



**Thursday, March 5, 2026**

Co-Chair Lee, Co-Chair Franson and Members of the House Capital Investment Committee,

We would like to provide our comments on the proposed capital investment request by MNSU. Our unions represent thousands of faculty and staff on every campus and in every classroom within the Minnesota State system. We are invested in the long-term sustainability of our public higher education system here in Minnesota, and feel that addressing the ever-growing backlog of deferred maintenance is vital to improve teaching and working conditions.

We urge this committee to support Minnesota State’s HEAPR request, and also support expanding the size of the request to meet more needs across the MNSU system. The actual scope of the 10-year need to meet facility conditions is \$1.7 billion, meaning that a \$200 million investment would only scratch the surface of MNSU’s needs. Without having the benefit of seeing the new debt capacity report, we request that any new capacity be allocated to HEAPR.

It is not a coincidence that when MNSU does not receive adequate capital investment, to the system is forced to request funding for demolitions of buildings that are beyond saving. Making way for new construction can allow the colleges and universities to create new courses and engage students in new ways, but demolitions simply reduce the campus footprint without creating additional capacity. The Unions representing MN State workers request a \$250 million investment in HEAPR to begin to repair the damage caused by decades of underinvestment in the assets of our Minnesota State system.

We also request that the legislature considers conforming the debt service language found in MNSU bonds to the same language as other state agencies. Current statute requires that Minnesota State carries one-third of the debt service on bonding projects, making it an outlier among state agencies. These payments, which total around \$18 million annually, are ultimately passed onto students in the form of tuition increases, or to staff and faculty in lower pay increases. This debt service language essentially punishes MNSU twice.

The system doesn't receive the capital investments that they need, nor the operational funding they request from the legislature, while also adding more costs on top of bonding projects that are granted. There may have been a time that this language dissuaded college presidents from proposing superfluous projects that didn't serve the interests of the system or the students, but the reality of the situation now is that MNSU has to make tough cuts of vital bonding proposals.

Please consider eliminating this language and have the state bear the full costs of debt service, as it does for other state assets.

Thank you for your consideration.

In solidarity,

AFSCME Council 5

MAPE

Inter Faculty Organization

Minn State Faculty Organization

MSUAASF-Teamsters

