

HOUSE RESEARCH

Bill Summary

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Section

Article 1: Higher Education Appropriations

Overview

Makes general fund reductions to higher education appropriations for fiscal years 2010 and 2011

- 1 Summary of appropriations.** Summarizes the general fund reductions by agency and fiscal year. Total reductions for the biennium are \$6.7 for the Office of Higher Education (OHE), \$10.5 million for the Minnesota State Colleges and Universities (MnSCU), \$36.1 million for the University of Minnesota (U of M).
- 2 Appropriations.** Specifies that amounts in this bill are added or subtracted from amounts appropriated in the omnibus Higher Education Funding Act in 2009 (Laws 2009, ch. 95, art. 1). Any appropriations for fiscal year 2010 are effective the day following final enactment.
- 3 Office of Higher Education.** Lists appropriation reductions totaling \$619,000 in fiscal year 2010 and \$6.1 million in fiscal year 2011 from: the state grant program; child care grants; work-study; Indian scholarships; intervention for college attendance grants; Midwest higher education compact; technical and community college emergency grants; United family medicine residency; interstate tuition reciprocity; Minnesota college savings plan; MnLink gateway and Minitex; other programs, including reductions to the student and parent information, get ready, and the Minnesota Minority Education Partnership; and agency administration.
- 4 Board of Trustees of the Minnesota State Colleges and Universities.** Lists appropriation reductions to MnSCU totaling \$10,467,000 in fiscal year 2011 from the central office and shared services unit, operations and maintenance, and the learning network of Minnesota.

- 5 **Board of Regents of the University of Minnesota.** Lists appropriation reductions to the U of M totaling \$36,120,000 in fiscal year 2011 from operation and maintenance, and special appropriations, including agriculture and extension service, health sciences, institute of technology, system special and the U of M and Mayo foundation partnership.
- 6 **Achieve scholarship program.** Requires OHE to transfer the \$4.35 million fiscal year 2011 appropriation to the state grant program.
- 7 **Technical and community college emergency grants.** Specifies that the fiscal year 2010 and fiscal year 2011 appropriations are onetime.
- 8 **MnSCU operations and maintenance appropriation.** Eliminates the \$602.8 million base appropriation for fiscal years 2012 and 2013 from the 2009 law.
- 9 **U of M operations and maintenance appropriation.** Eliminates the \$596.9 million base appropriation for fiscal years 2012 and 2013 from the 2009 law.

Article 2: Related Higher Education Provisions

Overview

Makes changes to grant eligibility and awards, establishes new terms and limits for Minnesota SELF loans and modifies and increases fees for private institution registration and private career school licensing. Also repeals a new program for transition from high school to college.

- 1 **State grant awards.** Reduces from nine to eight, the maximum number of semesters a student can be enrolled and still be eligible for a state grant.
- 2 **Achieve scholarship awards.** Specifies that achieve awards are subject to available appropriations and priority is given to students with a complete application by August 31.
- 3 **Insufficient appropriations; achieve.** Establishes alternative methods for reducing achieve awards if appropriations are inadequate to make full grant awards. OHE may reduce grants by a percentage, a dollar amount, or by adding a surcharge to the assigned family responsibility factor.
- 4 **Achieve student priority.** Requires OHE to make grants to students who submit a complete application by August 31.
- 5 **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.

- 6 Repayment of SELF loans.** Establishes repayment terms, based on the aggregate principal amount, of ten to 20 years from graduation or termination for students having SELF loans after SELF IV.
- 7 Private institution registration fees.** Changes fees for new schools. The fee for the first degree at a degree level, ranges from \$2,000 to \$3,500 depending on the type of degree offered (associate, baccalaureate, master's or doctorate). The fee for an additional degree at a level ranges from \$250 to \$1,000 per additional degree offering depending on the type of degree (associate, baccalaureate, master's or doctorate). Sets a \$1,200 annual renewal fee for all institutions.
- 8 Degree or nondegree program addition fee; private institutions.** Changes the fees for adding a program from \$500 to a fee schedule ranging from \$0 to \$2,000, depending on the type of program and whether or not it is part of an existing program.
- 9 Visit or consulting fee; private institutions.** Increases the fees for review visits or consults to \$400 from \$300 for a team base fee or paper review.
- 10 Initial licensure fee; private career schools.** Changes the fee structure and increases certain fees for private career schools:
- initial and renewal fees are increased and a \$750 fee is added for schools using “college” or similar terms in its name or licensed to participate in the SELF loan program;
 - fees for review visits or consults are increased to \$400 from \$300 for a team base fee or paper review;
 - multiple location fees are increased from \$50 to \$100 for each location for schools with more than five locations;
 - fees for student transcripts from OHE from the records of a closed school are increased to \$15 from \$10 for a maximum of five transcripts per request; and
 - the cost for copies of public office documents is set at 50 cents per page.
- 11 Repealer.** Repeals limit on loans for vocational and other students (§ 136A.1701, subd. 5); fee for additional degree level for private institutions and for private career schools (§§ 136A.69, subd. 2, and 141.255, subd. 3). Repeals from Minnesota Statutes 2009 Supplement the new high school to college developmental transition program and the grants for the program (§§135A.61 and 136A.121, subd. 9b).