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## Minnesota State Colleges & Universities

# Mandates and Curiosities

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#### HIGHER EDUCATION FUNDING BILL H.F. 1063 (Chapter 144)

*SUMMARY:* The Higher Education Funding Omnibus bill provides funding for the Minnesota State Colleges and Universities, the University of Minnesota and the Minnesota Office of Higher Education. The bill also includes other statutory and language changes that affect higher education organizations.

#### ARTICLE 1 Higher Education Appropriations

#### Section

- **1 Summary of appropriations.** This section provides for appropriations by fiscal year.
- 2 **Higher education appropriations.** This section provides for appropriations by fiscal year.

#### 3 Minnesota Office of Higher Education

**Subd 1. Total appropriation**. Appropriates \$188.3 million for fiscal year 2008 and \$188.8 million for fiscal year 2009.

**Subd. 2. State grants**. Appropriates \$147.4 million in fiscal year 2008 and \$144.1 million in fiscal year 2009 with authority to carry forward or back either year's appropriation. This subdivision also increases the tuition and fee maximums to \$9,838 from \$9,438 for four-year programs and from \$6,436 to \$6,114 in the first year and \$5,808 in the second year for two-year programs. The language also increases the living and miscellaneous allowance from \$5,340 to \$5,900.

**Subd. 3. Safety officers survivors**. Appropriates \$100,000 each year for Grants for dependent children and spouses of public safety officers killed in the line of duty.

**Subd. 4. Interstate tuition reciprocity**. Appropriates \$2 million each year for interstate payments under the reciprocity program.

**Subd. 5 to 12. Appropriations**. Subdivisions 5 to 12 make base level appropriations for state work study (\$12.4 million each year), MnLINK Gateway (\$400,000 each year), Minnesota college savings plan (\$1 million each year), Midwest Higher Education Compact (\$90,000 each year), and Intervention for College Attendance Program Grants (\$496,999). No more than \$50,000 of the ICAP appropriation each year may be used for administrative purposes. The programs that receive appropriation increases include; Learning Network of Minnesota (\$4.8 each year up from \$4.2 million), Minitex (\$5.6 million each year up from \$4.4 million), and child care grants (\$6.2 each year up from \$4.9 million).

**Subd. 13. Achieve Scholarship Program.** This subdivision appropriations \$3.4 million in fiscal year 2008 and \$7.4 million in fiscal year 2009 for the

Achieve Scholarship program. Of this amount, \$200,000 each year is to be transferred to the University of Minnesota and Minnesota State Colleges and Universities to increase access to college in the schools for remote and underserved districts. Students receive college credit at no cost for each successful course completed. The language requires a report to the Legislature by January 15, 2009. Also, up to \$350,000 in the 2008-2009 biennium may be used for administration of the program, and up to \$200,000 in the 2010-2011 biennium may be used for administration of the program. The base funding for this program in fiscal year 2010 and 2011 is \$10 million. **Subd. 14. Other programs**. This subdivision provides funding for the following programs:

• \$240,000 each year for grants to increase campus-community collaboration and service learning statewide with a \$2 campus and \$1 state match requirement;

• \$250,000 in the first year to Augsburg College for its Step UP program for chemically dependent students;

• \$250,000 each year for the TEACH initiative for early childhood education.

**Subd. 17. Balances forward.** This subdivision provides that balances in this section are available in the second year.

**Subd. 18. Transfers.** This subdivision authorizes the transfer of funds from other programs to financial aid programs and the reciprocity program. A ransfer requires the written approval by the Finance Commissioner and the legislative chairs.

**4 Board of Trustees of the Minnesota State Colleges and Universities Subdivision 1. Total appropriation.** Appropriates \$666.9 million in fiscal year 2008 and \$689.3 million in fiscal year 2009.

Subd. 2. General appropriation. The above appropriation includes;
a permanent increase each year for Cook County Higher Education. Cook County is to continue providing information to the Minnesota State Colleges and Universities Board of Trustees on students served;
funding for operation and maintenance of the system, including technology infrastructure improvements to deliver more online programs and services to students; and funding for initiatives to recruit and retain underrepresented students;

• other "strategic advancement" initiatives are to be funded from internal reallocation of existing resources or enhanced productivity;

the Legislature expects the Board of Trustees to hold tuition increases to no more than four percent per year for fiscal years 2008 and 2009;
one percent of the appropriation is contingent on the system achieving three of five specified goals; 1) increase by at least 3 percent the number of students taking college level STEM courses (science, technology engineering and math); 2) increase by at least 2 percent the enrollment in courses at the four existing centers of excellence; 3) increase by at least 700 the number of students trained on the use of

electronic medical record technology; 4) increase by ten percent the number of students taking online courses or the number of online courses offered; 5) expand by at least ten percent the use of "awards of excellence" that reward member institutions, faculty, administrators or staff for innovations. By October 1, 2007, the Board of Trustees and the Office of Higher Education must decide on definitions used to demonstrate attainment of each goal, and the Board must report to the Legislature by April 1, 2008;

• funding to eliminate non-resident undergraduate tuition at 7 colleges; Century College, Saint Paul College, Minneapolis Community and Technical College, Rochester Community and Technical College, Inver Hills Community College, St. Cloud Technical College, and Normandale Community College, with a prohibition for adding a nonresident tuition rate at colleges without a non-resident rate as of May 1, 2007;

• funding, available until June 30, 2009, to improve textbook purchasing practices in collaboration with student associations, including pilot projects with a report to the Legislature by February 15, 2009;

• funding for community-based energy development pilot projects at Mesabi Range Technical and Community College, Minnesota West Community and Technical College, Riverland Community College, and Inver Hills Community College to;

• one-time funding for a modular clean-room research and training Facility at Saint Paul College;

• funding for a pilot project for Northeast Higher Education District to reestablish technical education in area high schools, including the purchase of equipment with half the first year appropriation;

• one-time funding for expenses of a Division I women's hockey team competing in the Western Collegiate Hockey Association at an institution with total enrollment of less than 7,000;

• funding for a study of higher education needs in the Mesabi Range region of northeastern Minnesota, done in cooperation with the University of Minnesota and the Range Association of Municipalities and Schools, with a final report submitted to the Legislature by January 15, 2008;

• funding to establish a center at the Mesabi Range Community and Technical College in cooperation with the Iron Range Resources and Rehabilitation Board (IRRRB) to support and enhance the eFolio Minnesota system in order to promote workforce development;

• allows for any allocation of base funding resulting from a 2005 allocation for competitive compensation to be used to recruit or retain quality faculty.

#### Subd. 3. Board policies

a) Requires the Minnesota State Colleges and Universities Board of Trustees to adopt a policy allowing students to use waivers and other payment plans for books purchased at campus bookstores. b) Requires the Board of Trustees to adopt a policy by January 1, 2009 to set the maximum credits required for a degree at 120 semester credits for a baccalaureate degree and 60 credits for an associate degree with a process for granting waivers for degrees that require more credits.

- 7 **Department of Veterans Affairs.** This section appropriates \$6 million each year for the Minnesota GI bill for eligible veterans or spouses and children of veterans, with up to 3 percent for administrative costs.
- 8 Center for Rural Policy and Development. This section appropriates funds to the Center for Rural Policy and Development at Minnesota State University, Mankato that was enacted in the environment, natural resources, energy and commerce omnibus bill available until June 30, 2009.

#### 9 Financial Aid Program Studies

**Subdivision 1. State grant.** This subdivision requires the Office of Higher Education to provide the Legislature with information from an evaluation of The state grant program focused on promoting affordable access to higher education in Minnesota, including access for students traditionally underrepresented in higher education. The evaluation must include the assigned student share, assigned family contribution, recognized cost of attendance compared to actual attendance costs, living and miscellaneous expenses of students, and other parameters considered relevant by the Office of Higher Education.

**Subd. 2. Workforce needs.** This subdivision requires the Office of Higher Education to study financial aid and loan programs with respect to the needs f the workforce for occupations that are in demand now and in the future. The study must identify financial aid program options, including loan Forgiveness and loan repayment programs, that provide incentives to students to pursue degrees in occupations with identified unmet workforce needs like speech pathologists, occupations of social or economic importance to the state, as well as identify ways to promote the growth of occupations of social or economic importance to the state.

The Minnesota Office of Higher Education must present a preliminary report on both studies to the Legislature by February 15, 2008, and a final report by October 1, 2008.

**10 Postsecondary Education Participation Study.** This section requires the Office of Higher Education to report on comparative participation in postsecondary education of state grant recipients to the Legislature by January 15, 2008.

#### ARTICLE 2 Related Higher Education

2 Establishment; membership. This section expands the membership of the

Minnesota Agriculture Education Leadership Council from 16 to 17 members by adding a representative of the Minnesota Private Colleges Council. Currently a representative of the Minnesota State Colleges and Universities resides on this Council.

- **Funding policy.** This section clarifies the existing state policy of providing two-thirds of the support for higher education.
- 5 Determination of appropriation. This section provides that state appropriation for the University of Minnesota and the Minnesota State Colleges and Universities are based on their budgets, progress toward state objectives, forecasted resources, balancing support for students and public institutions as well as other factors the Legislature deems important.
- 6 **Reports.** This section puts into statute the reporting requirements for public postsecondary institutions that are in law. The language requires public postsecondary systems to report to the Legislature by February 1 of each even-numbered year on how state appropriations were allocated, reallocations, tuition rates and fees, graduation rates, underrepresented students, and revenues received to support research or workforce development activities. The systems are also to submit to the Minnesota Office of Higher Education and the Department of Finance instructional expenditure and enrollment data.
- 7 **Operating budget.** This section makes a technical change and repeals the duplicate goal of providing two-thirds state support for public higher education.
- 8 **Personal financial management.** This section requires Minnesota State Colleges and Universities and requests the University of Minnesota to provide students with information on personal financial management when they first register.
- **9** Sale of student information; marketing credit cards to students. This section prohibits postsecondary institutions from providing contact information on undergraduates to credit card issuers or enter into an agreement to market credit cards to undergraduate students. This section applies to new agreements or to extensions of existing agreements upon expiration after July 1, 2007.
- 10 Textbook disclosure, pricing and access. This section requires publishers selling or distributing material for use in postsecondary classrooms to disclose certain information beginning January 1, 2009. Information that must be disclosed includes identifying information, undiscounted price, the format (bundled or unbundled), price of components for bundled materials, summary of revisions, and return policies. Mass-market books and trade books that are not published, marketed, or sold primarily for classroom use in or by

postsecondary institutions are excluded from the disclosure requirement. This section also requires public postsecondary institutions to develop educational materials based on studies of textbook costs, and inform interested parties on the strategies for reducing costs to students. The Minnesota Office of Higher Education is to identify how to make information on compliance with the disclosure requirements available to students and faculty. This section also requests bookstores at the University of Minnesota and private colleges and universities to comply with the bookstore requirements for Minnesota State Colleges and Universities under Article 2, Section 41.

- **11 Senior citizen.** This section expands eligibility for seniors, 62 and older, to take classes at public postsecondary institutions to include persons 60 or older who receive a railroad retirement annuity.
- 12 Fees and tuition. This section clarifies that the public postsecondary governing boards may set administrative fees for senior citizens taking college classes in an amount to recover costs.
- **13 Term; income of senior citizens**. This section eliminates professional continuing education programs from the types of education that are excluded from the senior citizen education benefits.
- 14 **Definitions.** This section adds a new definition section for the chapter governing the Minnesota Office of Higher Education and defines "Office of Higher Education" or "office" to mean the Minnesota Office of Higher Education.
- **15 Expiration.** This section repeals the expiration of student advisory groups.
- **16 Reporting; reciprocity.** This section adds a requirement to an existing report by the Office of Higher Education to include summary statistics on graduates, degrees, and graduation year for reciprocity students attending Minnesota institutions.
- **17 Eligible institutions**. This section clarifies a definition of institutions eligible to participate in financial aid programs. It requires private institutions to be registered or licensed and be a Pell grant participant by July 1, 2011.
- 18 Assigned family responsibility. This section reduces the assigned family responsibility, which is the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is reduced to 96 percent of the parental contribution, for independent students, it is reduced to 86 percent. And for independent students without dependents other than a spouse, it is reduced to 68 percent of the student contribution.

- **19** Surplus appropriation. This section extends the expiration to 2009 of an existing provision allowing the use of surplus state grant appropriation to be used for temporary increases in the living and miscellaneous allowance.
- **20 Reporting.** This section puts into statute a requirement in law that the Office of Higher Education must provide to the Legislature updated state grant projections by November 1 and February 15 based on most recent enrollment and cost and economic information. The Office is to consult with public and private postsecondary institutions, the Department of Finance, the Governor's office, legislative staff and financial aid administrators.
- 21 Eligible students. This section clarifies the enrollment status treatment for students who get an additional semester of state grant eligibility after withdrawing for active military service.
- **22 Amount and length of grants.** This section increases the maximum child Care grant to \$2,600 from \$2,300 per eligible child per academic year.
- 23 Teacher education and compensation helps; Minnesota early childhood teacher education incentive programs

**Subdivision 1. TEACH**. This subdivision establishes the teacher education and compensation helps (TEACH) program to provide tuition scholarships and education incentives. The language requires the director of the Minnesota Office of Higher Education to transfer funds provided through a grant to a non-profit organization licensed to administer TEACH.

**Subd. 2. Program components**. The non-profit organization is to use the grant for tuition scholarships up to \$5,000 per year for courses leading to the nationally recognized child development associate credential or college-level courses leading to an associate's or bachelor's degree in early childhood development; and education incentives of a minimum of \$100 to participants if they complete a year of working in the early care and education field. Applicants for the scholarship must be already working with children and priority must be given to lower wage earners. Scholarship recipients must contribute 10 percent of the total scholarship and their employer must also contribute 10 percent.

**Subd. 3. Advisory committee.** This subdivision authorizes an advisory board meeting national standards.

#### 24 Achieve scholarship program

**Subdivision 1. Establishment**. This subdivision establishes the Achieve scholarship program.

**Subd. 2. Definition, qualifying program**. This subdivision defines "qualifying programs" as a rigorous secondary school program of study defined by the Department of Education under agreement with the Secretary of Education for the purposes of determining eligibility for the federal Academic Competitiveness Grant Program under Title IV of the Higher Education Act of 1965.

**Subd. 3. Documentation of qualifying programs**. This subdivision requires high schools, at the request of a student, to certify and submit a transcript to the Office of Higher Education documenting the qualifying program.

**Subd. 4. Student eligibility.** This subdivision requires that students receive a passing grade for qualifying courses, graduate from high school, have family income that qualifies for free and reduced lunch, and be a Minnesota resident as defined for the state grant program.

**Subd. 5. Administration.** This subdivision assigns Achieve administration to the Office of Higher Education.

**Subd. 6. Application**. This subdivision requires students to apply for the scholarship.

**Subd. 7**. **Deadline**. This subdivision sets a deadline for applications at 30 days after the beginning of an academic term.

**Subd. 8. Documentation of qualifying household income**. This subdivision requires the household income to be documented by declaration and permits the Office of Higher Education to request documentation needed to confirm income eligibility.

**Subd. 9. Scholarship awards**. This subdivision provides an award of \$1,200 for a student who takes and receives at least a grade of C for courses required under a qualifying program.

**Subd. 10. Qualifying expenses**. For purposes of this subdivision, qualifying expenses are components included under the cost of attendance used for the federal student financial aid program.

**Subd. 11. Eligible institutions**. This subdivision allows scholarships to be used at Minnesota degree granting public and private institutions that are accredited, registered or licensed.

**Subd. 12. Availability of scholarship funds**. This subdivision allows a scholarship earned by a student to be available for four years immediately following high school graduation.

**Subd. 13. Disbursement of scholarships**. This subdivision requires the Office of Higher Education to make two equal payments to a postsecondary institution on behalf of the student. The second payment must be made after the student successfully completes the first term of enrollment.

**Subd. 14. Evaluation report**. This subdivision requires a report by the Office of Higher Education to the Legislature by January 15 of each odd numbered year on how successful the program is in increasing enrollment in rigorous courses. The following information is to be included; demographics of individuals participating in the program, grades scholarship recipients received, number of scholarship recipients who continued at a postsecondary institution for a second year, high schools and postsecondary institutions attended by the program participants, academic performance of the students, and other information deemed necessary by the Director of the Office of Higher Education.

Effective Date. This section is effective July 1, 2008.

- **26** Eligible institution. This section clarifies a definition of institutions eligible to participate in student loan programs.
- **30 Payments**. This section authorizes payment for one term in an academic year when a student is not enrolled or enrolled less than half-time, if the student enrolls at least half-time the next academic term.
- **31 Revenue bonds; limit.** This section increases the revenue bond limit for the higher education facilities authority from \$800 million to \$950 million.
- **32 Grants**. This section expands the purpose for the existing Intervention for College Attendance (ICAP) grant program to include college retention in addition to attendance. It also expands the population receiving outreach services to include historically underrepresented college students.
- **33** Eligible students. This section specifies that undergraduates are eligible for the ICAP grant if they met the eligibility criteria when they were in sixth through twelfth grade.
- **34 Application process**. This section incorporates undergraduate retention into the application process for the ICAP program.
- **35 Program evaluation.** This section incorporates undergraduate retention into the report and evaluation for the ICAP program.
- 36 Membership. This section directs the governor to consider the needs of the Minnesota State Colleges and Universities Board of Trustees for racial, gender, geographic, ethnic and business and labor representation when making appointments.
- **37 Duties**. This section directs the advisory council, who assists the governor in making selections to the Board of Trustees, to include criteria on diversity in racial, gender, geographic, occupation and experience and the needs of the Board of Trustees for skills and characteristics in the selection process.
- **38 Recommendations.** This section exempts the student appointments to the Minnesota State Colleges and Universities Board of Trustees from the advisory council's recommendation process.
- **39 Time reporting**. This section eliminates an obsolete reporting requirement.
- **40 Bookstores, course material acquisitions.** This section directs instructors to ttempt to provide adequate notice to a bookstore of orders and bookstores to provide information to the instructor before placing the order. The bookstore must attempt to get information prior to the order that includes identifying information, price, format, price of alternative formats, availability, revision,

and plans for revision.

This section also directs the Minnesota State Colleges and Universities Board of Trustees to consider uniform forms for its bookstores to request this information and to encourage faculty to use the information to obtain the lowest cost for students for course materials consistent with the academic freedom and choice of the faculty member.

- 41 Activity funds. This section eliminates the reference to the deposit of activity funds (amounts related to the administration and provision of supplemental student activities) into the state treasury.
- 42 **Banking services.** This section authorizes the Minnesota State Colleges and Universities Board of Trustees to control the deposit of all system receipts including appropriations, tuition and fees, activity funds and other revenues into depositories selected by the Board.
- **48 Delayed payment of tuition.** This section adds delayed state payments to the exemption for late fees imposed by postsecondary institutions for delayed federal payments for veterans.
- **49 Minnesota GI bill program.** This section creates a new law in chapter 197 for the Minnesota GI Bill Program to provide aid for undergraduate and graduate studies.

**Subdivision 1. Definitions**. This subdivision defines the terms commissioner, cost of attendance, child, eligible institution, program, time of hostilities, and veteran.

**Subd. 2. Program established**. This subdivision establishes the program under the administration of the commissioner of Veterans Affairs in cooperation with postsecondary institutions. Public institutions are required to participate.

**Subd. 3. Duties; responsibilities**. This subdivision requires the commissioner of Veterans Affairs to establish policies and procedures for managing the program. The commissioner may delegate any administrative responsibilities to the participating eligible institutions and have an interagency agreement for services related to the program.

**Subd. 4. Eligibility**. This subdivision establishes eligibility criteria based on service since September 11, 2001 including; veterans with honorable active service; non-veterans with honorable service of 5 years or more as a member of the Minnesota National Guard or other Reserves, with any part of that service after September 11, 2001; the surviving spouse of child of a veteran who has died as a result of military service; the spouse of child of a veteran who has a total and permanent service-connected disability.

The veteran or service member must have been a Minnesota resident within 6 months of the person's initial enlistment or any reenlistment. The GI bill recipient must also be a Minnesota resident for the purposes of financial aid and be an eligible undergraduate or graduate student enrolled in a program

leading to a degree or other credential, making adequate academic progress, applied for aid before the end of the term, and in compliance with child support payments.

**Subd. 5. Benefit amount**. This subdivision provides a formula for determining grant awards based on deducting from the cost of attendance; the amount of the federal Pell Grant, if any; the amount of the State Grant amount, if any; and the amount of all other federal military or educational benefits being received by the person, if any.

This subdivision also establishes maximum assistance amounts of \$1,000 per Semester for full-time enrollment and \$500 for part-time; \$2,000 per state fiscal year; and \$10,000 total during the person's lifetime.

**Subd. 6. Insufficient appropriation**. This subdivision authorizes the commissioner to reduce the semester and fiscal year amounts to stay within the appropriations.

**Effective Date**. This section is effective July 1, 2007, and applies to qualifying coursework taken on or after that date.

50 Minnesota West Community and Technical College at Worthington; YMCA lease agreement. This section authorizes the Minnesota State Colleges and Universities Board of Trustees to enter into a 40-year lease agreement for campus land to construct a YMCA facility consistent with the Minnesota State Colleges and Universities system building standards and the campus master plan.

#### 52 Repealer

a) This section repeals the funding policies and procedures for public higher education including providing appropriations for instructional services for certain enrollments, adjustments for performance and change items; appropriations for non-instructional services; and performance funding. It also repeals the report requirement on the petroleum tank release fund; higher education policy objectives; a requirement for the Office of Higher Education to report in even number years with information to be included with the governor's budget; and a data sharing request for the Office of Higher Education to develop data collection procedures for monitoring students participating in reciprocity agreements.

b) This section also repeals the requirements for reports from Minnesota State Colleges and Universities and the University of Minnesota. Similar reports are made statutory in this article.

#### JOBS, ECONOMIC DEVELOPMENT, AND HOUSING FINANCE BILL <u>H.F. 122 (Chapter 135)</u>

*SUMMARY:* The Jobs, Economic Development, and Housing Finance bill includes funding and policy changes for a wide range of items. At the start of the 2007 Legislative session, the Higher Education Finance committee was combined with the Workforce Development committee. New law summaries that affect the Minnesota State Colleges and Universities system can be found below.

#### ARTICLE 1 Jobs, Economic Development, Housing and Minnesota

#### Section

#### 3 Employment and Economic Development Subdivision 2. Business and community development.

(a) Appropriates \$250,000 the first year and \$250,000 the second year for a grant to the Rural Policy and Development Center at St. Peter, Minnesota. The grant shall be used for research and policy analysis on emerging economic and social issues in rural Minnesota, to serve as a policy resource center for rural Minnesota communities, to encourage collaboration across higher education institutions to provide interdisciplinary team approaches to research and problem-solving in rural communities, and to administer overall operations of the center.

(h) Appropriates \$10,000 each year for the Minnesota Student Inventors Congress, a nonprofit organization that supports youth and their inventions.

(1) One-time appropriation of \$300,000 to the city of Worthington for an agricultural based bioscience training and testing center.

(m) One-time appropriation of \$1.75 million to the Bio Business Alliance of Minnesota for a bioscience business development program to promote Minnesota as a global leader in biosciences business activities.

(n) One-time appropriation of \$125,000 to develop and operate a bioscience business marketing program in greater Minnesota.

#### Subd. 3. Workforce development.

(m) Restores funding for Youthbuild, including an area to focus on careers in technology and the medical field. Youthbuild is a state-funded program providing high-risk youth between the ages of 16 and 24 with an opportunity to help communities increase the supply of low and moderate income housing while providing pre-apprenticeship training and supportive services.

#### ARTICLE 2 Employment and Development-Related Provisions

#### Section

12 Workforce development intermediaries. Under the jobs skills partnership, this section defines "workforce development intermediaries" as entities with a track record of providing employment services to low-income individuals by bringing together employers, workers, and funding sources to implement pathways to career advancement projects.

- **16 Designation of workforce service areas.** This section allows the commissioner of the Department of Employment and Economic Development to re-designate workforce service areas only after receiving the advice of the affected local public officials.
- **31 Restroom access.** This section requires private restroom access in retail establishments open to the public for customers with eligible medical conditions, if no public restroom is available.
- **35** Working group on state role in trade policy. This section creates a 17-member working group to recommend and establish policies of Minnesota trade. The group is to be overseen by the Department of Employee and Economic Development.

#### ARTICLE 3 Licensing and Waging

- 11 **Contract requirements.** This section gives a contracting authority the ability to require that the contractor or subcontractor must furnish any and all payrolls and that the contracting authority may examine all records related to wages paid under prevailing wage agreements. The requirements of this subdivision are in addition to other current requirements or authority that applies to prevailing wage projects.
- 12 Determination by commissioner; posting; petition for reconsideration. This section requires each contractor or subcontractor performing work on a public project to keep prevailing wage information posted conspicuously.
- **13 Examination of records; investigation by the department.** This section directs the Department of Labor and Industry to hire at least three Investigators to perform on-site project reviews, receive and investigate complaints, and to conduct training and outreach to contractors and contracting authorities regarding prevailing wage projects.
- 14 **Prevailing wage violations.** This section authorizes the commissioner of the Department of Labor and Industry to issue compliance orders for violations of prevailing wage laws that permit the contracting authority to withhold payments.
- **16 Prohibited action.** This section prohibits certain retaliatory actions against a public employee who communicates the findings of a scientific or technical study that the employee believes to be true and accurate.
- **39** Whistle-blower protection administrative procedures. This section requires the commissioner of the Department of Labor and Industry to report recommendations to address whistle-blower complaints under Minnesota

statute 181.932.

#### ARTICLE 6 Electrical

#### Section

**2 Board of electricity.** This section changes the composition of the Board of Electricity to be 12 members. The Board will adopt rules to regulate the licensing of workers in this field; create rules to regulate continuing education in this field and recommend fees for licenses and certifications.

#### ARTICLE 8 Miscellaneous

#### Section

2 Sale of American flags. This section requires all American flags sold in Minnesota to have been manufactured in the United States. Effective July 1, 2007.

#### **K-12 EDUCATION FINANCE BILL** H.F. 2245 (Chapter 146)

SUMMARY: The K-12 Education Finance bill provides funding for the Minnesota Department of Education and makes changes to K-12 policy. Some of the changes as they relate to the Minnesota State Colleges and Universities system include world languages program development, increases to the availability of advanced placement or international baccalaureate course offerings and the allowance of districts to use professional development funds to pay for coursework and training leading to certification as a college in the schools or concurrent enrollment teacher.

#### **ARTICLE 2 Education Excellence**

#### Section

#### 2 **Education records.**

(a) This section requires a school district, charter school, and a nonpublic school to transmit the records of a transfer student to the school district, charter school or nonpublic school next enrolling that student. Nonpublic schools that accept publicly funded educational materials and student support services are subject to this requirement.

(b) This section requires a closed charter school to transmit students' education records to the student's resident school district within ten business days, where the records must be retained subject to the student transferring elsewhere.

(c) This section requires school districts and charter schools to include a transfer student's formal disciplinary records when transmitting education records to the school where the student is next enrolling. School districts and charter schools are required to notify a student and the student's parents that the student's disciplinary records transfer with the student's educational record.

- 4 Elective standards. This section encourages world languages teachers to develop and implement programs that acknowledge and reinforce the language proficiency and cultural awareness of non-English language speakers. The Department of Education is required to consult with postsecondary institutions in developing professional development opportunities.
- 7 Raised academic achievement; advanced placement and international baccalaureate programs.

Subdivision. 1. Establishment; eligibility. This section requires schools and charter schools interested in participating in pre-advanced placement, advanced placement, and international baccalaureate courses and programs to have a three-year plan approved by the local school board to establish a new or expand an existing pre-advanced placement, advanced placement or international baccalaureate program and to increase the availability of and all students' access to and completion of these programs.

Subd. 2. Application and review process; funding priority. This section requires

applicants for program funding to submit a proposed budget demonstrating the applicant's ability to implement pre-advanced placement, advanced placement, and international baccalaureate courses and programs.

**Subd. 3. Funding; permissible funding uses**. This section allows recipients to use the funding for pre-advanced placement and international baccalaureate courses and programs in addition to advanced placement courses and programs.

**Subd. 4. Annual reports**. This section requires grant recipients to annually report to the commissioner of the Department of Education on actual expenditures for pre-advanced placement, advanced placement and international baccalaureate courses and programs. This section is effective for the 2007-2008 school year and later.

- **13 Coursework and training.** This section allows a school district to use the staff development reserved revenue for grants to teachers to pay for coursework and training leading to certification as a college in the schools or concurrent enrollment teacher.
- 14 **Center functions.** This section directs each teacher center to provide a professional development program to train kindergarten through grade 12 teachers selected by their district to assist other teachers with math and science curriculum, standards and instruction so that all teachers have access to high quality professional development programs in math and science, and research-based math and science programs and instructional models premised on best practices.

This section is effective for the 2007-2008 school year and later.

#### **18** Concurrent enrollment program aid.

**Subdivision. 1. Accreditation.** This section encourages postsecondary institutions to apply to the National Alliance of Concurrent Enrollment Partnerships for accreditation in order to establish a uniform standard for measuring concurrent enrollment courses and professional development activities.

**Subd. 2. Eligibility.** This section makes a school district that offers a certified, National Alliance of Concurrent Enrollment Partnership course through a course agreement under The Minnesota Post Secondary Enrollment Options program, eligible to receive aid for the costs of providing postsecondary courses at the high school. Beginning in fiscal year 2011, aid is available to districts only if the district's concurrent enrollment courses are accredited, are being accredited, or are comparable to accredited courses offered by the National Alliance of Concurrent Enrollment Partnership.

**Subd. 3. Aid.** This section allocates to an eligible district \$150 per pupil enrolled in a certified National Alliance of Concurrent Enrollment Partnership course. Funds are to be used for the cost of delivering the course at the high school. The commissioner of the Department of Education is required to establish application procedures and deadlines for receipt of payment aids.

28 Awards. This section directs the commissioner of the Department of Education to establish procedures for distributing scholarships, based upon the recommendations of post secondary institutions and a standardized needs analysis. Language makes scholarships available for five years of study at the undergraduate level and for five years of study at the graduate level and allows students to acquire only one degree per level and

one terminal degree.

**38** World languages pilot program grants. (a) This section establishes a pilot program in fiscal years 2008 and 2009 to award five world languages grants to interested school sites and school districts to develop and implement sustainable, high-quality model kindergarten through grade 12 world languages programs and to enhance existing programs.

(b) This section directs interested school sites and school districts to apply to the commissioner of the Department of Education and to indicate whether the applicant will develop a new program or expand an existing program and whether the applicant intends to offer more intensive programs or programs that are readily accessible to larger numbers of students.

(c) This section directs the commissioner of the Department of Education to award grants to qualified applicants on an equitable geographical basis. The commissioner is to award three grants to kindergarten through grade 8 sites, one grant to a qualified site interested in a Mandarin Chinese program, and one grant to a qualified site interested in an indigenous American Indian world languages program.

(d) This section requires the commissioner of the Department of Education to provide for a program evaluation and to report to the Legislature by February 15, 2010. This section is effective for the 2007-2008 school year.

- 41 Advisory task force on Minnesota American Indian tribes and communities and K-12 standards-based reform. This section establishes an advisory task force to examine the impact of federal and state standards-based reform on Minnesota's K-12 students, including American Indian students, and to recommend to the Legislature changes to the state's performance standards, content requirements, assessment measures and teacher preparation programs to effectively meet the needs of all students, including American Indian students. Postsecondary faculty who serve as instructors in teacher preparation programs are specifically mentioned as members of the task force.
- 42 American Indian scholarship. This section transfers administration of the American Indian scholarship program from the Department of Education to the Minnesota Office of Higher Education. Language directs the office, at no cost to the scholarship program, to maintain an office in the Bemidji area for distributing scholarships under this section. Bemidji State University is required to provide office space at no cost.
- **43 World languages resources.** This section directs the commissioner of the Department of Education, after consulting with the quality teaching network, to employ a full-time state world languages coordinator by July 1, 2007. This coordinator would assist charter schools and school districts in developing and enhancing world languages courses and programs; collaborate with professionals and charter schools and school districts in developing world languages programs; survey charter schools and school districts to determine the types of existing world languages programs, identify exemplary world languages programs, and address staff development needs; identify successful world languages programs in other states; report to the commissioner on the feasibility and structure of a world languages graduation requirement; and annually report to the

Legislature on the status and needs of world languages programs in Minnesota.

#### 44 Appropriations

**Subdivision 1. Minnesota Office of Higher Education.** This section appropriates \$1.95 million in both fiscal year 2008 and 2009 to the Minnesota Office of Higher Education for American Indian scholarships.

#### 46 Appropriations

**Subdivision 8. American Indian teacher preparation grants.** This section appropriates \$190,000 in both fiscal year 2008 and 2009 for these grants.

**Subd. 13. Preadvanced placement, advanced placement, international baccalaureate, and concurrent enrollment programs.** This section appropriates \$6.5 million in both fiscal year 2008 and 2009 for AP and IB and \$2.5 million each year for concurrent enrollment.

**Subd. 20. College-level examination program** – **CLEP**. This section appropriates \$1.65 million in both fiscal year 2008 and 2009 for the college-level examination program.

**Subd. 23. Mathematics and science; teacher centers**. This section appropriates \$1.5 million in both fiscal year 2008 and 2009 for teacher centers for mathematics and science teacher development.

**Subd. 25. Statewide science, technology, engineering, and math initiative.** This section appropriates \$1.5 million one-time in both fiscal year 2008 and 2009 for a grant to the Science Museum of Minnesota for the statewide science, technology, engineering, and math initiative. Of this amount, \$750,000 each year is available for the teacher resource center and other related programs and \$750,000 each year is available for the expansion and support of the middle school math and science initiative, including teacher workshops and expanded outreach programs in classrooms.

#### ARTICLE 7 State Agencies

3 **Rulemaking authority; career and technical education.** This section directs the commissioner of the Department of Education to adopt rules for administering career and technical education programs for students in grades 7 to 12 to ensure that the career and technical levy and career and technical programs can be administered to serve students under current state and local organizational structures. This section is effective immediately.

#### STATE GOVERNMENT FINANCE BILL H.F. 548 (Chapter 148)

*SUMMARY:* The State Government Finance bill provides appropriations for a wide variety of state agencies not otherwise included in separate bills. There are also numerous statutory language changes included in this bill which have an impact not only on agencies funded in the bill, but on agencies in the Executive Branch. Minnesota State Colleges and Universities are affected by some of these language changes.

#### ARTICLE 2 State Government Operations

- **13 Billing procedures**. Current law allows the commissioner of the Department of Finance to bill state agencies, including Minnesota State Colleges and Universities, for statewide system services provided to the agencies. This section strikes a requirement that billing be based only on usage of services relating to statewide systems provided by the Intertechnologies division.
- **21 Percent of appropriations for art.** This section strikes the \$100,000 per building limit that applies under the "percent for art" law applicable to buildings paid for by the state.
- **24 Best and final offer.** This section adds a new definition of "best and final offer" to state purchasing laws, as an optional step in the purchasing process in which responders are requested to improve their response.
- **25 Best value**. This section amends the current definition of "best value" in state purchasing laws, to authorize the commissioner of administration to use strategic sourcing tools in achieving best value.
- **26 Enterprise procurement**. This section adds a new definition of "enterprise procurement" to mean the process the commissioner of administration uses to leverage economies of scale to achieve costs savings and other favorable terms in state contracts.
- **27 Request for proposal or RFP**. This section amends the definition of "request for proposal" to refer to negotiations to achieve best value for the state.
- **28 Response**. This section amends the definition of "response" to include "best and final offers" or "negotiated offers."
- **29** Strategic sourcing. This section defines "strategic sourcing" to mean methods used to analyze and reduce spending on goods and services.
- **32 Policy and procedures.** This section requires the commissioner of the Department of Administration to develop and implement policies, procedures, and standards ensuring optimal use of strategic sourcing.

- 34 Web Site with Searchable Database on State Contracts and Grants. This section states that the commissioner of administration must maintain a Web site with a searchable database providing the public with information on state contracts, including grant contracts. The database must include information on grants and contracts entered into beginning with fiscal year 2008 funds, and must retain that data for ten years. This section is effective January 1, 2008.
- **36** Creation and validity of contracts. This section allows the commissioners of administration and finance to approve policies under which routine, low-dollar procurements can occur before the state accounting system shows an encumbrance for the amount of contract liability.
- **41 Call-center.** This section provides that a state agency must not enter into a contract for a call-center or similar purposes without determining if state employees can provide the services. Agency does include the Minnesota State Colleges and Universities. This section is effective the day following final enactment, and applies to a contract entered into or renewed or otherwise extended after that date.
- 42 **Reverse auction.** This section specifies that reverse auctions may be used for services (not just for computer services), but not to procure engineering design services or architectural services or for building and construction contracts.
- **44 Best and final offer.** This section provides that a "best and final offer" solicitation process may not be used for state building and construction contracts.
- **73** Sale of state land. This section requires sale of at least \$6.4 million of state-owned land by June 30, 2009, and proceeds are to be deposited in the general fund. The governor is required to reduce executive agency operating budgets if deposits in the general fund do not meet the target specified in this section.
- 78 State employees electronic health records pilot project. This section allows the Minnesota State Colleges and Universities (MnSCU) Board of Trustees in collaboration with the Department of Employee Relations to establish a pilot project to provide consumer-owned electronic personal health records to MnSCU employees and all participants in the state employee group insurance program. The goal of the project is to provide consumer-owned electronic personal health records that are portable among health care providers, health plan companies, and employers in order to control costs, improve quality, and enhance safety, and to demonstrate the feasibility of a statewide health information exchange.
- **79 Training services.** This section requires that during the biennium ending June 30, 2009, state executive agencies must consider using services provided by Government Training Services before contracting with outside vendors for similar services.
- **80 Department of Employee Relations abolished; duties transferred.** This section abolishes the Department of Employee Relations (DOER) and commissioner position as

of June 1, 2008. Duties of DOER are transferred to the commissioner of the Department of Finance, except the following; duties relating to administration of the state employees workers' compensation program are transferred on or before June 1, 2008, to the commissioner of administration; and duties relating to health care purchasing improvement are transferred on or before June 1, 2008, to the commissioner of health. The governor may, in consultation with the commissioner of employee relations, the commissioner of finance, the commissioner of administration, and the director of the Office of Enterprise Technology, transfer other duties of the Department of Employee Relations to other state agencies in order to most effectively and efficiently accomplish the reorganization required by this act.

In addition to any other protection, no employee in the classified service shall suffer job loss, have a salary reduced, or have employment benefits reduced as a result of a reorganization mandated or recommended under authority of this section.

#### ARTICLE 3 Best Value Contracts

- **1 Best value; construction**. This section defines "best value" for the purposes of contracts for construction, building, alteration, improvement, or repair services, in the chapter of statutes that governs state government procurement.
- 2 Vendor. This section defines "vendor" for the purposes of the chapter of statutes governing state procurement as a business, including a construction contractor or a natural person, and includes both if the natural person is engaged in a business.
- 3 Acquisition authority. This section strikes language dealing with construction contracts, in conjunction with new language authorizing best value for these contracts.
- 4 Acquisition authority; construction contracts. This section requires the commissioner of administration to award contracts for building and construction projects under Minnesota statute section 16C.28, and provides that best value is defined as provided in this bill.
- **5 Training.** This section authorizes training in use of best value contracting for construction projects.
- 6 **Competitive bids or proposals.** This section defines competitive proposals, and reference proposals as well as bids in the law governing state construction contracts.
- 7 Single source of supply. This section references proposals as well as bids.
- 8 Contracts; award. This section strikes language requiring all state building and construction contacts to be awarded to the lowest responsible bidder and provides that a contract may be awarded to the lowest responsible bidder or the vendor or contractor offering the best value. The vendor or contractor are required under either approach to

secure bonding, commercial general insurance, and workers' compensation insurance. This section also defines best value, and specifies three phases under which specified governments entities will be authorized to participate in best value procurement methods, and provides that the commissioner of administration or any agency for which competitive bids or proposals are required may not use best value contracting for more than one project annually, or 20 percent of its projects, whichever is greater, in each of the first three fiscal years in which best value construction contracting is used.

#### HEALTH AND HUMAN SERVICES FINANCE BILL H.F. 1078 (Chapter 147)

*SUMMARY:* The Omnibus Health and Human Services bill includes language that affects the Minnesota State Colleges and Universities system, including a change to Minnesota statute 245C.10 that allows the commissioner of Human Services to charge a \$20 fee to colleges and universities for background checks done on students in health care programs.

#### ARTICLE 2 Children and Family

#### Section

**35 Approval of postsecondary education or training.** This section strikes language requiring Minnesota Family Investment Program (MFIP) participants to work at least 20 hours per week in order for a postsecondary education or training program to be an approved work activity, and adds language that says the program must include additional work activities if the education and training activities do not meet the minimum hours required to meet the federal work participation rate under the Code of Federal Regulations.

#### ARTICLE 3 Licensing

#### Section

14 Temporary personnel agencies, educational programs, and professional services agencies. This section allows the commissioner of the Department of Human Services to charge a fee of \$20 to colleges and universities for every background study done on each student in the health care programs.

#### ARTICLE 4 Health Care Policy

#### Section

7 **Community health worker.** This section states that medical assistance will cover the care coordination and patient education services provided by a community health worker if the community health worker has earned a certificate from the Minnesota State Colleges and Universities System.

#### ARTICLE 6 Continuing Care Policy

#### Section

**19 Personal care assistant.** This section states that personal care assistant training must include successful completion of one or more training requirements in:

 a nursing assistant training program or its equivalent for which competency as a nursing assistant is determined according to a test administered by the Minnesota State Board of Technical Colleges;
 a homemaker home health aide pre-service training program using a curriculum recommended by the Department of Health;
 an accredited educational program for registered nurses or licensed practical nurses;
 a training program that provides the assistant with skills required to perform personal care assistant services specified in subdivision 2; or
 a determination by the personal care provider that the assistant has, through training or experience, the skills required to perform the personal care services.

#### ARTICLE 12 Miscellaneous

#### Section

- **1 General.** This section extends dependent health insurance coverage to an unmarried child under the age of 25 who is a full-time student. This language does not apply to state employees. This section is effective January 1, 2008.
- 2 **Dependent.** This section redefines "dependent" to mean a spouse or unmarried child under the age of 25, or a dependent child of any age who is disabled. This section is effective January 1, 2008 and applies to coverage offered, sold, issued, or renewed on or after that date.

#### ARTICLE 19 Human Services Appropriations

#### Section

**3** Human services.

**Subdivision 4. Children and economic assistance grants.** This section provides that any unexpended TANF (Temporary Assistance for Needy Families) funds appropriated to the commissioner of the Department of Human Services to contract with the Board of Trustees of Minnesota State Colleges and Universities, to provide tuition waivers to employees of health care and human service providers that are members of qualifying consortia must cancel at the end of fiscal year 2007.

#### ENVIRONMENT AND NATURAL RESOURCES FINANCE BILL S.F. 2096 (Chapter 57)

*SUMMARY:* The Environment and Natural Resources Finance bill makes changes in a number of laws related to the Minnesota State Colleges and Universities system including renewable energy. A complete summary is listed below.

#### ARTICLE 1 Environment and Natural Resources

#### Section

#### 4 Natural Resources

**Subdivision 9. Enforcement.** The commissioner of the Department of Natural Resources must publicize opportunities for conservation officer employment and recruit, when possible, conservation officer candidates from the biological sciences departments at colleges and universities.

16 Cooperation with other jurisdictions. This section allows the commissioner of the Department of Agriculture to eliminate pest problems by entering into contracts with municipalities, nurseries, colleges, universities, state or federal agencies in connection with new or emerging plant pests programs, including research, or any other organization with the legal authority to enter into contractual agreements.

#### ARTICLE 2 Energy

#### Section

#### **3** Department of Commerce

**Subdivision 6. Energy and telecommunications.** This section appropriates \$1 million each year for technical analysis and demonstration funding for automotive technology projects, with a special focus on plug-in hybrid electrical vehicles, and to study environmental friendly manufacturing and assembly processes to identify ones that could employ workers formerly employed at the St. Paul Ford manufacturing plant and other manufacturing facilities in Minnesota.

This section also appropriates \$4.25 million over the biennium for renewable energy research. Funding decisions will be made by a three-member panel that includes the commissioners of agriculture, commerce, and pollution control. Minnesota State Colleges and Universities system institutions will be eligible to compete for these funds. This section also awards \$1 million to the Center for Rural Policy and Development at Minnesota State University, Mankato to make a grant to a nonprofit organization with experience dealing with energy and community wind issues to design and implement a rural wind energy development assistance program. This is a onetime only appropriation. The program must provide assistance to rural entities seeking to develop wind energy electric generation projects and to sell the energy from the projects. The grantee must demonstrate an ability to sustain program functions with ongoing revenue from sources other than state funding and shall provide a 35 percent grant match in the first year. The

center must use best practices regarding grant management functions, including selection and monitoring of the grantee, compliance review, and financial oversight. Grant management fees are limited to 2.5 percent of the grant.

- 6 Employee suggestions; energy savings incentive program. This section requires the commissioner of the Department of Administration to implement a program making cash awards to state employees who make energy-saving suggestions. This does not apply to the Minnesota State Colleges and Universities unless the Board of Trustees affirms that it does.
- 17 Early purchase and deployment of renewable hydrogen, fuel cells, and related technologies by the state. This section amends current law, which requires the Department of Commerce to identify opportunities to demonstrate the use of hydrogen, fuel cells and related technologies in state facilities and fleets, striking language regarding "demonstration" of the technology and substitutes "deployment." The language requires these agencies to recommend to the Department of Administration changes to state procurement guidelines to facilitate hydrogen deployment.
- **23 Minnesota renewable hydrogen initiative.** This section requires the commissioner of the Department of Commerce to develop a competitive grant program for projects to help the state reach its hydrogen goals. The commissioner is to establish a multi-stakeholder advisory committee, including academic organizations, to identify promising hydrogen deployment projects and recommend grants. Preference is to be given to projects embodying concepts contained in the department's recent biennial report on hydrogen projects. Eligible projects must include hydrogen production options listed in the report. Education must be part of each grant. Non-public grantees must provide a 50 percent match with non-state funds.

#### AGRICULTURAL AND VETERANS AFFAIRS BILL H.F. 2227 (Chapter 45)

*SUMMARY:* The Agricultural and Veterans Affairs bill provides funding for the Departments of Agriculture and Veteran Affairs, as well as makes policy changes that affect both departments. Changes that affect the Minnesota State Colleges and Universities system can be found below.

#### ARTICLE 1 Agriculture

- 3 Department of Agriculture Subdivision 5. Administration and financial assistance. This section appropriates \$100,000 the first year and \$100,000 the second year to the Minnesota State Colleges and Universities Board of Trustees for mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.
- **36 Application; date of issuance.** This section adds a new clause requiring licenses issued for a temporary food concession stand to have a license issuance and renewal date consistent with appropriate statutory provisions.
- **37 Extent of license.** This section allows licenses for retail food vehicles and carts to be valid statewide and issued once annually unless the structure is a seasonal permanent food stand, seasonal temporary food stand, food cart, or special event food stand. "Special event food stand" means a food and beverage service establishment which is used in conjunction with celebrations and special events, and which operates no more than three times annually for no more than ten total days.
- **47 NextGen energy.** This section establishes a NextGen Energy Board with approximately 20 members, including a representative from the Minnesota State Colleges and Universities system. The board will advise the commissioner of agriculture and the Legislature on how the state can "achieve energy independence, agricultural, and natural resources sustainability, and rural economic vitality." Other duties of the board include; examining the future of renewable fuels, developing grant programs to assist locally owned facilities, studying the proper role of the state, and evaluating how the state can best leverage additional resources. This section expires June 30, 2009.
- **57 Duties.** This section creates a Renewable Energy Roundtable coordinated by the Agricultural Utilization Research Institute. The Roundtable shall consist of one Representative from Minnesota State Colleges and Universities, the University of Minnesota, the Department of Agriculture, and the Department of Commerce. The Renewable Energy Roundtable will consult, advise, and review projects and initiatives funded by the state.

#### ARTICLE 2 Veterans Affairs

- 1 Veterans Affairs. This section appropriates \$750,000 the first year and \$750,000 the second year for grants to counties to enhance the benefits, programs, and services provided to veterans, including collaboration with other social service agencies, educational institutions, and other relevant community resources to help reintegrate veterans back into society. The commissioner of Veterans Affairs shall ensure that grants are made throughout all regions of the state and shall develop a description of best practices for the use of these grants. This section also appropriates \$450,000 the first year and \$450,000 the second year for the higher education veterans assistance program under Minnesota Statutes, section 197.585. This appropriation is available through fiscal year 2011. This section also appropriates \$52,000 the first year for spousal education benefits in accordance with Minnesota Statutes, section 197.75. This appropriation is available until June 30, 2009.
- **3** Educational assistance, war survivors and veterans. This section clarifies and extends the War Orphans Act of 1943 (renamed the *War Survivors Act*) which provides a full waiver of tuition and fees at any Minnesota public institution of higher education to the dependent children of a soldier or veteran who dies as a direct result of military service. The bill extends this benefit to the person's spouse, as well. The statute also provides a stipend of \$750 per year to the eligible spouse and children during each year of their higher education. The veteran must have been a Minnesota resident at the time of entry into the military, and the benefit ceases once the person attains a bachelor's degree or the equivalent. This section is effective July 1, 2007.

#### ENERGY POLICY BILL: "NEXT GENERATION ENERGY ACT OF 2007" S.F. 145 (Chapter 136)

*SUMMARY:* The Next Generation Energy Act of 2007 makes policy changes as they relate to energy efficiencies and conservation, renewable energy standards, and global climate change. Changes that affect the Minnesota State Colleges and Universities system can be found below.

#### ARTICLE 2 Energy Efficiency and Conservation

#### Section

- 5 Energy conservation improvement. Subdivision 1f. Facilities energy efficiency. This section requires the Departments of Administration and Commerce to maintain and, if necessary, revise the sustainable building guidelines, and to update the benchmarking tool developed in 2001 so that all public buildings may use it to track building performance. The commissioner must require utilities to include in their CIP plan programs to facilitate professional engineering verification to qualify a building as Energy Star labeled or Leadership in Energy and Environmental Design (LEED) certified.
- 7 State government energy savings plan. This section requires the Minnesota State Colleges and Universities to coordinate with the commissioner of commerce on ways to be energy efficient; specifically, the system "shall identify policy options, barriers, and economic benefits and costs for state government operations to achieve the energy savings goals in section 216B.2401 and the resulting carbon emission reductions." The commissioner of commerce is to submit a report to the Legislature by February 1, 2008.
- 9 Effective date. This section is effective July 1, 2007.

#### ARTICLE 5 Global Climate Change; Greenhouse Gas Emissions

#### Section

2 Greenhouse gas emissions control. This section requires the commissioner of the Department of Commerce to submit a plan to the Legislature by February 1, 2008, containing recommendations on how best to meet the goals of reducing statewide greenhouse gas emissions across all sectors producing those emissions to a level at least 15 percent below the 2005 level by 2015, a level at least 30 percent below the 2005 level by 2025, and a level at least 80 percent below the 2005 level by 2050. The plan must estimate emissions reductions expected from current state policies; recommend a reporting system for emissions; and assess the cost, benefits and feasibility of implementing the options.

#### LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES FUNDING BILL H.F. 293 (Chapter 30)

*SUMMARY:* The Legislative-Citizen Commission on Minnesota Resources (LCCMR) reviewed 85 proposals for the 2007 legislative session totaling \$62 million. The LCCMR recommended 29 proposals for funding from the Environment and Natural Resources Trust Fund. Minnesota State University, Mankato received funding for two projects and St. Cloud State University received funding for one project as noted below.

#### Section

#### 2 Minnesota resources.

Subdivision 4. Land. (j). Neutralization of reed canary grass root exudates. This section appropriates \$115,000 from the trust fund to Minnesota State University, Mankato, to assess plant-soil feedback contribution to the invasiveness of reed canary grass through identification and neutralization of inhibitory root exudates. Subd. 5. Water resources. (e) Improved river quality monitoring using airborne remote sensing. This section appropriates \$159,000 from the trust fund to Minnesota State University, Mankato, to monitor river water quality and riparian habitat through airborne dynamic hyperspectral remote sensing on the Blue Earth River.(m) Threat of emerging contaminants to Upper Mississippi walleye. This section appropriates \$97,000 from the trust fund to St. Cloud State University to assess whether the genetic diversity of walleye in the Upper Mississippi is negatively impacted by emerging contaminants at pollution hotspots where feminized male fish have been identified.

**Subd. 8. Availability of appropriations.** This section clarifies that unless otherwise provided, the amounts are available until June 30, 2009, when projects must be completed and final products delivered.

#### STATE BOARDS AND ADVISORY GROUPS BILL S.F. 1377 (Chapter 133)

*SUMMARY:* This bill provides that executive branch advisory groups expire June 30, 2009, unless specified otherwise. It also repeals the laws establishing groups whose statutory authority has expired under the June 30, 2003, sunset date in current law.

#### ARTICLE 2 Repeal of Expired Advisory Groups

- 2 **Public entities; purchases from corrections industries**. This section repeals the task force whose purpose is to determine additional methods to achieve the performance goals for public entity purchasing. A representative from the Minnesota State Colleges and Universities was a member of this expired task force.
- **13 Repealer.** This section repeals laws governing advisory groups including the Minnesota State Colleges and Universities retirement account plan advisory committee. Duties of this Board included advising the Board of Trustees of the Minnesota State Colleges and Universities on the structure and operation of the individual retirement account plan and the supplemental retirement plan.

#### OPEN MEETING LAW BILL S.F. 1165 (Chapter 110)

*SUMMARY:* This bill amends the Open Meeting Law to specify conditions under which meetings may be conducted by telephone or other electronic means when meeting in person or by interactive television is not practical or prudent because of a health pandemic or because of an emergency declared under the Emergency Management Act. The Board of Trustees of the Minnesota State Colleges and Universities complies with the Open Meeting Law.

#### Section

2 Meetings by telephone or other electronic means; conditions.

**Subdivision 1. Conditions.** This section authorizes a meeting covered by the Open Meeting Law to be conducted by telephone or other electronic means if all of the following conditions are met:the presiding officer, chief legal counsel, or chief administrative officer determines that meeting in person or by interactive television is not practical or prudent because of a health pandemic or a declaration of emergency under the Emergency Management Act; all members of the body can hear one another and can hear all discussion and testimony; members of the public at the regular meeting location can hear all discussion, testimony and votes, unless unfeasible due to the pandemic or emergency; at least one member of the body, chief legal counsel, or chief administrative officer is present at the regular meeting location, unless unfeasible due to the pandemic or emergency declaration; all votes are conducted by roll call.

**Subd. 2. Members are present for quorum, participation**. This section provides that each member of the body participating by telephone or other electronic means is considered present at the meeting for purposes of a quorum and participating in all proceedings.

**Subd. 3. Monitoring from remote site; cost**. This section provides that for a meeting under this section, the public body must allow a person to monitor the meeting electronically from another location. The body may require the person to pay for any documented additional costs the body incurs as a result of the additional connection. **Subd. 4. Notice of regular and all member sites**. This section provides that for a meeting under this section, the body must give notice of the regular meeting location, of he fact that some members may participate by telephone or other electronic means, and of the right of the public to monitor the meeting from another location.

**3 Effective Date.** Section 2 is effective the day following final enactment.

#### STATE EMPLOYEE COMBINED CHARITIES CAMPAIGN BILL S.F. 1597 (Chapter 101)

*SUMMARY:* This bill creates a new section of law governing the state employees combined charities campaign, and repeals the existing law on this topic.

#### Section

3 State employee combined charities campaign registration. Subdivision. 1. Definitions. This section defines terms used in this section, including "registered combined charitable organization" and "charitable agency."

**Subd. 2. Registration.** This section requires a federated funding organization to apply to the commissioner of the Department of Employee Relations by March 1 to be eligible to participate in the state employee combined charities campaign. Material that must accompany an application is specified, and the commissioner is required to register or not register the application and notify the organization by May 1. Only approved organizations may participate in the state employee combined charities campaign, and only contributions to approved organizations may be deducted from a state employee's pay.

**Subd. 3. Related organization.** This section prohibits two federated funding campaigns that are related organizations from participating simultaneously in the state employee combined charities campaign. The definition of "related organization" used in the bill as is follows: "Related organization" means an organization that controls, is controlled by,

or is under common control with, another corporation. Control exists if an organization:

(1) owns, directly or indirectly, at least 50 percent of the stock ownership or membership interests of another organization;

(2) has the right, directly or indirectly, to elect, appoint, or remove 50 percent or more of the voting members of the governing body of another organization; or

(3) has the power, directly or indirectly, to direct or cause the direction of the management and policies of another organization, whether through the ownership of voting interests, by contract, or otherwise.

**Subd. 4. Optional designations.** This section authorizes a registered combined charitable organization to allow a state employee to designate that money be distributed to any charitable agency, whether or not the agency receives funds from the single, annual consolidate effort.

4 **Repealer.** This section repeals section 309.501, the current law governing the state employee combined charities campaign.

#### TAX CONFORMITY BILL <u>H.F. 8 (Chapter 1)</u>

*SUMMARY:* This bill conforms Minnesota's income tax to federal income tax changes enacted since the 2006 House session concluded. The law affects 2006 tax returns only. Principal items include deduction for higher education tuition expenses and deduction for teacher classroom expenses. The changes increase the tuition expense deduction up to \$4,000 and the teacher classroom expense deduction up to \$250.

#### Section

1 Net income. This section adopts all the federal changes to taxable income effective when the federal changes became effective, for tax year 2006 only. Included in these changes is the Tax Relief and Health Care Act of 2006. Extensions of expiring deductions are effective in tax year 2006, which include extending the higher education tuition expense deduction of up to \$4,000 and extending the teacher classroom expense deduction of up to \$250.

#### STATE GOVERNMENT EMPLOYMENT BILL S.F. 1236 (Chapter 35)

*SUMMARY:* This bill makes a variety of changes relating to laws administered by the Department of Employee Relations including extending the voluntary unpaid leave of absence authority to the 2007-2009 biennium.

- 1 Audits; sanctions and incentives. Under current law, state agencies that have not met certain hiring goals must justify missed opportunities for affirmative hires. This section changes a cross-reference used in calculating the percent of an agency's "missed opportunities." With the change in this section, hires made through provisional appointments, noncompetitive promotions, appointments through transfer and demotion, and appointments for unclassified incumbents of newly-classified positions would not be used in determining the percent of missed opportunities.
- 2 General. This section provides that the Department of Employee Relations can seek proposals, and not necessarily bids, when entering into contracts for purposes of the state employee group insurance plan (SEGIP).
- **3** Voluntary unpaid leave of absence. This section extends the authority that allows employees to take up to 1040 hours of unpaid leaves of absences in a biennium, during which the employee continues to accrue vacation and sick leave, insurance, pension credit, and other seniority to the 2007-2009 biennium.
- **4 Effective Date.** This section makes section 3 effective June 1, 2007 and sections 1 and 2 effective August 1, 2007.

### HEATING AND COOLING SYSTEMS FOR STATE-FUNDED BUILDINGS BILL

S.F. 538 (Chapter 77)

*SUMMARY:* This bill requires the study of heating and cooling systems for state-funded building projects and when practicable geothermal and solar thermal heating and cooling systems must be considered when replacing initial installation of systems in new or existing buildings. Pre-design reviews are to include a written plan for compliance.

#### Section

1 Heating and cooling systems; state-funded buildings. This section requires the commissioner of the Department of Administration to study geothermal and solar thermal applications for heating and cooling building projects subject to pre-design review under Minnesota Statutes section 16B.335 (projects receiving state appropriations for capital purposes). The language provides that when practicable, geothermal and solar thermal heating and cooling systems must be considered for necessary replacement of initial installation of cooling or heating systems in new or existing buildings constructed or maintained with state funds, and requires that the pre-design review must include a written plan for compliance. This section applies to cooling or heating replacement in buildings constructed or maintained with state funds that are subject to pre-design review after July 1, 2007.

#### NATIONAL GUARD REENLISTMENT BONUS PROGRAM EXPANDED BILL <u>H.F. 1594 (Chapter 21)</u>

*SUMMARY:* This bill changes the tuition and textbook reimbursement grant program for Minnesota National Guard members, by adding the authority to pay up to twenty-five higher education grants of \$1,000 per year.

#### Section

2 Tuition and textbook reimbursement grant program. This section adds authority under the tuition and textbook reimbursement grant program for the adjutant general to pay up to twenty-five postsecondary educational grants of \$1,000 each per year, with grants being awarded on a competitive basis to highly qualified persons who agree to join the Minnesota National Guard. No limitations are specified regarding the division of these grants among officers and enlisted personnel.

#### FREEDOM TO BREATHE ACT OF 2007 BILL S.F. 238 (Chapter 82)

*SUMMARY:* The Freedom to Breathe Act of 2007 expands the prohibition on smoking in public places to include restaurants and bars and amends current policy.

#### Section

- 2 **Public policy**. This section amends current statute and states that the purpose of Minnesota Statutes 144.411-144.417 is to protect employees and the general public from the hazards of secondhand smoke by eliminating smoking from public places, places of employment, public transportation and public meetings.
- **3 Indoor area.** This section defines indoor area as an area that is bounded on two or more sides by temporary or permanent walls, doorways or windows.
- 4 Place of employment. This section states that a place of employment is an indoor area where two or more persons provide a service for payment under a contractual relationship, or gratuitously. Language lists examples, such as warehouses, restaurants, theaters, employee cafeterias, restrooms and hallways. Vehicles used for work purposes during hours of operation and when more than one person is present are also included.
- 8 **Prohibitions.** This section expands the prohibitions on smoking in various settings. Smoking is prohibited in public places, at public meetings, in places of employment, or in public transportation. Language eliminates exceptions for designated smoking areas, certain social functions, and places of work not usually frequented by the general public.
- **9 Responsibilities of proprietors.** This section clarifies the requirement proprietors and other owners of public places, public transportation, places of employment or public meetings to make "reasonable efforts" to prevent smoking. These efforts include asking persons who smoke in prohibited areas to refrain from smoking, requires proprietors to ask a person to leave if that person refuses to refrain from smoking, adds that if a smoker does not leave, the proprietors shall use lawful methods consistent with handling disorderly persons, prohibits proprietors from providing smoking equipment, such as ashtrays, in areas where smoking is prohibited. Language also eliminates the reference to a smoke-free area.

16 Effective Date. The above sections are effective October 1, 2007.

#### GOVERNMENT DATA PRACTICES BILL S.F. 596 (Chapter 129)

*SUMMARY:* The Government Data Practices bill regulates data. Throughout the bill the phrases "state agency," "political subdivision" or "statewide system" has been replaced with the phrase "government entity" in order to continue the effort of streamlining the Minnesota Government Data Practices Act. Included below are those changes that affect the Minnesota State Colleges and Universities system, in particular, classifying any part of an individual's social security number as private when collected or maintained by a government entity.

- **3** Change in classification of data; effect of dissemination among agencies. This section adds a provision stating that data disseminated to a government entity from the judicial branch, retains the same level of privacy as it had in the hands of the judicial branch.
- **9 Directory information.** This section updates a date reference to student information, and classifies as public data information designated as "directory information" under federal law as of January 1, 2007. When conducting the directory information designation and notice process required by federal law, an educational agency or institution shall give parents and students notice of the right to refuse to let the agency or institution designate any or all data about the student as directory information.
- **11 General.** This section modifies the classification of social security numbers. Partial social security numbers (for example, the last four digits of a social security number) are designated as private data. Any campus use of the last four digits of any segment of a social security number is subject to the same privacy and security practices as the complete number.