

# HOUSE RESEARCH

## Bill Summary

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**Authors:** Haws

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**Analyst:** Kathy Novak  
Anita Neumann

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### Section

#### Article 1: Higher Education Appropriations

- 1 to 5** **Appropriations.** Provides general fund appropriations and reductions for the Minnesota Office of Higher Education (OHE), the Minnesota State Colleges and Universities (MnSCU) and the University of Minnesota (U of M). See spreadsheet.
- 6** **Cost of attendance.** Sets a statutory tuition and fee limit used to calculate a state grant award for students in two-year and four-year, private, for-profit institutions that is equal to the highest tuition and fee amount for a public, two-year institution (currently \$5,364).
- 7** **Awards; state grants.** Reduces from nine to eight, the number of semesters that a student can attend to maintain eligibility for the state grant program. A similar change is made for other grant programs.
- 8** **Legislative notice.** Adds a requirement that the Office of Higher Education (OHE) report to the legislature prior to making any material changes in the administration of any of the grant programs it administers, including the state grant, child care grants, Indian scholarships, and achieve scholarships. This is a parallel requirement to the legislative notice requirement for loan programs administered by OHE.
- 9** **Terms and conditions of loans; SELF IV and V.** Modifies the grade-level loan limits for the existing SELF IV program to \$7,500 per grade level for undergraduates. Establishes a \$10,000 grade level limit for the SELF V program for all students in baccalaureate degree and graduate degree programs and \$7,500 per grade level for all other eligible students. The aggregate principal of all SELF loans to a student is limited to \$70,000. Loan amounts are limited to the cost of attendance minus financial aid, including other loans. Loans to

graduate students are limited to \$10,000 per nine-month academic year and a cumulative total of \$70,000 of SELF debt. Other eligible students are limited to \$7,500 per grade for grade levels one through five.

- 10 **Revenue bond limit.** Increases the limit from \$950,000,000 to \$1,300,000 for revenue bonds issued to the Higher Education Facilities Authority to fund construction of facilities at private institutions. Provides an immediate effective date.
- 11 **Central system office.** Establishes a central system office for MnSCU in statute to provide support for the institutions. The office is under the direction of the chancellor. Its duties are specified, with a requirement that services are coordinated with institutional services so as not to duplicate functions provided by the institutions.
- 12 **Credit transfer.** Requires MnSCU to develop and maintain mechanisms for seamless transfer of student credits. Lists the criteria for the transfer system.
- 13 **Issuance of bonds.** Increases by \$75 million the amount of revenue bonds that can be issued by MnSCU for the construction of revenue generating projects on MnSCU campuses. Another section limits this increase to projects on state university campuses.
- 14 **Eligibility; peace officer survivor.** Reduces from nine to eight, the number of semesters that a student can attend to maintain eligibility for the grant program. A similar change is made for other grant programs.
- 15 **Achieve scholarship program.** Authorizes a transfer of money to the state grant program.
- 16 **Transfers.** Limits the authority of OHE to transfer money in fiscal year 2010 and 2011 from the state grant program unless there is a projected surplus. Provides an immediate effective date.
- 17 **Wildlife Rehabilitation Center.** Changes the requirement for the U of M to transfer money to the center by specifying the transfer amount must equal the center's loan balance on March 11, 2010. Provides an immediate effective date.
- 18 **Office of Higher Education carryforward.** Provides temporary authority to carryforward child care grant work study funds to provide more aid in fiscal year 2011.
- 19 **Report of credit transfer activities.** Requires the MnSCU board to annually report to the legislature on its credit transfer activities.
- 20 **MnSCU revenue bonds for state universities.** Limits the increase in revenue bonding authority for projects at state universities.
- 21 **Pilot project; local deposit of MnSCU reserves.** Requires the MnSCU board to implement a project on eight campuses for the local deposit of reserves that are currently held in the state treasure. Establishes a process for selecting campuses and financial institutions. Requires separate reports to the legislature by the MnSCU board and the commissioner of management and budget.
- 22 **Appropriation reduction.** Prohibits any reductions to the central office of MnSCU from being passed through or charged back to any institution or campus.

- 23 **Repealer.** Repeals the achieve scholarship program, the summer transition program, and obsolete lending limits for the SELF loans.

## **Article 2: Employment and Economic Development Appropriations**

- 1 **Summary of Appropriations.** Summarizes direct appropriations.
- 2 **Appropriations.** Specifies terms.
- 3 **Economic Development.** DEED appropriations; see spreadsheet.
- 4 **Labor and Industry.** DOLI appropriations; see spreadsheet.
- 5 **Bureau of mediation services.** See spreadsheet.
- 6 **Board of Cosmetologists.** See spreadsheet.
- 7 **Board of Barber Examiners.** See spreadsheet.
- 8 **21<sup>st</sup> Century Minerals Fund.** Expands authorized uses of money appropriated in 2009 from the Minnesota Minerals 21<sup>st</sup> Century Fund.
- 9 **Appropriations made only once.** Clarifies that any appropriation in article that is made more than once, is effective only once.

## **Article 3: Minerals**

- 1 **Investment of fund.** Increases the amount available from the interest and investment earnings on taconite funds for wage and small business subsidies.
- 2 **Early separation incentive.** Extends the early retirement incentive enacted in 2009 until December 31, 2012.
- 3 **Iron Range Heritage Center and Perpich Archives.** Renames the Ironworld Discovery Center.
- 4 **2010 distributions.** Provides for distributions of taconite funds to cities and townships for public works projects.
- 5 **Revisor instructions.** Directs the renaming of the Douglas J. Johnson Economic Protection Trust Fund to the Mesabi Miners' Memorial Economic Development Fund and the Ironworld Discovery Center to Iron Range Heritage Center and Perpich Archives.

## **Article 4: Miscellaneous**

- 1 **Officers.** Authorizes the Board of Barber Examiners to hire an executive secretary or enter

into an interagency agreement to procure the services of an executive secretary and allows the position to be part time.

- 2      **Fees.** Increases barber related fees.
- 3      **Certificates of registration.** Allows for a limited extension of registration for incarcerated persons.
- 4      **Qualifications.** Modifies the requirements for receipt of a certificate for barber instructors.
- 5      **Transfer of students.** Provides that when a student has paid or made arrangement to pay tuition and fees to a barber school, the school must certify the student's hours to another school within ten days of a written request by the student. Allows a fee to be charged for providing this information.
- 6      **Continuing education.** Sets forth continuing education requirements for registered barber instructors.
- 7      **Individual license.** Provides a definition within the cosmetology statutes.
- 8      **Training.** Requires customer service skills training for cosmetology board employees.
- 9      **Feedback.** Requires website access for customer feedback on the board of cosmetology.
- 10     **Report.** Requires an annual report to the legislature on cosmetology board complaint resolution activity.
- 11     **Fee increases.** Provides for cosmetology-related fee increases that are effective for two years.
- 12     **Permit surcharge.** Authorizes an increase in permit surcharges in the Dept. of Labor and Industry.
- 13     **Rulemaking.** Directs conforming changes to rules for the cosmetology board.
- 14     **Plumbing board rules.** Authorizes expedited rulemaking for water free urinals.
- 15     **Repealers.** Repeals an obsolete section in the barber board statute and a workers compensation prohibition on homeopathic therapists.