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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 458

01/28/2021 Authored by Lucero
The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy

1.1 A bill for an act
1.2 relating to higher education; limiting compensation of highly compensated
1.3 administrative employees of the University of Minnesota and the Minnesota State
1.4 Colleges and Universities; amending Minnesota Statutes 2020, sections 43A.18,
1.5 subdivision 3a; 137.02, subdivision 4.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 43A.18, subdivision 3a, is amended to read:

1.8 Subd. 3a. Board of Trustees of the Minnesota State Colleges and Universities plan. (a)
1.9 Total compensation for unclassified managerial positions under section 43A.08, subdivision
1.10 1, clause (9), in the Board of Trustees of the Minnesota State Colleges and Universities not
1.11 covered by a collective bargaining agreement must be determined by the Board of Trustees
1.12 of the Minnesota State Colleges and Universities. Before submitting a compensation plan
1.13 to the legislature and the Legislative Commission on Employee Relations, the Board of
1.14 Trustees of the Minnesota State Colleges and Universities must submit the plan to the
1.15 commissioner of management and budget for review and comment. The commissioner must
1.16 complete the review within 14 days of its receipt. Compensation plans established under
1.17 this subdivision must be approved by the legislature and the Legislative Commission on
1.18 Employee Relations under section 3.855, before becoming effective.

1.19 (b) The compensation plan for highly compensated administrative employees of the
1.20 Minnesota State Colleges and Universities must not exceed the lesser of the limit in section
1.21 43A.17, subdivision 9, or an amount equal to ten times the salary of the lowest paid full-time
1.22 employee of the Minnesota State Colleges and Universities. "Salary" and "compensation"
1.23 have the meanings given them in section 43A.17. "Highly compensated administrative
1.24 employee" means an employee of the Minnesota State Colleges and Universities whose

2.1 estimated annual compensation is greater than 60 percent of the governor's annual salary
2.2 and who is not covered by a collective bargaining agreement negotiated under chapter 179A
2.3 or a compensation plan under paragraph (a).

2.4 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to compensation
2.5 determinations made on or after that date.

2.6 Sec. 2. Minnesota Statutes 2020, section 137.02, subdivision 4, is amended to read:

2.7 Subd. 4. **Employee salaries.** (a) Except as provided in paragraph (b), all nonacademic
2.8 employees of the University of Minnesota shall be paid salaries comparable to salaries paid
2.9 to state employees in the classified civil service.

2.10 (b) The compensation of nonacademic, highly compensated administrative employees
2.11 of the university must not exceed the lesser of the limit in section 43A.17, subdivision 9,
2.12 or an amount equal to ten times the salary of the lowest paid full-time employee of the
2.13 university. "Salary" and "compensation" have the meanings given them in section 43A.17.
2.14 "Highly compensated administrative employee" means an employee of the university whose
2.15 estimated annual compensation is greater than 60 percent of the governor's annual salary
2.16 and who is not covered by a collective bargaining agreement negotiated under chapter 179A.

2.17 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to compensation
2.18 determinations made on or after that date.