Minnesota Gives Coursera the Boot, Citing a Decades-Old Law

October 18, 2012, 4:56 am
By Katherine Mangan

Coursera offers free, online courses to people around the world, but if you live in Minnesota, company officials are urging you to log off or head for the border.

The state’s Office of Higher Education has informed the popular provider of massive open online courses, or MOOC’s, that Coursera is unwelcome in the state because it never got permission to operate there. It’s unclear how the law could be enforced when the content is freely available on the Web, but Coursera updated its Terms of Service to include the following caution:

**Notice for Minnesota Users:**

*Coursera has been informed by the Minnesota Office of Higher Education that under Minnesota Statutes (136A.61 to 136A.71), a university cannot offer online courses to Minnesota residents unless the university has received authorization from the State of Minnesota to do so. If you are a resident of Minnesota, you agree that either (1) you will not take courses on Coursera, or (2) for each class that you take, the majority of work you do for the class will be done from outside the State of Minnesota.*

Tricia Grimes, a policy analyst for the state’s Office of Higher Education, said letters had been sent to all postsecondary institutions known to be offering courses in Minnesota. She said she did not know specifically whether letters had been sent to other MOOC providers like edX and Udacity, and officials there did not immediately respond to questions from The Chronicle.

But Ms. Grimes said the law the letters refer to isn’t new. “This has been a longtime requirement in Minnesota (at least 20 years) and applies to online and brick-and-mortar postsecondary institutions that offer instruction to Minnesota residents as part of our overall responsibility to provide consumer protection for students,” she wrote in an e-mail.

Daphne Koller, a co-founder of Coursera, said she was surprised to receive the letter from Minnesota in July. “The law’s focus is on degree-granting programs as opposed to free, open courseware,” she said in an interview on Wednesday. “It’s not clear why they extended it to us.”

Ms. Koller, who is on leave from her position as a professor of computer science at Stanford, said she wasn’t aware of any other states with similar restrictions. “We’re providing tremendous, high-quality education for free to students around the country,” she said. Most of the enrolled students, many of whom are in high school or brushing up on professional credentials, wouldn’t be signing up for traditional degree courses, so Coursera shouldn’t pose any threat to them, she added.

Referring to Coursera’s caution that Minnesotans who do enroll study outside the state, Robert Talbert, an associate professor of mathematics at Grand Valley State University, in Michigan, had a suggestion.

Writing in his blog on The Chronicle’s Web site, he said he sees “a strong potential for a cottage industry: Set up a chain of coffee shops with free Internet access and on-site tutors just across Minnesota’s borders for Minnesotans to cross over and take their MOOC’s.”

**>> What You Need to Know About MOOC’s**

This entry was posted in Company Watch, Distance Education, Offbeat, Startups. Bookmark the permalink.
Who is the State of Minnesota to tell me I can't participate in a free, non-credited educational experience? Can they tell me I can't read information on Wikipedia because I might learn something?

You can have the educational experience, you just can't call it a college course.

Oh, someone owns the trademark to College or Course? I think some people are concerned about making sure their gilt-edged rice bowls remain filled.

There's a lot more to it than that. Realize that right now, at some state schools, contracts have been signed by public schools which in turn leverage state-funded resources to provide materials to Coursera. I asked when the legal sh*t was going to hit the fan about a half year ago and was ignored. Now watch.

...well, actually, they are funded privately. But, what you say otherwise sounds to be very legitimate--too bad about it being untrue and not based in fact. Excellent way to keep the poor people in their place!

Well, we need to clarify what, exactly, is privately funded.... From what I see, at an institution that signed a contract with Coursera, faculty paid by the state are using resources funded by the state to develop resources for...
a private entity (Coursera) under a contract. Hence my legal question, which I have posed to knowledgeable people and for which I have yet to receive a clear answer. The best answer I’ve gotten so far is "hmm."

There is an approximate legal analogue well known to those of us who generate intellectual property (patents or whatever) at a college or university. We all know that when we use university resources to develop IP, it does not belong solely to us. E.g. there is no way that I could invent something in my lab, patent it, license it, and sell it without the university taking their cut. So then what happens is that some faculty argue that they had the brilliant idea outside of university hours, or they may start their own company or they may use a university-associated corporate entity and file the patent from there etc.

So then the $64k question is: isn’t instructional material a form of IP??

Granted, as long as no money is changing hands, it is easy to overlook such technicalities. But Coursera cannot rely perpetually on venture capital and must make some revenue and must do so in order to finance their operations; so they are surely looking to monetize. And when that happens, whether through fees for material and/or certification costs, this whole thing moves into a very different legal realm.

Note, all of this is entirely separate from the issue of egalitarian access to information. I get that; everybody I know gets that. I *love* the idea of free information access for all, less debt for students, more people receiving quality educations, students and faculty moving hand in hand in a circle of peace and happiness etc. etc. The thing is, preparing good curriculum "does" cost money. So who is paying for that? And who is the beneficiary... is it even the student at the place where the curriculum was generated? And does anybody actually believe that this online initiatives can sustain itself on volunteer efforts from those few faculty who have enough spare time to put together a MOOC?

Lots of big questions; very few answers....

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1 person liked this.

11235808 3 months ago

You are on the right track. I picked a course at random to see what this was about: https://www.coursera.org/courses. My question, I think, is the same as yours. Why has Cal Tech, for example, allowed one of its profs (Antonio Rangel) to give away the content he developed for the university? The prof is also using some of his time and resources to grade people who are paying nothing. How do paying students feel about that? Maybe there is nothing either legally or morally wrong here...but is sure is puzzling.

Added later: On second thought, if Cal Tech (or any of the other schools at Coursera) requires its profs to teach for Coursera, then it is part of their regular, assigned duties. The question then becomes why would universities do this?

1 person liked this.

Zach Jansen 3 months ago

The state tells you who you can or can’t marry. Tells you where to vote. Tells you where to park and drive your car. Tells you what to pay in taxes. This shouldn’t be a surprise since so many Minnesotans expect the government to handle everything. Anyhow, just grab a phantom/encrypted IP and you’ll be fine.

3 people liked this.

George Regnery 3 months ago

OK, I realize that the state is intrusive, but some of the examples you cited are a bit odd.

"Tells you where to vote". Well, if I go to the hardware store, and there are no voting machines there, should I demand the right to vote. How could voting be done if the state didn’t tell you where to go? Or would you like it to be a scavenger hunt?
“Tells you where to park and drive your car”. I would hope that the state would do this. In fact, I'm a limited government kind of guy, but I'm not in favor of people being able to choose which side of the road they'd drive on: I'd like everyone to be a rightist. And parking should probably not be up to that much choice either.

“Tells you what to pay in taxes.” They may make you pay too much, but they should at the very least publish tax rates so you don't have to guess if you're paying the proper amounts.

hmm...nice semantic rant. What's wrong? Could not find any spelling errors?

"Anyhow, just grab a phantom/encrypted IP and you'll be fine."

I'm not aware of any provision in the law that would penalize a MN resident for taking the course.

Under state law (not just MN, though they've the only one stepping to the plate so far) that scenario would make Coursera in violation of the requirement to receive the state's authorization.

So really Coursera is the one on the hook here.

They didn't ask the bureaucrats for permission to give away college level education?

Reminds me of New York City shutting down soup kitchens because the city wants to control the nutritional needs of the poor and homeless. Can't have the homeless eating too much, or the wrong foods, can we?!!

Bureaucrats are killing this country with their absurd regulations.

Starting to do a pretty good job of it too. I see this as setting somewhat of a precedent, unless it garners enough attention.

See the letter I posted from Larry Pogemilller, head of MN Office of Higher Education. He backs off the original message.
Two major online for-profits are based in Mn. I wonder if they have anything to do with this.

It's possible. But it's more likely that Coursera's recent public moves of partnership with other IHEs, progress towards offering its own degrees, etc., are what prompted this move.

I could cite a dozen articles, but just as one example here's an article from July on Coursera's partnership with UMICH, as well as documents showing how they are looking at monetizing their (currently) free offerings:

http://chronicle.com/article/D...

The document you link to basically says that, at some point in the future there might be an opportunity for Coursera to also offer the signing University the ability to offer courses for a fee.

Well at that point certification by the offering Universities should be required.

There is no stated "roadmap" to changing the format of the offerings from free to a pay for use, but then many folks like you prefer to subvert innovation by creating strawman arguments.

I'm not sure where you're going with the 'folks like you' bit? Implied ad hominem?

FWIW, the defeat of this rule would actually largely benefit me, and I agree that the rule could stifle innovation.

So I think you misunderstand me. I'm not taking a position here on whether the state's stance is "good" or "bad," but simply to address some of the responses here that imply the state has no leg to stand on.

As someone who has both watched the evolution of the MOOCs and followed state authorization rules for over a year, I'm not surprised that these came to a head (though I would agree the state may have jumped the gun a bit).

I'm just trying to explain what the details around the law seem to point to. If you want to reach a different conclusion, you're certainly welcome to do so. But that said, I think many readers here are making the case that the state's position is bad, crazy, and out of left field.

It may be bad, but it's not all that crazy, and it's certainly not out of left field. To me, Coursera's response is the most telling indicator of that. Coursera almost certainly weighed its response with a legal team before responding.

The fact that they're taking their case to the court of public opinion, and not taking it to state court, is a pretty good indicator that they too think the state at least has a case.

New tagline: "Minnesota's Office of Higher Education: Keeping Minnesota Weird"
Barry Dahl 3 months ago

Back in September I already staked out a claim for the over-the-border coffee shop idea for the Duluth, MN - Superior, WI area. I believe that gives me squatters rights. The rest of the border is still fair game.  http://barrydahl.com/2012/09/2...

fortysomethingprof 3 months ago

Yeah how about this for the name of a deli: The University of Minnesota at River Falls.

Barry Dahl 3 months ago

And I’ll go with Minnesota State College - Superior

MReap 3 months ago

I have dibs on MSU-Fountain City (WI)

sjstofflet 3 months ago

tricia.grimes@state.mn.us

Perhaps a few well-directed emails questioning their reasoning might be appropriate? As this is strictly an information based operation (not a university) it would seem that MN’s attempt to censor Coursera is a direct violation of free speech.

sean_ 3 months ago

One might get more traction out of politely contacting this agency’s director (a cabinet-level appointed position) as he would be in more of a policy-making role

Larry Pogemiller
(651) 259-3900
larry.pogemiller@state.mn.us

I would be curious for some answers as to why Coursera was singled out. They offer content that is substantively similar to (and overlapping) Edx, Udacity, MIT and Harvard.

rkitchner 3 months ago

I am puzzled by the statement attributed to Ms. Grimes that the state law in question is “. . . part
of our overall responsibility to provide consumer protection for students..." Methinks this is a slippery slope. Has the state formally determined that its responsibility for consumer protection in the area of higher education stops at its borders? If so, what is the rationale for that determination? The state does not extend this "protection" to students attending out-of-state institutions (including those offering on-line or blended programs), thereby leaving its residents to freely seek admission to those out-of-state institutions. What is the basis for limiting consumer protection, and how does the state justify restricting its residents from pursuing educational opportunities offered by appropriately accredited institutions that are solely on-line, and whose programs originate out of state, and are taught by faculty that live beyond the state's borders?

Moreover, what oversight does Minnesota exert over programs that are offered on-line to its residents who can flock to Stillwater or LaCrosse, Wisconsin? Assuming there is no such oversight (nor likely could there be), how does the state justify preventing other residents who live far from Stillwater and LaCrosse from enrolling in those same programs, even though their internet connections would otherwise enable them to do precisely that?

Authorization of higher education is a worthy state interest, but the efficacy and integrity of enabling legislation and the associated administrative rules are critical. The situation cited in this article points to unsettled issues, and may well represent elements that will add to the development of a new body of case law. Odds are that many underemployed or newly minted attorneys are sharpening their pencils.

Minnesota does not have authority to control things that happen outside of its state boundaries. As such, it cannot charge someone from Minnesota for speeding in Wisconsin. Also, Minnesota cannot control its residents from going to another state to get services, such as same-sex couples going to Iowa to get married, however, there could be laws that say if you purchase something from another state and bring it back in to the home state you are in violation of the law and must pay penalty. Naturally, they have to catch you doing this in order to enforce the law.

Too broad a statement. States have had the authority to define activities within the state, and to determine legitimacy of ones credentials. Examples being medical doctors, nurses, dentists, etc. So the MN law simply says an institution, where ever based, cannot give academic credit for courses or programs leading to degrees (like bachelor's, masters, or other certifications), unless the courses and programs meet the state standards. One may argue about the reasonableness of those standards, but I would suspect we would agree that there needs to be those standards.

Standards do exist which states accept. That is why there are university accreditations, so that all states would agree to honor educational degrees from other states. The question is whether Coursera or the courses being offered by professors from colleges and universities made available from Coursera are granting credits for courses leading to degrees. The answer I think is no. Coursera's terms indicate that is not the case, and the colleges and universities are not granting credits leading to degrees, so I believe MN's decision in this case is wrong -- the facts and the law are against their decision. The MN law as written is consistent with the laws of all the other states -- their interpretation seems far out of whack, however.

The state's thinking probably is that wherever their responsibility lies, their jurisdiction stops at the border.

By the way, Stillwater is on the Minnesota side of the St. Croix River, so nobody can flock there to escape this law.
Minnesota Gives Coursera the Boot, Citing a Decades-Old Law - Wired...

Oh, thank you Chronicle! I needed a good laugh this morning.

12 people liked this. Like

Oh boy, watching this unfold is going to be fun.

11 people liked this. Like

"This is the Minnesota Department of Education. Put your pencils down and your hands behind your head!"

20 people liked this. Like

This is nothing new. Oregon has deemed itself "the decider" for which degrees are legitimate and which are not. At one point, the state invalidated all foreign degrees unless an institution applied for recognition from the state (for a fee!). The nonsense went as far as saying that applicants for some jobs in Oregon couldn’t include unapproved schools on their resume. Oxford no. Bob Jones University, a resounding YES!

Each state has their own bureaucracy. Of course there are broad exemptions carved out for unaccredited religious institutions. It's unclear whether Hogwarts would need permission, however.

14 people liked this. Like

Nothing new??? The example you cite is just a state deciding what counts as a degree for state jobs that require degrees. This is way beyond that.

3 people liked this. Like

Applying this to Coursera is obviously silly; but the idea behind it is sound. There are unfortunately a number of online education operations out there dedicated to PT Barnum's maxim.

I suppose this does get us into the question, being played out again in our national and state political battles, is it the function of government to protect us from ourselves?

9 people liked this. Like

Keep in mind Coursera is free - it is unclear from what the MN Department of Education is trying to save us.
Coursera is currently free, but that's only because their strategy for creating revenue is evolving. It's unclear how exactly they will monetize their operation, but they're continually moving in that direction.

Please cite an example of Coursera "continually moving" in the direction of monetizing their operation.

One example - if you sign up for one of the UW courses (e.g., Computational Econometrics or Scientific Computing), you will get 4-5 emails trying to get you to "upgrade" to official UW certification version of the course (for about $5,000 per class). There's a good chance Coursera gets a rev share from this.

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