

House Research Act Summary

CHAPTER: 214

SESSION: 1999 Regular Session

TOPIC: Higher Education Omnibus Appropriations

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Analyst: Kerry Kinney Fine

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Article 1

Appropriations

Higher Education Services Office (HESO).

Subd. 2. State grants. Funds grant programs. Includes the following riders:

Permits use of either year's appropriation if one year's is insufficient.

States legislative intent that full grants be awarded each year.

Sets private college tuition maximum at \$8300 in FY00 and \$8550 in FY01 for 4 yr. institutions and \$6390 and \$6580 for 2 yr. schools.

Sets LME at \$5075 in the first year and \$5185 in the second year.

Subd. 3. Reciprocity. Funds reciprocity agreements. Permits use of either year's appropriation if one year's is insufficient.

Subd. 4. Work study. Funds state work study. Directs HESO to collect data on work study and child care grant awards, including number of hours worked, payment per hour, unmet demand, etc. and report information back to legislature.

Subd. 5. Minitex. Appropriates money for Minitex and MnLINK operations, the Minnesota library access center, and online databases for journals and periodicals.

Subd. 6. Learning network. Funds regional telecommunications organizations.

Subd. 7. GRIP. Continues language authorizing income contingent loan repayment program for graduates of health professional programs. Prohibits new participants. Directs HESO to work with the UM academic health center to consider problems, solutions for indebtedness of health professional students.

Subd. 8. Edvest. Permits HESO to enter into a contract for up to eight years for Edvest vendor services.

Subd. 9. Agency administration. Funds Minnesota minority education partnership. States that money is to provide outreach services for underserved K-12 students to encourage college attendance. Allows HESO to use the combined funds or contract with agencies or nonprofits. Extends the library planning task force sunset to 2001.

Subd. 10. Carry forward. Allows balances in any subdivision to be carried into the second year.

Subd. 11. Transfers. Permits unencumbered balances to be transferred among financial aid programs.

3 Minnesota State Colleges and Universities (MnSCU)

Subd. 2. Estimated Expenditures. Estimates instructional and noninstructional expenditures. Includes the following riders:

Directs that all money, except for that directly related to system office activities, be allocated to the campuses.

Prohibits planning for doctoral programs.

Appropriates increases for customized training and leveraged equipment purchases.

Funds repair and replacement, degree audit reporting system, technology infrastructure, Y2K, the Virtual U, and ISEEK.

Appropriates money for grants to historically underfunded campuses that are in economic distress. Specifies that money must be used for instruction or student services. Limits grants to \$500,000. Requires report back on distribution.

Increases access to farm business management programs by expanding capacity and funding additional tuition subsidies.

Appropriates money to BSU for Research and Innovation Center.

Provides funding to SW State for a rural research center.

Includes money for the agriculture program at Staples.

Allows Metro State to retain any savings from lease costs in Minneapolis.

Requires technical, consolidated colleges to use instructional advisory committees of employers, students, and instructors for recommendations on changes in programs.

Requires preparation of an annual budget for the system office. Specifies that plan must include expenditures for all divisions, and a review of current services and programs provided by the system office including their purpose, and costs and benefits. Requires report on findings and a proposed organizational plan and budget.

Directs the board to consider existing programs if it decides to invest in increasing teachers of color.

Permits the board to waive tuition for eligible SW Asia vets.

Allows a college to retain profits from customized training. Requires profits to be used for expanding customized training programs.

Subd. 3. Health care tuition waiver. Appropriates money from the health care access fund for tuition waivers for employees of health care/human services providers to improve recruitment/retention of employees through career ladders. **VETOED**

Subd. 4. Itasca Community College. Authorizes construction of a classroom addition paid for through lease revenue, and a child care addition paid for through a 1997 infant care pilot grant.

Subd. 5. Winona State land. Authorizes sale of a small parcel of WSU land to resolve a property line discrepancy

Subd. 6. Pine Technical College. Authorizes acceptance of federal funding to construct a

technology center.

4 University of Minnesota.

Subd. 2. Operations and maintenance appropriations. Includes the following riders:

Estimates instructional and noninstructional expenditures.

Requires an academic master plan for the Rochester region to the governor and legislature defining needs, plans to address the needs, demographic and enrollment projections, physical plant capacity and needs, and delineation of responsibilities among the partner institutions (See Art.2, sec.16).

Allocates in FY01 the first \$200,000 of Permanent University Fund (PUF) income from mining royalties to the department of landscape architecture for long range planning for reclamation of taconite lands. Requires matching amount from nonstate sources.

Directs the academic health center to consult with the health care community and report to the legislature on the strategic direction of its programs with plan to meet state health education needs.

Subd. 3. Primary care. Appropriates money from the health care access fund for primary care initiatives.

Subd. 4. Compulsive gambling research. Appropriates \$250,000 of lottery prize money for research on compulsive gambling. **VETOED**

Subd. 3. State specials.

(a) Agriculture and extension service. Specifies purposes of the appropriation including the experiment stations and extension, sustainable partnerships, renewable industries, and rapid response fund for agriculture product problems.

Prohibits reducing county responsibility for salary increases.

Requires advisory councils for each experiment station.

(b) Health sciences. Specifies purposes of appropriation.

(c) Institute of Technology. Specifies purposes of the appropriation.

(d) System specials. Specifies purposes of the appropriation.

5 Mayo Medical Foundation.

Subd. 2. Medical school. Provides capitation for Minnesota residents enrolled in the medical school. Directs that the money be used to increase rural doctors.

Subd. 3. Family practice. Provides capitation for Minnesota residents enrolled including one living and practicing with a rural doctor in Minnesota.

Subd. 4. St. Cloud hospital. Supports students in residency programs to prepare rural primary care physicians.

Article 2

Related Provisions

- 1 MNET.** Removes MnSCU from mandated participation in MNET; allows trustees to choose to participate.
- 2 Hepatitis information.** Requires all post-secondary institutions to provide first-time students with information on prevention, transmission, treatment of hepatitis. Requires consultation with health department.
- 3 Hazing policy.** Clarifies distribution of policy to students.
- 4 Student associations.** Changes references to student associations to reflect consolidation of

community and technical college associations.

- 5 **State grants.** Changes the share of the cost of attendance for which a student is responsible from 47% to 46%, effective in FY01. Reduces the minimum state grant from \$300 to \$100.
- 6 **State grant savings.** Directs HESO to put any future state savings resulting from federal Pell grant increases into the state grant living allowance.
- 7 **Child care grants.** Permits financial aid officers to award grants up to 10% above the maximum, for infant care if the market price of that care is higher. Directs HESO to develop policies to measure and implement this.
- 8- **Edvest.** Clarifies that costs of marketing program must not be paid for through fees on participants.
- 10 Exempts Edvest from any statutory limit on the percent of deposits that may be invested in mutual funds.

Broadens definition of private contributors from whom donations may be sought to include employers, and specifies that these contributions may be made on behalf of a specific beneficiary.

- 11 **Board of trustee terms.** Clarifies that board members may serve until their successors are appointed.
- 12- **Student associations.** Makes changes (see sec. 4) because of consolidation of associations.
- 13
- 14- **Technical college general education.** Clarifies that certificates and diplomas demonstrate
- 15 competence in vocational/technical fields and, therefore, may only require general education if the program is part of a transfer agreement or if general education is required for a particular occupation. States that students will receive applied general studies as needed for competency in a program. Permits technical education students to be assessed for skills necessary in a program but states that standardized assessment results may not be used to prohibit a student from enrolling in a certificate or diploma program.
- 16 **Rochester branch.**
 - Subd. 1. Establishment.** Authorizes the regents to establish a school of professional and graduate studies as a nonresidential branch campus of the University. Specifies that the campus is a joint partnership of Winona State University (WSU), Rochester Community and Technical College (RCTC), and the University of Minnesota.
 - Subd. 2. Leadership.** Specifies intent that the Rochester branch strengthen the partnership through better coordination and leadership in serving the region, and that the branch not diminish the role or function of other institutions in Rochester or elsewhere in the region or the state.
 - Subd. 3. Missions.** Recognizes the importance of distinctive missions and the need to avoid duplication among partner institutions. Directs the U of M, WSU, and RCTC to develop jointly a statement of mission and roles for their Rochester programs and services and to submit this to the legislature in January 2000 and anytime in the future that it changes.
 - Subd. 4. Changes.** Requires that any major changes in programs, services, missions or roles of any partners in Rochester be made in consultation with the other partners.
- 17 **Joint powers.** Adds the University of Minnesota to the definition of governmental unit for the purpose of entering joint powers agreements.
- 18- **Farmer lender mediation.** Extends sunset of program and moves it under authority of the director
- 19 of the extension service.
- 20 **Metro plan and space utilization study.** Directs the MnSCU board of trustees to submit a master academic plan for the metro area, and a systemwide study of campus use of space to the legislature

by September, 1999.

- 21 Learning network.** Directs the Minnesota education telecommunications council, in conjunction with HEAC, to develop a plan for the learning network II and report back by 1/15/00.
- 22 Child care study.** Directs the commissioners of human services and DCFL to review child care program requirements for MFIP recipients to determine how to serve those who are approved for a work plan but attend college part-time with no child care coverage. Directs the commissioners to implement adjustments and make recommendations for statutory changes.
- 23 Health care curriculum.** By 7/1/00 requires MnSCU to develop a short-term, competency based curriculum in health care patient services and community support services, and to offer certificates and associate degrees that articulate into baccalaureate programs in health care and human services. Requires report to legislature by 2/15/00 on progress.
- 24 Repealer.** Repeals 136A.1359 and 136A.136 -- the nurses of color and the LINC nurses grant programs as of June 30, 1999.
- 25 Effective date.**

Makes sec. 1 - removal of MnSCU from MNET- effective 7/1/00

Makes sec. 4 - relating to the change in student share - effective 7/1/00

Makes sec. 18 - extension of farmer-lender mediation sunset - effective immediately

Article 3

Private Career Schools

- 1 Citation.** Cites provisions in this chapter as Private Career School Act.
- 2-8 Definitions.** Amend definitions of solicitors and for-profit career schools to clarify that the law applies to schools offering programs, not just individual courses; eliminates obsolete language; and updates references to include distance education and electronic display.
- 9- Technical.** Makes technical changes to correspond to changes in definitions.
- 10**
- 11 Application materials.** Adds gross income for the preceding year to the materials necessary for licensure application, unless the applicant files a maximum surety bond (see sec.12).
- 12 Surety bond.** Specifies that the size of the required surety bond is equal to 10% of the school's previous year's gross income, but not less than \$10,000 nor more than \$50,000. Clarifies that a school may be denied a license if the surety bond or its equivalent is not posted.
- 13 Technical.** Makes technical changes.
- 14 Organization.** Includes requirement that a school have a sufficient organization, including administrators and instructors, that it is able to provide the program it intends to offer. Makes other technical changes.
- 15 Technical.** Makes technical changes to correspond to changes in other sections.
- 16 Catalog.** Adds information required in a catalog, brochure or electronic display to include a procedure for handling student complaints and HESO's name and address.
- 17- Technical.** Makes technical and clarifying changes.
- 18**
- 19 Renewal.** Directs HESO to promulgate rules for license renewal that provide two different levels of renewal depending on the record of the school. Rules must provide for a lesser degree of scrutiny for schools that have demonstrated the quality of their performance over a significant period of

time, including 4 year licenses instead of annual renewals. Specifies certain indicators to be used.

- 20 Technical.** Makes technical changes.
- 21 Information to students.** Requires that students receive a catalog, brochure, or electronic information in time to review it before signing a contract. Requires the contract to include certain information including a clear statement of costs, refund and cancellation policies, and a detailed description of the program for which the student is entering the contract.
- 22- Technical.** Make technical and clarifying changes.
- 32**
- 33 Penalties.** Requires HESO to adopt rules establishing a list of civil violations and the associated penalty. Caps fines at \$500 per day per violation.
- 34 Exemptions.** Clarifies which schools do not fall under the provisions of this chapter. Provides an exemption for distance education instruction with no physical presence in Minnesota if regulated by other states or jurisdictions. Clarifies that this chapter applies to for-profit schools offering less than a baccalaureate degree, while registration under chapter 136A applies to nonprofit schools and for-profit schools offering baccalaureate or graduate degrees. Permits for-profit schools currently registered under chapter 136A to remain there and not be licensed under chapter 141.
- 35 Study.** Requires HESO to study licensure and regulation of career schools and training providers and recommend to the legislature appropriate levels of regulation and any necessary statutory change. Requires consultation with the MN High Technology Association and providers.
- 36 Repealer.** Repeals 141.25, subs. 9a, 9b, and 11 - language relating to correspondence schools which is included elsewhere in changes in this bill; 141.36 - public policy statement of the purpose of chapter 141.