

Section 21 updates terminology and makes technical changes.

Section 22 clarifies the duration of the scholarship and specifies when a student is eligible for an additional semester, consistent with other aid programs.

Sections 23 and 24 (136A.1701) amend the Minnesota Student Educational Loan Fund (SELF) Program by allowing a student to borrow up to the maximum loan amount twice in the same “grade level” and prohibiting the commissioner from requiring annual payments but allowing the commissioner to require monthly payments.

Sections 25, 27, 28, and 32 to 37 clarify the physical presence of schools to determine if a school qualifies for state authorization under the Private Career School Act and the Minnesota Private and Out-of-State Public Postsecondary Education Act.

Sections 25 to 31 (136A.62) modify the Minnesota Private and Out-of-State Public Postsecondary Education Act.

Section 26 defines the term “postsecondary education”.

Section 29 (136A.646) updates a reference to federal law and changes the closed school refund dates to a framework of 180 days to conform with US Department of Education regulations.

Section 30 (136A.65) modifies the criteria necessary for a school to be registered to require a joint and several liability provision in contracts effective after July 1, 2026.

Section 31 (136A.675) updates a cross-reference to federal law.

Sections 38-42 (136A.822) amend laws related to private career schools.

Section 38 (136A.822, subd 8) modifies the Private Career School Act by adding two licensure requirements, which include a requirement that the school has not had a license revoked within two years and that a contract effective after July 1, 2026, include a joint and several liability provision.

Section 39 (136A.828, subd 3) amends the false statements section of law related to private career schools. This section prohibits a school from claiming its program qualifies for national certification if that certification is not accepted or recognized in this state.

Section 40 (136A.829, subd 3) allows the commissioner to grant a probationary license to a private career school to monitor newly licensed schools and allow for the correction of deficiencies.

Section 41 (136A.829, subd 4) adds a new subdivision to the revocation of a license or permit, prohibiting a school whose license has been revoked from reapplying within two years, and lists new requirements for a school reapplying for licensure.

Section 42 (136A.833, subd 2) amends private career school exemptions. This section adds procedures for schools to demonstrate eligibility without a full program review and makes other clarifying changes.

Section 43 is a revisor instruction to change terminology related to the sexual harassment and violence policy changes.