

Subject Higher Education: Omnibus Supplemental Budget and Policy Bill

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Overview

This is the higher education omnibus budget and policy bill for the 2022 session as passed by the House of Representatives. Article 1 contains appropriation items. Article 2 contains policy changes. Article 3 contains the administrative policy bill from the Office of Higher Education (OHE), which was introduced as H.F. 3672 in the House and S.F. 3093 in the Senate.

Article 1: Appropriations

This article includes appropriations in fiscal year 2023 for the Office of Higher Education (OHE), the Minnesota State Colleges and Universities system (MnState), and the University of Minnesota.

Section Description – Article 1: Appropriations

1 Higher education appropriations.

Specifies that appropriations contained in the act are for fiscal years 2022 (FY22 or the first year of the biennium) and 2023 (FY23 or the second year of the biennium). Appropriations are from the general fund unless stated otherwise.

2 Office of Higher Education.

Subd. 1. Total appropriation. Appropriates a total of \$28.714 million to OHE from the general fund as described below.

Subd. 2. Student-Parent support initiative. Appropriates \$6.925 million to the new student-parent support initiative created in article 2, section 8, of the bill. Specifies a base for FY24 and FY25.

Subd. 3. Operating expenses of Tribal colleges. Appropriates \$3 million for transfer to Minnesota's three independent Tribal colleges in order to fund their general operations and maintenance expenses. The funds are to be apportioned equally among the three colleges and a report to OHE and the legislature is

Section Description – Article 1: Appropriations

required on the use of the funds. Sets a \$3 million annual base for the appropriation.

Subd. 4. State grants. Appropriates an additional \$493,000 to the state grant program. This relates to the program change in article 2, section 7, of the bill. \$9.295 million is added to the program's base appropriation.

Subd. 5. Grants to underrepresented student teachers. Appropriates an additional \$1.5 million to the program. This amount is added to the program's base appropriation.

Subd. 6. Teacher shortage loan repayment. Appropriates an additional \$700,000 to the program. Adds this amount to the program's base appropriation to set a base of \$900,000 in FY24 and later. This relates to the program change in article 2, section 11, of the bill.

Subd. 7. Emergency assistance for postsecondary students. Appropriates an additional \$731,000 to the program. Adds this amount to the program's base appropriation, which is currently set at \$319,000.

Subd. 8. Hunger-Free campus grants. Appropriates an additional \$200,000 to the program. Adds this amount to the program's base appropriation to set a base of \$302,000 in FY24 and later. This relates to the program change in article 2, section 1, of the bill.

Subd. 9. American Indian scholarships. Appropriates an additional \$3.240 million to the program. Adds this amount to the program's base appropriation to set a base of \$6.740 million in FY24 and later. This relates to the program change in article 2, sections 9 and 10, of the bill.

Subd. 10. Inclusive higher education grants. Appropriates \$750,000 to the new grant program created in article 2, section 5, of the bill. Sets a \$750,000 base for this appropriation.

Subd. 11. Free college grants. Appropriates \$975,000 for administrative costs involved in establishing the new grant program created in article 2, section 6, of the bill. Sets a \$32 million per year base for this appropriation to grants beginning in the 2023-2024 academic year.

Subd. 12. MN Reconnect program. Appropriates \$1 million for the program and sets a \$1 million per year base.

Subd. 13. Addiction medicine graduate medical education fellowship. Appropriates \$1.2 million for transfer to Hennepin County Medical Center to

Section Description – Article 1: Appropriations

support three addiction medicine fellows per year for five years. This is a onetime appropriations.

Subd. 14. Aspiring teachers of color scholarship pilot program. Appropriates an additional \$3 million to this pilot program. This is a onetime appropriation available until June 30, 2027. Article 2, section 22, updates the law establishing this program to provide that it expires June 30, 2027. The pilot originally received a total of \$3 million in both FY22 and FY23 that were available until July 1, 2025.

Subd. 15. Social work scholarships. Appropriates \$5 million to the new scholarship program created in article 2, section 23, of the bill. This is a onetime appropriation available until June 30, 2027, which is when the program expires.

3 State Colleges and Universities.

Subd. 1. Total appropriation. Appropriates a total of \$24.375 million to MnState from the general fund as described below.

Subd. 2. Operations and maintenance. Appropriates \$23.375 million for MnState’s general operations and maintenance. The rider paragraphs below discuss how a specified amount must be spent.

- a) \$20.375 million is to maintain operations.
- b) \$2 million is for mental health awareness, also addressed in article 2, section 12. A \$2 million base for this rider is also specified.
- c) \$1 million is for student basic needs, also addressed in article 2, section 13. A \$1 million base for this rider is also specified.
- d) Specifies that \$9 million is added to MnState’s operations and maintenance base for FY24 and later.

Subd. 3. Career and technical educator pilot project. Appropriates \$1 million to expand the career and technical educator (CTE) pilot project. This a onetime appropriation that is available until June 30, 2025. A report to the legislature is also required.

4 University of Minnesota.

Subd. 1. Total appropriation. Appropriates a total of \$46.911 million to the university from the general fund as described below.

Section Description – Article 1: Appropriations

Subd. 2. Operations and maintenance. Appropriates \$44.761 million for the university's general operations and maintenance. The rider paragraphs below discuss how a specified amount must be spent.

- a) \$13.88 million is for targeted student aid and student services. A \$6 million base for this rider is also specified.
- b) \$14 million is for specified campus security improvements. This is a onetime appropriation.
- c) \$6.881 million is for the Natural Resources Research Institute (NRRI). This is a onetime appropriation.
- d) \$10 million is for specified campus sustainability improvements. This is a onetime appropriation.
- e) Specifies that \$6 million is added to the university's operations and maintenance base for FY24 and later.

Subd. 3. 50-year clean water supply plan. Appropriates \$650,000 for the university's Water Council to develop a plan to ensure the state has a supply of clean water for the next fifty years. A report to the legislature is required. This is a onetime appropriation.

Subd. 4. Green training program account. Appropriates \$1.5 million for the green training program established in article 2, section 20. A \$1.394 million base appropriation is specified.

5 Fostering Independence Higher Education Grants.

Amends the 2021 budget act to specify that OHE can use up to three percent of the appropriation for this program to administer the program.

Article 2: Policy

This article includes changes to various higher education regulations and programs.

Section Description – Article 2: Policy

1 Hunger-Free campuses: competitive grant.

Adds private nonprofit institutions to the list of institutions eligible for grants to meet or maintain the requirements for the hunger-free campus designation.

Section Description – Article 2: Policy

- 2 Sexual harassment and violence policy: affirmative consent.**
Requires an affirmative consent standard within postsecondary institutions' sexual harassment and sexual violence policies.
- 3 Sexual harassment and violence policy: comprehensive training.**
Requires postsecondary institutions to train students on the affirmative consent standard required under section 2.
- 4 Inclusive Higher Education Technical Assistance Center.**
Establishes an "Inclusive Higher Education Technical Assistance Center" within OHE. The center's primary mission would be to increase access to higher education for students with intellectual disabilities.
- Subd. 1. Definitions.** Defines terms for this section and for section 5 of the bill.
- Subd. 2. Establishment.** Requires OHE, in conjunction with the Institute on Community Integration at the University of Minnesota, to establish an Inclusive Higher Education Technical Assistance Center to increase higher education access for students with intellectual disabilities. Lays out requirements for the center.
- Subd. 3. Director; advisory committee.** Requires the naming of a director and the appointment of an advisory committee.
- Subd. 4. Responsibilities.** Sets forth the duties of the center, which include: (a) monitoring higher education institutions; (b) monitoring relevant changes in federal and state law; (c) providing technical assistance to higher education institutions; and (d) distributing information to students with intellectual disabilities and their parents.
- 5 Inclusive higher education grants.**
Creates a grant program to assist higher education institutions with creating or expanding postsecondary programs for students with intellectual disabilities.
- Subd. 1. Establishment.** Requires OHE, in collaboration with the center established in section 1, to create a competitive grant program for Minnesota postsecondary institutions to create new or expand existing programs for students with intellectual disabilities.
- Subd. 2. Eligible grantees.** Allows public two-year and four-year institutions to receive grants under this section.
- Subd. 3. Application.** Provides that grant applicants must develop a written plan meeting the enumerated requirements.

Section Description – Article 2: Policy

Subd. 4. Grant account. Creates an account in the special revenue fund for depositing money appropriated for the grant program.

Subd. 5. Grant awards. Sets maximum grant awards amounts, puts additional requirements on grant recipients, and requires a 25 percent match of the grant funds.

Subd. 6. Grantee reporting. Requires grant recipients to report to the center on the funded initiatives.

Subd. 7. Reporting. Requires the center to submit an annual legislative report on the grant program.

6 Free college grants.

Creates a new grant program for students enrolled at state colleges that would cover any remaining cost of tuition and fees subject to a sliding scale based on the recipient's reported family income.

Subd. 1. Program established. Establishes the grant program within the Office of Higher Education (OHE).

Subd. 2. Eligibility. A student is eligible if the student is enrolled in a state college and is eligible to receive a state grant award.

Subd. 3. Award amounts. The award amount will cover the student's entire recognized tuition and fees amount after deducting other gift aid and scholarships received, subject to a sliding scale based on family adjusted gross income.

Subd. 4. Administration. Provides that the program is to be administered consistent with the state grant program.

Subd. 5. Report. Requires information about the program to be included in the biannual state grant program report.

7 State grant program: grant stipends.

Decreases the assigned student responsibility for calculating a state grant award, from 50 percent to 48 percent of the institution's cost of attendance under the program. This would have the effect of raising average state grant awards.

8 Student-Parent support initiative.

Creates a new grant program to assist students who are parents or expectant parents.

Section Description – Article 2: Policy

Subd. 1. Grants. Specifies what kinds of institutions and organizations may be eligible for grants and what the grants may be used for. Allows postsecondary institutions to act as fiscal agents for the grants in partnership with other kinds of organizations.

Subd. 2. Application process. Requires OHE to develop an application process. Instructs OHE to prioritize broad geographic distribution of program funds.

Subd. 3. Health-related supports. Requires OHE to partner with the Department of Health to provide technical support and assistance on health or medical issues.

Subd. 4. Report and evaluation. Requires a biennial report to the legislature on the program.

9 American Indian scholarships: student eligibility.

Removes the requirement that undergraduate students must be eligible for a Pell grant or state grant in order to receive an Indian scholarship.

10 American Indian scholarships: award amount.

Increases the maximum award amount for undergraduate students from \$4,000 to \$8,000 per academic year. Increases the maximum award amount for graduate students from \$6,000 to \$8,000 per academic year.

11 Teacher shortage loan repayment program: amount of loan repayment.

Increases the maximum amount of loan repayment awarded from \$1,000 to \$2,000 per year.

12 MnState: mental health awareness program.

Requires the board to pursue additional centralized mental health resources to benefit students.

13 MnState: basic needs resources.

Requires the board to pursue additional centralized basic needs resources to benefit students.

14 University of Minnesota: Board of Regents seats assigned.

Provides that the legislature shall elect a tenured faculty member and a representative of a university employee labor organization to two of the board's three unassigned at-large seats. Also provides that one regent shall be a member of a recognized Indian tribe in Minnesota.

Section Description – Article 2: Policy

- 15 **University of Minnesota: Congressional districts represented on Board of Regents.**
Amends existing law to address how redistricting and reapportionment of congressional districts shall affect the election of members to the board.
- 16 **University of Minnesota: term limits for university regents.**
Imposes a two-term limit on regents.
- 17 **University of Minnesota: RCAC membership.**
Changes the current composition of the RCAC. Provides that the RCAC will consist of the following 25 members:
- five house appointees;
 - five senate appointees;
 - five current faculty members (one from each campus) appointed by faculty senate;
 - five student body presidents, one from each campus; and
 - five designees from the listed councils.
- 18 **University of Minnesota: RCAC duties.**
Eliminates an RCAC provision preventing it from indirectly imposing regent term limits, as actual term limits are now imposed in section 16 of the bill.
- 19 **University of Minnesota: regent nomination and election.**
Requires the joint legislative committee for regent nomination to nominate two candidates—rather than one—for each vacancy on the board. Prohibits floor nominations at the joint legislation convention for regent election. Requires the joint house and senate rules to be amended to conform to this section.
- 20 **University of Minnesota: green training program.**
Establishes a “green training program” for training employees of the University of Minnesota.
- Subd. 1. Account established.** Establishes a green training program account in the special revenue fund. Provides that the amount in the fund is appropriated to the Board of Regents for the green training program and is available until expended. If the board does not comply with this section, all unused money in the account cancels back to the general fund.
- Subd. 2. Committee established.** Requests the Board of Regents to establish a committee to administer the green training program. At least 50 percent of the

Section Description – Article 2: Policy

committee’s members must be appointed by labor organizations representing specified university employees.

Subd. 3. Committee duties. Provides that the committee shall administer program funds and perform other specified duties. Lays out allowable uses for program funds.

Subd. 4. Collective bargaining. Provides that the Board of Regents can adopt supplemental rules and procedures for the program through collective bargaining.

Subd. 5. Report required. Requires a report to the legislature on the program.

21 Hunger-Free campus grants.

Amends the 2021 higher education budget act to clarify that nonprofit private postsecondary institutions may receive grants. See also, article 2, section 1.

22 Aspiring Minnesota teachers of color scholarship program.

Provides that the program expires June 30, 2027. See also, article 1, section 2, subdivision 14 (providing additional funding).

23 Social work scholarship program.

Creates a scholarship program for students preparing to become licensed social workers.

Subd. 1. Program established. Establishes the program within the Office of Higher Education (OHE).

Subd. 2. Eligible students. Sets forth eligibility criteria for the scholarships, which include enrollment in a baccalaureate degree-granting social work program.

Subd. 3. Scholarship amounts. Provides that the scholarships shall cover a recipient’s recognized cost of attendance after deducting other scholarships and gift aid received. The cost of attendance at private institutions is capped at the highest cost of attendance at a public university.

Subd. 4. Employment obligation. Requires recipients to work in Minnesota as licensed social workers for four years following completion of their degree program. A recipient who fails to meet this obligation will have the scholarship amount converted to a loan repayable to the state.

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Subd. 5. Insufficient appropriation. Provides that, if program funds are insufficient to give full awards to all eligible applicants, the commissioner shall prioritize awards based on students' financial need.

Subd. 6. Report required. Requires an annual report to the legislature on the program.

24 University of Minnesota: request to the Board of Regents.

Requests the board to amend its policies to allow a tenured faculty member and/or a labor organization representative to serve as a regent, in connection with section 14 of this article. Currently, § VIII, subd. 2, of the board's "Code of Conduct for Members of the Board of Regents" prohibits a regent from serving as a "compensated University employee."

Article 3: OHE Agency Bill

This article contains OHE's agency bill, introduced as H.F. 3672, containing administrative changes to OHE programs and regulations.

Section Description – Article 3: OHE Agency Bill

1 State grant program: data.

Clarifies that data on student enrollment and federal and state financial aid only needs to be provided if the institution's students are eligible to receive state financial aid.

2 SELF loans: data.

Clarifies that data on student enrollment and federal and state financial aid only needs to be provided if the institution's students are eligible to receive SELF loans. Also requires registered private and out-of-state public postsecondary institutions and licensed career schools to submit data under this section.

3 Private career schools: exemptions.

Makes changes to the list of institutions exempt from the requirements of the Private Career Schools Act.

4 Concurrent enrollment grants: grants.

Amends the requirements for a postsecondary institution using grant funds to expand its existing concurrent enrollment programs.

Section Description – Article 3: OHE Agency Bill

- 5 **Concurrent enrollment grants: application.**
Corrects an error in the statute by striking a reference to a provision that does not exist.
- 6 **Repealer.**
Repeals a part in Minnesota Rules, chapter 4880 (regarding private career schools) that splits the schools into two categories and imposes different relicensure requirements. The underlying statute supporting this rule, section 136A.823, subdivision 2, was repealed in the 2021 higher education omnibus act. Note that most of chapter 141 has been renumbered as section 136A.82–834, the “Private Career School Act.”



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