HOUSE RESEARCH

Bill Summary

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| Article 1: Higher Education Appropriations | |
|  | Summary of Appropriations. Summaries appropriations for the biennium ending June 30, 2013. Total appropriations of $2.51 billion consist of $2.5 billion from the general fund and $4.3 million from the Health Care Access fund. |
|  | Higher Education Appropriations. Specifies that appropriations are for fiscal years 2012 (first year) and 2013 (second year) from the general fund or another named fund. |
|  | Minnesota Office of Higher Education. Appropriates $195.3 million in fiscal year 2012 and $195 million in fiscal year 2013 from the general fund as follows:   * State grants at $161.3 million each year and sets the four-year tuition maximum at $10,488, the two-year tuition maximum at $5,808 each year, and the living and miscellaneous expense (LME) allowance at $7,000 each year; * Safety officer survivor grants at $100,000 each year with transfer authority between years; * Child care grants at $6.6 million each year; * State work-study at $12.9 million each year; * Indian scholarships at $1.9 million each year with funding for administration; * Intervention for college attendance program grants at $671,000 each year with $50,000 each year for administration; * Midwest higher education compact at $95,000 each year; * Interstate tuition reciprocity at $3.15 million the first year and $3.25 million the second year, with transfer authority between years; * Minnesota college savings plan at $350,000 the first year; * MnLINK gateway and Minitex at $5.7 million each year; * Student and parent information at $119,000 the first year and $118,000 the second year; * Get ready at $175,000 each year; * Minnesota minority partnership at $43,000 each year; and * Agency administration at $2.2 million each year.   Allows balances in the first year to carry forward to the second year and authorizes the transfer of unencumbered balances between financial aid appropriations under specified conditions. |
|  | Board of Trustees of the Minnesota State Colleges and Universities. Appropriates $528.693 million each fiscal year from the general fund as described below.   * Central office and shared services unit at $39.9 million each year with a prohibition against allocating or charging back any reductions to campuses or institutions. * Operations and maintenance at $484.619 million each year, including funding for Cook County Higher Education Board. One percent of the fiscal year 2013 O and M appropriation is contingent on meeting three of following five goals: (1) increase the number of credentials conferred; (2) increase the enrollment of students of color; (3) increase the number of students taking online or blended courses or the number of online or blended sections; (4) increase persistence and completion rates; and (5) decrease energy consumption. A report on the measures must be made to the legislature by April 1, 2012. * Learning network of Minnesota at $4.2 million each year. * Education priorities requires the MnSCU board, in carrying out its statutory responsibilities, to place priority on meeting the needs of Minnesota employers for skilled workers and focus on efficient and streamlined delivery of higher education to prepare students for the workforce needs of Minnesota. * Tuition maximums set the maximum annual increase for tuition and mandatory fees for Minnesota undergraduate resident students at colleges at two percent and at universities at four percent. |
|  | Board of Regents of the University of Minnesota. Appropriates $529.7 million each fiscal year including $527.543 million each year from the general fund and $2.157 million from the health care access fund, as described below.   * Operations and maintenance at $465.675 million each year. One percent of the appropriation is contingent on meeting three of following five goals: (1) increase institutional financial aid; (2) produce at least 13,500 degrees (3) increase four- and six-year graduation rates on the Twin Cities campus; (4) maintain research and development expenditures as reported to the National Science Foundation; (3) increase degrees awarded in science, technology, engineering, and math; (4) increase financial support for renewable energy research; and (5) increase research and interactions that benefit business. A report on the measures must be made to the legislature by April 1, 2012. * Education priorities requires the Board of Regents, in carrying out its governing responsibilities, to place priority on meeting the needs of Minnesota employers for skilled workers and focus on efficient and streamlined delivery of higher education to prepare students for the workforce needs of Minnesota. * Tuition maximums set the expectation that tuition revenue will increase by a maximum of $76.3 million over the biennium. * Primary care education initiative at $2.157 million each year from the health care access fund. * Special appropriations provide the following funding from the general fund:  1. Agriculture and extension service at $42.4 million each year. 2. Health sciences at $5.3 million each year with $346,000 each year for 12 residents in the St. Cloud Hospital family practice residency program and remainder for other named purposes. 3. Institute of technology at $1.1 million each year for the geological survey and talented youth math program. 4. System special at $4.997 million each year for named purposes. 5. University and Mayo partnership at $8 million each year, available until expended, for research in biotechnology and medical genomics.  * Academic Health Center is estimated to receive $22.3 million each year from the dedication of a portion of cigarette taxes. |
|  | Mayo medical foundation. Appropriates $1.351 million each fiscal year as described below.   * Medical school at $665,000 each year, with authority to transfer between years, for a capitation for Minnesota resident students to increase the number of rural doctors. * Family practice and graduate residency program at $686,000 for a stipend support for up to 27 residents each year. |

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| Article 2: Related Higher Education Provisions | |
|  | Senior citizen; eligibility. Sets the age of eligibility for the senior citizen higher education program at 62 years, reversing the 2010 change in law to increase the age of eligibility to 65. The program provides a tuition benefit to seniors who enroll at public postsecondary institutions on a space-available basis. |
|  | Student records and data. Exempts postsecondary institutions that provide student data to the Office of Higher Education, the Department of Education, or other state agencies from liability related to the use, destruction, or disclosure of the data by any of the public agencies or individuals having access to the data. |
|  | Cost of attendance. Sets a statutory amount for the tuition and fee maximum used to calculate the state grant award. The statutory maximum is the highest tuition and fee amount charged by a public two-year institution for two-year programs and the highest amount charged by a public four-year institution for four-year programs. As under current law, an amount can be set in law to supersede the statutory maximum. |
|  | Undergraduate tuition guarantee plan; MnSCU. Encourages the board of trustees to offer a tuition plan for Minnesota resident students pursuing two-year and four-year degrees that holds tuition constant at the rate charged in the first semester. The plan must have stable tuition for the two years or four years that are necessary to complete the degree, after which tuition may increase to the rate charged new enrolling students. |
| 1. - 11 | Minnesota college savings plan matching grant. Eliminates the statutory requirements that provide a state-funded matching grant for low- and middle-income families who participate in the Minnesota college savings plan established under section 529 of the Internal Revenue Code. Sections 6 to 12 are effective July 1, 2012. |
|  | Undergraduate tuition guarantee plan; U of M. Encourages the Board of Regents to offer a tuition plan for Minnesota resident students pursuing undergraduate degrees that holds tuition constant at the rate charged in the first semester. The plan must have stable tuition for the four years that are necessary to complete the degree, after which tuition may increase to the rate charged new enrolling students. |
|  | Study of graduate education in for-profit sector. Requires the Office of Higher Education (OHE) to study the for-profit graduate education sector in Minnesota. The study must include:   * rights and responsibilities of their graduate students; * contractual arrangements and fulfillment of the contracts by the school and the student; * protection of students’ intellectual property rights; * clear communication of graduation expectations and requirements; * notice of and access to any changed graduation expectations; * providing students clear guidelines on due process, academic freedom of inquiry, recourse to resolve conflicts, including alternative dispute resolution; and * examples of effective graduate policies and guidelines.   OHE must report findings and recommendations for improving graduate education in the for-profit education sector to the legislature by January 15, 2013. |
|  | Credit transfer within Minnesota State Colleges and Universities. Requires the board of trustees to adopt a policy on credit transfers that:   * allows any MnSCU course taken for credit to transfer to any MnSCU institution for the same number of credits; * addresses the transferability of credits from 2+2 programs, including the Anoka STEP program; and * allows the credits to transfer as elective credits.   The board must adopt this credit-transfer policy by February 15, 2012. |
|  | Repealer. Repeals:   * the requirement for public institutions to sell American-made clothing and apparel in their bookstores to the extent possible; * the requirement that public employers purchase or require employees to furnish uniform or protective accessories that are not made in America; * the matching grant program that is part of the Minnesota College Savings plan; and * requirement to provide one-time Achieve grants to students who were eligible before January 1, 2009, and have not yet been awarded the grant. |