

HOUSE RESEARCH

Bill Summary

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Overview

This bill reduces general fund appropriations for the University of Minnesota, the Minnesota State Colleges and Universities (MnSCU) and the Higher Education Services Office (HESO) by \$51.5 million in fiscal year 2003. This is in addition to the general fund reductions of \$47.2 million for fiscal year 2003 to these accounts made by the 2002 legislature. The bill also transfers \$30 million to the general fund from a revenue bond account for student loans. The loan program and account are administered by HESO.

Section

- 1 Higher education appropriations.** Summarizes the fiscal year 2003 general fund reductions for the University of Minnesota (\$25 million), MnSCU (\$25 million), and HESO (\$1.5 million).
- 2 Higher education services office.** Reduces appropriations for fiscal year 2003 by \$1.5 million and makes it a base cut for the next biennium. HESO must not reduce state grant awards to meet the fiscal year 2003 reduction. HESO may eliminate state grants for summer session and may set a funding deadline for grants in fiscal year 2003.
- 3 Board of trustees of the Minnesota State Colleges and Universities.** Reduces appropriations for fiscal year 2003 by \$25 million and makes it a base cut for the next biennium.
- 4 Board of regents of the University of Minnesota.** Reduces appropriations for fiscal year 2003 by \$25 million and makes it a base cut for the next biennium. Prohibits the University from reducing any of the fiscal year 2003 appropriations to the agricultural and extension service.

Section

- 5** **SELF loan reserve fund transfer.** Requires HESO to transfer \$30 million of the unrestricted balance from the fund for student loans to the general fund by the end of fiscal year 2003.
- 6** **Effective date.** This article is effective the day following final enactment.