

2.29 **ARTICLE 1**  
2.30 **HIGHER EDUCATION**

2.19 **ARTICLE 2**  
2.20 **HIGHER EDUCATION**

2.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

2.32 Subdivision 1. **Summary Total.** The amounts shown in this section summarize

2.33 direct appropriations, by fund, made in this article.

2.34	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.35 <u>General</u>	\$ 1,410,000	\$ (48,155,000)	\$ (46,745,000)
2.36 <u>Total</u>	\$ 1,410,000	\$ (48,155,000)	\$ (46,745,000)

2.37 Subd. 2. **Summary by Agency - All Funds.** The amounts shown in this subdivision

2.38 summarize direct appropriations, by agency, made in this article.

2.39	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.40 <u>Minnesota Office of Higher</u>			
2.41 <u>Education</u>	\$ 1,410,000	\$ (1,568,000)	\$ (158,000)
2.42 <u>Board of Trustees of the</u>			
2.43 <u>Minnesota State</u>			
2.44 <u>Colleges and</u>			
2.44 <u>Universities</u>	-0-	(10,467,000)	(10,467,000)
3.1 <u>Board of Regents of the</u>			
3.2 <u>University of Minnesota</u>	-0-	(36,120,000)	(36,120,000)
3.3 <u>Total</u>	\$ 1,410,000	\$ (48,155,000)	\$ (46,745,000)

3.4 Sec. 2. **APPROPRIATIONS.**

2.21 Section 1. **SUMMARY OF APPROPRIATIONS.**

2.22 Subdivision 1. **Summary Total.** The amounts shown in this section summarize

2.23 direct appropriations, by fund, made in this article.

2.24	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.25 <u>General</u>	\$ 1,297,000	\$ (49,297,000)	\$ (48,000,000)

2.26 Subd. 2. **Summary by Agency - All Funds.** The amounts shown in this subdivision

2.27 summarize direct appropriations, by agency, made in this article.

2.28	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.29 <u>Minnesota Office of Higher</u>			
2.30 <u>Education</u>	\$ 1,297,000	\$ (2,710,000)	\$ (1,413,000)
2.31 <u>Board of Trustees of the</u>			
2.32 <u>Minnesota State Colleges and</u>			
2.33 <u>Universities</u>	-0-	(10,467,000)	(10,467,000)
2.34 <u>Board of Regents of the</u>			
2.35 <u>University of Minnesota</u>	-0-	(36,120,000)	(36,120,000)
2.36 <u>Total</u>	\$ 1,297,000	\$ (49,297,000)	\$ (48,000,000)

2.37 Sec. 2. **APPROPRIATIONS.**

3.5 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 3.6 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to  
 3.7 the agencies and for the purposes specified in this article. The appropriations are from the  
 3.8 general fund, or another named fund, and are available for the fiscal years indicated for  
 3.9 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 3.10 to or subtraction from the appropriation listed under them is available for the fiscal year  
 3.11 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 3.12 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 3.13 day following final enactment.

3.14	<b><u>APPROPRIATIONS</u></b>		
3.15	<b><u>Available for the Year</u></b>		
3.16	<b><u>Ending June 30</u></b>		
3.17	<b><u>2010</u></b>	<b><u>2011</u></b>	
3.18	Sec. 3. <b><u>OFFICE OF HIGHER EDUCATION</u></b>		
3.19	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 1,410,000</u></b>	<b><u>\$ (1,568,000)</u></b>
3.20	The amounts that may be spent for each		
3.21	purpose are specified in the following		
3.22	subdivisions.		
3.23	<b><u>Subd. 2. State Grants</u></b>	<b><u>-0-</u></b>	<b><u>(1,487,000)</u></b>

3.24 The tuition maximum for fiscal year 2011  
 3.25 for students in two-year programs and for  
 3.26 students in private, for-profit, four-year  
 3.27 programs is \$5,364.

3.1 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 3.2 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to  
 3.3 the agencies and for the purposes specified in this article. The appropriations are from the  
 3.4 general fund, or another named fund, and are available for the fiscal years indicated for  
 3.5 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 3.6 to or subtraction from the appropriation listed under them is available for the fiscal year  
 3.7 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 3.8 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 3.9 day following final enactment.

3.10	<b><u>APPROPRIATIONS</u></b>		
3.11	<b><u>Available for the Year</u></b>		
3.12	<b><u>Ending June 30</u></b>		
3.13	<b><u>2010</u></b>	<b><u>2011</u></b>	
3.14	Sec. 3. <b><u>OFFICE OF HIGHER EDUCATION</u></b>		
3.15	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 1,297,000</u></b>	<b><u>\$ (2,710,000)</u></b>
3.16	The appropriation additions or reductions		
3.17	for each purpose are shown in the following		
3.18	subdivisions.		

3.28 Financial aid changes in this article are  
 3.29 expected to achieve savings available to  
 3.30 the state grant program for fiscal year 2011  
 3.31 as a result of reducing tuition maximums,  
 3.32 eliminating eligibility for a ninth semester,  
 3.33 and eliminating the high school-to-college  
 3.34 developmental transition program grants.  
 4.1 Any additional savings necessary to make  
 4.2 grants in fiscal year 2011 must be achieved  
 4.3 through the application of Minnesota  
 4.4 Statutes, section 136A.121, subdivision 7.

4.5 This is a onetime reduction.

**SEE ALSO HOUSE SECTION 16 IN THIS ARTICLE.**

4.6	<u>Subd. 3. Interstate Tuition Reciprocity</u>	<u>1,487,000</u>	<u>-0-</u>
4.7	<u>Subd. 4. Agency Administration</u>	<u>(77,000)</u>	<u>(81,000)</u>
4.8	<u>Sec. 4. BOARD OF TRUSTEES OF THE</u>		
4.9	<u>MINNESOTA STATE COLLEGES AND</u>		
4.10	<u>UNIVERSITIES</u>		
4.11	<u>Subdivision 1. Total Appropriation</u>	<u>\$ -0-</u>	<u>\$ (10,467,000)</u>

**SEE ALSO SENATE SECTION 16 IN THIS ARTICLE.**

3.19	<u>Subd. 2. State Work-Study</u>	<u>-0-</u>	<u>(2,303,000)</u>
3.20	<u>Subd. 3. Technical and Community College</u>		
3.21	<u>Emergency Grants</u>	<u>-0-</u>	<u>(150,000)</u>
3.22	<u>Subd. 4. United Family Medicine Residency</u>	<u>(13,000)</u>	<u>(28,000)</u>
3.23	<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>1,487,000</u>	<u>264,000</u>
3.26	<u>Subd. 8. Agency Administration</u>	<u>(60,000)</u>	<u>(81,000)</u>
3.24	<u>Subd. 6. Minnesota College Savings Plan</u>	<u>(22,000)</u>	<u>(50,000)</u>
3.25	<u>Subd. 7. MnLink Gateway and Minitex</u>	<u>(95,000)</u>	<u>(362,000)</u>
3.27	<u>Sec. 4. BOARD OF TRUSTEES OF THE</u>		
3.28	<u>MINNESOTA STATE COLLEGES AND</u>		
3.29	<u>UNIVERSITIES</u>		
3.30	<u>Subdivision 1. Total Appropriation</u>	<u>\$ -0-</u>	<u>\$ (10,467,000)</u>

4.12 The amounts that must be reduced or  
 4.13 added for each purpose are specified in the  
 4.14 following subdivisions.

4.15 Subd. 2. Central Office and Shared Services  
 4.16 Unit -0- (3,000,000)

4.17 Reductions under this subdivision must not  
 4.18 be allocated to any institution and must not  
 4.19 be charged back to any campus or institution.

4.20 Subd. 3. Operations and Maintenance -0- (7,467,000)

4.21 Each institution must reduce administrative  
 4.22 budgets by at least ten percent. The  
 4.23 remaining reductions must be allocated  
 4.24 proportionately to all institutions to minimize  
 4.25 the impact on students and instruction.

4.26 For fiscal years 2012 and 2013, the base for  
 4.27 operations and maintenance is \$597,467,000  
 4.28 each year.

**SEE ALSO SENATE SECTION 17 IN THIS ARTICLE.**

4.29 Subd. 4. Cook County Higher Education

3.31 The appropriation additions or reductions  
 3.32 for each purpose are shown in the following  
 3.33 subdivisions.

4.1 The intent of the appropriation and  
 4.2 appropriation reduction in subdivisions 2  
 4.3 and 3 is to eliminate the separate line item  
 4.4 for central office and shared services unit.  
 4.5 The board of trustees shall allocate the  
 4.6 appropriation and reduction in appropriation  
 4.7 in subdivisions 2 and 3 between operations  
 4.8 and maintenance and the central office and  
 4.9 shared services unit.

4.10 Subd. 2. Central Office and Shared Services  
 4.11 Unit -0- (43,749,000)

4.12 Subd. 3. Operations and Maintenance -0- 33,282,000

4.13 Subd. 4. Cook County Higher Education





6.14 (b) For a student registering for less than full time, the office shall prorate the cost of  
6.15 attendance to the actual number of credits for which the student is enrolled.

6.16 (c) The recognized cost of attendance for a student who is confined to a Minnesota  
6.17 correctional institution shall consist of the tuition and fee component in paragraph (a),  
6.18 with no allowance for living and miscellaneous expenses.

6.19 (d) For the purpose of this subdivision, "fees" include only those fees that are  
6.20 mandatory and charged to full-time resident students attending the institution. Fees do  
6.21 not include charges for tools, equipment, computers, or other similar materials where the  
6.22 student retains ownership. Fees include charges for these materials if the institution retains  
6.23 ownership. Fees do not include optional or punitive fees.

6.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.25 Sec. 7. Minnesota Statutes 2009 Supplement, section 136A.121, subdivision 9, is  
6.26 amended to read:

6.27 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements  
6.28 is eligible to apply for and receive a grant in any year of undergraduate study unless the  
6.29 student has obtained a baccalaureate degree or previously has been enrolled full time or  
6.30 the equivalent for ~~nine~~ eight semesters or the equivalent, excluding courses taken from a  
6.31 Minnesota school or postsecondary institution which is not participating in the state grant  
6.32 program and from which a student transferred no credit. A student who withdraws from  
6.33 enrollment for active military service, or for a major illness, while under the care of a  
7.1 medical professional, that substantially limits the student's ability to complete the term is  
7.2 entitled to an additional semester or the equivalent of grant eligibility. A student enrolled  
7.3 in a two-year program at a four-year institution is only eligible for the tuition and fee  
7.4 maximums established by law for two-year institutions.

7.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.6 Sec. 8. **[136A.129] LEGISLATIVE NOTICE.**

7.7 The office shall notify the chairs of the legislative committees with primary  
7.8 jurisdiction over higher education finance of any proposed material change to the  
7.9 administration of any of the grant or financial aid programs in sections 136A.095 to  
7.10 136A.128.

7.11 Sec. 9. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

5.3 Sec. 6. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

7.12 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such  
 7.13 terms and conditions as the office may prescribe. ~~The Under the SELF IV program, the~~  
 7.14 principal amount of a loan to an undergraduate student for a single academic year shall  
 7.15 not exceed \$6,000 for grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.  
 7.16 ~~Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not~~  
 7.17 ~~exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed~~  
 7.18 ~~\$7,500 effective July 1, 2006~~ \$7,500 per grade level. The aggregate principal amount of  
 7.19 all loans made under this section to an undergraduate student shall not exceed \$34,500  
 7.20 ~~through June 30, 2007, and \$37,500 after June 30, 2007.~~ The principal amount of a loan  
 7.21 to a graduate student for a single academic year shall not exceed \$9,000. The aggregate  
 7.22 principal amount of all loans made under this section to a student as an undergraduate  
 7.23 and graduate student shall not exceed \$52,500 ~~through June 30, 2007, and~~ \$55,500  
 7.24 ~~after June 30, 2007.~~ The amount of the loan may not exceed the cost of attendance less  
 7.25 all other financial aid, including PLUS loans or other similar parent loans borrowed on  
 7.26 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing  
 7.27 maximums in paragraph (b).

7.28 (b) The cumulative undergraduate borrowing maximums for SELF IV loans are:

7.29 (1) ~~effective July 1, 2006, through June 30, 2007:~~

7.30 (i) ~~grade level 1, \$6,000;~~

7.31 (ii) ~~grade level 2, \$12,000;~~

7.32 (iii) ~~grade level 3, \$19,500;~~

7.33 (iv) ~~grade level 4, \$27,000; and~~

7.34 (v) ~~grade level 5, \$34,500; and~~

8.1 (2) ~~effective July 1, 2007:~~

8.2 (i) ~~grade level 1, \$7,500;~~

8.3 (ii) (2) ~~grade level 2, \$15,000;~~

8.4 (iii) (3) ~~grade level 3, \$22,500;~~

8.5 (iv) (4) ~~grade level 4, \$30,000; and~~

8.6 (v) (5) ~~grade level 5, \$37,500.~~

5.4 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such  
 5.5 terms and conditions as the office may prescribe. ~~The Under the SELF IV program, the~~  
 5.6 principal amount of a loan to an undergraduate student for a single academic year shall  
 5.7 not exceed \$6,000 for grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.  
 5.8 ~~Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not~~  
 5.9 ~~exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed~~  
 5.10 ~~\$7,500 effective July 1, 2006~~ \$7,500 per grade level. The aggregate principal amount of  
 5.11 all loans made ~~under this section~~ subject to this paragraph to an undergraduate student  
 5.12 shall not exceed \$34,500 ~~through June 30, 2007, and~~ \$37,500 ~~after June 30, 2007.~~ The  
 5.13 principal amount of a loan to a graduate student for a single academic year shall not  
 5.14 exceed \$9,000. The aggregate principal amount of all loans made ~~under this section~~  
 5.15 subject to this paragraph to a student as an undergraduate and graduate student shall not  
 5.16 exceed \$52,500 ~~through June 30, 2007, and~~ \$55,500 ~~after June 30, 2007.~~ The amount of  
 5.17 the loan may not exceed the cost of attendance less all other financial aid, including PLUS  
 5.18 loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF  
 5.19 loan debt must not exceed the borrowing maximums in paragraph (b).

5.20 (b) The cumulative undergraduate borrowing maximums for SELF IV loans are:

5.21 (1) ~~effective July 1, 2006, through June 30, 2007:~~

5.22 (i) ~~grade level 1, \$6,000;~~

5.23 (ii) ~~grade level 2, \$12,000;~~

5.24 (iii) ~~grade level 3, \$19,500;~~

5.25 (iv) ~~grade level 4, \$27,000; and~~

5.26 (v) ~~grade level 5, \$34,500; and~~

5.27 (2) ~~effective July 1, 2007:~~

5.28 (i) ~~grade level 1, \$7,500;~~

5.29 (ii) (2) ~~grade level 2, \$15,000;~~

5.30 (iii) (3) ~~grade level 3, \$22,500;~~

5.31 (iv) (4) ~~grade level 4, \$30,000; and~~

5.32 (v) (5) ~~grade level 5, \$37,500.~~

8.7 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled  
 8.8 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed  
 8.9 \$10,000 per grade level. For all other eligible students, the principal amount of the loan  
 8.10 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans  
 8.11 made under this section to a student as an undergraduate and graduate student must not  
 8.12 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less  
 8.13 all other financial aid, including PLUS loans or other similar parent loans borrowed on  
 8.14 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing  
 8.15 maximums in paragraph (d).

8.16 (d)(1) The cumulative borrowing maximums for SELF V loans and subsequent  
 8.17 phases for students enrolled in a bachelor's degree program or postbaccalaureate program  
 8.18 are:

8.19 (i) grade level 1, \$10,000;

8.20 (ii) grade level 2, \$20,000;

8.21 (iii) grade level 3, \$30,000;

8.22 (iv) grade level 4, \$40,000; and

8.23 (v) grade level 5, \$50,000.

8.24 (2) For graduate level students, the borrowing limit is \$10,000 per nine-month  
 8.25 academic year, with a cumulative maximum for all SELF loan debt of \$70,000.

8.26 (3) For all other eligible students, the cumulative borrowing maximums for SELF V  
 8.27 loans and subsequent phases are:

8.28 (i) grade level 1, \$7,500;

8.29 (ii) grade level 2, \$15,000;

8.30 (iii) grade level 3, \$22,500;

8.31 (iv) grade level 4, \$30,000; and

8.32 (v) grade level 5, \$37,500.

5.33 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled  
 5.34 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed  
 5.35 \$10,000 per grade level. For all other eligible students, the principal amount of the loan  
 6.1 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made  
 6.2 subject to this paragraph to a student as an undergraduate and graduate student must not  
 6.3 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less  
 6.4 all other financial aid, including PLUS loans or other similar parent loans borrowed on  
 6.5 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing  
 6.6 maximums in paragraph (d).

6.7 (d)(1) The cumulative borrowing maximums for SELF V loans and subsequent  
 6.8 phases for students enrolled in a bachelor's degree program or postbaccalaureate program  
 6.9 are:

6.10 (i) grade level 1, \$10,000;

6.11 (ii) grade level 2, \$20,000;

6.12 (iii) grade level 3, \$30,000;

6.13 (iv) grade level 4, \$40,000; and

6.14 (v) grade level 5, \$50,000.

6.15 (2) For graduate level students, the borrowing limit is \$10,000 per nine-month  
 6.16 academic year, with a cumulative maximum for all SELF debt of \$70,000.

6.17 (3) For all other eligible students, the cumulative borrowing maximums for SELF V  
 6.18 loans and subsequent phases are:

6.19 (i) grade level 1, \$7,500;

6.20 (ii) grade level 2, \$15,000;

6.21 (iii) grade level 3, \$22,500;

6.22 (iv) grade level 4, \$30,000; and

6.23 (v) grade level 5, \$37,500.

6.24 Sec. 7. Minnesota Statutes 2008, section 136A.1701, subdivision 7, is amended to read:

6.25 Subd. 7. **Repayment of loans.** (a) The office shall establish repayment procedures  
 6.26 for loans made under this section, but in no event shall the period of permitted repayment  
 6.27 for SELF II or SELF III loans exceed ten years from the eligible student's termination of  
 6.28 the student's postsecondary academic or vocational program, or 15 years from the date of  
 6.29 the student's first loan under this section, whichever is less.

6.30 (b) For SELF IV loans ~~from phases after SELF III~~, eligible students with aggregate  
 6.31 principal loan balances from all SELF phases that are less than \$18,750 shall have a  
 6.32 repayment period not exceeding ten years from the eligible student's graduation or  
 6.33 termination date. For SELF IV loans ~~from phases after SELF III~~, eligible students with  
 6.34 aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have  
 6.35 a repayment period not exceeding 15 years from the eligible student's graduation or  
 7.1 termination date. For SELF IV loans ~~from phases after SELF III~~, the loans shall enter  
 7.2 repayment no later than seven years after the first disbursement date on the loan.

7.3 (c) For SELF loans from phases after SELF IV, eligible students with aggregate  
 7.4 principal loan balances from all SELF phases that are:

7.5 (1) less than \$20,000, must have a repayment period not exceeding ten years from  
 7.6 the eligible student's graduation or termination date;

7.7 (2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years  
 7.8 from the eligible student's graduation or termination date; and

7.9 (3) \$40,000 or greater, must have a repayment period not exceeding 20 years  
 7.10 from the eligible student's graduation or termination date. For SELF loans from phases  
 7.11 after SELF IV, the loans must enter repayment no later than nine years after the first  
 7.12 disbursement date of the loan.

8.33 Sec. 10. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

8.34 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered  
 8.35 to issue revenue bonds whose aggregate principal amount at any time shall not exceed  
 9.1 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue  
 9.2 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,  
 9.3 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,  
 9.4 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

9.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.13 Sec. 8. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

7.14 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered  
 7.15 to issue revenue bonds whose aggregate principal amount at any time shall not exceed  
 7.16 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue  
 7.17 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,  
 7.18 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,  
 7.19 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

7.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.21 Sec. 9. Minnesota Statutes 2008, section 136A.69, subdivision 1, is amended to read:

7.22 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration  
 7.23 fees that are sufficient to recover, but do not exceed, its costs of administering the  
 7.24 registration program. The office shall charge ~~\$1,100 for initial registration fees and \$950~~  
 7.25 ~~for annual renewal fees.~~ the fees listed in paragraphs (b) and (c) for new registrations.

7.26 (b) A new school offering no more than one degree at each level during its first year  
 7.27 must pay registration fees for each applicable level in the following amounts:

7.28	<u>associate degree</u>	<u>\$2,000</u>
7.29	<u>baccalaureate degree</u>	<u>\$2,500</u>
7.30	<u>master's degree</u>	<u>\$3,000</u>
7.31	<u>doctorate degree</u>	<u>\$3,500</u>

7.32 (c) A new school that will offer more than one degree per level during its first  
 7.33 year must pay registration fees in an amount equal to the fee for the first degree at each  
 8.1 degree level under paragraph (b), plus fees for each additional nondegree program or  
 8.2 degree as follows:

8.3	<u>nondegree program</u>	<u>\$250</u>
8.4	<u>additional associate degree</u>	<u>\$250</u>
8.5	<u>additional baccalaureate degree</u>	<u>\$500</u>
8.6	<u>additional master's degree</u>	<u>\$750</u>
8.7	<u>additional doctorate degree</u>	<u>\$1,000</u>

8.8 (d) The annual renewal registration fee is \$1,200.

8.9 Sec. 10. Minnesota Statutes 2008, section 136A.69, subdivision 3, is amended to read:

8.10 Subd. 3. **Degree or nondegree program addition fee.** The office processing fee  
 8.11 fees for adding a degree or nondegree program that represents a significant departure in  
 8.12 the objectives, content, or method of delivery of degree or nondegree programs that are  
 8.13 currently offered by the school is \$500 per degree or nondegree program. are as follows:

8.14	<u>nondegree program that is part of existing degree</u>	<u>-0-</u>
8.15	<u>nondegree program that is not a part of an existing degree</u>	<u>\$250 each</u>
8.16	<u>majors, specializations, emphasis areas, concentrations, and other</u>	
8.17	<u>similar areas of emphasis</u>	<u>\$250 each</u>
8.18	<u>associate degrees</u>	<u>\$500 each</u>
8.19	<u>baccalaureate degrees</u>	<u>\$500 each</u>
8.20	<u>master's degrees</u>	<u>\$750 each</u>
8.21	<u>doctorate degrees</u>	<u>\$2,000 each</u>

8.22 Sec. 11. Minnesota Statutes 2008, section 136A.69, subdivision 4, is amended to read:

8.23 Subd. 4. **Visit or consulting fee.** If the office determines that a fact-finding visit  
 8.24 or outside consultant is necessary to review or evaluate any new or revised degree or  
 8.25 nondegree program, the office shall be reimbursed for the expenses incurred related to the  
 8.26 review as follows:

8.27 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant  
 8.28 if the office determines that a fact-finding visit is not required;

8.29 (2) \$300 for each day or part thereof on site per team member; and

8.30 (3) the actual cost of customary meals, lodging, and related travel expenses incurred  
 8.31 by team members.

9.6 Sec. 11. [136F.08] CENTRAL SYSTEM OFFICE.

9.7 Subdivision 1. **Establishment.** A central system office is established for the  
 9.8 Minnesota State Colleges and Universities to provide central support to the institutions  
 9.9 enrolling students and to assist the board in fulfilling its missions under section 136F.05.  
 9.10 The central office must not assume responsibility for services that are most effectively  
 9.11 and efficiently provided at the institution level. The central system office is under the  
 9.12 direction of the chancellor.

9.13 Subd. 2. **General duties.** The central system office must coordinate system level  
 9.14 responsibilities for financial management, personnel management, facilities management,  
 9.15 information technology, credit transfer, legal affairs, government relations, and auditing.  
 9.16 The central system office shall coordinate its services with the services provided at the  
 9.17 institution level so as not to duplicate any functions that are provided by institutions.

9.18 Sec. 12. **[136F.302] CREDIT TRANSFER.**

9.19 The board of trustees must develop and maintain a systemwide effective and  
 9.20 efficient mechanism for seamless student transfer between system institutions that has a  
 9.21 goal of minimal loss of credits for transferring students. The Degree Audit and Reporting  
 9.22 System (DARS) and u.select database (and successor databases) housed within the office  
 9.23 of the chancellor shall be the official repository of course equivalencies between system  
 9.24 colleges and universities. Each system college and university shall be responsible for  
 9.25 ensuring the accuracy and completeness of course equivalencies listed for courses offered  
 9.26 by that college or university. The development and maintenance of the system must, at a  
 9.27 minimum, address the following:

9.28 (1) alignment of institution curriculum and its communication to stakeholders;

9.29 (2) transfer between similar programs;

9.30 (3) documentation for transfer-related agreements between institutions;

9.31 (4) systemwide transfer information on the Internet that is easily accessible and

9.32 maintained in a current and accurate status;

9.33 (5) training for campus-level staff to provide accurate and consistent advice to

9.34 students;

10.1 (6) institutional rather than student obligation to provide prompt required

10.2 documentation for course equivalency determinations; and

10.3 (7) consistency of transfer policies among institutions in compliance with a system

10.4 policy.

10.5 Sec. 13. Minnesota Statutes 2009 Supplement, section 136F.98, subdivision 1, is

10.6 amended to read:

8.32 Sec. 12. Minnesota Statutes 2009 Supplement, section 136F.98, subdivision 1, is

8.33 amended to read:

10.7 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State  
 10.8 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90  
 10.9 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~  
 10.10 \$275,000,000, and payable from the revenue appropriated to the fund established by  
 10.11 section 136F.94, and use the proceeds together with other public or private money that  
 10.12 may otherwise become available to acquire land, and to acquire, construct, complete,  
 10.13 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,  
 10.14 student union, food service, parking purposes, or for any other similar revenue-producing  
 10.15 building or buildings of such type and character as the board finds desirable for the good  
 10.16 and benefit of the state colleges and universities. Before issuing the bonds or any part  
 10.17 of them, the board shall consult with and obtain the advisory recommendations of the  
 10.18 chairs of the house of representatives Ways and Means Committee and the senate Finance  
 10.19 Committee about the facilities to be financed by the bonds.

8.34 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State  
 8.35 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90  
 9.1 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~  
 9.2 \$300,000,000, and payable from the revenue appropriated to the fund established by  
 9.3 section 136F.94, and use the proceeds together with other public or private money that  
 9.4 may otherwise become available to acquire land, and to acquire, construct, complete,  
 9.5 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,  
 9.6 student union, food service, parking purposes, or for any other similar revenue-producing  
 9.7 building or buildings of such type and character as the board finds desirable for the good  
 9.8 and benefit of the state colleges and universities. Before issuing the bonds or any part  
 9.9 of them, the board shall consult with and obtain the advisory recommendations of the  
 9.10 chairs of the house of representatives Ways and Means Committee and the senate Finance  
 9.11 Committee about the facilities to be financed by the bonds.

9.12 Sec. 13. Minnesota Statutes 2008, section 141.255, is amended to read:

9.13 **141.255 FEES.**

9.14 Subdivision 1. **Initial licensure fee.** The office processing fee for an initial licensure  
 9.15 application is:

9.16 (1) ~~\$1,500~~ \$2,500 for a school that will offer no more than one program during  
 9.17 its first year of operation;

9.18 (2) \$750 for a school licensed exclusively due to the use of the term "college,"  
 9.19 "university," "academy," or "institute" in its name, or licensed exclusively in order to  
 9.20 participate in state grant or SELF loan financial aid programs; and

9.21 ~~(2) \$2,000 for a school that will offer two or more nondegree-level programs~~

9.22 (3) \$2,500, plus \$500 for each additional program offered by the school, for a school  
 9.23 during its first year of operation; and

9.24 ~~(3) \$2,500 for a school that will offer two or more degree-level programs during~~  
 9.25 ~~its first year of operation.~~

9.26 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a  
 9.27 renewal licensure application is:

9.28 ~~(1) for a category A school, as determined by the office, the fee is \$865 if the school~~  
 9.29 ~~offers one program or \$1,150 if the school offers two or more programs; and~~

9.30 ~~(2) for a category B or C school, as determined by the office, the fee is \$430 if the~~  
 9.31 ~~school offers one program or \$575 if the school offers two or more programs.~~

9.32 (1) for a school that offers one program, the license renewal fee is \$1,150;

9.33 (2) for a school that offers more than one program, the license renewal fee is \$1,150,  
 9.34 plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;

- 10.1 (3) for a school licensed exclusively due to the use of the term "college," "university,"  
 10.2 "academy," or "institute" in its name, the license renewal fee is \$750; and
- 10.3 (4) for a school licensed by another state agency and also licensed with the office  
 10.4 exclusively in order to participate in state student aid programs, the license renewal fee is  
 10.5 \$750.
- 10.6 (b) If a license renewal application is not received by the office by the close of  
 10.7 business at least 60 days before the expiration of the current license, a late fee of \$100  
 10.8 per business day, not to exceed \$3,000, shall be assessed.
- 10.9 ~~Subd. 3. Degree level addition fee. The office processing fee for adding a degree~~  
 10.10 ~~level to an existing program is \$2,000 per program.~~
- 10.11 Subd. 4. **Program addition fee.** The office processing fee for adding a program  
 10.12 ~~that represents a significant departure in the objectives, content, or method of delivery of~~  
 10.13 ~~programs to those~~ that are currently offered by the school is \$500 per program.
- 10.14 Subd. 5. **Visit or consulting fee.** If the office determines that a fact-finding visit  
 10.15 or outside consultant is necessary to review or evaluate any new or revised program, the  
 10.16 office shall be reimbursed for the expenses incurred related to the review as follows:
- 10.17 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant  
 10.18 if the office determines that a fact-finding visit is not required;
- 10.19 (2) \$300 for each day or part thereof on site per team member; and
- 10.20 (3) the actual cost of customary meals, lodging, and related travel expenses incurred  
 10.21 by team members.
- 10.22 Subd. 6. **Modification fee.** The fee for modification of any existing program is  
 10.23 \$100 and is due if there is:
- 10.24 (1) an increase or decrease of 25 percent or more, from the original date of program  
 10.25 approval, in clock hours, credit hours, or calendar length of an existing program;
- 10.26 (2) a change in academic measurement from clock hours to credit hours or vice  
 10.27 versa; or
- 10.28 (3) an addition or alteration of courses that represent a 25 percent change or more in  
 10.29 the objectives, content, or methods of delivery.
- 10.30 Subd. 7. **Solicitor permit fee.** The solicitor permit fee is \$350 and must be paid  
 10.31 annually.
- 10.32 Subd. 8. **Multiple location fee.** Schools wishing to operate at multiple locations  
 10.33 must pay:
- 10.34 (1) \$250 per location, for locations two to five ~~locations~~; and

10.20 Sec. 14. Minnesota Statutes 2009 Supplement, section 299A.45, subdivision 1, is  
10.21 amended to read:

10.22 Subdivision 1. **Eligibility.** A person is eligible to receive educational benefits under  
10.23 this section if the person:

10.24 (1) is certified under section 299A.44 and in compliance with this section and rules  
10.25 of the commissioner of public safety and the Minnesota Office of Higher Education;

10.26 (2) is enrolled in an undergraduate degree or certificate program after June 30, 1990,  
10.27 at an eligible Minnesota institution as provided in section 136A.101, subdivision 4;

10.28 (3) has not received a baccalaureate degree or been enrolled full time for ~~nine~~  
10.29 eight semesters or the equivalent, except that a student who withdraws from enrollment  
10.30 for active military service is entitled to an additional semester or the equivalent of  
10.31 eligibility; and

10.32 (4) is related in one of the following ways to a public safety officer killed in the  
10.33 line of duty on or after January 1, 1973:

10.34 (i) as a dependent child less than 23 years of age;

11.1 (ii) as a surviving spouse; or

11.2 (iii) as a dependent child less than 30 years of age who has served on active military  
11.3 duty 181 consecutive days or more and has been honorably discharged or released to the  
11.4 dependent child's reserve or National Guard unit.

11.5 Sec. 15. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:

11.6 Subd. 6. **Achieve Scholarship Program** 4,350,000 4,350,000

11.7 For scholarships under Minnesota Statutes,  
11.8 section 136A.127, the office shall transfer  
11.9 the appropriation for fiscal year 2011 to the  
11.10 appropriation for state grants.

10.35 (2) an additional ~~\$50~~ \$100 for each location over five.

11.1 Subd. 9. **Student transcript fee.** The fee for a student transcript requested from  
11.2 a closed school whose records are held by the office is ~~\$40~~ \$15, with a maximum of  
11.3 five transcripts per request.

11.4 Subd. 10. **Public office documents; copies.** ~~The office shall establish rates~~ rate for  
11.5 copies of any public office document shall be 50 cents per page.

11.6 Sec. 14. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:

11.7 Subd. 6. **Achieve Scholarship Program** 4,350,000 4,350,000

11.8 For scholarships under Minnesota Statutes,  
11.9 section 136A.127, The office shall transfer  
11.10 the appropriation for fiscal year 2011 to the  
11.11 appropriation for state grants.

11.12 Sec. 15. Laws 2009, chapter 95, article 1, section 3, subdivision 12, is amended to read:

11.13 Subd. 12. <b>Technical and Community College</b>				
11.14 <b>Emergency Grants</b>			150,000	150,000

11.15 For transfer to the financial aid offices  
 11.16 at each of the colleges of the Minnesota  
 11.17 State Colleges and Universities to provide  
 11.18 emergency aid grants to technical and  
 11.19 community college students who are  
 11.20 experiencing extraordinary economic  
 11.21 circumstances that may result in the students  
 11.22 dropping out of school without completing  
 11.23 the term or their program. This is a onetime  
 11.24 appropriation.

11.11 Sec. 16. Laws 2009, chapter 95, article 1, section 3, subdivision 21, is amended to read:

11.12 Subd. 21. **Transfers**

11.13 The Minnesota Office of Higher Education  
 11.14 may transfer unencumbered balances from  
 11.15 the appropriations in this section to the state  
 11.16 grant appropriation, the interstate tuition  
 11.17 reciprocity appropriation, the child care  
 11.18 grant appropriation, the Indian scholarship  
 11.19 appropriation, the state work-study  
 11.20 appropriation, the achieve scholarship  
 11.21 appropriation, the public safety officers'  
 11.22 survivors appropriation, and the Minnesota  
 11.23 college savings plan appropriation. Transfers  
 11.24 from the state grant, child care, or state  
 11.25 work-study appropriations may only be made  
 11.26 to the extent there is a projected surplus in  
 11.27 the appropriation. A transfer may be made  
 11.28 only with prior written notice to the chairs  
 11.29 of the senate and house of representatives  
 11.30 committees with jurisdiction over higher  
 11.31 education finance.

11.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.25 Sec. 16. Laws 2009, chapter 95, article 1, section 3, subdivision 21, is amended to read:

11.26 Subd. 21. **Transfers**

11.27 The Minnesota Office of Higher Education  
 11.28 may transfer unencumbered balances from  
 11.29 the appropriations in this section to the state  
 11.30 grant appropriation, the interstate tuition  
 11.31 reciprocity appropriation, the child care  
 11.32 grant appropriation, the Indian scholarship  
 12.1 appropriation, the state work-study  
 12.2 appropriation, the achieve scholarship  
 12.3 appropriation, the public safety officers'  
 12.4 survivors appropriation, the get ready  
 12.5 program, and the Minnesota college savings  
 12.6 plan appropriation. Transfers from the child  
 12.7 care or state work-study appropriations  
 12.8 may only be made to the extent there is a  
 12.9 projected surplus in the appropriation. A  
 12.10 transfer may be made only with prior written  
 12.11 notice to the chairs of the senate and house of  
 12.12 representatives committees with jurisdiction  
 12.13 over higher education finance.

12.14 Sec. 17. Laws 2009, chapter 95, article 1, section 4, subdivision 4, as amended by  
 12.15 Laws 2009, chapter 177, section 10, subdivision 4, is amended to read:

12.16 Subd. 4. **Operations and Maintenance** 562,041,000 613,833,000

12.17 (a) It is the intention of the legislature to  
 12.18 increase the amount of funding distributed  
 12.19 to colleges and universities through the  
 12.20 allocation model to provide direct support of  
 12.21 instruction and related functions necessary  
 12.22 to protect the core mission of educating  
 12.23 students.

12.24 (b) The Board of Trustees shall submit  
 12.25 expenditure reduction plans by March 15,  
 12.26 2010, to the committees of the legislature  
 12.27 with responsibility for higher education  
 12.28 finance to achieve the 2012-2013 base  
 12.29 established in this section at the central  
 12.30 office and at each institution. The plan  
 12.31 submitted by the board must be based on  
 12.32 plans developed at each institution detailing  
 12.33 reductions to achieve lower base allocations  
 13.1 at that institution. Each plan must focus on  
 13.2 protecting direct instruction.

13.3 (c) For the biennium ending June 30,  
 13.4 2011, expenditures under this subdivision  
 13.5 must not exceed \$40,000,000 for  
 13.6 technology initiatives, including technology  
 13.7 infrastructure improvements.

13.8 (d) \$1,000,000 each year is for the Northeast  
 13.9 Minnesota Higher Education District and  
 13.10 high schools in its area. Students from area  
 13.11 high schools may also access the facilities  
 13.12 and faculty of the Northeast Minnesota  
 13.13 Higher Education District for state-of-the-art  
 13.14 technical education opportunities, including  
 13.15 MnSCU's 2+2 Pathways initiative.

13.16 (e) \$225,000 each year is to enhance eFolio  
 13.17 Minnesota and for a center to provide on-site  
 13.18 and Internet-based support and technical  
 13.19 assistance to users of the state's eFolio  
 13.20 Minnesota system to promote workforce and  
 13.21 economic development and to enable access  
 13.22 to workforce information generated through  
 13.23 the eFolio Minnesota system.

13.24 (f) For fiscal years 2012 and 2013 the base for  
 13.25 operations and maintenance is ~~\$602,759,000~~  
 13.26 \$626,794,000 each year.

12.1 Sec. 17. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

12.2 Subd. 2. **Operations and Maintenance** 550,345,000 604,239,000

12.3 (a) This appropriation includes funding for  
 12.4 operation and maintenance of the system.

12.5 (b) The Board of Regents shall submit  
 12.6 expenditure reduction plans by March 15,  
 12.7 2010, to the committees of the legislature  
 12.8 with responsibility for higher education  
 12.9 finance to achieve the 2012-2013 base  
 12.10 established in this section. The plan must  
 12.11 focus on protecting direct instruction.

12.12 (c) Appropriations under this subdivision  
 12.13 may be used for a new scholarship under  
 12.14 Minnesota Statutes, section 137.0225, to  
 12.15 complement the University's Founders  
 12.16 scholarship.

12.17 (d) This appropriation includes amounts for  
 12.18 an Ojibwe Indian language program on the  
 12.19 Duluth campus.

13.27 Sec. 18. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

13.28 Subd. 2. **Operations and Maintenance** 550,345,000 604,239,000

13.29 (a) This appropriation includes funding for  
 13.30 operation and maintenance of the system.

13.31 (b) The Board of Regents shall submit  
 13.32 expenditure reduction plans by March 15,  
 13.33 2010, to the committees of the legislature  
 14.1 with responsibility for higher education  
 14.2 finance to achieve the 2012-2013 base  
 14.3 established in this section. The plan must  
 14.4 focus on protecting direct instruction.

14.5 (c) Appropriations under this subdivision  
 14.6 may be used for a new scholarship under  
 14.7 Minnesota Statutes, section 137.0225, to  
 14.8 complement the University's Founders  
 14.9 scholarship.

14.10 (d) This appropriation includes amounts for  
 14.11 an Ojibwe Indian language program on the  
 14.12 Duluth campus.

12.20 (e) This appropriation includes money for the  
 12.21 Dakota language teacher training immersion  
 12.22 program on the Twin Cities campus to  
 12.23 prepare teachers to teach in Dakota language  
 12.24 immersion programs.

12.25 (f) This appropriation includes money for the  
 12.26 Veterinary Diagnostic Laboratory to preserve  
 12.27 accreditation.

12.28 (g) This appropriation includes money in  
 12.29 fiscal year 2010 for a onetime grant to the  
 12.30 Minnesota Wildlife Rehabilitation Center for  
 12.31 ~~their uncompensated expenses in an amount~~  
 12.32 equal to the loan balance as of March 11,  
 12.33 2010, for expenses related to the center's  
 12.34 move from the campus.

13.1 (h) For fiscal years 2012 and 2013, the  
 13.2 base for operations and maintenance is  
 13.3 \$596,930,000 each year.

13.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

13.5 Sec. 18. **OFFICE OF HIGHER EDUCATION CARRYFORWARD.**

13.6 Notwithstanding Minnesota Statutes, section 136A.125, subdivision 7, or 136A.233,  
 13.7 subdivision 1, the Office of Higher Education may carry forward to fiscal year 2011, funds  
 13.8 allocated to an institution for the child care and work study programs that exceed the actual  
 13.9 need and were refunded to the office from fiscal year 2010. Notwithstanding Minnesota  
 13.10 Statutes, section 136A.125, subdivision 4c, funds carried forward for the child care  
 13.11 program in fiscal year 2011 may be used to expand the number of recipients in the program.

13.12 Sec. 19. **REPORT OF CREDIT TRANSFER ACTIVITIES.**

14.13 (e) This appropriation includes money for the  
 14.14 Dakota language teacher training immersion  
 14.15 program on the Twin Cities campus to  
 14.16 prepare teachers to teach in Dakota language  
 14.17 immersion programs.

14.18 (f) This appropriation includes money for the  
 14.19 Veterinary Diagnostic Laboratory to preserve  
 14.20 accreditation.

14.21 (g) This appropriation includes money in  
 14.22 fiscal year 2010 for a onetime grant to the  
 14.23 Minnesota Wildlife Rehabilitation Center for  
 14.24 their uncompensated expenses.

14.25 (h) For fiscal years 2012 and 2013, the  
 14.26 base for operations and maintenance is  
 14.27 ~~\$596,930,000~~ \$573,636,000 each year.

14.28 Sec. 19. **OFFICE OF HIGHER EDUCATION CARRY FORWARD.**

14.29 Notwithstanding Minnesota Statutes, section 136A.233, subdivision 1, or 136A.125,  
 14.30 subdivision 7, the Office of Higher Education may carry forward from fiscal year 2010  
 14.31 to fiscal year 2011 money allocated to an institution for the child care and work study  
 14.32 programs that exceed the actual need and were refunded to the office. Notwithstanding  
 14.33 Minnesota Statutes, section 136A.125, subdivision 4c, money carried forward for the  
 15.1 child care program in fiscal year 2011 may be used to expand the number of recipients  
 15.2 in the program.

13.13 The Board of Trustees of the Minnesota State Colleges and Universities shall report  
13.14 on February 15, 2011, and annually thereafter through 2015, on its activities to achieve  
13.15 the credit transfer goals of Minnesota Statutes, section 136F.302, and the results of those  
13.16 activities. The report shall be made to the chairs and ranking minority members of the  
13.17 legislative committees with primary jurisdiction over higher education policy and finance.  
13.18 The goals of Minnesota Statutes, section 136F.302, should be fully achieved as soon as  
13.19 possible, but no later than the start of the 2015-2016 academic year.

13.20 Sec. 20. **MNSCU REVENUE BONDS FOR STATE UNIVERSITIES.**

13.21 Notwithstanding Minnesota Statutes, section 136F.98, subdivision 1, for fiscal years  
13.22 2010 and 2011, the board of trustees must use the increase in the aggregate revenue bond  
13.23 limit in Minnesota Statutes, section 136F.98, subdivision 1, to issue revenue bonds for  
13.24 eligible projects at state universities.

13.25 Sec. 21. **PILOT PROJECT; LOCAL DEPOSIT OF RESERVES OF**

13.26 **MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

13.27 Subdivision 1. **Establishment.** To increase the distribution of potential economic  
13.28 benefit of deposits of reserve funds of the institutions of the Minnesota State Colleges and  
13.29 Universities, a pilot project is established to transfer certain reserve deposits of selected  
13.30 institutions from the state treasury to a community financial institution. Notwithstanding  
13.31 Minnesota Statutes, section 16A.27, on July 1, 2010, the commissioner of management  
13.32 and budget shall transfer the board-required reserve funds of colleges and universities  
14.1 selected by the board of trustees under subdivision 2, to a community financial institution  
14.2 designated for each of the participating colleges and universities.

14.3 Subd. 2. **Participating colleges and universities.** By June 11, 2010, colleges and  
14.4 universities must apply to the Board of Trustees of the Minnesota State Colleges and  
14.5 Universities for participation in the pilot project. Each applicant must designate one or  
14.6 more community financial institutions for the deposit of board-required reserves, with the  
14.7 terms of the deposit for each designated community financial institution. The designated  
14.8 community financial institution must be located within 25 miles of a participating campus.  
14.9 From the applicants, the board shall select eight postsecondary institutions to participate in  
14.10 the local deposit pilot project. In making its selection, the board must consider the size  
14.11 of the institution's reserves and the terms offered by the designated community financial  
14.12 institutions. Two-year and four-year institutions must be selected to participate in the pilot  
14.13 project and at least five of the selected institutions must be located in greater Minnesota.

14.14 By June 25, 2010, the board must notify the commissioner of management and  
14.15 budget of the participating colleges and universities and the associated community  
14.16 financial institutions.

- 14.17 Subd. 3. **Community financial institution.** As used in this section, "community  
 14.18 financial institution" means a federally insured bank or credit union, chartered as a bank  
 14.19 or credit union by the state of Minnesota or the United States, that is headquartered in  
 14.20 Minnesota and that has no more than \$2,500,000,000 in assets.
- 14.21 Subd. 4. **Evaluation and report.** The commissioner of management and budget and  
 14.22 the board of trustees shall independently evaluate the effectiveness or harm of the local  
 14.23 deposit pilot project in increasing the use of community financial institutions and providing  
 14.24 wider distribution of the economic benefit of the deposit of postsecondary reserves. Each  
 14.25 evaluation must include the participating colleges, universities, and community financial  
 14.26 institutions. The commissioner and the board shall report the results of the pilot project  
 14.27 evaluation to the appropriate committees of the legislature by December 1, 2011, with  
 14.28 recommendations on the future implementation of the pilot project.
- 14.29 Sec. 22. **APPROPRIATION REDUCTIONS.**
- 14.30 Any reduction in appropriations for the biennium ending June 30, 2011, for the  
 14.31 central system office of Minnesota State Colleges and Universities must not be passed  
 14.32 through to any institution or campus. The board of trustees must not charge any institution  
 14.33 for appropriation reductions made to the central office.

15.3 Sec. 20. **ACHIEVE SCHOLARSHIP PROGRAM FISCAL YEAR 2011**  
 15.4 **MODIFICATIONS.**

- 15.5 (a) Notwithstanding Minnesota Statutes, section 136A.127, for achieve scholarship  
 15.6 awards in fiscal year 2011, the achieve scholarship program shall be modified as provided  
 15.7 in this section.
- 15.8 (b) Awards shall only be made to students who have an assigned family responsibility  
 15.9 of zero.
- 15.10 (c) An award shall be for \$1,200 per academic year for all recipients unless reduced  
 15.11 under this section.
- 15.12 (d) A first round of awards shall be made to students for which the Office of Higher  
 15.13 Education has received a complete application by August 31, 2010. If there are insufficient  
 15.14 appropriations to make full awards to each student, all awards under this paragraph shall  
 15.15 be reduced by an equal amount sufficient to meet the insufficiency.
- 15.16 (e) If appropriations remain after the first round, awards shall be made on a  
 15.17 first-come, first-served basis.
- 15.18 (f) Except as modified by this section, the remaining unmodified provisions of  
 15.19 Minnesota Statutes, section 136A.127, shall govern achieve scholarship awards made  
 15.20 in fiscal year 2011.

14.34 Sec. 23. **REPEALER.**

15.1 (a) Minnesota Statutes 2008, section 136A.127, subdivisions 1, 3, 5, 6, 7, 10, and 15.2 11, are repealed.

15.3 (b) Minnesota Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision 15.4 9b; and 136A.127, subdivisions 2, 4, 9, 9b, 10a, and 14, are repealed.

15.21 Sec. 21. **REPEALER.**

15.22 Minnesota Statutes 2008, sections 136A.1701, subdivision 5; 136A.69, subdivision 15.23 2; and 141.255, subdivision 3, are repealed.