
CHAPTER 433—H.F.No.1758

[Coded in Part]

An act relating to the organization and operation of state government; imposing regulations for community college operations; appropriating moneys with certain conditions for education and related purposes, including the university of Minnesota and its hospitals, state colleges, aids to libraries, community colleges, higher education coordinating commission, and moneys for medical education.

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

Section 1. STATE GOVERNMENT; EDUCATIONAL PURPOSES; APPROPRIATIONS. Except as herein otherwise provided, the sums hereinafter set forth in the columns designated "APPROPRIATIONS", or so much thereof as may be necessary, are hereby appropriated out of the general fund in the state treasury or any other fund herein designated for the purposes specified in the following sections of this act, to be available for the fiscal year indicated for each purpose. The figures "1976", and "1977" wherever used in this act, shall mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1976, and 1977 respectively.

	APPROPRIATIONS	
	Available for the Year	
	Ending June 30,	
	1976	1977
	\$	\$
Sec. 2. DEPARTMENT OF EDUCATION		
Subdivision 1. General Academic		
and Related Services.	1,909,586	1,475,910
(1) Salaries, supplies, and		
expenses	\$1,859,586	\$1,475,910
(2) Claims, grants, and		
shared revenue	\$50,000	

Of the amount provided by this subdivision, \$14,100 each year is appropriated from the trunk highway fund.

The department shall direct the section on education professions development to determine the extent to which programs of teacher education in this state search for and communicate sound educational techniques to students of education. The department shall report by February 1, 1976 to the committee on finance of the senate and appropriations committee of the house on the plan devised to implement this provision and the progress made to that time.

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Provided that notwithstanding the provisions of Minnesota Statutes, Sections 121.26 and 125.08 to the contrary, the fee for registering with the teachers employment bureau shall not be less than \$10, and the fee for a certificate to teach or for a renewal or extension of certificate to teach shall not be less than \$10.

Subd. 2. Vocational Technical Instruction and Related Services 557,160 563,969

(1) Salaries, supplies, and expenses \$ 557,160 \$ 563,969

Subd. 3. Special and Compensatory Instruction and Related Services 761,691 767,370

(1) Salaries, supplies, and expenses \$ 361,691 \$ 367,370

(2) Claims, grants, and shared revenue

(a) Indian scholarships \$ 400,000 \$ 400,000

Any unexpended balance remaining in (a) in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 4. Education Planning, Innovative Developmental and Evaluative Services 702,627 704,296

(1) Salaries, supplies, and expenses \$ 181,517 \$ 183,186

(2) Claims, grants, and shared revenue \$ 521,110 \$ 521,110

Subd. 5. School Management and Services 1,917,952 1,921,224

(1) Salaries, supplies and expenses \$ 424,740 \$ 430,440

(2) Claims, grants, and shared revenue \$1,493,212 \$1,490,784

Of the amount provided in (2) of this subdivision, so much thereof as is necessary shall be used for the type "A" lunch program to be distributed under standards established by the state board of education.

Subd. 6. Auxiliary and General Support Services 4,002,225 4,067,474

(1) Salaries, supplies, and expenses \$1,776,225 \$1,847,474

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therein; the local plan of the applicant for promoting library service in the areas it serves and an estimate of the financial assistance to put such a plan in effect, and a statement of the ability of local government within the area served by the applicant to finance operations out of public funds raised by local taxes. Financial assistance shall be granted to an eligible applicant proposing an economical and practical plan for the promotion of library service in the area in such amount and subject to such conditions as the department determines after considering the information contained in the application for assistance and the total amount of state and federal funds available for the promotion of library service in the state. Provided that no state funds shall be used for construction of library facilities.

Subd. 8. Statewide Educational Assessment 250,000

The amount appropriated to the statewide assessment program shall be available only for fiscal year 1976; it shall be used to complete the analysis, reporting, and dissemination of the mathematics assessment data collected during fiscal year 1975, to complete the dissemination phase of the reading assessment data collected in fiscal year 1974, and to fulfill any departmental obligations incurred through contracts with school districts for extended local assessment activities on a cost-sharing basis. Insofar as practical, the department shall make available to school districts, upon their request and at a reasonable cost assessment instruments and normative data for the districts' own use.

Subd. 9. Vocational Rehabilitation 3,070,679 3,617,303
 (1) Salaries, supplies and expenses and counseling and care of persons \$1,550,425 \$1,689,486
 (2) Claims, grants, and shared revenues \$ 420,459 \$ 527,817
 (3) Long-term sheltered workshop and work activity \$1,100,000 \$1,400,000

Any unexpended balance remaining in (3) in the first year shall not cancel but shall be available for the second year of the biennium.

Any additional federal funds which become available to the state of Minnesota after April 1 of any fiscal year as a result of a reallocation of funds returned by other states or release of additional funds may be carried over and expended in the next fiscal year. The state of Minnesota shall have earned these funds in the year they are received with state expenditures in accordance with the federal-state formula in effect for that year.

The state department of education may expend funds received from school districts, governmental subdivisions, mental health authorities, and private nonprofit organizations for the purpose of conducting joint or cooperative vocational rehabilitation programs, and such funds

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are hereby appropriated for these purposes.

None of the amounts appropriated in subdivisions 3, 4, 5, 6, 7, and 9 listed as claims, grants and shared revenues or long term sheltered workshops on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of administration, shall be transferred to any other expenditure category other than that for which it was appropriated.

The number of state funded positions shall not exceed the number shown on official worksheets.

Sec. 3. STATE COLLEGE BOARD	53,186,577	54,340,889
Subdivision 1. Maintenance and Equipment		

The amounts appropriated in subdivisions 1 and 2 include a sum in each year for recruitment of unclassified staff. Candidates for positions in the state college board central office or in a state college who have been invited by the state college board for interview, may be reimbursed for travel and subsistence expenses in the same manner and amounts as state employees. This reimbursement may be made from college imprest cash funds.

In developing new programs with the funds provided herein the state colleges shall, wherever appropriate and educationally sound, attempt to employ excess faculty resulting from declining or shifting enrollments.

Subd. 2. Metropolitan State College	1,137,613	1,268,569
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The above amount shall be used by the state college board for operating an educational program for a state college center as organized in the seven county metropolitan area. The center may operate in facilities acquired through the commissioner of administration by gift or lease. The faculty and staff of the state college system shall provide assistance in developing curricular and educational programs for the college.

Subd. 3. State College Board Contingent	750,000
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

In event the enrollment of full time equivalent students enrolled exceeds the budget estimates of 30,754 full time equivalents the first year and 30,777 full time equivalents the second year of the biennium for the total state college system, it is the intent of the legislature to provide additional teaching positions at a ratio of one position for each 19 full time equivalent undergraduate students, and one position for each 13 graduate students in excess of the biennial budget enrollment

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estimates for each year of the biennium.

It is the intent of the legislature that any salary adjustments or other payments mandated by court action, a qualified administrative agency, or because of settlement of litigation in process be financed from the contingent fund.

The above appropriation is to be expended with the approval of the governor after consultation with the legislative advisory committee as provided by Minnesota Statutes, Section 3.30.

Subd. 4. Student Loans-State Matching		
	175,000	175,000

The above appropriation shall be used as state's matching share for any federal student aid or loan program.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium. No portion of the appropriation shall be used to defray obligations incurred prior to July 1, 1975.

Subd. 5. General		
Research	25,000	25,000

None of this appropriation shall be allotted or encumbered until a research project has been approved by the state college board. Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 6. Repairs and		
Betterments	1,456,000	

Any unexpended balance remaining in the first year shall not cancel but will be available for the second year of the biennium.

All receipts of every kind, including but not limited to students' tuition and fees, federal receipts, aids, contributions, and reimbursements in all state colleges are reappropriated to the state college board, but subject to budgetary control by the commissioner of administration, except the following receipts not subject to budgetary control by the commissioner of administration:

(a) those attributed to dormitory functions handled under Minnesota Statutes, Sections 136.31 to 136.38, and

(b) those attributable to college activity funds (including, for example, receipts from vending machines in buildings other than dormitories and student unions), and

(c) those attributable to grants for special projects, institutes, and similar activities subject to Minnesota Statutes, Sections 136.143 and 136.144.

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A report shall be submitted to the 70th session of the legislature as to the use of all such excepted funds.

The state college board is hereby authorized to transfer funds within the various college operating accounts of the maintenance and equipment appropriation account after the close of a fiscal year; provided such transfers are in accordance with Minnesota Statutes, Chapter 16A.

Grants awarded to the state college system by any state agency shall be transferred to the account(s) of the state college board. Such transfers shall be by journal voucher or a request for transfer of funds as deemed most appropriate by the commissioner of finance.

During the 1975-77 biennium, the state college board shall identify nonacademic unclassified positions in the state college system for transfer to the classified state service. Persons in employee status in such positions at the time of transfer shall be transferred with their consent into the classified service of the state without competitive examination, and shall be placed in the proper classifications by the commissioner of personnel, provided, however, that the salary of any present incumbent shall not be reduced because the range maximum is lower than his or her present salary. Personnel occupying positions transferred may continue in the retirement programs in which they currently participate. Employees who have been employed by the colleges more than one year shall be granted permanent status; those employees with less than one year of service will be placed on probationary status. The above provisions shall be effective notwithstanding any other provisions of law to the contrary.

Notwithstanding any other law to the contrary, reimbursements are appropriated for use during the fiscal year in which they are received.

Notwithstanding the provisions of any law to the contrary, Minnesota metropolitan state college is authorized to deposit tuition receipts received during the final quarter of each fiscal year in a suspense account. The balance in such an account shall not cancel on June 30 but shall be available in the next fiscal year.

The state college board may allocate, not to exceed \$3,000 annually, to each college president and the office of the chancellor for miscellaneous expenses in connection with the state college system. The provisions of Minnesota Statutes, Chapter 16A shall not apply to such expenditures but the state college board shall prescribe the manner, amount, and purpose of such expenditures and report thereon to the 1977 legislature.

Notwithstanding the provisions of Minnesota Statutes, Section 136.06, or any other law to the contrary, expenses incurred in travel outside of the state of Minnesota shall be paid upon prior authoriza-

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tion of the chief executive officer or president of the state college board. No other approval shall be required.

The state college board is authorized to utilize up to \$200,000 of the maintenance and equipment appropriation each year for regional and community service projects provided that the agency or local unit of government receiving such services shall reimburse the college system for not less than one third their cost. Receipts so derived shall be treated as tuition for enrollment and budgetary purposes.

Notwithstanding any provision in Minnesota Statutes, Chapter 16A which may indicate the contrary, when the state college board so requests, technical educational equipment may be procured for the state colleges either by brand designation or in accordance with standards and specifications which the board may promulgate.

In addition to the fees prescribed by Minnesota Statutes, Section 136.11, the state college board may prescribe fees to be charged students for college activities, functions, and purposes.

Notwithstanding any other provision of law to the contrary, the state college board may make refunds to students for tuition, activity fees, union fees and any other fees from imprest cash funds. The imprest cash fund shall be reimbursed periodically by checks or warrants drawn on the funds and accounts to which the refund should ultimately be charged. The state college board shall obtain the approval of the legislative auditor for the procedures used in carrying out the provisions of this paragraph.

The state college board may waive tuition on institutes, courses or projects when the sponsor pays all costs.

Notwithstanding the provisions of any law to the contrary, the state college board is authorized to provide for the orderly replacement of aircraft. An equipment suspense account shall be established by the commissioner of finance within the general fund. All receipts which are attributable to the operation or use of such aircraft are hereby re-appropriated to the state college board. These receipts, or such portion thereof as may be designated by the board, shall be credited to the equipment suspense account. Any balance in this account shall not cancel at the end of a fiscal year but shall remain available for transfer at the request of the board to its maintenance and equipment account.

The state colleges are authorized to charge a placement service registration fee of \$10 to each student or graduate upon registration with the college placement service.

The state college board is authorized to contract for hospital benefits coverage and medical benefits coverage for students in the same manner as authorized by Minnesota Statutes, Section 43.45.

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The provisions of Minnesota Statutes, Section 136.13, notwithstanding, the state college board may hold its annual meeting on any day in the month of May.

All other provisions of law notwithstanding, the state college board is hereby authorized to demolish Lawrence hall at St. Cloud state college provided that a comprehensive space requirement study indicates such demolition represents the most economical course of action. Such demolition shall be accomplished at no cost in appropriated funds and shall not be initiated without the recommendation of the chairmen of the house appropriations and senate finance committees which shall be advisory only.

The commissioner of administration is authorized to dispose of by sale or other means of selected buildings on the Mankato lower campus. The overall plan submitted to the legislature in a report authorized by Laws 1974, Chapter 516, Section 3, may be used to provide guidance for such sale but shall not be the only source of information in selecting buildings for disposal. The use of information in the report for this purpose does not infer acceptance of the recommendation by the legislature. Such sale shall not be authorized until the commissioner of administration has first consulted with the chairman of the senate finance and the chairman of the house appropriation committee and obtained their recommendations which shall be advisory only.

Sec. 4. UNIVERSITY OF MINNESOTA,		
COORDINATE CAMPUSES AND EXPERIMENT		
STATIONS	121,387,605	124,576,189

Subdivision 1. Operations and Maintenance

The board of regents of the university may use any money not specifically appropriated for other purposes for acquiring land by purchase or condemnation. In case it is desired to use the fund for the acquisition of land, the power of eminent domain may be exercised in accordance with Minnesota Statutes, Chapter 117.

No land shall be purchased and no buildings shall be purchased, constructed or erected on lands of the university until the regents have first consulted with the chairman of the senate finance committee and the chairman of the house appropriations committee and obtained their recommendations which shall be advisory only.

The board of regents shall direct a review of the admission policies of all the professional and graduate schools of the university of Minnesota. A preliminary report outlining the scope and method of the review to be employed shall be submitted to the legislature not later than August 15, 1975 and a final report shall be forwarded by January 1, 1976.

Of the second year's appropriation to the Duluth basic sciences

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medical program, \$200,000 shall be available only if new facilities are available and the incoming class is expanded to 48 students.

Provided that these appropriations for maintenance and operations are made from revenues accruing to the university from:

- (1) the investments of the permanent university fund; and
- (2) the occupation tax on iron ore.

If such revenues are insufficient, the remainder of such appropriations are advanced and appropriated from any moneys in the state treasury credited to the general fund. The income derived from the investment of the permanent university fund is hereby appropriated to the board of regents pursuant to Minnesota Statutes, Section 137.022.

For the purposes of these appropriations it is estimated that the income to be derived from the investment of the permanent university fund will not exceed \$2,532,006 for the first year and \$2,563,506 for the second year. If at the end of any fiscal year there are unexpended revenues accruing to the university from the occupation tax on iron ore, the general fund shall be reimbursed therefrom to the extent that payments have been made from the general fund during such fiscal year pursuant to these appropriations. The board of regents shall certify to the commissioner of finance at the end of each quarter the amounts of earnings derived from the investment of the permanent university fund and if the income derived from the investment of the permanent university fund during any fiscal year exceeds the amounts herein stated, the amounts payable from the general fund shall be reduced accordingly.

For budgetary purposes it is estimated that the foregoing appropriation from the general fund will not exceed the sum of \$118,855,599 the first year and \$122,012,683 the second year.

On October 1, 1976 and 1977 the president of the university of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of administration the following information:

- (1) the total amount of receipts during the fiscal year 1976 from all sources in excess of \$56,000,000 and during the fiscal year 1977 from all sources in excess of \$57,900,000.

- (2) the sources of said receipts; and

- (3) the purposes for which any excess receipts were expended and accounts to which transferred.

The appropriation in section 4 for fiscal year ending June 30, 1976 includes deficiency funds for fuel, Diehl hall equipment and Wisconsin

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veterinary medicine reciprocity agreement which shall not become a part of the expenditure base.

Subd. 2. Student Loans-State Matching
395,000

The above appropriation shall be used as state's matching share for any federal student aid or loan program. Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 3. Library Supplement	700,000	700,000
Subd. 4. Summer School Tuition and Continuing Education Supplement	747,272	772,521

Provided that the board of regents shall expend the funds to equalize tuition rates among undergraduate students for regular session, summer session and extension programs in order to facilitate to the maximum the use of campus units, buildings and staff.

Sec. 5. FOR CARE OF INDIGENT COUNTY PATIENTS TO BE RENDERED BY THE UNIVERSITY OF MINNESOTA HOSPITALS, INCLUDING THE HEART HOSPITAL

Subdivision 1. For State's Share of
Expenses of County Indigent Patients
1,580,000 1,700,000

A county under this appropriation will be reimbursed for 70 percent of the expenses charged against a patient at the university hospital up to \$5,000 in accordance with Minnesota Statutes, Chapter 158. A charge against a patient in excess of \$5,000 will be paid by the state. Except as otherwise herein set forth, the other provisions of the cited statute shall continue in force and effect.

Subdivision 1 shall include and cover the amounts which may become due to the university of Minnesota from the state during the fiscal years covered by said subdivisions.

There is further appropriated to the university of Minnesota the following sums, or so much thereof as may be necessary, for the purpose of reimbursing the said university for the sum due from counties during said fiscal years under the provisions of said acts, payments to be made quarterly out of said appropriation, as shown by certificates filed with the commissioner of finance pursuant to the provisions of Minnesota Statutes, Chapter 158.

470,000 500,000

The commissioner of finance is authorized and directed to pay the university out of sums collected from counties under the provisions of chapter 158, during the fiscal years ending June 30, 1976, and June 30, 1977 respectively, an amount sufficient to reimburse the university in

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full for the amount due it from counties during said fiscal years as shown by certificates filed with the commissioner of finance, and a sum sufficient to make such payments is hereby appropriated.

Sec. 6. SPECIAL HOSPITALS, COMMUNITY SERVICE, AND EDUCATIONAL OFFSET.	4,703,485	4,847,477
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Fees for service furnished to counties and individuals under this item shall be sought to augment the sum hereby appropriated, which fees are hereby reappropriated to the university hospital.

Sec. 7. FOR VARIOUS EXPERIMENTS AND INVESTIGATIONS TO BE CARRIED ON UNDER THE DIRECT SUPERVISION OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Agricultural Extension Service	4,958,820	5,165,397
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This subdivision includes the items of agriculture extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted to personnel provided for by this subdivision by the university shall not result in a reduction of the county portion of the salary payments.

This appropriation includes funds for each year for the potato and sugar beet extension program in the Red River Valley, contingent on an equal amount being provided by the state of North Dakota.

Subd. 2. General Agricultural Research.	4,857,388	4,788,892
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The above appropriation includes funds for research on aquatic plants (including wild rice), soybeans, avian disease, corn improvement and irrigation.

Subd. 3. Veterinary Diagnostic Laboratory and Teaching Hospital	436,391	468,732
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Subd. 4. Geological Survey	264,860	268,180
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Subd. 5. Lake Superior Basin Studies	53,389	54,943
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The university shall submit a progress report to the 1977 legislature.

Subd. 6. General Research	1,407,584	1,501,259
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This appropriation is, as the board of regents may direct, for general research, business and economic research including Duluth, training for careers in fire prevention and protection, center for urban and regional affairs, museum of natural history, project Newgate, and juvenile justice seminar.

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The amount for project Newgate shall be the final appropriation to the university of Minnesota and future appropriation requests for this program shall be submitted by the department of corrections.

Subd. 7. Industrial Relations Education program		
	300,347	339,006

The above appropriation includes funds for short courses, programs, and seminars for labor and management.

Subd. 8. Duluth Campus		
(a) Basic Sciences Program for Medical Training	1,278,993	1,509,432
(b) Dental Hygiene Program	181,298	188,643
(c) Graduate School of Social work	340,880	370,045
Subd. 9. Freshwater Biological Research Institute	100,000	125,000
Subd. 10. Child Care Center	25,000	

The above appropriation is to assist the university in developing a self supporting child care center to be used as a teaching and research adjunct to the college of education.

Subd. 11. Intercollegiate Athletics	75,000	100,000
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The above appropriation shall be used only for the support of women's intercollegiate athletic program.

Subd. 12. Medical Research	1,117,288	1,155,224
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The above amount includes funds for cancer research, control of hypercholesterolemia, cystic fibrosis and biological regulation in disease.

Subd. 13. Graduate Residency program	2,808,000	2,960,000
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All hospitals receiving any portion of the above appropriation shall furnish the house appropriations and senate finance committees with a full report no later than December 31, 1975, of all actual and reasonable costs resulting from graduate family practice residency education, and all fees and income to the hospital generated by the graduate residents in family practice and the purposes for which such funds were expended.

The commissioner of finance, in cooperation with the university of Minnesota, shall prepare a form to be used by all hospitals making such reports. The commissioner of finance shall also issue guidelines for hospitals to use in determining costs and income related to family practice residency education.

Expenditures from this appropriation may be made only for active changes or additions indicated by underline deletions by ~~strikeout~~

ities directly related to the training of doctors in family practice.

Subd. 14. Medical Services and Instruction	822,849 980,076
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The above amount includes funds for the rural health physicians' associate program, drug abuse information and education, and allied health-nurse-clinician generalist program.

Subd. 15. Hormel Institute - Austin	100,000 100,000
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To support the operation of the institute and to promote research by such institute.

Subd. 16. Clinical Program Law	95,000 105,000
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Serving civil legal needs of persons confined to state institutions. None of these funds shall be used to pay for law suits against public agencies or public officials to change social or public policy.

From the appropriation made to the university of Minnesota by this act and from other sources all nonacademic employees shall be paid a salary comparable to the salaries paid to state employees in the classified state civil service.

The university shall prepare a report on salaries and fringe benefits of their nonacademic staff. The report shall include but not be limited to the following information regarding nonacademic staff for each appropriation account: number of employees expressed in full time equivalents; salary costs for the prior, current and subsequent year; fringe benefit costs for the prior, current and subsequent year; and the assumptions made in preparing this information. This information shall be summarized by salary schedules "A", "B", and "C" as established for the state classified civil service. For purposes of this report the university shall assign classifications that are unique to the university to the appropriate state classified civil service salary schedule. This report shall be submitted to the committee on finance of the senate, the committee on appropriations of the house of representatives, and the commissioner of administration. The report shall be submitted on or before December 15, 1975. A subsequent report shall be submitted on or before November 15, 1976.

The appropriations made to the university of Minnesota by this act include funds for the employers share of social security, state retirement, and health insurance and such funds shall be expended only for these purposes. Any funds provided for these purposes by this act that are in excess of the employers share shall be returned to the state treasury.

None of the appropriations made in this act, with the exceptions of the appropriations for the university of Minnesota hospitals or made in this or other acts toward buildings, shall be made to the university

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by the commissioner of finance until the university first certifies to the commissioner of finance that its aggregate balances in the temporary investment pool, cash, or separate investments, resulting from all state maintenance and special appropriations do not exceed \$7 million plus one third of all tuition and fee payments from the previous fiscal year. Upon such certification, one twelfth of the annual appropriation to the university shall be paid at the beginning of each month. Additional payments shall be made by the commissioner of finance whenever the state appropriations and tuition aggregate balances in the temporary investment pool, cash, or separate investments, are reduced below the indicated levels.

No payment of appropriations toward buildings shall be made by the commissioner of finance until all balances separately invested, including cash, and those in the temporary investment pool attributable to all state building funds shall be reduced below \$5 million. Payment shall then be made upon certification of the amounts needed for construction payments, but so as not to increase the building balances in cash, separately invested, or in the temporary investment pool, to a total above \$5 million.

Appropriations not paid to the university in any fiscal year shall carry over to the following fiscal year.

Moneys not paid to the university by reason of the foregoing requirements shall be invested by the state in those securities authorized by Minnesota Statutes, Section 11.10 until paid to the university. Income from investments shall be credited to the general fund in the state treasury.

In preparing legislative budget request for the 1977-1979 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

Sec. 8. MAYO MEDICAL
SCHOOL

1,200,000 1,224,000

The state of Minnesota shall pay a capitation of \$8,000 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.

The administration of Mayo shall direct a review of the admissions policies of the Mayo medical school. A preliminary report outlining the scope and method of the review to be employed shall be submitted to the legislature not later than August 15, 1975 and a final report shall be forwarded by January 1, 1976.

Sec. 9. MINNESOTA BOARD
OF NURSING

Nursing Scholarships

125,000 125,000

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Sec. 10. MINNESOTA HIGHER
EDUCATION COORDINATING COMMISSION

Subdivision 1. Salaries and Expenses	792,068	685,060
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This appropriation includes funds for the administration of the state scholarship, state grant-in-aid, student loan, budget review, program review, and private college contracts.

Subd. 2. State Scholarship Program	5,000,000	5,750,000
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Subd. 3. State Grant-In-Aid Program	8,500,000	9,400,000
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Subd. 4. Work Study Program	500,000	1,250,000
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Notwithstanding the provisions of Minnesota Statutes, Section 136A.231, the higher education coordinating commission is hereby authorized and directed to develop a work-study program for which postsecondary education students will be eligible without regard to whether or not such students are recipients of state scholarships or grants-in-aid. The commission shall prescribe criteria, policies and procedures for participation of institutions and students in the program. All postsecondary institutions which are eligible under the state grant-in-aid program shall be eligible institutions under the work-study program. The commission shall determine an appropriate method for allocating funds among institutions and awarding funds to students who demonstrate need according to guidelines adopted by the commission. The commission shall adopt such additional policies and guidelines as may be necessary for effective administration of the program.

Subd. 5. Minitex Library Program	350,000	350,000
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The commission, in cooperation with the state community college system, the state college system, the university of Minnesota, and the Minnesota private colleges, shall be responsible for coordination and management of the minitex library program.

Subd. 6. Private College Contracts	3,200,000	4,000,000
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Subd. 7. Regional Coordination and Service	247,813	
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The above appropriation shall be expended in accordance with official conference committee worksheets.

The higher education coordinating commission is directed to develop and administer three experimental regional postsecondary education projects aimed at improving the efficiency and effectiveness of postsecondary education in meeting regional needs through increased interinstitutional cooperation and coordination of programs and plan-

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ning within a region. In developing the three experimental projects, the commission shall attempt to (1) improve the accessibility of all levels of postsecondary education to residents of the regions, (2) eliminate any unwarranted duplication of effort in the regions, (3) facilitate effective use of postsecondary education facilities and services for meeting regional needs, (4) provide for more effective liaison between regional planning and coordination of postsecondary education with regional planning and coordination of other public services, and (5) test means for accomplishing greater interinstitutional cooperative efforts for meeting local and regional needs of Minnesota residents. The commission shall report on the results of the experimental regional projects in its next biennial report to the governor and the legislature. All postsecondary institutions and systems are requested to cooperate with and to assist the commission in developing these projects.

The commission is authorized and directed to supervise a student loan program in accordance with Minnesota Statutes, Sections 136A.14 to 136A.17.

The higher education coordinating commission is hereby directed to take the necessary steps to encourage and expand the sharing of facilities and course offerings, through crossregistration or other appropriate means, between all public and private institutions of higher learning in Minnesota. A report showing the achievements and progress as well as recommendations for improvements and progress in this area shall be submitted to the 1977 legislature no later than January 1, 1977.

For the purpose of improved communications between all segments of public and private postsecondary education, the advisory council of the higher education coordinating commission shall be requested to sit with the higher education coordinating commission in the deliberations and discussions of the commission. Members of the advisory council shall, however, not vote on any matter before the commission.

Any unexpended balance remaining the first year in subdivisions 1, 2, 3, 4, 5, 6, and 7 shall not cancel but shall be available for the second year of the biennium.

Subd. 8. Medical Student
Loan Reserve

17,550 27,300

The appropriations in the sum of \$1,000,000 contained in Laws 1973, Chapter 768, Section 14, Subdivision 8 may be used by the commission for costs incurred in administering the provisions of this act. The balance of the appropriation not required for administrative costs shall constitute a reserve fund which may be invested by the commission. Any interest which accrues on such investment shall inure to the commission and shall be available for additions to the reserve fund. The reserve fund shall not cancel and shall be available to the commission for as long as the programs provided by the provisions of this act

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are in effect. The commission may use the reserve fund established by the appropriation for fulfilling the income contingent provisions of this act as well as for the general purposes of the reserve fund in accordance with the provisions of this act.

The appropriation in the sum of \$100,000 contained in Laws 1973, Chapter 727, Section 4, shall not cancel but shall be available to the commission for so long as bonds for medical student loans are outstanding.

Subd. 9. Education of Dependents	10,000	10,000
Subd. 10. Foreign Student Loan	80,000	80,000

Subd. 11. Notwithstanding any other provision of law to the contrary, the commission may adopt rules to allow state grant-in-aid awards to be made to students who did not receive an award for the first year of postsecondary education, in order to meet needs of students who experience unusual financial difficulties after the first year. Initial awards to students after the first year may be renewable according to rules adopted by the commission. The commission shall prescribe by rule the conditions, criteria, terms, and amounts of awards to be made to students who did not receive an award in the first year.

Sec. 11. STATE COMMUNITY COLLEGE BOARD		
Subdivision 1.	23,233,838	23,388,689

The above appropriation is for maintenance and equipment of the state community college board and the state community colleges. The state community colleges are encouraged to use off-campus courses to extend the benefits of this appropriation to as many Minnesota residents as possible.

The amounts appropriated in subdivision 1 include a sum in each year for recruitment of faculty. Candidates for twelve month administrative positions and for academic positions who have been invited by the state community college board for interview may be reimbursed for travel and subsistence expenses in the same manner and in the same amounts as state officers and employees.

The cost of living provisions of the professional staff agreement as negotiated between the state board for community colleges and the Minnesota community college faculty association shall not be implemented during the 1975-77 biennium and the agreement is approved as modified.

Subd. 2. Occupational Program Development	450,000
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Prior to use of the above funds the chancellor of the community college system shall submit the proposed program, and expenditures

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for review by the chairmen of the house appropriations and senate finance committees.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

All receipts of every kind, nature and description, including student tuition and fees, all federal receipts, aids, contributions and reimbursements in all the state community colleges are hereby reappropriated to the state community college board, but are subject to budgetary control to be exercised by the commissioner of administration.

The state community college board is authorized to establish activity funds, except for dormitory purposes, and imprest cash funds, to waive tuition charges and to act as agent and accept the benefits of Public Law 88-452, known as the Economic Opportunity Act of 1964, as amended, Public Law 85-864, known as the National Defense Education Act of 1958, as amended, to the same extent and subject to the same conditions as such authority is vested in the state college board. Minnesota Statutes, Sections 136.56, 136.045, 136.142, 136.143, 136.144, 136.171, 136.22, 169.966, 352.01, Subdivision 2a(6), also apply to the state community college board and the state community colleges in the same manner as to the state college board and the state colleges.

All receipts attributable to the college activity funds and deposited in the state treasury are hereby reappropriated to the state community college board and are not subject to budgetary control as exercised by the commissioner of administration.

Notwithstanding any other law to the contrary, reimbursements are appropriated for use during the fiscal year in which they are received.

Subd. 3. Student Loan Program-		
State Matching	75,000	85,000

The above appropriation shall be used as state's matching share for any federal student aid or loan programs.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 4. State Community College Board Contingent	300,000
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory committee, as provided by Minnesota Statutes, Section 3.30.

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Notwithstanding any other law to the contrary, Minnesota Statutes, Section 268.08, Subdivision 5(b), shall apply to classified employees of the state board for community colleges.

Subd. 5. Repairs and Betterments
754,778

Any unexpended balances remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 6. Special Assessments
41,500

Sec. 12. [356.26] ADMINISTRATIVE EXPENSES, SALARY DEDUCTION. Notwithstanding the provisions of any law to the contrary, the administrative expenses incurred by any employing governmental unit in connection with the purchase of individual annuity contracts for employees pursuant to Minnesota Statutes, Sections 121.48; 123.35, Subdivision 12; 136.55; 136.70; 471.615; or any other like provision of law shall be paid from deductions from the salaries of the employees on whose behalf such contracts are purchased. For such purpose, each employing governmental unit shall deduct from the salary of each such employee an amount equal to two percent of the amounts deducted for the purpose of purchasing such individual annuity contracts. All receipts shall be deposited in the general fund.

Sec. 13. WORKMENS COMPENSATION To be transferred by the commissioner of finance to the department of labor and industry compensation revolving fund, in payment of obligations incurred by the following agencies in the amounts as indicated:

State College Board 108,502.26

Sec. 14. UNEMPLOYMENT COMPENSATION 215,751.21

In reimbursement of unemployment compensation benefits paid for former employees of the state college board.

Sec. 15. UNOBLIGATED BALANCES ON HAND, CANCELLED INTO GENERAL FUND. Except the revolving fund for the on-the-job training program, the unobligated balances on hand as of June 30, 1975, June 30, 1976, June 30, 1977, in the several appropriations and accounts for which an appropriation is made herein, unless otherwise excepted in this act, are hereby cancelled into the general fund for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977 and the unobligated balances on hand as of June 30, 1975, June 30, 1976, and June 30, 1977 appropriated out of any other funds, shall be cancelled into the fund from which they are appropriated as of June 30, 1975, June 30, 1976, and June 30, 1977.

Sec. 16. INCOME, FEES, RECEIPTS, DEPOSITED IN GENERAL FUND. Except as herein otherwise specifically provided, except the income to the university of Minnesota, and except all federal aid, contributions, or reimbursements received for any account of any division,

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institution or department for which an appropriation is made in this act, all income, including fees or receipts of any nature whatsoever, shall be deposited in and for the benefit of the general fund.

Sec. 17. APPROVED COMPLEMENT. Whenever an appropriation to any department or agency for salaries discloses an approved complement, that department or agency is limited in the employment of the number of full time equivalent persons including part time and seasonal employees indicated by such approved complement.

Except as otherwise provided in this act, additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve such additional personnel until he has consulted with the legislative advisory committee created by Laws 1943, Chapter 594, and such committee has made its recommendation upon the matter. Such recommendation shall be advisory only. Failure or refusal of the committee to make a recommendation promptly shall be deemed a negative recommendation. The provisions hereof shall extend to any other agency to which the present authority of the legislative advisory committee may be transferred, but shall be deemed to be repealed in case such authority shall be abolished.

Sec. 18. Any moneys made available to any state department or agency by this act by appropriation, transfer or otherwise for the payment of salaries is a source of revenue to such department or agency under the provisions of Minnesota Statutes 1971, Sections 355.50 and 352.04, Subdivision 5.

Sec. 19. In order to enable the state to match the cost of any program under Title I of the Higher Education Act of 1965, any receipts accruing to any state department or agency by reason of service performed for the university of Minnesota in connection with such program shall be deposited in the state treasury. Such receipts are hereby reappropriated to the department or agency making the deposit, to be used as part of the state's 25 percent share of the cost of such programs. The balance of the state's share of the cost of such programs is payable by the participating departments or agencies from any moneys appropriated for salaries, supplies and expenses.

Sec. 20. Notwithstanding the provisions of any law to the contrary, the administrative expenses of the supplemental retirement plan established pursuant to Minnesota Statutes 1971, Sections 136.80 to 136.87 shall be paid from the portion of the cash realized on the redemption of shares pursuant to Minnesota Statutes 1971, Section 136.82, Subdivision 1, Clause (5) which becomes the property of the supplemental retirement account of the teachers retirement fund. The balance of said cash after payment of said expenses shall be prorated as thereafter provided in Minnesota Statutes 1971, Section 136.82, Subdivision 1, Clause (5). The amount of \$12,500 is hereby annually appropriated to the teachers retirement association from the cash bal-

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ance described herein for said purposes.

Sec. 21. If additional funds become available to the state board for community colleges, state college board or the board of regents for the purpose of adjusting faculty salaries to implement cost of living provisions of any professional staff agreement for the 1975-77 bien- nium, an amount equal to the additional funds shall be cancelled to the general revenue fund.

Sec. 22. The speaker of the house shall name five members of the house and the senate committee on committees shall name five mem- bers of the senate to review tuition policy at postsecondary vocational schools. The joint committee shall report to the 1976 legislature its findings and recommendations.

Approved June 5, 1975.

CHAPTER 434—H.F.No.1743

[Coded in Part]

An act relating to the organization and operation of the state government; ap- propriating moneys therefor, permitting transfers in certain cases and limiting the use thereof, including appropriations for the departments of public welfare, correc- tions, health, corrections ombudsman, various health related boards, public assis- tance programs, aid to dependent children, Minnesota supplemental assistance, and public relief; amending Minnesota Statutes 1974, Chapter 8 by adding a section, Sections 241.01, Subdivision 7; and 260.151, Subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MIN- NESOTA:

Section 1. STATE GOVERNMENT; DEPARTMENTS OF PUBLIC WELFARE, CORRECTIONS, HEALTH, CORRECTIONS OMBUDS- MAN, AND VARIOUS HEALTH RELATED BOARDS; APPROPRIA- TIONS. The sums hereinafter named, or so much thereof as may be necessary, are hereby appropriated from the general fund in the state treasury not otherwise appropriated, or any other fund herein desig- nated, to be expended for the purposes specified in the following sec- tions of this act, to be available for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

	APPROPRIATIONS	
	Available for the Year	
	Ending June 30.	
	1976	1977
\$	\$	

Sec. 2. TO THE COMMISSIONER
OF PUBLIC WELFARE

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