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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2842

03/13/2023

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The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy

1.1 A bill for an act

1.2 relating to higher education; modifying certain workforce development provisions;

1.3 appropriating money to the Board of Trustees of the Minnesota State Colleges and

1.4 Universities for workforce development; amending Minnesota Statutes 2022,

1.5 section 136F.38, subdivisions 3, 4, 5; repealing Minnesota Statutes 2022, section

1.6 136F.38, subdivision 2.

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

1.8 Section 1. Minnesota Statutes 2022, section 136F.38, subdivision 3, is amended to read:

1.9 Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible

1.10 for resident tuition, as defined in section 135A.043, who is enrolled in any of the following

1.11 programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health

1.12 care services; (4) information technology; (5) early childhood; (6) transportation; ~~or~~ (7)

1.13 construction; (8) education; (9) public safety; or (10) a program of study under paragraph

1.14 (b).

1.15 (b) Each institution may add one additional area of study or certification, based on a

1.16 workforce shortage for full-time employment requiring postsecondary education that is

1.17 unique to the institution's specific region, as reported in the most recent Department of

1.18 Employment and Economic Development job vacancy survey data for the economic

1.19 development region in which the institution is located. A workforce shortage area is one in

1.20 which the job vacancy rate for full-time employment in a specific occupation in a region is

1.21 higher than the state average vacancy rate for that same occupation. The institution may

1.22 change the area of study or certification based on new data once every two years.

2.1 (c) ~~The~~ A student must be in an eligible field enrolled for at least nine credits in a two-year
 2.2 college in the Minnesota State Colleges and Universities system ~~to be~~ is eligible for first-
 2.3 and second-year scholarships of \$2,500.

2.4 ~~(d) The student is eligible for a one-year transfer scholarship if the student transfers from~~
 2.5 ~~a two-year college after two or more terms, and the student is enrolled for at least nine~~
 2.6 ~~credits in a four-year university in the Minnesota State Colleges and Universities system.~~

2.7 (d) A student in an eligible field enrolled for at least nine credits in a four-year university
 2.8 in the Minnesota State Colleges and Universities system is eligible for first-year and
 2.9 second-year scholarships of \$3,500.

2.10 (e) A student in an eligible field enrolled in a select short-term credit and noncredit
 2.11 certificate program may receive scholarships of up to \$1,500 or the full cost of instruction
 2.12 and credit for prior learning fees, whichever is less.

2.13 Sec. 2. Minnesota Statutes 2022, section 136F.38, subdivision 4, is amended to read:

2.14 Subd. 4. **Renewal; cap.** A student who has received a scholarship may apply again but
 2.15 total lifetime awards are not to exceed ~~\$7,500~~ \$12,000 per student. Students may only be
 2.16 awarded a second scholarship upon completion of two academic terms. Students may be
 2.17 awarded a third scholarship if the student transfers to a corresponding program at a Minnesota
 2.18 state university.

2.19 Sec. 3. Minnesota Statutes 2022, section 136F.38, subdivision 5, is amended to read:

2.20 Subd. 5. **Administration.** (a) The board shall establish an application process and other
 2.21 guidelines for implementing this program.

2.22 (b) The board shall give preference to students in financial need.

2.23 (c) Up to 1.5 percent of funds appropriated for this program may be used for the
 2.24 administration of this program, including outreach to students and promotion of programs
 2.25 where graduates and certificate holders are currently most needed.

2.26 Sec. 4. **APPROPRIATIONS.**

2.27 Subdivision 1. **Workforce development.** \$50,000,000 in fiscal year 2024 and
 2.28 \$50,000,000 in fiscal year 2025 are appropriated from the general fund to the Board of
 2.29 Trustees of the Minnesota State Colleges and Universities to educate and train Minnesota's
 2.30 workforce.

3.1 Subd. 2. **Equipment and learning environments.** Of the amounts appropriated in
3.2 subdivision 1, \$24,500,000 in fiscal year 2024 and \$24,500,000 in fiscal year 2025 are to
3.3 upgrade college and university equipment and learning environments to provide students
3.4 with state-of-the-art learning opportunities for career and technical education and to enhance
3.5 applied research laboratories for interactive, hands-on, multidisciplinary approaches to
3.6 science, technology, engineering, and math education. This appropriation must be matched
3.7 with cash or in-kind contributions from nonstate sources. Up to 1.5 percent of the
3.8 appropriation may be used for administration of the program.

3.9 Subd. 3. **Industry sector programming.** Of the amounts appropriated in subdivision
3.10 1, \$12,750,000 in fiscal year 2024 and \$12,750,000 in fiscal year 2025 are to develop and
3.11 expand industry sector programming to build capacity and support new and redesigned
3.12 curricular options with an emphasis on offering students work-based learning experiences.
3.13 This appropriation must be matched with cash or in-kind contributions from nonstate sources.
3.14 Up to 1.5 percent of the appropriation may be used for administration of the program.

3.15 Subd. 4. **Workforce development scholarships.** Of the amounts appropriated in
3.16 subdivision 1, \$12,750,000 in fiscal year 2024 and \$12,750,000 in fiscal year 2025 are to
3.17 expand the Workforce Development Scholarship program under Minnesota Statutes, section
3.18 136F.38, to add three new degree fields for scholarship eligibility: construction, education,
3.19 and public safety; expand eligibility and award amounts; and add select short-term credit
3.20 and noncredit certificates for full cost of instruction and credit for prior learning fees.
3.21 Notwithstanding Minnesota Statutes, section 136F.38, this appropriation must be matched
3.22 with cash or in-kind contributions from nonstate sources.

3.23 Sec. 5. **REPEALER.**

3.24 Minnesota Statutes 2022, section 136F.38, subdivision 2, is repealed.

APPENDIX
Repealed Minnesota Statutes: 23-02604

136F.38 WORKFORCE DEVELOPMENT SCHOLARSHIPS.

Subd. 2. **Scholarship awards.** The program shall award scholarships at the beginning of an academic term, in the amount of \$2,500, to be distributed evenly between two terms.