



January 21 , 2022

Senator David Tomassoni, Chair
Higher Education Finance and Policy Committee
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol, Room 328
St. Paul, Minnesota 55155

Representative Connie Bernardy, Chair
Higher Education Finance and Policy Committee
369 State Office Building
St. Paul, Minnesota 55155

Senator Greg Clausen, Ranking Minority Member
Higher Education Finance and Policy Committee
95 University Avenue W.
Minnesota Senate Bldg, Room 2233
St. Paul, Minnesota 55155

Representative Marion O'Neill, Ranking Minority Member
Higher Education Finance and Policy Committee
357 State Office Building
St. Paul, Minnesota 55155

Dear Senators and Representatives:

This letter is to notify you that the Office of Higher Education (OHE) is submitting the attached report, in accordance with 2020 Minnesota Laws Chapter 71 Article 2 Section 13 Subdivision 6 which states, “within 90 days of the expiration of the declaration of the peacetime public health emergency, the commissioner shall submit a report to the members of the legislative committees with jurisdiction over higher education issues regarding the temporary powers that were exercised under this section, including but not limited to any statutes or administrative rules that were modified or waived. The report must also include a timeline as to when temporary powers were exercised and an explanation as to why the exercise of temporary powers was necessary.”

The attached report highlights the following programs that the Commissioner, under the peacetime public health emergency, exercised these temporary powers:

- Work Study – Statutes 136A.231 to 136A.233 and Rules Chapter 4830
- SELF – Statutes 136A.15 to 136A.1787 and Rules Chapter 4850
- State Grant – Statutes 136A.121 and Rules Chapter 4830
- Financial Aid Programs – Statutes 136A.1215 to 136A.1275 – including:
 - Students w/ Intellectual & Developmental Disabilities
 - MN Reconnect
 - Child Care Grants
 - Indian Scholarships
 - Teacher Candidate Grants

If there are questions or concerns about the information in this report, please contact our Director of Government Relations, Nekey Oliver at 651-341-9675 or nekey.oliver@state.mn.us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dennis W. Olson".

Dennis W. Olson
Commissioner

Enclosed

Cc: Legislative Reference Library
Joan White, Senate Counsel
Nathan Hopkins, House Legislative Analyst
Hannah Grunewald, Senate Fiscal Analysis
Ken Savary, House Fiscal Analysis
Members of the Minnesota Senate and House Higher Education Policy and
Finance Committee

Minnesota Office of Higher Education Emergency Response Report

| Minnesota Office of Higher Education Emergency Response Report | | | | |
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| GRANTS AND SCHOLARSHIPS | | | | |
| Date Exercised | Program Name | Statutes Waived/Modified | Rules Waived/Modified | Explanation of why Temporary Powers were Exercised |
| 4/9/2020 | State Work Study, State Grant, Grants for Students w/Disabilities, MN Reconnect, Child Care Grant, Indian Scholarship, Teacher Candidate Grant | | Suspend Admin Rule 4830.0700 Subp. 4 | Suspend recovery of overpayments- overpayment occurs when a grant recipient receives more money than the recipient is eligible to receive under the award calculation. SCOPE: For terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020 through terms started prior to 7/1/2020. |
| 4/9/2020 | State Work Study | Modify 136A.233 Subd. 3 (c) | | Suspend requirement for students to be paid for hours actually worked. For students enrolled and performing SWS at a campus that must close or transition to majority online learning (term in progress as of 3/13/2020 may pay for scheduled hours, for terms that began after 3/13/2020, but prior to 7/1/2020, may pay based on average hours from previous term of enrollment not to exceed student's annual work study award and w/in institution's work study allocation. For a SWS student who is employed by an employer that closes as a result of COVID-19, the institution may continue paying the student State Work Study wages during that closure if it occurred after the beginning of the term, the institution is continuing to pay its other employees (including faculty and staff), and the institution continues to meet its institutional wage share requirement. Students who were prevented from beginning a term at the institution as a result of a COVID-19-related disruption would not be eligible for State financial aid for that term, and therefore could not be paid SWS wages for hours they did not work. Institutions should document that the COVID-19 disruption was the reason the student received SWS funds without documentation of hours worked. This provision includes the situation where students are unable to work due to classes being moved to a distance format. Reason for Change: Students enrolled and performing SWS at a campus that must close due to COVID-19 are unable to continue working. Suspend the statute that requires students to be paid for hours actually worked and temporarily modify it to allow institutions to instead pay for scheduled and average hours. |
| 4/9/2020 and 9/17/2020 | State Grant | Modify 136A.121 Subd. 2 (b) | | Modify to add this language: A student who withdrew from enrollment during the peacetime public health emergency known as COVID-19, is entitled to have grant eligibility from the term of withdrawal reinstated. Students who were not able to complete the term due to COVID-19 related interruptions, will need to extend their time to complete their credential due to the need to make up lost credits. This guidance was issued for 20-21 as well. |
| 4/9/2020 and 9/17/2020 | State Grant | | Modify Admin Rule 4830.0400 Subp. 5 B | To align the Admin Rule with the statutory change to have grant eligibility from the term of withdrawal reinstated. - Modify to add language: taking into account the exclusions specified in Minnesota Statutes, section 136A.121 subdivision 9 and subdivision 2 (b). Students who were not able to complete the term due to COVID-19 related interruptions, will need to extend their time to complete their credential due to the need to make up lost credits. This guidance was issued for 20-21 as well. |
| 4/9/2020 and 9/17/2020 | Child Care Grant | 136A.125 Subd. 2 (4) | | Modify to add this language: A student who withdrew from enrollment during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020, is entitled to have grant eligibility from the term of withdrawal reinstated. This provision has been extended to include terms that began after 7/1/2020 and will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. Students who were not able to complete the term due to COVID-19 related interruptions, will need to extend their time to complete their credential due to the need to make up lost credits. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7100 Subp. 2a | Modify to add this language: A child who was not receiving care during the peacetime public health emergency known as COVID-19, is still considered an eligible child for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7100 Subp. 5 A | Modify to add this language: A student whose child who was not receiving care during the peacetime public health emergency known as COVID-19, is still considered an eligible student for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7100 Subp. 5 D | Modify to add this language: A student who receives MFIP benefits during the peacetime public health emergency known as COVID-19, is still considered an eligible student for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020. |
| 4/9/2020 and 9/17/2020 | Child Care Grant | | Modify Admin Rule 4830.7100 Subp. 5 E | Modify to add this language: A student who withdrew from enrollment during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020, is entitled to have grant eligibility from the term of withdrawal reinstated. This provision has been extended to include terms that began after 7/1/2020 and will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. *Align the Admin Rule with the statutory change we are requesting. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7100 Subp. 5 G | Modify to add this language: A student who drops below half time enrollment during the peacetime public health emergency known as COVID-19, is still considered an eligible student for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020. |

Minnesota Office of Higher Education Emergency Response Report

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| 4/9/2020 | Child Care Grant | | Suspend Admin Rule 4830.7100 Subp. 5 I | Suspend language "reports any changes to data reported on the child care application within ten days of the change" during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7500 Subpart 2 A, B & C | Modify to add this language: If the cost of child care, provider's charge or student enrollment status changes during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020, the award amount will not change. |
| 4/9/2020 | Child Care Grant | | Modify Admin Rule 4830.7800 Refunds | Modify to add this language: For recipients who reduce enrollment during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020, schools do not need to refund a portion of the grant. |
| 4/9/2020 | State Work Study | | Modify Admin Rule 4830.2400 Subp. 3 | Suspend requirement for students to be paid for hours actually worked. For students enrolled and performing SWS at a campus that must close or transition to majority online learning on or after 3/13/2020 or for terms that begin prior to 5/1/2020; also, for a SWS student who is employed by an employer that closes as a result of COVID-19, the institution may continue paying the student State Work Study wages during that closure if it occurred after the beginning of the term, the institution is continuing to pay its other employees (including faculty and staff), and the institution continues to meet its institutional wage share requirement. Students who were prevented from beginning a term at the institution as a result of a COVID-19-related disruption would not be eligible for State financial aid for that term, and therefore could not be paid SWS wages for hours they did not work. Institutions should document that the COVID-19 disruption was the reason the student received SWS funds without documentation of hours worked. This provision includes the situation where students are unable to work due to classes being moved to a distance format. Students enrolled and performing SWS at a campus that must close due to COVID-19 are unable to continue working. Suspend the statute that requires students to be paid for hours actually worked and temporarily modify it to allow institutions to instead pay for scheduled hours. |
| 4/9/2020 and 9/17/2020 | State Grant | | Modify Admin Rule 4830.0400 Subp. 2a | Modify to add this language: Additionally, Minnesota residence is not lost for students who reside outside of Minnesota in a neighboring state, but are unable to physically attend a Minnesota school during a peacetime declaration when coursework is moved to a distance education format. This provision has been extended to include terms that began after 7/1/2020 and will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. Students who are MN high school graduates or GED recipients in MN while living in MN; however, now live in a bordering state (typically WI or ND), have been considered MN residents for postsecondary education purposes as long as they physically attend at least one course at the MN school. Due to COVID-19, the vast majority of coursework at MN schools has been moved to a distance education format. |
| 4/9/2020 and 9/17/2020 | Indian Scholarships | Modify Statute 136A.126 Subd. 4(3)(d) | | Modify to add this language: A student who withdrew from enrollment during the peacetime public health emergency known as COVID-19, for terms that were in progress on 3/13/2020 (date of peacetime declaration) or begin prior to 5/1/2020, is entitled to have grant eligibility from the term of withdrawal reinstated . This provision has been extended to include terms that began after 7/1/2020 and will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. |
| 9/17/2020 | State Work Study | | Suspend administrative rule 4830.2400 Subpart 3 | Temporarily Waive Employer Share for MN Work Study- This provision was not provided for spring and summer, 2020 terms. This provision means that the employer match is not required for terms that begin on or after 7/1/2020 and will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. |
| 10/27/2020 | State Grant, Grants for Students w/Disabilities, MN Reconnect, Child Care Grant, Indian Scholarship, Teacher Candidate Grant | | Suspend Admin Rule 4830.0700 Subp. 4 | Suspend Admin Rule 4830.0700 Subp. 4 only in situations when the school chooses to apply the R2T4 waiver provision (federal return of funds waiver due to COVID-19), where the school nor the student have to return funds if the student had a qualifying COVID-19 related withdrawal. Suspend recovery of overpayments- overpayment occurs when a grant recipient receives more money than the recipient is eligible to receive under the award calculation. This provision is applicable for terms that begin on or after 7/1/2020 and the provision will extend through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. |
| 10/27/2020 | State Work Study | Modify 136A.233 Subd. 3 (c) | | Suspend language "students will be paid for hours actually worked" . To hold students harmless for situations related to COVID-19 when students cannot earn wages and to align state work study COVID flexibilities with federal work study COVID flexibilities . For State Work Study the covered period includes terms that begin on or after 7/1/2020 through the later of December 31, 2020, or 60 days after the end of a peacetime public health emergency declared before December 31, 2020. Students can be paid Minnesota Work Study funds if they are unable to work due to a qualifying COVID-19 related disruption that occurs during the covered period. A qualifying COVID-related disruption for State Work Study purposes is: <ul style="list-style-type: none"> • The campus closes or temporarily ceases instruction; • The campus moves classes from ground-based to online; • The student is employed by an employer that temporarily or permanently closes; • The student is quarantined and unable to travel to campus or the jobsite; or • Other such disruptions due to COVID-19. |
| 10/27/2020 | State Work Study | | Modify Admin Rule 4830.2400 Subp. 3 | Modify corresponding Admin Rule to align with modification to 136A.233 Subd. 3(c) Suspend language in rule "shall be paid for hours actually worked". |

Minnesota Office of Higher Education Emergency Response Report

| SELF LOAN PROGRAM | | | | |
|--------------------------|-------------------------|---------------------------------|---|--|
| Date Exercised | Program Name | Statutes Waived/Modified | Rules Waived/Modified | Explanation of why Temporary Powers were Exercised |
| 4/13/2020 | SELF Loan and SELF Refi | 136A.1701 Subdivision 9 | 4850.0011 Subp. 28 (a), (b), (c) and (d), 4850.0014 subpart 3, 4850.0017 | To provide financial relief to SELF and SELF Refi borrowers and cosigners by not charging interest between 3-13-20 and 9-30-20. Borrowers in interest-only status were not billed for any payment because of the 0% interest |
| 4/13/2020 | SELF Loan and SELF Refi | 136A.1701 Subdivision 9 | 4850.0011 subp.18 and 4850.0017 | To provide special COVID-19 forbearances to borrowers and cosigners who were experiencing financial difficulties during the pandemic when many people weren't working. |
| 4/13/2020 | SELF Loan and SELF Refi | | 4850.0011 subp. 11, 11a, 13 | To prevent default on delinquent loans by offering payment relief options and modifying or suspending due diligence activities. |
| 3/24/2020 | SELF Loan and SELF Refi | | 4850.0011 Subp 24 | Language was added to the emergency rules to clearly state a late fee could be waived during a peace time emergency which the office did. |
| 7/20/2020 | SELF Loan and SELF Refi | | 4850.0011 Subp 24a, 4850.0020 Subp. 3 | To allow forgiveness of disbursements during a term including March 13, 2020 if the borrower withdrew due to COVID. |
| 7/20/2020 | SELF Loan and SELF Refi | | 4850.0011 Subp 25 | To permit the extension of loan periods to accommodate schedule modifications due to temporary school closures and/or individual students out of school for illness and/or quarantine. This was particularly useful for cosmetology schools which required in-person learning and COVID outbreaks periodically closed schools. |
| 7/20/2020 | SELF Loan and SELF Refi | | 4850.0015 Subp 2, 3 and 4 | Increased the time period for the school to disburse funds and simplify disbursement due to staff and students not regularly on campus. |
| 7/20/2020 | SELF Loan and SELF Refi | | 4850.0016 Subp 3 | Extended time period for schools to return funds to the office due to staff and campus not regularly on campus. |
| 7/20/2020 | SELF Loan and SELF Refi | | 4850.0024 Subp. 3 and 5 | Extended time period for borrowers and cosigners to rehabilitate a defaulted loan due to the financial difficulties many people were experiencing due to not working. |