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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3978

03/02/2020 Authored by Haley and Albright The bill was read for the first time and referred to the Higher Education Finance and Policy Division

1.1 A bill for an act
1.2 relating to higher education; adding a postgraduation, in-state work requirement
1.3 to the state grant program; authorizing rulemaking; amending Minnesota Statutes
1.4 2018, sections 136A.121, subdivision 2, by adding a subdivision; 270B.14, by
1.5 adding a subdivision.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2018, section 136A.121, subdivision 2, is amended to read:

1.8 Subd. 2. Eligibility for grants. (a) An applicant is eligible to be considered for a grant,
1.9 regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections
1.10 136A.095 to 136A.131 if the office finds that the applicant:

1.11 (1) is a resident of the state of Minnesota;

1.12 (2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over,
1.13 and has met all requirements for admission as a student to an eligible college or technical
1.14 college of choice as defined in sections 136A.095 to 136A.131;

1.15 (3) has met the financial need criteria established in Minnesota Rules;

1.16 (4) is not in default, as defined by the office, of any federal or state student educational
1.17 loan; and

1.18 (5) is not more than 30 days in arrears in court-ordered child support that is collected or
1.19 enforced by the public authority responsible for child support enforcement or, if the applicant
1.20 is more than 30 days in arrears in court-ordered child support that is collected or enforced
1.21 by the public authority responsible for child support enforcement, but is complying with a
1.22 written payment agreement under section 518A.69 or order for arrearages; and

2.1 (6) has signed a contract with the office to have the applicant's total grant award converted
 2.2 to a student loan if the applicant fails to fulfill the employment requirement in subdivision
 2.3 2a.

2.4 (b) A student who withdraws from enrollment for active military service after December
 2.5 31, 2002, because the student was ordered to active military service as defined in section
 2.6 190.05, subdivision 5b or 5c, or who withdraws from enrollment for a major illness, while
 2.7 under the care of a medical professional, that substantially limits the student's ability to
 2.8 complete the term is entitled to an additional semester or the equivalent of grant eligibility.

2.9 Sec. 2. Minnesota Statutes 2018, section 136A.121, is amended by adding a subdivision
 2.10 to read:

2.11 Subd. 2a. **Minnesota employment requirement.** (a) To receive a grant, an applicant
 2.12 must agree to be employed exclusively in Minnesota for a two-year term beginning within
 2.13 six months of completing the degree or credential program for which the grant was awarded.
 2.14 If a grant recipient fails to meet this employment requirement, the commissioner must
 2.15 convert the recipient's total grant award to a student loan.

2.16 (b) The commissioner shall waive the employment requirement for a grant recipient if,
 2.17 within six years of the initial grant award:

2.18 (1) the grant recipient has not completed the degree or credential program for which the
 2.19 grant was awarded; and

2.20 (2) the recipient is no longer enrolled in a postsecondary institution.

2.21 (c) The commissioner shall defer the employment requirement:

2.22 (1) to allow a grant recipient who previously completed a degree or credential program
 2.23 to continue undergraduate study, provided that the recipient is currently enrolled on at least
 2.24 a half-time basis in a degree or credential program;

2.25 (2) to allow a grant recipient to attend graduate school, provided that the recipient is
 2.26 enrolled on at least a half-time basis in a graduate program;

2.27 (3) to allow a grant recipient to perform full-time volunteer service through Peace Corps,
 2.28 AmeriCorps, or a similar program; or

2.29 (4) for circumstances involving extreme hardship.

2.30 (d) A grant recipient who transfers from an eligible institution to an ineligible institution,
 2.31 including an institution in another state or country, remains subject to the employment

3.1 requirement and must complete the requirement within four years of transferring, unless
3.2 the recipient qualifies for deferment under paragraph (c).

3.3 (e) A student who receives grant awards for more than one degree or credential program
3.4 within six consecutive years is only required to meet the employment requirement once.
3.5 Full-time volunteer service as part of AmeriCorps or a similar program qualifies as
3.6 employment for purposes of the employment requirement. Any obligation to comply with
3.7 this paragraph cancels upon the death or permanent and total disability of the grant recipient.

3.8 (f) A student who receives a grant award, according to rules adopted by the commissioner,
3.9 must submit to the commissioner:

3.10 (1) an affidavit, prescribed by the commissioner, affirming the grant recipient's
3.11 employment in Minnesota; and

3.12 (2) any additional information required by the commissioner in order to determine if the
3.13 employment requirement has been met.

3.14 (g) The commissioner must adopt rules under chapter 14 to administer this subdivision.

3.15 Sec. 3. Minnesota Statutes 2018, section 270B.14, is amended by adding a subdivision to
3.16 read:

3.17 Subd. 22. **Disclosure to the commissioner of the Office of Higher Education.** On
3.18 request of the commissioner of the Office of Higher Education, the commissioner may
3.19 disclose returns and return information with respect to returns filed under chapter 290, to
3.20 the extent necessary to confirm documentation submitted under section 136A.121, subdivision
3.21 2a.

3.22 Sec. 4. **EFFECTIVE DATE.**

3.23 This act is effective for grants awarded for the 2021-2022 academic year and later.