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## **S.F. No. 4003 – Higher Education Policy, as proposed to be amended by the A-4 delete-everything amendment.**

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### **Article 1 Higher Education Policy**

**Section 1 (135A.121, subd 2) (SF4003)** 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.

**Section 2 (135A.144) (SF4003)** prohibits a school, which includes public and private schools, from withholding a transcript for students with unpaid debt, except under certain circumstances. The debt threshold is \$1,000 and this section requires 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 and requires the school to provide to the Office of Higher Education an updated copy of the policy and the number of students who were denied transcripts due to debt.

**Section 3 (135A.1581) (SF4003)** 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, 2028, data on parenting students.

**Section 4 (135A.1582) (SF4003)** 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 pregnant and parenting students, 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. The Office of Higher Education is required to work with the systems to adopt guidelines to administer the program.

**Sections 5 and 6 (135A.161 and 135A.162) (SF4003)** 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 7 (135A.163) (SF4525)** states that this section of law may be cited as the “Minnesota Respond, Innovate, Succeed, and Empower (RISE) Act.” This section requires public and private institutions to have policies to assist and support students with disabilities.

**Subd 2** defines the terms: “institution of higher education,” “plain language,” and “student with a disability.”

**Subd 3** requires each institution to adopt a policy making self-disclosure sufficient proof of a disability to begin the interactive process under subdivision 4.

**Subd 4** requires an institution to engage in an interactive process to document the student's accommodation needs and allows the institution to request documentation as part of the interactive process. The documentation listed in this section is deemed sufficient to establish reasonable accommodations for a student with a disability.

**Subd 5** imposes requirements on institutions related to students with disabilities. The list of requirements under this section includes, to name a couple, that before the beginning of each term, the institution must offer a student the opportunity to self-identify as having a disability for which the student may request an accommodation and must initiate contact with students who self-identify, and that an institution must not require a student to be reevaluated to prove the presence of a permanent disability if the student previously provided proof.

This section is effective January 1, 2025.

**Section 8 (135A.195) (SF4400)** prohibits a public or private institution in Minnesota from providing preferential treatment in admissions to any student applicant on the basis of the student’s legacy status.

**Section 9 (136A.053) (SF4003)** allows the Office of Higher Education to consolidate mandated reports on several programs into one annual report beginning February 15, 2026.

**Section 10 (136A.091, subd 3) (SF4003)** modifies the summer academic enrichment program to update a reference to universal free meals.

**Section 11 (136A.097) (SF4003)** provides the commissioner with flexibility in calculating financial aid when a student is eligible for multiple financial aid programs.

**Sections 12 and 13 (136A.1241) (SF4003)** 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 14 to 18 (136A.1465) (SF4003)** amend the North Star Promise Program

**Section 14** amends the definitions, clarifies the term “gift aid,” and defines new terms.

**Section 15** modifies eligibility, primarily to align with other financial aid programs.

**Section 16** 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 17** updates terminology and makes technical changes.

**Section 18** clarifies the duration of the scholarship and specifies when a student is eligible for an additional semester, consistent with other aid programs.

**Sections 19 and 20 (136A.1701) (SF4003)** 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 21, 23, 24, and 27 to 32 (SF4003)** 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 22 to 32 (136A.62) (SF4003)** modify the Minnesota Private and Out-of-State Public Postsecondary Education Act.

**Section 22** defines the term “postsecondary education”.

**Section 25 (136A.646)** (This section was inadvertently dropped and will be reinstated with a technical amendment.) updates a reference to federal law and changes the closed school refund dates to a framework of 180 days to conform with United States Department of Education regulations.

**Section 26 (136A.675)** updates a cross-reference to federal law.

**Sections 27 to 37 (136A.822) (SF4003)** amend laws related to private career schools.

**Section 33 (136A.822, subd 8) (SF4003)** modifies the Private Career School Act licensure requirements. A school must not have had a license revoked within two years.

**Section 34 (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 35 (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 36 (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 37 (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 38 (136F.38, subd 3) (SF 4226)** expands the workforce development programs of study to include energy.

**Section 39 (136F.405) (SF4416)** adds a new section of law entitled academic freedom protection.

**Subd 1** defines the term “academic freedom.”

**Subd 2** specifies faculty rights. This subdivision requires the Minnesota State Colleges and Universities to maintain policies that support and encourage academic freedom. Provides that each faculty member has the right to teach in an atmosphere of free intellectual inquiry and not be subjected to restraints or harassment that would impair teaching. Further, this section entitles a faculty member to full freedom in research and in the publication of results, provided the faculty member fulfills the requirements and duties of his or her academic position. An institution shall not discriminate against a faculty member for engaging in political activities, provided it does not interfere with the job responsibilities.

**Section 40 Paragraph (a)** repeals the existing law requiring public postsecondary institutions to have policies related to students with disabilities.

**Paragraph (b)** repeals a report that was moved to a different section of law.

## **Article 2**

### **Campus Sexual Misconduct Policy**

**Section 1 (135A.15) (SF1045 and SF4003) Subd 1** provides that this section applies to private schools participating in the federal Pell Grant program and applies to any event sponsored by the system or by a fraternity or sorority regardless of whether the activity or event occurs on or off property owned or used by the system or institution.

**Subd 1a** modifies several definitions and adds new definitions. The new term “sexual misconduct” is defined and includes a more expansive list of crimes and conduct that fall under this policy. Also, the term “advisor” is defined, which is a person who is selected by the parties for support during the investigation and disciplinary process.

**Subd 2** provides that the victim’s rights under this section are not contingent on entering into a nondisclosure agreement. Further, a nondisclosure agreement or other contract restricting the ability to discuss information in connection with a sexual misconduct complaint may not be used as a condition of financial aid or remedial action.

**Subd 2a** 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 and respect.

If an institution conducts a hearing, an advisor may provide opening and closing remarks on behalf of the party. The disciplinary proceedings must apply a preponderance of the evidence standard of proof.

**Subd 8** requires training to be culturally responsive and address the unique experiences and challenges of students, to the extent possible.

### **Article 3**

#### **Online Program Management Company Requirements**

This article imposes requirements on postsecondary institutions that contract with online program management companies (OPMs) to provide online courses and other services.

**Section 1 (135A.195) (SF 4340) Subd 1** defines the terms “contract,” “institution of higher education,” “managed programs,” “online program management company,” and “tuition sharing.”

**Subd 2** provides that contracts between an institution and an OPM cannot include tuition sharing, granting the OPM ownership rights to intellectual property, patentable discoveries, or inventions of faculty members, or granting the OPM authority over curriculum development and assessment, faculty appointment, or institutional governance.

**Subd 3** requires the governing board to review a contract prior to execution. The review must analyze the contract’s compliance with subdivision 2. The University of Minnesota is requested to comply with this section.

**Subd 4** requires an institution to submit annually to the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance an expenditure report that contains the information listed in this section, and the annual compliance and financial audit report, which is an existing obligation. This section also requires the online program management company to submit a report to the institution detailing expenditures in the categories listed in this section. The University of Minnesota is requested to comply with this section.

**Subd 5** imposes requirements on an OPM if it is retained to provide marketing services. The institution shall make a list of online programs supported by the OPM publicly available on its website.

This section is effective July 1, 2024, and applies to contracts entered into on or after that date.

### **Article 4**

#### **Student Protections**

**Sections 1-4 (SF 4340)** modify the Minnesota Private and Out-of-State Public Postsecondary Education Act.

**Section 1 (136A.645)** requires a school to provide the information listed in this section to the Office of Higher Education when a school intends to cease a degree or nondegree program, or the program loses federal financial aid eligibility.

**Sections 2 and 5 (136A.65, subd 4, 136A.828, subd 7)** prohibit private or out-of-state public schools and private career schools, respectively, from using a nondisclosure agreement or contract restricting a student's ability to disclose information about a school's actions or conduct that would be allowed under the student complaint process in existing law.

**Section 3 (136A.65, subd 8)** provides authority to the Office of Higher Education to revoke, suspend, or refuse approval of a school's nondegree program for the reasons listed in this section.

**Section 4 (136A.675, subd 2)** requires an institution to notify the Office of Higher Education if one or more of its programs loses federal financial aid eligibility for failing to satisfy federal gainful employment requirements.