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**CHAPTER 390—H.F.No.787**

*An act relating to education; higher education coordinating commission; prescribing additional duties for the commission; authorization of reciprocity agreements; authorizing contracts with private colleges; providing for increasing scholarships and grants-in-aid; authorizing revenue bonds for student loans; appropriating money; amending Minnesota Statutes 1974, Sections 136A.04; 136A.05; 136A.08; 136A.101, Subdivision 4; 136A.121, Subdivision 3; 136A.171; 136A.20; 147.30; and 147.31.*

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

Section 1. Minnesota Statutes 1974, Section 136A.04, is amended to read:

**136A.04 EDUCATION; HIGHER EDUCATION COORDINATING COMMISSION; APPROPRIATION; DUTIES.** The higher education coordinating commission shall:

(a) Continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state in respect thereto;

(b) Continuously engage in long range planning of the needs of higher education and, if necessary, cooperatively engage in such planning with neighboring states and agencies of the federal government;

(c) Act as successor to any committee or commission heretofore authorized to engage in exercising any of the powers and duties prescribed by sections 136A.01 to 136A.07;

(d) Review, make recommendations and identify priorities with respect to all plans and proposals for new or additional programs of instruction or substantial changes in existing programs to be established in or offered by, the University of Minnesota, the state colleges, the community colleges, and public area vocational-technical institutes, and private collegiate and non-collegiate institutions offering post-secondary education, and periodically review existing programs offered in or by the above institutions and recommend discontinuing or modifying any existing program, the continuation of which is judged by the commission as being unnecessary or a needless duplication of existing programs ;

(e) Develop in cooperation with the post-secondary systems, committee on appropriations of the house of representatives, committee on finance of the senate, and the departments of administration and finance a compatible budgetary reporting format designed to provide

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data of a nature to facilitate systematic review of the budget submissions of the university of Minnesota, the state college system, the state community college system and the public vocational technical schools; and which includes the relating of dollars to program output;

(f) Review budget requests, including plans for construction or acquisition of facilities, of the university of Minnesota, the state colleges, the state community colleges, and public vocational-technical schools for the purpose of relating present resources and higher educational programs to the state's present and long range needs; and conduct a continuous analysis of the financing of post-secondary institutions and systems, including the assessments as to the extent to which the expenditures and accomplishments are consistent with legislative intent;

(g) Obtain from private post-secondary institutions receiving state funds a report on their use of those funds.

Sec. 2. Minnesota Statutes 1974, Section 136A.05, is amended to read:

**136A.05 COOPERATION OF INSTITUTIONS OF HIGHER EDUCATION.** All institutions of higher education, public and private, and all state departments and agencies are requested to cooperate with and supply written information requested by the higher education coordinating commission in order to enable it to carry out and perform its duties.

Sec. 3. Minnesota Statutes 1974, Section 136A.08, is amended to read:

**136A.08 RECIPROCAL AGREEMENTS RELATING TO NONRESIDENT TUITION WITH OTHER STATES.** Subdivision 1. The Minnesota higher education coordinating commission herein referred to as the commission, in addition to its general responsibility for cooperatively engaging in planning higher education needs with neighboring states pursuant to section 136A.04, may enter into agreements or understandings which include remission of nonresident tuition for designated categories of students at state institutions of higher education and public area vocational-technical institutes with appropriate state agencies and institutions of higher education in other states to facilitate utilization of public higher education institutions in this state and other states. Such agreements shall have as their purpose the mutual improvement of educational advantages for residents of this state and such other states or institutions of other states with whom agreements are made.

At the discretion of the commission, a higher education reciprocity agreement with the state of Wisconsin may include provision for the transfer of funds between Minnesota and Wisconsin provided that an income tax reciprocity agreement between Minnesota and Wisconsin is in effect for the period of time included under the higher educa-

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tion reciprocity agreement. If provision for transfer of funds between the two states is included in a collegiate education reciprocity agreement, the amount of funds to be transferred shall be determined according to a formula which is mutually acceptable to the commission and a duly designated agency representing Wisconsin. Such formula shall recognize differences in tuition rates between the two states and the number of students attending institutions in each state under the agreement. Any payments to Minnesota by Wisconsin shall be deposited by the commission in the general fund of the state treasury. There is hereby appropriated from any moneys not otherwise appropriated such amounts as may be necessary for payments to Wisconsin under the provisions of a collegiate education reciprocity agreement. The amount of any appropriation required for these purposes shall be certified by the executive director of the higher education coordinating commission to the commissioner of finance annually.

Subd. 2. At the discretion of the commission, a reciprocity agreement with North Dakota may include provision for the transfer of funds between Minnesota and North Dakota. If provision for transfer of funds between the two states is included in an agreement, the amount of funds to be transferred shall be determined according to a formula which is mutually acceptable to the commission and a duly designated agency representing North Dakota. In adopting a formula, the commission shall consider tuition rates in the two states and the number of students attending institutions in each state under the agreement. Any payment to Minnesota by North Dakota shall be deposited by the commission in the general fund. There is appropriated from the general fund to the higher education coordinating commission the amounts necessary for payments to North Dakota under a reciprocity agreement. The amount of the appropriation required for the payments shall be certified by the executive director of the higher education coordinating commission to the commissioner of finance annually. All provisions in this subdivision pertaining to North Dakota shall also be applied to South Dakota and all authority and conditions granted for higher education reciprocity with North Dakota are also granted for higher education reciprocity with South Dakota.

Subd. 3. The commission may enter into an agreement, with a state with which it has negotiated a reciprocity agreement for tuition, to permit students from both states to receive student aid awards from the student's state of residence for attending an eligible institution in the other state.

Subd. 4. No agreement made by the commission pursuant to this section shall be valid as to an area vocational-technical institute without the approval of the state board for vocational education, as to a state college without the approval of the state college board, as to a community college without the approval of the state board for community colleges, and as to the university of Minnesota without the approval of the board of regents of the university of Minnesota.

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Sec. 4. Minnesota Statutes 1974, Section 136A.101, Subdivision 4, is amended to read:

Subd. 4. "Eligible institution" means an institution of higher education located in this state or in a state with which the commission has entered into a higher education reciprocity agreement on state student aid programs which provides an organized course of instruction of at least two years duration in the sciences or liberal arts, including performing and visual arts, or a combination of these, at the collegiate level which either (1) is operated by this state, or (2) is operated publicly or privately ; ~~not for profit~~, and as determined by the commission, maintains academic standards substantially equivalent to those of comparable institutions operated in this state or an area vocational-technical school or other vocational school approved by the commission.

Sec. 5. Minnesota Statutes 1974, Section 136A.121, Subdivision 3, is amended to read:

Subd. 3. **ALLOCATION AND AMOUNT.** (1) Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those first year students and transfer students who meet the commission's requirements;

(2) A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of ~~\$1,000~~ \$1,100 to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need. Scholarship winners who do not demonstrate financial need under criteria prescribed by the commission shall be awarded honorary scholarships;

(3) A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of ~~\$1,000~~ \$1,100 to a minimum of \$100, but in no event shall exceed one half of the applicant's financial need;

(4) In dispensing available funds in a given year, priority shall be given on the following basis:

Renewal scholarships and grants-in-aid.

Thereafter, until the funds are exhausted, to first year and transfer applicants, on the basis of their rank in the case of scholarships, and on the basis of need with first year and transfer applicants treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the commission.

(5) Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalau-

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reate degree obtained, whichever occurs first;

(6) Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota, United States citizenship, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need;

(7) The student must apply for renewal of his scholarship or grant-in-aid each year;

(8) The student must continue to attend an eligible institution;

(9) All scholarship winners shall be notified of their award by the commission and shall be given appropriate evidence of the award;

(10) All grant-in-aid recipients shall be duly notified thereof by the commission;

(11) Financial scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such awards shall revert to the commission scholarship or grant-in-aid account.

Sec. 6. Minnesota Statutes 1974, Section 136A. 171, is amended to read:

**136A.171 REVENUE BONDS; ISSUANCE; PROCEEDS.** The higher education coordinating commission is hereby authorized to issue revenue bonds in an aggregate amount not to exceed ~~\$20,000,000~~ \$90,000,000 for the purpose of obtaining funds for loans made in accordance with the provisions of ~~Laws 1973, Chapter 605—chapter~~ 136A . Proceeds from the issuance of bonds may be held and invested by the commission pending disbursement in the form of loans. All interest and profits from such investments shall inure to the benefit of the commission and shall be available to the commission for costs incurred in administering loans under ~~Laws 1973, Chapter 605—chapter~~ 136A and for loan reserve funds.

Sec. 7. Minnesota Statutes 1974, Section 136A.20, is amended to read:

**136A.20 AUTHORIZATION FOR CONTRACTS.** The higher education coordinating commission is authorized to enter into contractual arrangements with eligible private colleges in Minnesota. Such contracts may provide for payments to such private colleges for educating Minnesota residents in programs approved by the commission. Such contractual arrangements shall provide for payment from the state treasury to each private college providing the service prescribed by the contract of an amount not to exceed ~~\$500~~ \$150 per student in each in-

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stitution which grants a bachelor's degree and ~~\$400-\$120~~ per student in each institution which grants an associate degree, but not a bachelor's degree, for each Minnesota resident who is not a recipient of a state grant in aid enrolled as a full time student ~~in excess of the number of Minnesota residents enrolled as full time students in each private college in the fall of 1970~~ and, in addition, ~~an equal amount per student~~, \$500 for institutions granting a bachelor's degree and \$400 for institutions granting an associate degree, for every student who receives a state grant under the Minnesota state grant-in-aid program and is enrolled in each private college as a full time student ~~without regard to the number of students previously enrolled~~.

Sec. 8. Minnesota Statutes 1974, Section 147.31, is amended to read:

147.31 **BONDS.** The higher education coordinating commission is authorized to issue revenue bonds, notes, bond anticipation notes and refunding revenue bonds in accordance with and pursuant to the provisions on revenue bonds for student loans contained in chapter 136A for the purpose of securing funds necessary for renewing loans to medical and osteopathic students and \$120,000 per year for new loans for the program authorized pursuant to sections 147.30 to 147.33; ~~for up to a maximum of 40 recipients the first year of the biennium and 20 additional recipients the second year of the biennium~~. Such bonds may be issued and secured in all respects as provided in the said chapter 136A and sections 147.30 to 147.33. The higher education coordinating commission is authorized to issue its revenue bonds to refund any revenue bonds issued under the provisions of sections 147.30 to 147.33, such refunding to be accomplished in accordance with the applicable provisions of chapter 136A, the provisions of sections 147.30 to 147.33 and the provisions of the resolution authorizing the bonds to be refunded.

Sec. 9. Minnesota Statutes 1974, Section 147.30, is amended to read:

**147.30 LOANS TO MEDICAL AND OSTEOPATHY STUDENTS WHO AGREE TO PRACTICE IN RURAL COMMUNITIES.** The state of Minnesota may provide loans to students for the cost of the education and living expenses during the time the recipient is enrolled in an accredited medical school in the state of Minnesota, or accredited school of osteopathy the graduates of which are eligible for licensure in Minnesota, and to students domiciled in Minnesota and enrolled in an accredited medical school located outside the state, if the recipient agrees in writing to practice medicine or osteopathy in a rural community in Minnesota designated as an area in need of medical doctors or osteopaths by the higher education coordinating commission. In selecting medical students priority shall be given to students enrolled in schools in Minnesota. Each recipient shall execute a note to the state payable on demand for the principal amount of the loan with interest at not more than eight percent per annum the rate applicable to any particu-

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lar note to be determined by the commission. Interest shall run on the principal balance from the date of the loan until the principal sum is paid said interest to be payable when the principal sum is paid; provided that the obligation to repay the principal and interest on any such loan shall be forgiven if the recipient has practiced medicine or osteopathy for three years—a period of 18 months for each initial or renewal period of the loan, or five years, whichever is less, in an area in need of medical doctors or osteopaths as designated by the higher education coordinating commission. If the recipient fails to fulfill the obligation to practice, the principal and interest on any such loan shall be payable according to the terms of the note executed by such recipient. Assistance may be granted in the amount that the commission determines sufficient for the purpose specified in this section not to exceed ~~\$6,000~~ \$5,000 per recipient per year. Loans shall be renewed on an annual basis contingent on the good standing of the recipient in the program. No individual recipient shall receive loans to exceed ~~\$24,000~~ \$20,000 in aggregate principal amount. The commission may delay the *time for beginning practice not more than four years after the recipient has qualified to practice if the recipient wishes to seek additional medical or osteopathic training.*

Sec. 10. This act is effective the day following its final enactment.

Approved June 4, 1975.

#### CHAPTER 391—H.F.No.789

*An act relating to real estate; instruments of conveyance; recording requirements; providing that instruments of conveyance include name and address of grantee to whom tax statement should be sent; amending Minnesota Statutes 1974, Section 507.092, Subdivision 1.*

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

Section 1. Minnesota Statutes 1974, Section 507.092, Subdivision 1, is amended to read:

**507.092 REAL ESTATE; CONVEYANCES; TAX STATEMENT; CONVEYANCING INSTRUMENTS TO INCLUDE NAME AND ADDRESS OF GRANTEE.** Subdivision 1. No ~~mortgage~~, contract for deed ; or deed conveying fee title to real estate shall be recorded by the registrar of deeds or registered by the registrar of titles until the name and address of the ~~taxpayer-grantee~~, to whom future tax statements should be sent , is printed, typewritten, stamped or written on it in a legible manner. An instrument complies with this subdivision if it contains a statement in the following form: "Tax statements for the real property described in this instrument should be sent to:

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