

Subject Higher Education: 2021 OHE Agency Bill

Authors Bernardy

Analyst Nathan Hopkins

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Overview

This is the 2021 agency bill from the Office of Higher Education (OHE). It contains various substantive and technical changes to higher education statutes regarding financial aid, scholarships, regulation of postsecondary institutions, and the state's college savings plan.

Summary

Section	Description
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1	Transcript access.
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Creates a new statute prohibiting schools from attaching transcript release to payment of student debts.

Subd. 1. Definitions. Defines the following terms for this section: “debt,” “school,” and “transcript.” Under the subdivision’s definition of “school,” this section will apply to all public and private postsecondary institutions. The University of Minnesota is requested to comply.

Subd. 2. Prohibited practices. Prohibits a school from:

- 1) refusing to provide a transcript to a student who owes money to the school under certain conditions; or
- 2) charging a higher fee for a transcript because a student owes money to the school.

Subd. 3. Institutional policy. Requires schools that use transcript issuance as a tool for debt collection to have an accessible policy on the practice, and to strive to minimize their use of the practice.

2	State grant program: Eligibility for grants.
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Updates terminology in existing law that extends state grant eligibility for a student who withdraws from school due to an illness: changing “major illness” to “serious

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	health condition.” Expands the extension to students who withdraw in order to care for a spouse, child, or parent with a serious health condition.
3	Child care grant program: Eligible students. Updates terminology in existing law that extends child care grant eligibility for a student who withdraws from school due to an illness: changing “major illness” to “serious health condition.” Expands the extension to students who withdraw in order to care for a spouse, child, or parent with a serious health condition.
4	SELF Refi: Student loan refinancing. Removes explicit monetary limitations on the SELF Refi program and gives OHE discretion to set limits based on the financial capacity and stability of the program.
5	Dual training competency grants: Program created. This is a technical change to conform to the new definitions in section 7 of the bill.
6	Dual training competency grants: Definitions. Creates a new definitions subdivision for the dual training competency grant program.
7	Dual training competency grants: Eligible grantees. Removes specification about “training” under the grant because this is now addressed in the definition of “eligible training” under section 7 of the bill. The added requirement for an agreement between the grantee and the training provider is transferred to this subdivision from the subdivision amended by section 9 of the bill.
8	Dual training competency grants: Eligible training provider. Removes provisions that become redundant under sections 7 and 8 of the bill.
9	Dual training competency grants: Application. Makes technical changes to conform to new definitions in section 7 of the bill.
10	Dual training competency grants: Employer match. Makes technical changes to conform to new definitions in section 7 of the bill.
11	Dual training competency grants: Payment of grant. Makes technical changes to conform to new definitions in section 7 of the bill. The added requirement for an agreement between the grantee and the training provider is transferred to this subdivision from the subdivision amended by section 9 of the bill.

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12	<p>Dual training competency grants: Grant amounts.</p> <p>Clarifies that an employee receiving training under the program only needs to apply for financial aid if the employee is receiving training at an institution eligible to receive state financial aid.</p>
13	<p>Private and out-of-state public institutions: Sale of an institution.</p> <p>Requires an institution to submit a registration renewal application when it enters receivership.</p>
14	<p>Private and out-of-state public institutions: School closure.</p> <p>Provides that an institution is deemed to have ceased operations when it fails to complete a renewal of its registration required due to a “change of ownership” of the institution as defined in section 136A.63, subdivision 2, which is amended by section 14 of the bill.</p>
15	<p>Private and out-of-state public institutions: Higher Learning Commission accredited institutions.</p> <p>Clarifies the exemption for “regionally accredited” institutions to specify that it refers to institutions accredited by the Higher Learning Commission, the regional accreditor for Minnesota. This is prompted by the fact that the U.S. Department of Education regulations no longer distinguish between national and regional accreditors.</p>
16	<p>Private and out-of-state public institutions: Risk analysis.</p> <p>Codifies more specific and detailed procedures regarding the analysis OHE performs to determine if an institution is at risk of precipitous failure and closure.</p> <p>Subd. 1. Standard development and usage. Permits OHE to develop financial and nonfinancial indicators to determine if institutions are unable to meet certain legal requirements and are at risk of closure within 18 months.</p> <p>Subd. 2. Additional reporting. Requires institutions to notify OHE when specified events occur. These events increase an institution’s risk of closure and may be related to: debt, revenue, and cash flow; accreditation and licensure; securities issued by the institution; criminal and civil investigations of the institution.</p> <p>Subd. 3. Determination procedures. Sets forth procedures for how OHE will evaluate an institution’s risk of failure and determine what actions to take in response.</p> <p>Subd. 4. Data classification. Classifies data supplied by an institution under this section as “financial records,” which are not publicly available.</p>

Section	Description
17	Private and out-of-state public institutions: Records. Requires institutions to maintain for at least ten years student records required for professional licensure in Minnesota.
18	Private career schools: Permanent student records. Requires institutions to maintain for at least ten years student records required for professional licensure in Minnesota.
19	Private career schools: School closure. Provides that an institution is deemed to have ceased operations when it fails to complete a renewal of its registration required due to a “change of ownership” of the institution as defined in section 136A.823, subdivision 3, which is created by section 21 of the bill.
20	Private career schools: Change of ownership. Creates a new subdivision requiring institutions to submit a licensure renewal application when there is a “change of ownership” of the institution. This subdivision mirrors the existing provision that applies to private and out-of-state public institutions, and which is amended in section 14 of the bill.
21	Private career schools: Proration. Amends a subdivision within the section of law concerning school refund policies in order to provide greater detail about how refund amounts are calculated.
22	Private career schools: Cancellation occurrence. Amends a subdivision within the section of law concerning refund policies to specify how a student may notify the institution of withdraw from a program. Provides that a student is not required to provide written notice of withdraw, and provides that a student shall be considered withdrawn if the student has not attended class for 14 consecutive days without contacting the institution.
23	529 plan: Data. Amends the subdivision regarding data classifications for the state’s 529 program to allow OHE to share account owners’ names and social security numbers with the Department of Revenue for purposes of statistical research and analysis. Also eliminates a defunct provision regarding matching grants, which were discontinued in 2011.
24	Repealer. Repeals a section of law authorizing a now-defunct loan repayment program; repeals a subdivision controlling renewal of licenses for private career schools.

Section **Description**

Repeals OHE administrative rules governing state grants used as a match to the National Service Scholars Program of the Corporation for National Service. This program was created by Laws 1997, chapter 183, article 2, section 19, and is now expired.



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