

(b) Section 2 is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Approved June 1, 1983

CHAPTER 258 — H.F.No. 1283

An act relating to the organization and operation of state government; appropriating money for education and related purposes to the department of education, higher education coordinating board, state university board, state community college board, University of Minnesota, and the Mayo medical foundation, with certain conditions; establishing a state board of vocational-technical education; providing certain powers and duties relating to vocational technical education to the state board and school districts; changing the authority and duties of agencies and their advisory councils with respect to governance, membership, duration of existence, funding policy, disposition of property, employment and compensation of personnel, tuition, institutional closings, gifts, expenditure approval, regent residency, appropriations, parking fees, subscription fees, scholarships, grants-in-aid, planning, hospital charges, relations with private colleges, augmented bonding authority, and related educational matters; requiring certain reports and studies with respect thereto; amending Minnesota Statutes 1982, sections 3.732, subdivision 1; 10A.01, subdivision 18; 43A.08, subdivision 1a; 43A.18, subdivision 4; 120.17, subdivision 7a; 120.81; 121.11, by adding a subdivision; 121.212, subdivision 2; 121.931, subdivision 7; 121.934, subdivision 2; 123.742, by adding a subdivision; 123.743; 124.48; 136.03; 136.144; 136.62, by adding a subdivision; 136.67, by adding a subdivision; 136A.121; 136A.14; 136A.141; 136A.143; 136A.15; 136A.16; 136A.17; 136A.18; 136A.26; 136A.29, subdivisions 2 and 9; 136A.42; 158.05; proposing new law coded in Minnesota Statutes, chapters 120, 136, and 136A; proposing new law coded as Minnesota Statutes, chapters 135A and 136C; repealing Minnesota Statutes 1982, sections 120.82; 121.11, subdivision 1; 121.902, subdivision 1a; 121.936, subdivision 6; 124.53; 136.034; 136A.144; 136A.145; 136A.146; 136A.161; 136A.19; 136A.20; 136A.21; 136A.22; 136A.236; and 136A.237.

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

Section 1. EDUCATION; APPROPRIATIONS.

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal year indicated for each purpose. The figures "1983," "1984," and "1985," wherever used in this act, mean that the appropriation or appropriations listed thereunder or therefor shall be available for the year ending June 30, 1983, June 30, 1984, or June 30, 1985, respectively.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

SUMMARY BY FUND

	1983	1984	1985	TOTAL
General		\$536,028,700	\$546,327,500	\$1,082,356,200
Trunk Highway		19,500	20,500	40,000
Permanent University		2,500,000	2,500,000	5,000,000
Nongame Wildlife		25,000	25,000	50,000
TOTAL		\$538,573,200	\$548,873,000	\$1,087,446,200

SUMMARY BY AGENCY - ALL FUNDS

Department of Education	\$ 27,433,500	\$ 23,632,700	\$ 51,066,200
HECB	56,205,700	59,045,000	115,250,700
State University System	105,201,700	106,166,000	211,367,700
Community College System	51,843,400	53,452,900	105,296,300
University of Minnesota	296,545,000	305,371,700	601,916,700
Mayo Medical	1,343,900	1,204,700	2,548,600

APPROPRIATIONS
Available for the Year
Ending June 30

1984 1985

Sec. 2. DEPARTMENT OF EDUCATION

Subdivision 1. General Operations and Management

\$27,433,500 \$23,632,700

Approved Complement

State - 501.4

Federal - 189.4

Special Revenue - 7.5

Bond Proceeds - 1.0

The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Subd. 2. Special and Compensatory Education

1984	1985
\$2,458,900	\$2,438,800

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(a) Of this appropriation, \$1,500,000 in the first year, and \$1,500,000 in the second year is for Indian scholarships. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

(b) Of this appropriation, \$300,000 in the first year and \$300,000 in the second year is for Indian post-secondary preparation grants to school districts to be used to support programs for secondary students who are of one-fourth or more Indian ancestry and who, in the opinion of the district superintendent, have the capabilities to benefit from higher education. This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided in Minnesota Statutes, section 3.30. Release of these funds shall also be contingent upon submission of a plan prepared by the state board, with the advice and counsel of the Minnesota Indian scholarship committee. The plan shall describe the objectives and the methods for implementing the program, including the manner in which grants will be distributed in proportion to the geographical distribution of the Indian population of the state. This plan shall be submitted to the chairmen of the house and senate education committees and the house appropriations and senate finance committees prior to the submission to the legislative advisory commission.

(c) Of this appropriation, \$61,100 in the first year and \$36,100 in the second year is for the Indian education unit for one position and for procurement of equipment and services necessary for the computerization of the accounting and data management operations of the Indian scholarship program.

The department of education shall maintain the existing Minnesota Indian education scholarship office at Bemidji during the bi-

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ennium ending June 30, 1985, with no reduction in general fund appropriations.

Subd. 3. Braille and Sight-Saving School and School for the Deaf

1984	1985
\$ 5,622,300	\$ 5,531,600

(a) \$113,600 the first year and \$86,200 the second year is for repairs, replacements and betterments at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$98,900 the first year is for repair and purchase of equipment at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

(b) \$148,000 in the first year and \$148,000 in the second year is for summer school at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School.

(c) \$9,500 in the first year and \$9,500 in the second year is for the Parent-Child Institute at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School.

(d) \$74,500 in the first year and \$75,000 in the second year is for the purchase of mainstreaming services at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School.

(e) If the amounts appropriated in (b), (c), and (d) are insufficient, the commissioner may transfer other operating funds appropriated to the residential schools, with the exception of the funds in (a), for these purposes.

(f) It is the intent of the legislature that during the biennium in the event that federal EHA-Title VI-C funds for the Minnesota

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School for the Deaf and the Minnesota Braille and Sight-Saving School are diminished or no longer available, the commissioner of education may make application to the legislative advisory commission at one of its regularly scheduled meetings to obtain state funds to replace diminished federal funds.

(g) In the event that the legislative audit commission does not approve a program evaluation of the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School during the first year, the commissioner of finance, in consultation with the commissioners of education and administration, shall carry out such an evaluation. The evaluation shall consider the cost-effectiveness of the academic, residential, support, and administrative services in comparison to similar programs and the feasibility of alternative methods of service delivery. The study shall be submitted to the chairmen of the house appropriations and senate finance committees by January 15, 1984.

Subd. 4. Vocational Technical
Instruction

\$5,590,300	\$4,892,200
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Of this appropriation \$1,999,100 in the first year and \$1,440,100 for the second year is for post-secondary vocational repair and betterment aid. The appropriation for post-secondary repair and betterment aid for 1984 includes \$191,000 for aid for fiscal year 1983 payable in fiscal year 1984, and \$1,808,100 for aid for fiscal year 1984 payable in fiscal year 1984.

The appropriation for post-secondary repair and betterment aid for 1985 includes \$319,000 for aid for fiscal year 1984 payable in fiscal year 1985, and \$1,121,100 for aid for fiscal year 1985 payable in fiscal year 1985.

\$525,000 the first year and \$500,000 the second year is for the Minnesota curriculum

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services center, the vocational student organization center, and vocational area agricultural coordinators. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. This appropriation shall be spent pursuant to agreements between the state board of education and the recipients. The agreements are not subject to the contract approval procedures of the commissioner of administration.

Until June 30, 1985, the Minnesota curriculum services center may sell to school districts and agencies in other states and to the general public its instructional material and media at commercial or market prices. The profit derived from the sale of materials and media will be used to offset the operating costs of the center. An accounting of costs, sales and receipts shall be provided to the commissioner of education on July 1, 1984 and July 1, 1985.

Funding for the Minnesota Curriculum Services Center during the biennium shall be allocated under the average cost funding methodology.

The state board for vocational education shall develop and implement a plan for the transfer of the area agricultural coordinator functions and positions into the area vocational-technical institute system effective July 1, 1984, for the biennium. During the biennium support for the positions shall be provided all or in part from the instructional funds under the average cost funding methodology.

\$300,000 in the first year and \$300,000 in the second year is for the acquisition of equipment for technology-related programs in the area vocational-technical institutes.

\$150,000 in the first year is appropriated for the purpose of implementing sections 56, 57, 58, 59, 60, 61, 63, and 64.

Federal money received for state vocational education programs pursuant to the Vocational Education Act of 1963, Section 120,

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United States Code, title 20, section 2330 and required to be used for vocational education of the disadvantaged and handicapped shall be used during the biennium only for grants and not for state administrative costs. During the biennium the grant money may be used by a school district for its own administrative costs if otherwise permitted by federal law. The remainder of section 120 money not required to be used for eliminating sex bias, for displaced homemakers programs, and for matching requirements in vocational education shall be used during the biennium for grants for post-secondary vocational instructional aid allocations for support services.

Subd. 5. General Instructional Services

\$2,429,800	\$2,466,000
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During the biennium fees may be collected from school districts and educational systems pursuant to section 26 for subscriptions to the Minnesota Career Information Service and appropriated pursuant to section 27.

Of the amounts provided by this subdivision, \$19,500 in 1984 and \$20,500 in 1985 are from the trunk highway fund.

Subd. 6. Special Services

\$2,103,200	\$2,037,800
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(a) During the biennium the state board of education and the state board of teaching, after joint consultation, shall individually set consistent license fees for which they are responsible at a level sufficient to recover all department of education and board of teaching costs associated with the licensure, relicensure, and placement of teachers, administrators, and other education professionals. In calculating these costs, the value of the services of the attorney general shall be considered. During the biennium in setting these fees, the state board of education and the board of teaching are exempt from the public hearing process in Minnesota Statutes, chapter 14. Notice of the revised fees

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shall be published in the state register, followed by 30-day public comment period before the revisions are effective. In assigning fees, the board of teaching shall consider differences between full-time and part-time employment in teaching and implementation of a differential fee structure for vocational education adult supplemental licenses.

(b) Fees for private trade school licenses and for solicitors' permits are increased to (1) private trade school license - initial fee \$440; (2) private trade school license - renewal \$330; (3) solicitor permits - \$165. Notice of the revised fees shall be published in the state register as soon as practicable. During the biennium ending June 30, 1985, these fees shall not be decreased and may be increased pursuant to Minnesota Statutes, sections 14.14, 16A.128, and 214.06.

Subd. 7. School Management Services

\$6,991,900

\$3,995,000

(a) \$880,000 in the first year is for the Minnesota Educational Computing Consortium (MECC) for the operation of the management information services unit. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The executive director of MECC shall submit a plan annually during the biennium to the Elementary-Secondary-Vocational (ESV) Computer Council and to the commissioner of education detailing its plan for the management information system unit.

(b) \$3,634,000 in the first year and \$1,500,000 in the second year is for regional computing support for regional management information centers. The appropriation for the second year shall be placed in a contingent account. The funds in the contingent account shall be released when the study described in the next sentence is completed, and upon compliance with Minnesota Statutes, section 3.30. The ESV computer council with the assistance of the commissioner of education shall conduct a study on

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how best to meet state information needs in the most cost effective manner. The study shall be completed and delivered to the chairmen of the house appropriations committee and senate finance committee by December 1, 1983. The study shall include but not be limited to an analysis of:

(1) the state and local benefits derived from Elementary-Secondary- Vocational Information System (ESV-IS) data processing and the current costs associated with providing the benefits;

(2) an alternative number of regional and state data processing sites and the costs of each alternative;

(3) the ESV-IS applications software necessary to support state mandated data acquisition;

(4) alternatives for supporting the development and maintenance of ESV-IS and the State Department of Education Information System (SDE-IS) application software and the cost of each alternative;

(5) the costs and benefits of releasing large districts from the mandate to affiliate with ESV regional management information centers.

(c) \$1,068,100 in 1984 and \$1,095,600 in 1985 is for support of the education data systems section. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The commissioner of education shall annually during the biennium submit to the ESV computer council a detailed budget and workplan for the education data systems section for review and comment. A change in the workplan shall be featured in the succeeding year's submission.

Subd. 8. Auxiliary and General Support Services

\$2,050,100

\$2,080,200

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\$129,400 in the first year and \$129,600 in the second year is for the Elementary-Sec-ondary-Vocational Computer Council.

Subd. 9. General Authority

The commissioner of education with the approval of the commissioner of finance may transfer unencumbered balances among the above programs during the biennium. Transfers shall be reported forthwith to the house appropriations and senate finance committees.

It is the intent of the legislature, that, during the biennium except in the case of executive order to the contrary, the department of education be allowed to transfer money among the various object of expenditure categories and activities within each program.

The department of education may during the biennium spend federal block grant funds received under the education consolidation and improvement act of 1981, as amended, as shown in the biennial budget allocation plan. Changes may be made to accommodate adjustments in salary or other costs. However, material changes shall be reported to the senate finance committee and the house appropriations committee.

Subd. 10. Board of Teaching

\$187,000 \$191,100

Sec. 3. HIGHER EDUCATION COORDINATING BOARD

Subdivision 1. General Operations and Management

56,205,700 59,045,000

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Salaries and Expenses

\$2,027,600 \$1,890,900

This appropriation includes money for the administration of the state student assist-

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ance programs, program planning and coordination, policy planning and research, and agency management services.

This appropriation includes money for a study of the need for engineering support programs in two-year institutions. The study shall be presented to the house appropriations and senate finance committees by December 1, 1984.

Subd. 3. State Scholarship, Nurses Scholarship and State

Grant-In-Aid

\$42,374,000

\$47,266,000

If the appropriation for either year is insufficient, the appropriation for the other year is available to meet scholarship and grant obligations.

This appropriation includes money for grants to part-time students. If administrative problems preclude full consolidation of part-time student grants with the state grant and scholarship program, an amount not to exceed \$300,000 of the above appropriation shall be available in each year of the biennium for allocation to eligible post-secondary institutions to accommodate the needs of part-time students, pursuant to Minnesota Statutes, section 136A.132.

Of the above appropriation, an amount not to exceed \$100,000 is available in 1984 to cover short-term living and transportation expenses of AVTI students. The funds shall be advanced to the AVTI's at the beginning of the biennium and shall be used only to meet emergency needs of students who will receive awards from the state scholarship and grant program. The advances shall be repaid by students upon receipt of their state grant or scholarship award and all advances shall be returned to the higher education coordinating board before the end of the biennium. The higher education coordinating board shall develop administrative rules or procedures as necessary to implement this provision of law.

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Notwithstanding any law to the contrary, the allowance for tuition and fees in the cost of attendance for four-year private institutions shall not exceed \$3,598 in the 1983-1984 school year and \$4,063 in the 1984-1985 school year. The allowance for tuition and fees in the cost of attendance for two-year private collegiate and vocational institutions shall not exceed \$3,573 in the 1983-1984 school year and \$3,752 in the 1984-1985 school year.

Subd. 4. Interstate Tuition Reciprocity

\$6,850,000 \$4,800,000

If the appropriation for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 5. State Work Study

\$4,209,000 \$4,428,600

Any unexpended balance of not more than \$160,000 remaining at the end of the first year shall not cancel but is available for the purposes of the appropriation in subdivision 3 for the second year.

Subd. 6. Medical Student Loans

\$ 115,000

Subd. 7. Minitex Library Program

\$ 630,100 \$ 659,500

Subd. 8. Notwithstanding any other provision to the contrary, none of the personnel, powers, or duties of the higher education coordinating board shall be transferred to any other department, higher education system, or other part of state government.

Subd. 9. Any unexpended balances in this section remaining in the first year do not cancel but are available for the second year of the biennium.

Sec. 4. STATE UNIVERSITY BOARD

Subdivision 1. General Operations and Management

105,201,700 106,166,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Engineering Programs

This appropriation includes funds for the first two years of a three-year, phased development of engineering programs at Mankato State University and St. Cloud State University.

Of the total authorized expenditures, \$50,000 each year of the biennium for the engineering program at St. Cloud State University and \$50,000 each year of the biennium for the engineering program at Mankato State University is available upon submission of required documentation that the state money has been matched by contributions from nonstate sources. This matching requirement may be satisfied with donated equipment or supplies with the approval of the chairmen of the senate finance committee and the house appropriations committee.

Subd. 3. Instructional Expenditures

It is estimated that the amount for instructional expenditures will be \$142,076,300 for the first year, and \$148,285,200 for the second year.

If the actual amount is different, the chancellor shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on December 1 of each year detailing the amount of the difference and provide an explanation thereof.

Subd. 4. Non-Instructional Expenditures

It is estimated that the amount for non-instructional expenditures will be \$14,213,700 for the first year, and \$13,899,900 for the second year.

If the actual amount is different, the chancellor shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on De-

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ember 1 of each year detailing the amount of the difference and providing an explanation thereof.

(a) Of this amount, \$624,100 the first year and \$607,100 the second year is for state matching of federal student loan funds and federal work study funds.

(b) Of this amount, \$1,382,800 the first year and \$1,382,800 the second year is for repairs and betterments.

Subd. 5. The state university board shall submit a report to the chairmen of the house appropriations and senate finance committees by January 15, 1985, on the use of all money exempt from budgetary control by the commissioner of finance pursuant to Minnesota Statutes, sections 136.11, subdivision 5; 136.144; and 136.37.

The state university system is authorized to charge summer session expenditures to the fiscal year in which most of the summer session activity takes place.

Sec. 5. STATE COMMUNITY COLLEGE BOARD

Subdivision 1. General Operations and Management

51,843,400 53,452,900

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Instructional Expenditures

It is estimated that the amount for instructional expenditures will be \$71,372,700 for the first year, and \$74,494,700 for the second year.

If the actual amount is different, the chancellor shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on December 1 of each year detailing the amount of the difference and providing an explanation thereof.

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Subd. 3. Non-Instructional Expenditures

It is estimated that the amount for non-instructional expenditures will be \$7,645,800 for the first year, and \$8,001,900 for the second year.

If the actual amount is different, the chancellor shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on December 1 of each year detailing the amount of the difference and providing an explanation thereof.

(a) Of this amount, \$440,600 the first year and \$440,600 the second year is for state matching of federal student loan funds and federal work study funds.

(b) Of this amount, \$673,600 the first year and \$673,600 the second year is for repairs and betterments.

Subd. 4. The community college system is authorized to charge summer session expenditures to the fiscal year in which most of the summer session activity takes place.

Sec. 6. UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation	296,545,000	305,371,700
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The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Operations and Maintenance	247,291,600	253,232,700
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These appropriations are made from:

(a) income derived from investment of the permanent university fund, which is appropriated to the university as provided in Minnesota Statutes, section 137.022. It is estimated that this income will not exceed \$2,500,000 for the first year and \$2,500,000 for the second year; and

(b) the general fund. It is estimated that the amount required from the general fund

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will be at least \$244,791,600 for the first year and \$250,732,700 for the second year.

On December 1, 1984, and December 1, 1985, the president of the University of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance the following information:

(1) The total amount of receipts during the fiscal year 1984 from all sources in excess of \$117,729,100 and during the fiscal year 1985 from all sources in excess of \$125,356,600;

(2) The sources of these receipts; and

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

The board of regents shall certify to the commissioner of finance at the end of each quarter the amount of earnings derived from the investment of the permanent university fund.

If this income during any fiscal year exceeds the amounts stated in (a), the amount payable from the general fund is reduced accordingly.

In preparing the university's legislative budget request for the 1985-1987 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

This appropriation includes funds for faculty salary equalization at the coordinate campuses.

The legislature recommends that the university assure that the class of its female, non-student employees is not subject to sex discrimination and that this objective be accomplished to the extent possible by a university-wide program of review and if necessary by adjustments in policy and practices rather than by case-by-case litigation.

The legislature recommends that the university assure that the class of its administra-

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tive employees is not subject to special protection in times of budget reduction, re-trenchment, and/or layoffs.

(c) Instructional expenditures:

It is estimated that the amount for instructional expenditures will be \$245,218,000 for the first year, and \$258,042,500 for the second year.

During the fiscal biennium ending June 30, 1985, if the actual amount is different, the University of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on December 1 of each year detailing the amount of the difference and provide an explanation thereof.

Of the above amount, \$135,000 the first year, and \$180,000 the second year is for law library acquisitions.

To the extent feasible, funds shall be allocated for positions in the college of veterinary medicine and the veterinary teaching hospital.

\$500,000 of the money for the second year is to constitute the medical education contingency fund. It is the intent of the legislature that steps be taken to reduce the projected oversupply of physicians in Minnesota. The university's study on medical school enrollment, including recommendations for reductions in entering class size for the 1984-1985 academic year and subsequent implications for funding, shall be presented to the chairmen of the senate finance committee and the house appropriations committee by October 1, 1983. The medical education contingent fund is available upon submission of required documentation that the university is moving to address the physician oversupply problem. The request for release of this money shall be reviewed by the education division of the house appropriations committee and the education subcommittee of the senate finance committee. A recommendation on the release of the money shall be made by the

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chairmen of the house appropriations and senate finance committees, whose recommendations are advisory only.

\$800,000 the first year and \$1,400,000 the second year is for the Duluth campus of the University of Minnesota for the establishment of a four-year engineering school. The money shall be used for programs in computer, electronics, and mineral engineering. \$100,000 each year of this money is available for the Duluth engineering program upon submission of required documentation that the state money has been matched by contributions from nonstate sources. This matching requirement may be satisfied with donated equipment or supplies with the approval of the chairmen of the senate finance committee and the house appropriations committee.

It is the intent of the legislature that the university address the problem of teaching assistants for whom English is a second language. The university shall develop a plan for insuring that teaching assistants are proficient in speaking, reading, and writing the English language as it is spoken in the United States. The plan shall be presented to the legislature by December 1, 1983.

(d) Non-instructional expenditures:

It is estimated that the amount for non-instructional expenditures will be \$119,802,700 for the first year and \$120,546,800 for the second year.

During the fiscal biennium ending June 30, 1985, if the actual amount is different, the University of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance with a report on December 1 of each year detailing the amount of the difference and providing an explanation thereof.

Subd. 3. Special Appropriations	49,253,400	52,139,000
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(a) Agricultural Extension Service	\$10,637,700	\$11,164,600
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Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation includes money for agriculture extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted by the university to personnel paid from this appropriation shall not result in a reduction of the county portion of the salary payments.

(b) Agricultural Research

\$10,517,200	\$11,033,000
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Of the above amount, \$10,417,200 the first year and \$10,933,000 the second year is for agricultural research.

Of the above amount, \$100,000 each year is for either of the following options: (a) an additional amount for agricultural research; or (b) the fire information, research and education center. This money is not to be divided between agricultural research and the FIRE center; it is to be used for one option or the other.

This appropriation includes money for research on aquatic plants (including wild rice), soybeans, avian disease, swine disease, corn improvement, and irrigation.

The university shall maintain an advisory council system for each experiment station. The advisory councils shall be broadly representative of range of size and income distributions for farms and agribusiness, and shall not be disproportionately represented by those from the upper half of the size and income distributions of farms and agribusiness.

(c) Coleman Leukemia Research Center

\$ 210,000	\$ 220,500
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(d) County Papers

\$ 2,000,000	\$ 2,000,000
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(e) Medical Research

\$ 1,902,200	\$ 1,997,300
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(f) Rural Physicians Associates Program

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

\$ 418,200 \$ 514,100

(g) Special Hospitals, Service and Educational Offset

\$12,420,700 \$13,041,700

This amount includes \$9,318,900 each year which is counted as instructional cost.

Fees for service furnished to counties and individuals under this program shall be sought to augment the money appropriated; the fees are appropriated to the university hospitals, to be available until June 30, 1985.

(h) Faculty Travel

\$ 85,000 \$ 89,300

(i) Fellowships for Minority and Disadvantaged Students or Environmental Pathology Laboratory

\$ 50,000 \$ 50,000

This appropriation is to be used for either of the following options: (a) fellowships for minority and disadvantaged students; or (b) support for the environmental pathology laboratory. This appropriation is not to be divided between the fellowships and the laboratory; it is to be used for one option or the other.

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

(j) General Research

\$ 1,815,700 \$ 1,906,400

This appropriation is, as the board of regents may direct, for general research, business and economic research including Duluth, center for urban and regional affairs, museum of natural history, and juvenile justice seminar.

(k) Geological Survey

\$649,200 \$681,700

(l) Hormel Institute

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

\$155,200 \$163,000

To support the operation of the institute and to promote research by the institute.

(m) Immigration History Research Center

The appropriation in Laws 1981, chapter 359, section 9, subdivision 12, for the immigration history research center is available until June 30, 1985. One of every two dollars contributed from nonstate and non-federal sources may be donated services or donated or loaned personal or real property. These services and property shall be valued according to the Code of Federal Regulations, title 34, sections 74.54 to 74.57 (1980).

(n) Industrial Relations Education

\$591,600 \$621,200

(o) Intercollegiate Athletics

\$1,688,400 \$1,772,800

This appropriation shall be used as a general offset to the expenses of intercollegiate athletics.

(p) Lake Superior Basin Studies

\$127,900 \$134,300

(q) Micro-Electronics and Information Science Center

\$600,000 \$600,000

The above appropriation is available upon submission of required documentation that the state money has been matched by contributions from nonstate sources. Matching requirements may be satisfied with donated equipment or supplies with the approval of the chairmen of the senate finance committee and house appropriations committee.

(r) Mineral Resources Research Center

\$363,200 \$481,400

(s) Plant Bio-Mass Energy Research

\$126,600 \$132,900

(t) Sea Grant Institute

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

\$115,900	\$121,700
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(u) Student Loans Matching Funds

\$92,800	\$92,800
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(v) Summer Session and Continuing Education Supplement

\$1,290,700	\$1,355,300
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This appropriation includes money for the administration of the elderhostel program.

(w) Veterinary Diagnostic Laboratory

\$1,045,200	\$1,195,000
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This appropriation includes \$25,000 each year from the nongame wildlife account in the special revenue fund for the Raptor Rehabilitation and Research Clinic.

(x) Productivity Center

\$200,000	\$300,000
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The above appropriation is available upon submission of required documentation that the state money has been matched by contributions from nonstate sources. Matching requirements may be satisfied with donated equipment or supplies with the approval of the chairmen of the senate finance committee and house appropriations committee.

(y) Natural Resources Research Institute

\$1,650,000	\$2,250,000
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(z) Bio-Technology Center

\$500,000	\$220,000
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The above appropriation for the second year is available upon submission of required documentation that the state money has been matched by contributions from nonstate sources. Matching requirements may be satisfied with donated equipment or supplies with the approval of the chairmen of the senate finance committee and house appropriations committee.

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

Sec. 7. MAYO MEDICAL FOUNDATION

1,343,900 1,204,700

Subdivision 1. Medical School

\$1,191,100 \$1,041,300

The state of Minnesota shall pay a capitation of \$8,330 in fiscal years 1984 and 1985 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.

Capitation funds shall be paid for a maximum of 20 students in each class for students who enter Mayo Medical School during the 1984-1985 academic year or thereafter.

It is the intent of the legislature that the Mayo foundation use the capitation funds towards the objective of increasing the number of doctors practicing in rural areas in need of doctors as identified by the higher education coordinating board. The Mayo foundation shall submit a plan to the legislature by December 1, 1983, on how it plans to meet these objectives.

Subd. 2. Family Practice and Graduate Residency Program

\$152,800 \$163,400

The state of Minnesota shall pay capitation of \$12,730 in fiscal year 1984 and \$13,620 in fiscal year 1985 for a maximum of 12 students each year.

Sec. 8. AFFIRMATIVE ACTION FOR TECHNOLOGY-RELATED EDUCATION.

It is the intent of the legislature that during the biennium, technology-related education be made available to all qualified registrants at public institutions of post-secondary education in Minnesota. The University of Minnesota, the State University Board, the Community College Board, and the Board

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for Vocational-Technical Education shall each develop a plan on how affirmative action with regard to women, minorities, and the handicapped will be promoted in the spending of technology-related funds for educational programs. The plans shall be presented to the legislature by December 1, 1983.

Sec. 9. Minnesota Statutes 1982, section 3.732, subdivision 1, is amended to read:

Subdivision 1. As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions and officers in the executive branch of the state of Minnesota and includes but is not limited to the Minnesota Educational Computing Consortium, Minnesota Housing Finance Agency, the Minnesota Higher Education Coordinating Board, the Minnesota Higher Education Facilities Authority, the Armory Building Commission, the State Zoological Board, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors or employees of the state, members of the national guard, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation, but does not include an independent contractor.

(3) "Scope of his office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned to him by competent authority.

Sec. 10. Minnesota Statutes 1982, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and his chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;

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(d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;

(e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;

(f) executive director of the state board of investment;

(g) executive director of the Indian affairs intertribal board;

(h) commissioner of the iron range resources and rehabilitation board;

(i) director of mediation services;

(j) deputy of any official listed in clauses (e) to (i);

(k) judge of the workers' compensation court of appeals;

(l) hearing examiner or compensation judge in the state office of administrative hearings or hearing examiner in the department of economic security;

(m) solicitor general or deputy, assistant or special assistant attorney general;

(n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or

(o) member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission; or

(p) executive director of the Minnesota educational computing consortium.

Sec. 11. Minnesota Statutes 1982, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. **ADDITIONAL UNCLASSIFIED POSITIONS.** Appointing authorities for the following agencies may designate additional unclassified positions pursuant to this subdivision: the departments of administration; agriculture; corrections; economic security; education; employee relations; energy, planning and development; finance; health; human rights; labor and industry; natural resources; public safety; public service; public welfare; revenue; transportation; and veterans affairs; the banking, securities and real estate, insurance and consumer services divisions of the department of commerce; the housing finance and pollution control agencies; the state board of investment; ~~and~~ the offices of the secretary of state, state auditor and state treasurer; and the state board of vocational technical education.

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A position designated by an appointing authority pursuant to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to the provisions of other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 12. Minnesota Statutes 1982, section 43A.18, subdivision 4, is amended to read:

Subd. 4. **PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.** Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall be set by appointing authorities subject to the following limitations:

(a) Total compensation paid pursuant to this subdivision shall be within the limits of compensation plans which shall have been approved by the commissioner before becoming effective;

(b) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, attorney general, secretary of state, state auditor and state treasurer shall be determined by the governor, attorney general, secretary of state, state auditor and state treasurer, respectively;

(c) Total compensation for unclassified employees of the state board of investment shall be determined by the state board of investment;

(d) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h) ~~and~~, in the higher education coordinating board, and in the state board of vocational technical education shall be determined by

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the state university board and the state board for community colleges, ~~and~~ the higher education coordinating board, and the state board of vocational technical education, respectively; and

(e) Total compensation for classified hearing examiners in the office of administrative hearings shall be determined by the chief hearing examiner.

Sec. 13. Minnesota Statutes 1982, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. **ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.** Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota School for the Deaf or the Minnesota Braille and Sight-Saving School shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which his parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that effective for the ~~1979-1980~~ 1983-1984 school year and thereafter, the amount of tuition charged shall not exceed the sum of ~~\$500~~ \$1,000 plus the foundation aid formula allowance of the district for that child, for an entire school year, or a prorated amount based on the portion of the school year for which the child is a resident of the district or is actually in membership in the program. For purposes of this subdivision, "foundation aid formula allowance" shall have the meaning attributed to it in section 124.32, subdivision 1a. The district of the child's residence shall pay the tuition and may claim foundation aid for the child. The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision. All tuition received by the state board shall be deposited in the state treasury.

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law.

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(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school.

(e) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to supply staff from the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

Sec. 14. [120.801] MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM, PURPOSE.

The legislature recognizes that computers are becoming a major factor in the operation of educational institutions, both in cost and in importance as an instructional tool. Furthermore, the legislature has continually supported the development of curricula for Minnesota educational institutions that include educational computing materials. While it is important that educational institutions be able to join together to gain economies in purchasing power, it is equally important that computer software and documentation be created, and instructional and administrative computing services be provided to meet the educational needs of Minnesota educational institutions. The purpose of the Minnesota educational computing consortium is to meet these needs.

Sec. 15. [120.802] DEFINITIONS.

Subdivision 1. For the purpose of sections 14 to 19 the words defined in this section have the meanings given them.

Subd. 2. "Consortium" means the Minnesota educational computing consortium originally created pursuant to Minnesota Statutes, section 471.59.

Subd. 3. "Minnesota educational institutions" means Minnesota school districts or combination of school districts, area vocational technical institutions, the state department of education, community colleges, state universities, and the University of Minnesota.

Sec. 16. [120.803] STAFF.

Subdivision 1. The consortium board shall appoint and set the salary of an executive director of the consortium. The executive director may employ other staff.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. PERSONNEL MANAGEMENT. The executive director shall establish personnel policies and procedures, including the compensation of other staff.

Subd. 3. APPLICATION OF OTHER LAW. The consortium is exempt from the application of chapters 14, 16, 16A, except 16A.095 and 16A.10, 43A, and 179. Notwithstanding chapter 13, the consortium shall not be required to disclose any copyrighted material. Consortium employees may participate in the Minnesota state retirement system and the teachers' retirement system. The commissioner of administration shall provide administrative services if requested by the consortium, and the consortium shall reimburse the commissioner for services provided. The consortium is empowered to purchase or lease real estate necessary for the consortium's operations but in no event shall the consortium rely upon the full faith and credit of the state of Minnesota.

Sec. 17. [120.804] DUTIES OF CONSORTIUM.

Subdivision 1. PRODUCTS. Notwithstanding any law to the contrary, the consortium shall provide its services and products at cost, including overhead, to Minnesota educational institutions.

Subd. 2. SERVICES TO OTHERS. The consortium may provide its products and services for educational purposes to other than Minnesota educational institutions. To further the public purpose expressed in section 14, the consortium shall establish a differential pricing policy between sales to Minnesota educational institutions and sales to others.

Sec. 18. [120.805] POWERS.

The consortium may:

(a) develop computer software and documentation for use by educational institutions;

(b) train educators in the use of computing;

(c) research and develop innovative uses of instructional and management computing for education; and

(d) contract with educational institutions for the development of software, documentation, and instructional and management computing services and charge for the cost of the development or services.

Sec. 19. [120.806] MINNESOTA EDUCATIONAL INSTITUTIONS; POWERS.

All Minnesota educational institutions are authorized to designate the consortium as their purchasing agent for computer hardware, software, and development of software. Minnesota educational institutions are authorized, notwithstanding the requirements of sections 16.07, 471.345, or 123.37, to

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contract directly with the consortium for the development of computer programs and documentation and for instructional and management computing services for educational institutions.

Sec. 20. **REPORT.**

The Minnesota educational computing consortium board shall study and report to the chairmen of the house appropriations and senate finance committees and of the house and senate education committees by January 15, 1984, on the feasibility and desirability of transferring all or part of the powers and duties of the consortium to a nonprofit corporation, state agency, or other appropriate organizational structure. The report shall include recommendations for legislation needed to accomplish any recommendations.

Sec. 21. Minnesota Statutes 1982, section 120.81, is amended to read:

120.81 MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM, RECEIPTS.

Subdivision 1. Effective October 1, 1977, no funds appropriated by the state shall be transferred to or expended with or by the Minnesota educational computing consortium unless the consortium adheres to the provisions of chapters 15, 16, excepting sections 16.90 and 16.94 thereof, 16A and 43.

Subd. 2. Notwithstanding the provisions of subdivision 1, The consortium is authorized to maintain a revolving fund for all receipts derived from computer services provided by the consortium. The Minnesota educational computing consortium shall charge users of consortium facilities for on-line computer time actually used services and products. Receipts shall be deposited in the Minnesota educational computing consortium revolving fund and are appropriated to the consortium. The consortium board shall appoint an executive director who shall be its chief administrative officer. The executive director may be in the unclassified service. All other employees are in the classified service of the state.

Sec. 22. Minnesota Statutes 1982, section 121.11, is amended by adding a subdivision to read:

Subd. 15. CERTAIN LICENSURE RULES. The state board of education shall adopt and maintain as its rules for licensure of adult vocational education teachers, supervisory, and support personnel the rules of the state board of vocational technical education.

Sec. 23. Minnesota Statutes 1982, section 121.212, subdivision 2, is amended to read:

Subd. 2. Any fee established by the board pursuant to the authority granted in subdivision 1 shall not exceed \$1 per day per vehicle. Parking fees

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collected shall be deposited in the general or capital expenditure fund of the school district or joint school district.

Sec. 24. Minnesota Statutes 1982, section 121.931, subdivision 7, is amended to read:

Subd. 7. **APPROVAL POWERS.** The state board, with the advice and assistance of the ESV computer council, shall approve or disapprove the following, according to the criteria in section 121.937 and after promulgation, the rules adopted pursuant to subdivision 8:

(a) the creation of regional management information centers pursuant to section 121.935;

(b) the transfer by a district of its affiliation from one regional management information center to another;

(c) the use by a district of an alternative management information system to ESV-IS pursuant to section 121.936, subdivisions 2 to 4; and

(d) annual and biennial plans and budgets submitted by regional management information centers pursuant to section 121.935, subdivisions 3 and 4; and

~~(e) Expenditures by districts for computer activities other than fees paid to regional management information centers.~~

Sec. 25. Minnesota Statutes 1982, section 121.934, subdivision 2, is amended to read:

Subd. 2. **MEMBERSHIP.** The council shall be composed of:

(a) four representatives of school districts, including one school district administrator from a rural school district, one school district administrator from an urban school district, one school board member from a rural school district, and one school board member from an urban school district;

~~(b) Two representatives of regional management information center governing boards, including one member of a regional management information center board from a region which is predominantly rural and one member of a regional management information center board from a region which is predominantly urban;~~

~~(c) Two three persons employed in management positions in the private sector, at least one two of whom is a are data processing manager managers or holds hold an equivalent position in the private sector;~~

~~(d) Two (c) three persons employed in management positions in the public sector other than elementary, secondary, or vocational education, at least one two of whom is a are data processing manager managers or holds hold an equivalent position in the public sector; and~~

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(e) (d) one person from the general public.

All the members appointed pursuant to clauses (a), (b) and (e) shall represent different regional management information centers. Members selected pursuant to clauses (b) and (c) and (d) shall not be employees or board members of local school districts or the department of education. The council shall include at least one resident of each congressional district.

Sec. 26. Minnesota Statutes 1982, section 123.742, is amended by adding a subdivision to read:

Subd. 4. The department of education may provide career information to school districts and educational systems. The department may collect reasonable fees for subscriptions to the Minnesota career information service.

Sec. 27. Minnesota Statutes 1982, section 123.743, is amended to read:

123.743 APPROPRIATION.

There is annually appropriated from the general fund to the department of education any and all amounts received by the department pursuant to section 123.742, subdivisions 2 and 3 and section 26.

Sec. 28. Minnesota Statutes 1982, section 124.48, is amended to read:

124.48 INDIAN SCHOLARSHIPS.

Subdivision 1. AWARDS. The state board, with the advice and counsel of the Minnesota Indian scholarship committee, may award scholarships to any Minnesota resident student who is of one-fourth or more Indian ancestry, who has applied for other existing state and federal scholarship and grant programs, and who, in the opinion of the board, has the capabilities to benefit from further education. Scholarships shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray the total cost of education including tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned. The total cost of education includes all tuition and fees for each student enrolling in a public institution and the portion of tuition and fees for each student enrolling in a private institution that does not exceed the tuition and fees at a comparable public institution. Each student shall be awarded a scholarship based on the total cost of the student's education and a standardized need analysis. The amount and type of each such scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year he the student is eligible for additional scholarships, if additional training is necessary to reach his the student's educa-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

tional and vocational objective. Scholarships may not be given to any Indian student for more than ~~four~~ five years of study without special approval of the Minnesota Indian scholarship committee.

Subd. 2. REPORT TO LEGISLATURE. By December 1 of each even-numbered year, the state board of education shall report to the education committees of the legislature about the status of Indian scholarships and the recipients.

Sec. 29. [135A.01] FUNDING POLICY.

It is the policy of the legislature that state appropriations for the instructional services at public post-secondary institutions reflect the cost of providing the instructional services.

Sec. 30. [135A.02] APPLICABILITY.

The total cost of providing instructional services shall be used to appropriate money to the board of regents of the University of Minnesota, state university board, state board for community colleges, and the state board for vocational education to the extent the money is for instructional services.

Sec. 31. [135A.03] APPROPRIATIONS FOR INSTRUCTIONAL SERVICES.

Subdivision 1. DETERMINATION OF APPROPRIATION. The appropriation to each board for instructional services shall equal the total cost of instruction minus the estimated tuition revenue.

Subd. 2. DETERMINATION OF TOTAL COST OF INSTRUCTION. The total cost of instruction shall be calculated in the following manner.

(a) Determine the student enrollment, for each instructional category, for the fiscal year two years before the fiscal year for which the appropriation is to be made.

(b) Multiply the student enrollment by the average cost of instruction per student in each instructional category.

(c) Add the resulting products.

Subd. 3. DETERMINATION OF STUDENT ENROLLMENT. Student enrollment shall be the full-year equivalent or average daily membership enrollment in each instructional category in the fiscal year two years before the fiscal year for which the appropriations are being made. Student enrollment may be estimated on the basis of the fall enrollment. Student enrollment shall exclude students enrolled during a summer session, except when the instructional program is provided during the entire calendar year. Each board shall submit by December 1 of each year the student enrollment data necessary to determine appropriations. The data shall be submitted to the commissioner of finance.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 4. DETERMINATION OF AVERAGE COST OF INSTRUCTION. (a) The average cost of instruction shall include direct instructional costs and other costs necessary to provide instruction, such as fees, facilities, administration, and support. The average cost of instruction shall not include summer session costs, except when the instructional program is provided during the entire calendar year.

(b) Each board shall submit by December 1, 1983, its average cost of instruction for each instructional category for the 1984 fiscal year. Annually thereafter by December 1, each board shall submit the average cost of instruction for each instructional category as necessary to determine appropriations. The information shall be submitted to the commissioner of finance.

Subd. 5. INSTRUCTIONAL CATEGORIES. Average cost of instruction shall be determined by categories of cost of program and level of instruction and student enrollment in each category.

Sec. 32. [135A.04] VARIABLE TUITION.

The board of regents of the University of Minnesota, state university board, state board for community colleges, and state board for vocational education shall establish tuition. Tuition may vary by program, level of instruction, cost of instruction, or other classifications determined by each board.

Sec. 33. [135A.05] TASK FORCE.

The commissioner of finance shall establish a task force on average cost funding. The task force shall include representation from each of the public systems of post-secondary education, post-secondary students, the higher education coordinating board, the education division of the house appropriations committee, and education subcommittee of the senate finance committee, the office of state auditor, and the uniform financial accounting and reporting advisory council. The task force shall be convened and chaired by the commissioner of finance or his designee and staffed by the department of finance. The task force shall review and make recommendations on the definition of instructional cost in all four systems, the method of calculating average cost for funding purposes, the method used to assign programs to the proper level of cost at each level of instruction, the adequacy of the accounting data for defining instructional cost in a uniform manner, and the biennial budget format to be used by the four systems in submitting their 1985-1987 biennial budget requests. The task force shall submit a report on these matters to the legislature by December 1 of each year.

Sec. 34. [135A.06] SYSTEM PLANS: UNIVERSITY OF MINNESOTA; STATE UNIVERSITY BOARD; STATE BOARD FOR COMMUNITY COLLEGES; STATE BOARD FOR VOCATIONAL EDUCATION.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. It is the intent of the legislature that the planning efforts of the public post-secondary education systems be summarized and reported to the legislature. These planning efforts include, but are not limited to, the on-going intrasystem and intersystem planning processes and the information provided by the systems to the governor's commission on the future of post-secondary education. In order to accomplish this goal, the University of Minnesota board of regents, the state university board, the state board for community colleges, and the state board for vocational education shall each submit to the governor and the legislature on December 1 of each even-numbered year a planning report for its system. The planning report shall contain the mission of the system and short- and long-range plans for programs, staff, and facilities. The report shall specify the mission and plans for two, five, and ten years. The assumptions used in developing the plans shall be included.

Subd. 2. MISSION. Each system shall review its mission as it relates to instruction, research, and public service.

Subd. 3. SYSTEM PLANS. (a) Each system shall review its program plan for instruction, research, and public service. Program plans shall include a statement of program priorities for undergraduate, graduate, and professional education. Program plans shall also include data about program cost and average class size within each institution.

(b) Each system shall review its plan for adjusting the number of facilities, staff, and programs to projected level of demand. Plans for adjustments shall consider campus and program mergers, campus and program closings, new governance structures, and other methods including consolidation of institutions, services, and programs with institutions serving the same geographic area which are operated by different governing boards.

(c) Each system shall consult with the higher education coordinating board throughout the planning process.

Subd. 4. PLANNING FACTORS. Each planning report shall consider the following factors at a minimum.

(a) Enrollment projections for two, five, and ten years. If a system uses projections which are different from the most recent available projections produced by the higher education coordinating board, the system shall compare its projections with enrollment projections prepared by the higher education coordinating board, and the system shall identify the method and assumptions used to prepare its projections;

(b) Estimated financial costs and savings of alternative plans for adjusting facilities, staff, and programs to declining enrollments and fiscal resources;

(c) Opportunities for providing services cooperatively with other public and private institutions in the same geographic area.

Changes or additions are indicated by underline, deletions by strikeout.

Subd. 5. HECB REVIEW AND COMMENT. The higher education coordinating board shall review and comment on the reports prepared by the systems. In order to provide sufficient time for this review, systems shall submit the reports to the coordinating board on September 1 prior to the December 1 submission to the governor and legislature. Before the higher education coordinating board forwards its review and comment to the legislature, each system shall be given the opportunity by the higher education coordinating board to respond to the higher education coordinating board review. In order to provide sufficient time for the systems to respond, the HECB shall provide copies of its review and comment to the systems by October 15 and the systems shall submit any responses to the higher education coordinating board by November 15, prior to the January 2 submission to the governor and the legislature. The system responses shall accompany the higher education coordinating board review and comment when it is submitted to the governor and the legislature. As part of its review and comment, the higher education coordinating board shall present information on the costs, enrollment, and participation in public post secondary institutions.

Sec. 35. [135A.07] EXECUTIVE SALARIES.

[Subdivision 1.] Notwithstanding the provisions of chapters 15A and 43A and any other law passed during the 1983 legislative session, the state university board, the community college board, the higher education coordinating board, the state board of education, and the state board of vocational technical education may establish salaries for the chancellor, executive director, commissioner, and the state director, respectively, based on the level of responsibility and authority of the positions. The boards may also consider appropriate market comparisons with comparable positions in the midwest.

Sec. 36. Minnesota Statutes 1982, section 136.03, is amended to read:

136.03 MANAGEMENT OF STATE UNIVERSITIES.

The state universities shall be under the management, jurisdiction, and control of the state university board; and it shall have and possess all of the powers, jurisdiction, and authority, and shall perform all of the duties by them possessed and performed on and prior to April 1, 1901, except as hereinafter stated. Notwithstanding the provisions of sections 136.01, 136.015, and 136.017, the state university board, as it deems necessary, may close state universities under its jurisdiction. Prior to closing a state university the board shall hold a public hearing on the issue in the area which would be affected by the closing. At the hearing affected persons shall have an opportunity to present testimony. The hearing shall be conducted by the office of administrative hearings. The hearing examiner shall prepare a summary of testimony received at the hearing for the board. The board shall give notice of this hearing by publishing notice in the State Register and in a newspaper of general circulation in the affected area at least 30 days before the scheduled hearing.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 37. **[136.031] CARRY OVER AUTHORITY.**

The state university board may carry over any unexpended balance from its appropriation from the first year of a biennium into the second year of the biennium. The board may carry over an unexpended balance up to a maximum of two percent of its biennial appropriation into the following biennium. These moneys shall not be taken into account in determining state appropriations.

Sec. 38. Minnesota Statutes 1982, section 136.144, is amended to read:

136.144 **PROMOTION OF UNIVERSITY; ACCEPTANCE OF GIFTS.**

The board may receive and accept on behalf of the state and for the state universities any gift, bequest, devise, endowment, or grant in the form of cash which any person, firm, corporation, association, or governmental agency may make to the board by will, deed, gift, or otherwise to carry out the purposes of section 136.143. Unless otherwise so expressed in the terms of the gift, bequest, devise, endowment, or grant, moneys so received are not subject to the laws requiring budgeting, allotment, and encumbrance as provided in chapter 16A, or otherwise. ~~Such Moneys~~ These moneys shall be deposited in the state treasury and are ~~hereby~~ appropriated to the board for use ~~in accordance with~~ according to this section. These moneys shall not be taken into account in determining appropriations or allocations.

Sec. 39. Minnesota Statutes 1982, section 136.62, is amended by adding a subdivision to read:

Subd. 7. CLOSING AUTHORITY. Notwithstanding the provisions of sections 136.60 and 136.602, the board, as it deems necessary, may close community colleges under its jurisdiction. Prior to closing a community college the board shall hold a public hearing on the issue in the area which would be affected by the closing. At the hearing affected persons shall have an opportunity to present testimony. The hearing shall be conducted by the office of administrative hearings. The hearing examiner shall prepare a summary of testimony received at the hearing for the board. The board shall give notice of this hearing by publishing notice in the State Register and in a newspaper of general circulation in the affected area at least 30 days before the scheduled hearing.

Sec. 40. Minnesota Statutes 1982, section 136.67, is amended by adding a subdivision to read:

Subd. 5. CARRY OVER AUTHORITY. The community college board may carry over any unexpended balance from its appropriation from the first year of a biennium into the second year of the biennium. The board may carry over an unexpended balance up to a maximum of two percent of its biennial

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appropriation into the following biennium. These moneys shall not be taken into account in determining state appropriations.

Sec. 41. **LEGISLATIVE INTENT.**

(1) The state scholarship and grant-in-aid programs amended in this act are intended to help men and women of the state with financial need pay the costs of their education.

(2) It is the intention of the legislature that the responsibility for the costs of attendance at the institutions of students' choosing be shared by students, parents, and government and that the responsibilities be set forth.

(3) Aid is to be made available to eligible students only after taking into account contributions from the students, parents, and federal Pell grants for which the applicants are eligible.

(4) All students, as the main beneficiaries of the education, will be expected to make substantial contributions of the same proportion equal to at least half of the cost of attendance from savings, earnings, loans, and other resources.

(5) Further, the students' parents, if financially able, are expected to make a contribution to the cost of attendance.

Sec. 42. Minnesota Statutes 1982, section 136A.121, is amended to read:

136A.121 **SCHOLARSHIPS AND GRANTS-IN-AID.**

Subdivision 1. **ELIGIBILITY FOR SCHOLARSHIPS.** An applicant shall be eligible to ~~compete~~ be considered for a scholarship under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- (1) is a resident of the state of Minnesota;
- (2) has met all the requirements for admission as a full-time student to an eligible institution of his choice as defined in sections 136A.09 to 136A.131;
- (3) has demonstrated capacity for superior achievement at the institutional level as measured by standards prescribed by the board;
- (4) is a qualified applicant as defined herein.

Subd. 2. **ELIGIBILITY FOR GRANTS-IN-AID.** An applicant shall be eligible to ~~compete~~ be considered for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- (1) is a resident of the state of Minnesota;
- (2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a full-time student to

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an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 or has completed at least one academic year of study at a two-year institution and seeks transfer to a four-year eligible institution;

(3) has met such criteria pertaining to financial need as the board shall make by regulation.

Subd. 3. **ALLOCATION AND AMOUNT.** Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those applicants for initial awards and applicants for renewal awards who meet the board's requirements.

Subd. 4. **SCHOLARSHIP STIPENDS.** An eligible scholarship applicant shall be considered for a financial stipend shall accompany scholarship awards if the scholarship winner applicant demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicants need, whichever is the lesser. An eligible scholarship winners applicant who do does not demonstrate financial need under criteria prescribed by the board shall be awarded an honorary scholarships scholarship. The amount of a financial stipend shall not exceed a scholarship applicant's cost of attendance, as defined in subdivision 6, after deducting the following:

(a) a contribution by the scholarship applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing;

(b) a contribution by the scholarship applicant's parents, as determined by a standardized need analysis; and

(c) the amount of a federal Pell grant award for which the scholarship applicant is eligible.

The minimum financial stipend shall be \$100.

Subd. 5. **GRANTS-IN-AID STIPENDS.** A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years to a minimum of \$100, but in no event shall exceed one-half of the applicant's financial need, or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicants need, whichever is the lesser. The amount of a financial stipend shall not exceed a grant applicant's cost of attendance, as defined in subdivision 6, after deducting the following:

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(a) a contribution by the grant applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing;

(b) a contribution by the grant applicant's parents, as determined by a standardized need analysis; and

(c) the amount of a federal Pell grant award for which the grant applicant is eligible.

The minimum financial stipend shall be \$100.

Subd. 6. COST OF ATTENDANCE. The cost of attendance shall consist of allowances specified by the board for room and board and miscellaneous expenses, and

(a) for public institutions, tuition and fees charged by the institution; or

(b) for private institutions, beginning July 1, 1985, an allowance for tuition and fees equal to the lesser of (1) the actual tuition and fees charged by the institution, or (2) the instructional costs per full-year equivalent student in comparable public institutions. Prior to July 1, 1985, the tuition and fees allowance shall not exceed the instructional costs per full-year equivalent student in comparable public institutions.

Subd. 7. INSUFFICIENT APPROPRIATION. If the amount appropriated is insufficient to make full awards to applicants pursuant to subdivision 4, then awards shall be reduced by

(a) adding a surcharge to the contribution of the applicant's parents, and

(b) a percentage increase in the applicant's contribution.

Subd. 8. PRIORITY. In dispensing available funds in a given year, priority shall be given on the following basis: first to renewal scholarships and grants-in-aid. Thereafter, until the funds are exhausted, and second to applicants for initial awards, on the basis of their rank in the case of scholarships, and on the basis of need with all applicants treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the board.

Subd. 7 9. INITIAL AWARDS. Only first year students shall be eligible to apply for and receive initial scholarship awards. Only first year and transfer students who meet the board's requirements shall be eligible to apply for and receive initial grants-in-aid for the 1977-1978 school year. First year students, transfer students who meet the board's requirements and second year students who did not receive a grant-in-aid award upon entrance to post-secondary education shall be eligible to apply for and receive initial grants-in-aid for the 1978-1979 and 1979-1980 school years. Any undergraduate student who has not previously received a scholarship or grant-in-aid and who meets the board's requirements shall be eligible to apply for and receive a an initial grant-in-aid in

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any year of undergraduate study for the 1980-1981 school year and subsequent school years.

Subd. § 10. Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable for a maximum of six semesters or nine quarters or their equivalent but may not continue after the recipient has obtained a baccalaureate degree or been enrolled full-time or the equivalent for the number of semesters or quarters normally required to complete a baccalaureate degree, whichever occurs first.

Subd. § 11. Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need.

Subd. 10 12. The student must apply for renewal of his scholarship or grant-in-aid each year.

Subd. 11 13. ~~The deadline for~~ The board to must accept applications for state scholarships and grants-in-aid ~~shall be not earlier than until~~ February 15 and may establish a deadline for the acceptance of applications which is later than February 15.

Subd. 12 14. The student must continue to attend an eligible institution.

Subd. 13 15. All scholarship winners and grant-in-aid recipients shall be notified of their award awards by the board and shall be given appropriate evidence of the award.

Subd. 14. ~~All grant-in-aid recipients shall be duly notified thereof by the board.~~

Subd. 15 16. 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 board scholarship or grant-in-aid account.

Sec. 43. Minnesota Statutes 1982, section 136A.14, is amended to read:
136A.14 **STUDENT LOANS, PURPOSE.**

The legislature has found and hereby declares that the encouragement of the maximum educational development of the young men and women of Minnesota is in the best interest of the state. The state loan ~~program~~ programs would encourage students to continue their education and provide financial assistance for those who would not otherwise be able to do so. The state loan ~~program~~ programs provided for herein is ~~designated except the~~ loan programs authorized under section 49 are designed to be compatible with the provisions of the Higher Education Act of 1965. In furtherance of the loan programs provided for in

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sections 136A.14 to 136A.17 and section 49, the board may enter into such contracts, agreements, and guarantees with reference to the loans or the issuance of revenue bonds as may be necessary to carry out the programs.

Sec. 44. Minnesota Statutes 1982, section 136A.141, is amended to read:

136A.141 STUDENT LOAN PROGRAM.

The higher education coordinating board shall establish and supervise one or more student loan programs in accordance with the provisions of sections 136A.14 to 136A.17 and section 49.

Sec. 45. Minnesota Statutes 1982, section 136A.143, is amended to read:

136A.143 FOREIGN STUDENTS; RESIDENT TUITION.

Institutions of higher education in Minnesota shall be authorized to grant resident status for the purpose of paying tuition fees in each institution to bona fide foreign students after their first year in Minnesota, provided that the total number of these residencies shall not exceed one-half of one percent of total full-time equivalent fall term enrollment of these institutions, ~~provided further that these residencies shall be granted on the basis of demonstrated financial need as determined by the higher education coordinating board.~~

Sec. 46. Minnesota Statutes 1982, section 136A.15, is amended to read:

136A.15 DEFINITIONS.

Subdivision 1. For purposes of sections 136A.14 to 136A.17 and section 49, the terms defined in this section have the meanings ascribed to them:

Subd. 2. "Academic year or its equivalent" shall be as defined in the federal regulations which govern the administration of the National Vocational Student Loan Insurance Act of 1965 and title IV of the Higher Education Act of 1965.

Subd. 3. "Board" means the Minnesota higher education coordinating board.

Subd. 4. "Director" means the executive director of the Minnesota higher education coordinating board.

Subd. 5. "Eligible institution" means any public educational institution and any private educational institution, in any state which is approved by the U.S. commissioner of education in accordance with requirements set forth in the Higher Education Act of 1965, as amended.

Subd. 6. "Eligible lender" means an eligible institution, an agency or instrumentality of a state, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the state of Minnesota or of the United States.

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Subd. 7. "Eligible student" means a student who is officially registered or accepted for enrollment at an eligible institution in Minnesota or a Minnesota resident who is officially registered as a student or accepted for enrollment at an eligible institution in another state. Eligible student, except for purposes of section ~~136A.16~~ 49, includes parents of an eligible student as the term "parent" is defined in the Higher Education Act of 1965, as amended, and the regulations promulgated thereunder. Except for the purposes of section 49, eligible student also includes students eligible for auxiliary loans as the term auxiliary is defined in the Higher Education Act of 1965, as amended, and the regulations promulgated thereunder.

Sec. 47. Minnesota Statutes 1982, section 136A.16, is amended to read:

136A.16 POWERS AND DUTIES OF BOARD.

Subdivision 1. The Minnesota higher education coordinating board is hereby designated as the administrative agency for carrying out the purposes and terms of sections 136A.14 to 136A.17 and section 49.

Subd. 2. The board shall adopt policies and prescribe appropriate rules and regulations to carry out the purposes of sections 136A.14 to 136A.17 and section 49. Such The policies, rules, and regulations except as they relate to loans under section 49 shall be compatible with the provisions of the National Vocational Student Loan Insurance Act of 1965 and the provisions of title IV of the Higher Education Act of 1965, and any amendments thereof.

Subd. 3. The board may make loans in amounts not to exceed the maximum amount provided in the Higher Education Act of 1965 and any amendments thereof except that the limitation shall not apply to loans under section 49. The board may establish procedures determining the loan amounts for which students are eligible.

Subd. 4. The board may contract with or enter into agreements with eligible lenders for the purpose of making loans to eligible students in accordance with the policies and rules of the board.

Subd. 5. The board shall have the right to contract with guarantee agencies, insurance agencies, and/or collection agencies, or any other person, to carry out the purposes of sections 136A.14 to 136A.17 and section 49.

Subd. 6. The board shall be empowered to charge for insurance on each loan a premium, payable each year in advance, The premiums shall not be in an amount not to exceed in excess of the premium in the federal regulations which govern the vocational and higher education loan program except that the limitation shall not apply to loans under section 49. Premium fees shall be available to the board without fiscal year limitation for the purposes of making loans and meeting expenses incurred in of administering the program loan programs.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 7. The board may apply for, receive, accept, and disburse federal funds, as well as funds from other public and private sources, made available to the state for loans or as administrative moneys to operate student loan programs. In making application for federal funds, it may comply with all requirements of such state and federal law and such rules and regulations, and enter into the contracts necessary to enable it to receive, accept, and administer such funds.

Subd. 8. Moneys made available to the board which are not immediately needed for the purposes of sections 136A.14 to 136A.17 and section 49 may be invested by the board. Such moneys shall be invested in bonds, certificates of indebtedness, and other fixed income securities, except preferred stocks, which are legal investments for the permanent school fund. Such moneys may also be invested in such prime quality commercial paper as is eligible for investment in the state employees retirement fund. All interest and profits from such investments shall inure to the benefit of the board.

Subd. 9. The board shall be empowered to employ such professional and clerical staff as the director deems necessary for the proper administration of the loan ~~program~~ programs established and defined by sections 136A.14 to 136A.17 and section 49.

Subd. 10. Subject to its directives and review, the board may delegate to the director the responsibility for issuance of public information concerning provisions of sections 136A.14 to 136A.17 and section 49, for design of loan application forms, and for prescribing procedures for submission of applications for loans.

Subd. 11. The board shall periodically review and evaluate its programs and activities and shall report to the governor on or before the beginning of each session of the state legislature.

Subd. 12. The board shall establish and maintain appropriate accounting and related records.

Subd. 13. ~~Before implementing a loan program for parents as defined in section 136A.15, subdivision 7, the board shall obtain approval from the legislative advisory commission.~~

Sec. 48. Minnesota Statutes 1982, section 136A.17, is amended to read:

136A.17 PROGRAM REQUIREMENTS PROVISIONS FOR FEDERAL PROGRAMS.

Subdivision 1. A student shall be eligible to apply for a loan under the provisions of sections 136A.14 to 136A.17 if the board finds that the student is an eligible student as defined in those sections and is eligible for a loan under federal laws and regulations governing the federal guaranteed student loan ~~program~~ programs.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. The student loan ~~program~~ programs shall be administered in compliance with title VI of the Civil Rights Act of 1964.

Subd. 3. The board may loan money upon such terms and conditions as the board may prescribe and it may acquire student loans from other lenders to facilitate the student loan programs provided for in this section.

Subd. 4. No loan shall be made in excess of the maximum provided by pertinent federal laws and regulations. The aggregate unpaid principal amount of loans to any individual student shall not exceed the maximum provided in pertinent federal laws and regulations.

Subd. 5. The board may make loans for vocational study to an individual student for a maximum of three academic years or their equivalent and loans for higher education to an individual student for a maximum of eight academic years of study or their equivalent.

Subd. 6. No loans made by the board shall be made at an annual rate of interest in excess of the maximum prescribed in the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965, and any amendments thereof.

Subd. 7. The benefits of the loan ~~program~~ programs will not be denied any student because of his family income or lack of need if his adjusted annual family income at the time the note is executed is less than the maximum prescribed in the applicable federal regulations.

Subd. 8. The repayment procedures applicable for loans made by the board shall be consistent with federal regulations governing interest payments under the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965.

Subd. 9. The board may take, hold, and administer, ~~on behalf of the board~~ and for any of its purposes, real property, personal property and moneys, or any interest therein, and the income therefrom, either absolutely or in trust, for any purposes of the board. The board may acquire property or moneys for such purposes by purchase or lease and by the acceptance of gifts, grants, bequests, devises or loans; and may enter into contracts with other nonprofit corporations or institutions with the same or similar purposes as will benefit and improve the operation of the board and its loan programs.

Subd. 10. The board may establish variable repayment schedules consistent with the need and anticipated income streams of borrowers. The repayment schedules shall not violate the federal laws and regulations governing federal guaranteed student loan programs.

Subd. 11. No moneys originating from state sources in the state treasury shall be made available for student loans and all student loans shall be made from moneys originating from nonstate sources.

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Sec. 49. [136A.1701] SUPPLEMENTAL AND ADDITIONAL LOANS.

Subdivision 1. ESTABLISHMENT OF PROGRAM. The higher education coordinating board may provide for programs of loans which may be made in lieu of or in addition to loans authorized under sections 136A.14 to 136A.17 and applicable provisions of federal law as provided in this section.

Subd. 2. PURPOSE OF PROGRAM. The purpose of the loan programs under this section is to provide financial assistance for the post-secondary education of students who are eligible students whether or not such students qualify for a loan or loans under other provisions of sections 136A.14 to 136A.17.

Loans granted to students shall be used solely for educational purposes.

Subd. 3. COMPLIANCE WITH CIVIL RIGHTS ACT. The student loan programs shall be administered in compliance with title VI of the Civil Rights Act of 1964.

Subd. 4. TERMS AND CONDITIONS OF LOANS. The board may loan money upon such terms and conditions as the board may prescribe. The principal amount of a loan to an undergraduate student for a single academic year may not exceed \$4,000. The aggregate principal amount of all loans made under this section to an undergraduate student may not exceed \$16,000. The principal amount of a loan to a graduate student for a single academic year shall not exceed \$6,000. The aggregate principal amount of all loans made under this section to a student as a graduate student shall not exceed \$25,000.

Subd. 5. MAXIMUM LOANS FOR STUDENTS. Loans made under this section or sections 136A.14 to 136A.17 to an individual eligible student for vocational study may be made for a maximum of three academic years or their equivalent and loans made to any other individual eligible student may be made for a maximum of eight academic years or their equivalent.

Subd. 6. RATE OF INTEREST. The board shall determine the rate of interest to be charged on loans. The rate of interest on student loans however computed, shall not be subject to any provision of state law limiting the rate of interest to be charged for a loan of money.

Subd. 7. REPAYMENT OF LOANS. The board shall establish repayment procedures for loans made under this section, but in no event shall the period of permitted repayment exceed ten years from the eligible student's termination of his post-secondary academic or vocational program, or 15 years from the date of his first loan under this section, whichever is less.

Subd. 8. BOARD POWERS. The board may take, hold, and administer for any of its purposes, real or personal property and money, or any interest therein, and the income therefrom, either absolutely or in trust, for any purposes of the board. The board may acquire real or personal property or money for its

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purposes by purchase or lease and by gift, grant, bequest, devise, or loan, and may enter into contracts with profit or nonprofit corporations or institutions with the same or similar purposes as will benefit and improve the operation of the board and its loan programs.

Subd. 9. **VARIABLE REPAYMENT SCHEDULES.** The board may establish variable loan repayment schedules consistent with the need and anticipated income streams of borrowers.

Subd. 10. **PROHIBITION ON USE OF STATE MONEY.** No money originating from state sources in the state treasury shall be made available for student loans under this section and all student loans shall be made from money originating from nonstate sources.

Sec. 50. [136A.1702]

The board shall obtain approval from the legislative advisory commission prior to taking the following actions with regard to student loan programs described in this act:

(1) implementing a loan program for parents and students eligible for auxiliary loans as defined in section 136A.15, subdivision 7;

(2) acquiring student loans from other lenders to facilitate student loan programs provided for in section 136A.17; and

(3) providing for programs of supplemental and additional loans as defined in section 49.

Sec. 51. Minnesota Statutes 1982, section 136A.18, is amended to read:

136A.18 CONTRACTUAL ARRANGEMENTS WITH PRIVATE COLLEGES; PURPOSE.

The legislature has found and hereby declares that private colleges in Minnesota have the potential capacity for educating larger significant numbers of Minnesota residents and that providing for the education of additional Minnesota residents in private colleges, rather than in state institutions of higher education, would result results in a savings of tax moneys. The contractual arrangements with Minnesota private colleges authorized herein are designed to encourage and encouraged to facilitate the education of larger significant numbers of Minnesota residents in private colleges located in Minnesota.

Sec. 52. Minnesota Statutes 1982, section 136A.26, is amended to read:

136A.26 MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.

Subdivision 1. The Minnesota higher education facilities authority shall consist of six members appointed by the governor with the advice and consent of the senate, and the executive director of the Minnesota higher education coordi-

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nating board. The executive director of the coordinating board may designate a member of the director's staff to sit in the director's place as a member of the authority.

All members to be appointed by the governor shall be residents of the state. At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; and at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; and at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education.

Subd. 2. The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the executive director of the higher education coordinating board or the director's designee shall be as provided in section 15.0575.

Sec. 53. Minnesota Statutes 1982, section 136A.29, subdivision 2, is amended to read:

Subd. 2. The authority shall annually elect one of its members as chairman, and one as vice-chairman, and one as secretary, as well as to elect additional officers deemed necessary by the authority. ~~The executive director of the higher education coordinating board shall be secretary of the authority.~~

Sec. 54. Minnesota Statutes 1982, section 136A.29, subdivision 9, is amended to read:

Subd. 9. The authority is authorized and empowered to issue revenue bonds whose aggregate principal amount at any time shall not exceed ~~\$100,000,000~~ \$150,000,000 and to issue notes, bond anticipation notes, and revenue refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42, to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving, furnishing, or equipping one or more projects or parts thereof.

Sec. 55. Minnesota Statutes 1982, section 136A.42, is amended to read:

136A.42 ANNUAL REPORT.

The authority shall keep an accurate account of all of its activities and all of its receipts and expenditures and shall annually make a report thereof to the higher education coordinating board. ~~The authority's report shall be included in The higher education coordinating board's biennial report board shall review and comment upon the report and make such recommendations as it deems necessary to the governor and the legislature.~~

Sec. 56. INTENTION OF THE LEGISLATURE.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

It is the intention of the legislature to create a state board of vocational technical education to govern post-secondary and adult vocational education administered by an area vocational technical institute.

Further, it is the intention of the legislature that secondary vocational education be governed by the state board of education as an essential and integral part of the secondary instructional program.

Further, it is the intention of the legislature that adult vocational education not administered by an area vocational technical institute be governed by the state board of education.

Further, it is the intention of the legislature that the state board of education and the state board of vocational technical education conduct their affairs cooperatively to continue the coordination of secondary, post-secondary, and adult vocational education.

Further, it is the intention of the legislature, with respect to post-secondary and adult vocational education administered by an area vocational technical institute, that the present balance of powers, duties, and functions between school boards and the state be retained except as provided in this act.

Further, it is the intention of the legislature to allow for flexibility and the opportunity for participation by affected parties during the time preceding the assumption of governing responsibilities.

Finally, it is the intention of the legislature that the state board of vocational technical education commence its proceedings with due deliberation, demonstrating concern for existing successful programs, concern for present diverse programs, needs, and methods of delivery, and thoughtful consideration of the complexities of governing and coordinating the affected parties and programs.

Sec. 57. [136C.01] ESTABLISHMENT.

A state board of vocational technical education is established to govern post-secondary vocational education. It shall also govern adult vocational education administered by an area vocational technical institute.

Sec. 58. [136C.02] DEFINITIONS.

Subdivision 1. SCOPE. For the purpose of this chapter, the following terms have the meanings given them.

Subd. 2. AREA VOCATIONAL TECHNICAL INSTITUTE. "AVTI" means an area vocational technical institute.

Subd. 3. POST-SECONDARY VOCATIONAL EDUCATION. "Post-secondary vocational education" means post-secondary and adult vocational education administered by an AVTI.

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Subd. 4. STATE BOARD. "State board" means the state board of vocational technical education.

Subd. 5. STATE DIRECTOR. "State director" means the state director of vocational technical education.

Subd. 6. DISTRICT. "District" means a school district providing post-secondary vocational education or an intermediate district.

Subd. 7. INTERMEDIATE DISTRICT. "Intermediate district" means a district with a cooperative program which has been established under Laws 1967, chapter 822, as amended; Laws 1969, chapter 775, as amended; and Laws 1969, chapter 1060, as amended, offering integrated services for secondary, post-secondary, and adult students in the areas of vocational education, special education, and other authorized services.

Subd. 8. SCHOOL BOARD. "School board" means the school board of a district and, in the case of an intermediate district, the board of the intermediate district.

Sec. 59. [136C.03] STATE BOARD MEMBERSHIP.

Subdivision 1. COMPOSITION AND SELECTION. The state board shall consist of 11 members. One shall be from each congressional district, two shall represent the state at large, and one shall be a student to represent the state at large. The members shall be appointed by the governor with the advice and consent of the senate. Ten members shall be selected for their interest in vocational technical education, and consideration shall be given to applicants based on their knowledge of agriculture, business, economic development, industry, labor, and service for the handicapped. The student member shall be a full-time student enrolled in an area vocational technical institute or so enrolled within one year before appointment to the state board. Except for the student member, no member while serving on the state board may be an employee of or receiving compensation from a public or private institution providing post-secondary vocational education.

Subd. 2. TERMS. The membership terms, compensation, removal of members, and filling of vacancies on the state board shall be as provided in section 15.0575, except that the term of the student member shall be two years.

Subd. 3. ADMINISTRATION. The state board shall elect a chair and other officers as it may desire. It shall determine its meeting dates and places. The commissioner of administration shall provide the state board with appropriate offices.

Sec. 60. FIRST STATE BOARD.

Subdivision 1. APPOINTMENT AND TERMS. By July 1, 1983, the state board of vocational technical education shall be appointed by the governor

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according to the provisions of section 59, subdivision 1. The state board shall assume full responsibility for governance on January 1, 1984. The terms of the members of the first state board shall be as follows: the terms of two members shall end on the first Monday in January, 1988; the terms of three members shall end on the first Monday in January, 1987; the terms of three members shall end on the first Monday in January, 1986; and the terms of three members shall end on the first Monday in January, 1985.

Subd. 2. DEVELOPMENT OF PROCEDURES AND REPORT. The state board shall develop procedures to transfer governance with the advice and consultation of the state board for vocational education, state board of education, appropriate state agencies, school boards, and other affected parties. The state board of vocational technical education and the state board of education shall cooperatively determine:

- (a) allocation of federal moneys;
- (b) permanent designation of the sole state agency;
- (c) provision of operational support services;
- (d) assignment of operational support and adult vocational staff; and
- (e) agreements involving the two boards.

The state board of vocational technical education and the state board of education shall report their findings and recommendations, including proposals for statutory changes, to the education committees of the legislature by December 1, 1983.

Subd. 3. TEMPORARY SOLE STATE AGENCY. From January 1, 1984, to June 30, 1984, the state board of education shall serve as the sole state agency for the purpose of receiving federal vocational money. All federal money for post-secondary vocational education, as defined in section 58, shall be reallocated to the state board of vocational technical education.

Subd. 4. FIRST STATE DIRECTOR. Notwithstanding the provisions of section 61, subdivision 2, the governor, with the advice and consent of the senate, shall appoint the first state director.

Subd. 5. STAFF. The state board may employ necessary staff to carry out its duties under this section. On request of the state board, the department of education may temporarily assign any of its staff to assist the state board.

Sec. 61. [136C.04] POWERS AND DUTIES OF THE STATE BOARD.

Subdivision 1. GENERAL. The state board shall possess all powers necessary and incident to the management, jurisdiction, and governance of

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post-secondary vocational education. These powers shall include, but are not limited to, those enumerated in this section.

Subd. 2. APPOINTMENT OF STATE DIRECTOR. The state board shall appoint a state director of vocational technical education who shall serve in the unclassified service. The state director shall be qualified by training and experience in the field of education, vocational education, or administration. The state director shall possess powers and perform duties as delegated by the state board. The state board shall set the salary of the state director. The state director may be paid an allowance not to exceed \$2,000 annually for miscellaneous expenses in connection with duties of the office. The provisions of chapter 16A shall not apply to these expenditures, but the state board shall prescribe the manner, amount, and purpose of the expenditures and report to the legislature on the expenditures by December 1 of each even-numbered year.

Subd. 3. STAFF. The state board shall employ all subordinate staff and prescribe their duties consistent with chapter 43A.

Subd. 4. BUDGET REQUESTS. The state board shall review and approve, disapprove, or modify the biennial budget requests for post-secondary vocational education operations and facilities submitted by the state director. The state board shall submit the approved biennial budget requests to the governor.

Subd. 5. PLANNING. The state board shall develop a long-range plan for post-secondary vocational education which shall include goals and objectives for instructional programs, facilities, and use of resources. The plan shall be developed with the advice of appropriate state agencies, school boards, and other affected parties. The state board shall review this plan biennially to evaluate its success in meeting these goals and objectives.

Subd. 6. ACCOUNTING AND REPORTING STANDARDS. The state board shall maintain the uniform financial accounting and reporting system according to the provisions of sections 121.90 to 121.917.

Subd. 7. ATTENDANCE AND COMPLETION. The state board shall prescribe conditions of admission, tuition, fees, and other related matters. The state board shall prescribe requirements for completion of programs and approve the awarding of appropriate certificates or associate degrees consistent with the provisions of section 121.218. Chapter 14 shall not apply to the matters in this subdivision.

Subd. 8. CONTRACTS AND COOPERATIVE AGREEMENTS. The state board may enter into contracts or cooperative agreements with the state board of education, higher education governing boards, educational institutions, or appropriate state agencies.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 9. LICENSURE. The state board may promulgate rules, according to the provisions of chapter 14, for licensure of teaching, support, and supervisory personnel in post-secondary and adult vocational education.

Subd. 10. ALLOCATION. The state board shall allocate state and federal money for post-secondary vocational education. Money received from federal sources other than as provided in chapter 124, and money received from other sources, not including the state, shall not be taken into account in determining appropriations or allocations.

Subd. 11. SHORT-TERM PROGRAMS. The state board may approve a short-term program of two years or less, as an economic development initiative, which will not become a permanent part of the curriculum. The short-term program shall have an approved program length of not more than two years and be operated for a specified duration.

Subd. 12. PROGRAMS. The state board shall approve, disapprove, and coordinate programs. After consultation with affected school boards, the state board may add, eliminate, transfer, or change programs as it determines advisable. The state board shall consider the integrated services of secondary, post-secondary, and adult vocational education when it reviews intermediate district programs.

In the case of intermediate districts, the state board may apply the following criteria when adding, eliminating, transferring, or changing programs:

(a) the school board may be allowed to continue offering integrated secondary, post-secondary, and adult programs; and

(b) the school board may determine the use of facilities and equipment for secondary, post-secondary, adult, and special education programs and educational services for low incidence populations.

Subd. 13. CLOSING AUTHORITY. The state board, after consultation with the affected school board, may require that school board to discontinue operation of its AVTI. The state board shall first hold a public hearing on the issue in that geographic area. Affected parties shall have an opportunity to present testimony. At the request of the school board, the hearing shall be conducted by a hearing examiner of the office of administrative hearings. The hearing examiner shall prepare a summary of testimony for the state board. The state board shall publish notice in the State Register and in a newspaper of general circulation in the geographic area at least 30 days before the scheduled hearing.

Subd. 14. REORGANIZATION. The state board, after consulting with the affected school boards, may merge or reorganize institutes or establish regional service areas for the purpose of increased efficiency, use of personnel,

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placement of programs, student access, and other needs as determined by the state board.

Subd. 15. PUBLIC HEARINGS. The state board shall conduct public hearings when merging or reorganizing institutions and when allocating money. Notice shall be given to affected persons in the manner determined by the state board. All affected persons shall be given the opportunity to be heard, but the state board may impose reasonable restrictions on time. The state board shall take final action at a meeting held at least seven days after the public hearing.

Subd. 16. TIMING OF ACTIONS. The state board may consider the provisions of sections 125.12, subdivision 4, and 125.17, subdivision 3, when it takes actions under subdivisions 12, 13, and 14.

Subd. 17. COOPERATION FOR VOCATIONAL EDUCATION. The state board of education shall cooperate with the state board of vocational technical education to promote establishment of policies and methods to improve the quality and efficiency of secondary, post-secondary, and adult vocational education in the state.

Sec. 62. [136C.05] POWERS AND DUTIES OF THE SCHOOL BOARD.

Subdivision 1. PERSONNEL. The school board shall employ instructors, support personnel, and supervisory personnel for post-secondary vocational education. The school board may appoint the local director.

Subd. 2. FINANCE. The school board shall prepare and submit budgets as required by the state board. The school board shall approve all expenditures.

Subd. 3. INSTRUCTIONAL PROGRAM. The school board shall operate and maintain post-secondary vocational education, subject to the supervision of the state board as provided in section 61. The school board may determine area employment needs and make recommendations to the state board.

Subd. 4. FACILITIES AND EQUIPMENT. The school board shall operate and maintain all facilities and equipment and shall employ personnel to do so.

Sec. 63. EFFECT OF TRANSFER.

Subdivision 1. BOARD TRANSFER. The state board for vocational education is abolished on December 31, 1983. Except as explicitly provided otherwise in this act, the powers, duties, and functions of the state board for vocational education relating to post-secondary and adult vocational education are transferred to the state board of vocational technical education. Rules of the state board for vocational education relating to adult vocational education, other than licensure rules, are not affected by this transfer with respect to adult vocational education not administered by area vocational technical institutes.

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Rules of the state board for vocational education relating to post-secondary vocational education, as defined in section 58, other than licensure rules, shall have no force and effect on January 1, 1984, and thereafter. Rules of the state board for vocational education for post-secondary and adult vocational education licensure are transferred to the state board of vocational technical education.

Subd. 2. TRANSFER NOT TO AFFECT LEGAL ACTION. The transfer of powers, duties, and functions shall not affect any action or proceeding, whether administrative, civil, or criminal, pending at the time of the transfer. The action shall be continued in the name of the state board of vocational technical education which, upon application to the appropriate court, shall be substituted as a party to the action or proceeding.

Subd. 3. TRANSFER OF PROPERTY. All books, maps, plans, papers, records, contracts, documents, and property of every description in the possession or control of the state board for vocational education or the state board of education, relating to post-secondary vocational education, as defined in section 58, shall be transferred to the state board of vocational technical education. The transfer shall be made in accordance with the directions of the state board of vocational technical education.

Subd. 4. TRANSFER OF FUNDS. The unencumbered and unexpended balance of all funds appropriated to the state board for vocational education for post-secondary vocational education, as defined in section 58, shall be transferred and reappropriated to the state board of vocational technical education. All federal money for post-secondary vocational education, as defined in section 58, shall be transferred to the state board of vocational technical education.

Subd. 5. CONSTRUCTION OF STATUTES, CONTRACTS, AND DOCUMENTS. Whenever the state board for vocational education or its officer is referred to or designated in a statute, contract, or document, in the context of post-secondary vocational education, as defined in section 58, the reference or designation shall be construed to mean the state board of vocational technical education or its officer.

Subd. 6. TRANSFER OF POSITIONS. Notwithstanding any law to the contrary, the positions of the managers of vocational relations, adult vocational extension, post-secondary vocational section, and operational services of the vocational technical education division of the department of education shall be declassified effective July 1, 1983. Incumbent employees may exercise layoff rights within the department of education provided by the applicable plan pursuant to Minnesota Statutes, section 43A.18. The layoff rights shall be exercised no later than December 31, 1983. The provisions of Minnesota Statutes, sections 43A.08, subdivision 6 and 43A.081 shall not apply to the declassification of these positions.

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All classified positions and incumbent employees in the adult vocational technical education, post-secondary vocational technical education, and operational services sections of the vocational technical education division of the department of education, including the confidential secretary to the assistant commissioner of vocational technical education, are transferred to the state board of vocational technical education on January 1, 1984. The position of assistant commissioner of vocational technical education and the positions declassified in this subdivision are transferred to the state board of vocational technical education on January 1, 1984. The board of vocational technical education and the commissioner of education in consultation with the commissioner of employee relations and the commissioner of finance shall determine which additional positions shall be transferred. The positions transferred to the board of vocational technical education are abolished in the department of education. The approved staff complement for that agency is decreased accordingly.

Except as specifically provided, nothing in this subdivision shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the managerial or commissioner's plans or the terms of an agreement between the exclusive representatives of public employees and the state or one of its appointing authorities.

Sec. 64. PLAN FOR COOPERATION.

Subdivision 1. PLAN. For increased financial efficiency and effectiveness in serving its community and in responding to changing enrollment needs, each AVTI and community college located in the same community or in nearby communities shall jointly develop a plan for cooperation. The institutions included are those located in Thief River Falls, Hibbing, Virginia-Eveleth, Brainerd, Willmar, Rochester, Austin, White Bear Lake, Minneapolis, Brooklyn Park, Anoka-Coon Rapids, Rosemount-Inver Grove Heights, and Bloomington-Eden Prairie.

Subd. 2. CONTENTS OF PLAN. Each plan shall propose a strategy for sharing of facilities, personnel, and resources. These strategies may include campus reorganizations, discontinuation of programs, changes in governance, and other such methods. Each plan shall identify estimated savings and the manner in which the savings will be achieved.

Subd. 3. SUBMISSION OF PLANS. Each plan shall be submitted to the chancellor for community colleges and the state director of vocational technical education by November 1, 1983. They shall review the plans and approve or disapprove them. A disapproved plan shall be returned to the institutions where it shall be modified and resubmitted to the chancellor and state director. The chancellor and state director shall submit all approved plans to their governing boards for review.

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Subd. 4. REVIEW AND COMMENT. By January 1, 1984, the governing boards shall submit all approved plans to the higher education coordinating board for review and comment. The higher education coordinating board, the state board for community colleges, and the state board of vocational technical education shall report the plans to the legislature by February 1, 1984.

Sec. 65. Minnesota Statutes 1982, section 158.05, is amended to read:

158.05 ACTUAL COST TO BE CHARGED PATIENTS.

The University of Minnesota hospitals shall treat patients admitted on certificate of the board of county commissioners of any county at rates based on actual cost, as determined by the board of regents of the University of Minnesota. Seventy Sixty percent of the first \$5,000 \$11,000 in charges against a patient, and all of the charges against a patient in excess of \$5,000 \$11,000, will be paid by the state from appropriations made to the university for this purpose. Before charges are billed to this program, the University of Minnesota hospitals and clinics shall seek payment from any third-party insurance that is liable for coverage of the patients' care. This program shall be billed for the balance after the third-party payment according to the formula noted above. Any resident of the state, upon a proper showing to the board of regents of the University of Minnesota that he is unable to pay ordinary physician's fees and hospital charges, may be received upon paying the same rate as charged for county patients. It shall be the duty of the board of regents to investigate applications made for such treatment under this section; and, if satisfied of the truth of the allegations made and of the necessity for treatment, the board of regents shall admit such patients when there is room in the hospitals.

Students of the University of Minnesota and such other patients as the board of regents, to an extent that will not interfere with the primary purpose of the hospitals, as set forth in section 158.02, may direct, may be received in the hospitals when there is room and any fees received from such patients shall be used for the purposes of the hospitals.

Sec. 66. STUDY OF STUDENT PROGRESS.

Subdivision 1. HIGHER EDUCATION COORDINATING BOARD. The higher education coordinating board shall conduct a study of policies and standards relating to student progress toward completion of programs in Minnesota higher education systems and institutions. This study shall result in a report and recommendations for improving policies on student progress. The report shall be submitted to the legislature by December 1, 1983.

Subd. 2. FACTORS. The study shall consider such factors as trends toward longer academic residency of students, the relationship between the retention of students and sources of institutional revenue, the retention of students whose grades are below average, counseling and advising of students

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regarding completion of programs, changes in standards which measure performance and progress, and other factors relevant to student progress.

Sec. 67. ADOPT TEMPORARY RULES.

The higher education coordinating board shall adopt temporary rules pursuant to Minnesota Statutes, sections 14.29 to 14.36 to implement the provisions of section 49, for the 1983-1984 academic year. Notwithstanding Minnesota Statutes, section 14.35, the temporary rules may be effective until permanent rules are adopted or June 30, 1984, whichever is earlier.

Sec. 68. CONGRESSIONAL DISTRICTS FOR REGENTS.

The provisions of Minnesota Statutes, section 137.024, requiring at least one member of the board of regents of the University of Minnesota to be a resident of each congressional district, shall not apply from the effective date of this act until the first Monday in February of 1985.

Sec. 69. UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS ADVISORY COUNCIL.

Notwithstanding the provisions of any other law to the contrary, the uniform financial accounting and reporting advisory council shall not terminate before June 30, 1985.

Sec. 70. ESV COMPUTER COUNCIL.

Notwithstanding the provisions of any other law to the contrary, the elementary-secondary-vocational computer council shall not terminate before June 30, 1985.

Sec. 71. HIGHER EDUCATION ADVISORY COUNCIL.

Notwithstanding the provisions of any other law to the contrary, the higher education advisory council shall not terminate before June 30, 1985.

Sec. 72. REPEALER.

Subdivision 1. Minnesota Statutes 1982, sections 120.82 and 136.034 are repealed.

Subd. 2. Minnesota Statutes 1982, sections 121.902, subdivision 1a; 121.936, subdivision 6; 136A.144; 136A.145; 136A.146; 136A.161; 136A.19; 136A.20; 136A.21; 136A.22; 136A.236; and 136A.237, are repealed.

Subd. 3. Minnesota Statutes 1982, sections 121.11, subdivision 1, and 124.53, are repealed.

Sec. 73. EFFECTIVE DATE.

Subdivision 1. Except where the language of this act explicitly provides otherwise, the sections of this act are effective as provided in this section.

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Subd. 2. Sections 9, 10, 14 to 21, 35, 56, 60, 65, and 72, subdivision 1, are effective the day after final enactment.

Subd. 3. Sections 1 to 8, 11, 12, 13, 22 to 34, 36 to 55, 57, 58, 64, 66 to 71, and 72, subdivision 2, are effective July 1, 1983.

Subd. 4. Sections 59, 61, 62, 63, and 72, subdivision 3, are effective January 1, 1984.

Approved June 6, 1983

CHAPTER 259 — S.F.No. 201

An act relating to liquor; authorizing election day sales; reducing the period of existence required for a club license; authorizing off-sale licenses to dispense certain samples and advertise in bordering states' newspapers in certain instances; regulating volume discounts; authorizing the city of St. Paul to issue an on-sale liquor license to the Phalen Park club house; authorizing the city of St. Paul to issue a special beer and wine license to the Downtown Council; authorizing the city of Minnetonka to issue three additional on-sale licenses; authorizing the city of Long Prairie to issue a club license to a certain Moose Lodge; amending Minnesota Statutes 1982, sections 340.034, subdivision 1; 340.11, subdivisions 11 and 15; 340.14, subdivision 1; 340.15, by adding a subdivision; 340.408; and 340.983.

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

Section 1. Minnesota Statutes 1982, section 340.034, subdivision 1, is amended to read:

Subdivision 1. No sale of nonintoxicating malt liquor shall be made between the hours of one a.m. and eight a.m. on any weekday Monday through Saturday inclusive. Neither shall any sale of such liquor be made on any Sunday between the hours of one a.m. and twelve o'clock noon, ~~nor between the hours of one a.m. and eight o'clock p.m. on the day of any statewide election.~~

Sec. 2. Minnesota Statutes 1982, section 340.11, subdivision 11, is amended to read:

Subd. 11. **ON-SALE LICENSES, INCLUDING HOTELS, CLUBS, RESTAURANTS, AND ON-SALE EXCLUSIVE LIQUOR STORES.** "On-sale" licenses may be issued by municipalities for the sale of intoxicating liquors in hotels, clubs, restaurants and establishments for the sale of "on-sale" liquors exclusively within the number authorized by this section. In addition to the number of licenses authorized by this section, an "on-sale" license may be issued, if approved by the commissioner of public safety, to a bona fide club which has been in existence for 15 years or more or to a congressionally chartered veterans'

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