

CHAPTER 136A

MINNESOTA HIGHER EDUCATION BOARDS AND AGENCIES

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136A.02 MEMBERSHIP; OFFICERS; ADVISORY COMMITTEES.

[For text of subds 1 to 3, see M.S.1988]

Subd. 5. Advisory groups. The board may appoint advisory task forces to assist it in the study of higher education within the state or in the administration of federal programs. The task forces expire and the terms, compensation, and removal of members are as provided in section 15.059, except that the task force established under section 135A.05 and the advisory councils established under subdivisions 6 and 7 expire June 30, 1993.

Subd. 6. Higher education advisory council. A higher education advisory council is established. The council is composed of the president of the University of Minnesota, the chancellor of the state universities, the chancellor of the community colleges, the state director of vocational technical education, the commissioner of education, the president of the private college council, and a representative from the Minnesota association of private post-secondary schools. The advisory council shall (1) bring to the attention of the board any matters that the council deems necessary, (2) make appropriate recommendations, (3) review and comment upon proposals and other matters before the board, and (4) provide other assistance to the board. The board shall periodically inform the council of matters under consideration by the board. The board shall refer all proposals to the council before submitting recommendations to the governor and the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The council shall report to the board at least quarterly. The council shall determine its meeting times, but it shall also meet within 30 days after a request by the executive director of the board. The council expires June 30, 1993.

Subd. 7. Student advisory council. A student advisory council to the board is established. The members of the council shall include the chair of the University of Minnesota university student senate, the state chair of the Minnesota state university student association, the president of the Minnesota community college student association, the president of the Minnesota vocational technical student association, the president of the Minnesota association of private college students, and a student who is enrolled in a private vocational school registered under this chapter, to be appointed

by the Minnesota association of private post-secondary schools. A member may be represented by a designee.

The advisory council shall:

- (1) bring to the attention of the board any matter that the council believes needs the attention of the board;
- (2) make recommendations to the board as the council deems appropriate;
- (3) review and comment upon proposals and other matters before the board;
- (4) provide any reasonable assistance to the board; and
- (5) select one of its members to serve as chair. The board shall inform the council of all matters under consideration by the board and shall refer all proposals to the council before the board acts or sends the proposals to the governor or the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The student advisory council shall report to the board quarterly and at other times that the council considers desirable. The council shall determine its meeting time, but the council shall also meet with the executive director of the board within 30 days after the director's request for a council meeting. The student advisory council shall meet quarterly with the higher education advisory council and the board executive committee. The council expires June 30, 1993.

History: 1989 c 293 s 18-20

136A.04 DUTIES.

Subdivision 1. The higher education coordinating board shall:

- (1) continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state;
- (2) continuously engage in long-range planning for the needs of higher education and, if necessary, cooperatively engage in planning with neighboring states and agencies of the federal government;
- (3) act as successor to any committee or commission previously authorized to engage in exercising any of the powers and duties prescribed by sections 136A.01 to 136A.07;
- (4) review, approve or disapprove, make recommendations, and identify priorities with respect to all proposals for new or additional programs of instruction or substantial changes in existing programs to be established in or offered by, the University of Minnesota, the state universities, the community colleges, technical institutes, and private collegiate and noncollegiate post-secondary institutions. The board shall also periodically review existing programs and recommend discontinuing or modifying any existing program. When reviewing new or existing programs, the board shall consider whether the program is unnecessary, a needless duplication of existing programs, beyond the capability of the system or institution considering its resources, or beyond the scope of the system or institutional mission;
- (5) develop in cooperation with the post-secondary systems, house appropriations committee, senate finance committee, and the departments of administration and finance, a compatible budgetary reporting format designed to provide data of a nature to facilitate systematic review of the budget submissions of the University of Minnesota, the state university system, the community college system, and the technical institutes, which includes the relating of dollars to program output;
- (6) review budget requests, including plans for construction or acquisition of facilities, of the University of Minnesota, the state universities, the community colleges, and technical institutes for the purpose of relating present resources and higher educational programs to the state's present and long-range needs; and conduct a continuous analysis of the financing of post-secondary institutions and systems, including the assessments as to the extent to which the expenditures and accomplishments are consistent with legislative intent;

(7) obtain from private post-secondary institutions receiving state funds a report on their use of those funds;

(8) continuously monitor and study the transferability between Minnesota post-secondary and higher education institutions of credits earned for equal and relevant work at those institutions, the degree to which credits earned at one institution are accepted at full value by the other institutions, and the policies of these institutions concerning the placement of these transferred credits on transcripts; and

(9) prescribe policies, procedures, and rules necessary to administer the programs under its supervision.

Subd. 2. The higher education coordinating board shall review and make recommendations regarding a plan or proposal for a new or additional program of instruction or a substantial change in an existing program of instruction to be offered by a technical institute within 45 days of the transmission of approval of the plan or proposal to the higher education coordinating board by the state board of vocational technical education. The higher education coordinating board shall then transmit a written explanation of its recommendations within five days of board action to the director of the applying technical institute and to the state director of vocational technical education.

History: 1989 c 293 s 21

136A.042 [Repealed, 1989 c 293 s 85]

136A.05 COOPERATION OF INSTITUTIONS OF HIGHER EDUCATION.

All public institutions of higher education, all school districts providing post-secondary vocational education, and all state departments and agencies shall cooperate with and supply information requested by the higher education coordinating board in order to enable it to carry out and perform its duties. Private post-secondary institutions are requested to cooperate and provide information.

History: 1989 c 293 s 22

136A.08 RECIPROCAL AGREEMENTS RELATING TO NONRESIDENT TUITION WITH OTHER STATES.

Subdivision 1. **Authorization.** The Minnesota higher education coordinating board may enter into agreements, on subjects that include remission of nonresident tuition for designated categories of students at public post-secondary institutions, with appropriate state agencies and public post-secondary institutions in other states. The agreements shall be for the purpose of the mutual improvement of educational advantages for residents of this state and other states with whom agreements are made.

Subd. 1a. **Wisconsin.** A higher education reciprocity agreement with the state of Wisconsin may include provision for the transfer of funds between Minnesota and Wisconsin provided that an income tax reciprocity agreement between Minnesota and Wisconsin is in effect for the period of time included under the higher education reciprocity agreement. If this provision is included, the amount of funds to be transferred shall be determined according to a formula which is mutually acceptable to the board and a duly designated agency representing Wisconsin. The formula shall recognize differences in tuition rates between the two states and the number of students attending institutions in each state under the agreement. Any payments to Minnesota by Wisconsin shall be deposited by the board in the general fund of the state treasury. The amount required for the payments shall be certified by the executive director of the higher education coordinating board to the commissioner of finance annually.

Subd. 2. **North Dakota; South Dakota.** A reciprocity agreement with North Dakota may include provision for the transfer of funds between Minnesota and North Dakota. If provision for transfer of funds between the two states is included, the amount of funds to be transferred shall be determined according to a formula which is mutually acceptable to the board and a duly designated agency representing North Dakota. In adopting a formula, the board shall consider tuition rates in the two states

and the number of students attending institutions in each state under the agreement. Any payment to Minnesota by North Dakota shall be deposited by the board in the general fund. The amount required for the payments shall be certified by the executive director of the higher education coordinating board to the commissioner of finance annually. All provisions in this subdivision pertaining to North Dakota shall also be applied to South Dakota, and all authority and conditions granted for higher education reciprocity with North Dakota are also granted for higher education reciprocity with South Dakota.

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

Subd. 4. Governing board approval. An agreement made by the board under this section is not valid as to a particular institution without the approval of that institution's state governing board.

History: 1989 c 293 s 23

136A.101 DEFINITIONS.

Subdivision 1. For purposes of sections 136A.095 to 136A.134, the terms defined in this section have the meanings ascribed to them.

[For text of subds 2 to 6, see M.S.1988]

Subd. 7. "Student" means a person who is enrolled at least half time, as defined by the board, in a program or course of study that applies to a degree, diploma, or certificate, except that for purposes of section 136A.132, student may include a person enrolled less than half time.

Subd. 8. "Resident student" means a student who meets one of the following conditions:

(1) an independent student who has resided in Minnesota for purposes other than post-secondary education for at least 12 months;

(2) a dependent student whose parent or legal guardian resides in Minnesota at the time the student applies;

(3) a student who graduated from a Minnesota high school; or

(4) a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota.

[For text of subd 9, see M.S.1988]

History: 1989 c 293 s 24-26

NOTE: Subdivision 6 is repealed effective June 30, 1990. See Laws 1989, chapter 293, section 85.

136A.111 [Repealed, 1989 c 293 s 85]

136A.121 GRANTS.

Subdivision 1. **Eligibility for scholarships.** An applicant is eligible to be considered for a scholarship under sections 136A.09 to 136A.131 if the board finds that the applicant:

(1) is a resident of the state of Minnesota;

(2) has met all the requirements for admission as a student to an eligible institution of 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.

Subd. 2. Eligibility for grants. An applicant is eligible to be considered for a grant, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections 136A.095 to 136A.131 if the board finds that the 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 student to an eligible college or technical institute of choice as defined in sections 136A.095 to 136A.131;
- (3) has met the financial need criteria established in Minnesota Rules; and
- (4) is not in default, as defined by the board, of any federal or state student educational loan.

Subd. 3. **Allocation.** Grants must be awarded on a funds available basis to those applicants who meet the board's requirements.

Subd. 4. **Scholarship stipends.** An eligible scholarship applicant shall be considered for a financial stipend if the applicant demonstrates financial need. The amount of a financial stipend must 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) for an applicant who is not an independent student, 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.

Subd. 5. **Grant stipends.** The amount of a financial stipend must not exceed a grant applicant's cost of attendance, as defined in subdivision 6, after deducting the following:

- (1) a contribution by the grant applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing;
- (2) for an applicant who is not an independent student, a contribution by the grant applicant's parents, as determined by a standardized need analysis; and
- (3) the amount of a federal Pell grant award for which the grant applicant is eligible.

The minimum financial stipend is \$100.

Subd. 6. **Cost of attendance.** The cost of attendance consists of allowances specified by the board for room and board and miscellaneous expenses, and

- (1) for public institutions, tuition and fees charged by the institution; or
- (2) for private institutions, an allowance for tuition and fees equal to the lesser of the actual tuition and fees charged by the institution, or the instructional costs per full-year equivalent student in comparable public institutions.

Subd. 7. **Insufficient appropriation.** If the amount appropriated is determined by the board to be insufficient to make full awards to applicants under subdivision 5, before any award for that year has been disbursed, awards must be reduced by

- (1) adding a surcharge to the contribution of the applicant's parents, and
- (2) a percentage increase in the applicant's contribution.

Subd. 9. **Initial awards.** An undergraduate student who has not previously received a grant and who meets the board's requirements is eligible to apply for and receive an initial grant in any year of undergraduate study.

Subd. 10. **Renewals.** Each grant must be awarded for one academic year, is 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 has been enrolled full-time or the equivalent for eight semesters or 12 quarters, whichever occurs first.

Subd. 11. **Renewal conditions.** Each grant is renewable, contingent on continued residency in Minnesota, satisfactory academic standing, recommendation of the eligible institution currently attended, and evidence of continued need.

Subd. 12. **Annual application.** To continue to receive a grant, the student must apply for renewal each year.

Subd. 13. Deadline. The board shall accept applications for state grants until February 15 and may establish a deadline for the acceptance of applications that is later than February 15.

Subd. 15. [Repealed, 1989 c 293 s 85]

Subd. 16. How applied; order. Grants awarded under sections 136A.095 to 136A.131 must be applied to educational costs in the following order: tuition, fees, books, supplies, and other expenses. Unpaid portions of the awards revert to the grant account.

Subd. 17. Independent student information. The board shall inform students, in writing, as part of the application process, about the definition of independent student status and appeals to the financial aid administrator relating to the declaration of the status.

History: 1989 c 293 s 27

NOTE: Subdivisions 1 and 4 are repealed effective June 30, 1990. See Laws 1989, chapter 293, section 85.

136A.125 CHILD CARE GRANTS.

Subdivision 1. Establishment. A child care grant program is established under the supervision of the higher education coordinating board. The program makes money available to eligible students to reduce the costs of child care while attending an eligible post-secondary institution. The board shall develop policies and adopt rules as necessary to implement and administer the program.

Subd. 2. Eligible students. An applicant is eligible for a child care grant if the applicant:

- (1) is a resident of the state of Minnesota;
- (2) has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in section 120.03, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;
- (3) is within the sliding fee scale income guidelines set under section 256H.10, subdivision 2, as determined by a standardized financial aid needs analysis in accordance with the board's policies and rules, but is not a recipient of aid to families with dependent children;
- (4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters, 12 quarters, or the equivalent;
- (5) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;
- (6) is enrolled at least half time in an eligible institution; and
- (7) is in good academic standing and making satisfactory progress, as determined by the institution.

Subd. 3. Eligible institution. A Minnesota public post-secondary institution or a private, residential, two-year or four-year, liberal arts, degree granting college or university located in Minnesota is eligible to receive child care funds from the board and disburse them to eligible students.

Subd. 4. Amount and length of grants. The amount of a child care grant must be based on:

- (1) the financial need of the applicant;
- (2) the number of the applicant's children; and
- (3) the cost of the child care,

as determined by the institution in accordance with board policies and rules. The amount of the grant must cover the cost of child care for all eligible children for the full number of hours of education per week and may cover up to 20 hours per week of employment for which child care is needed. The grant must be awarded for one academic year.

Subd. 5. Initial allocations to institutions. The board initially shall allocate funds

to an eligible institution based on the number of its enrolled students with dependent children who applied for state grants in the last academic year.

Subd. 6. **Yearly allocations to institutions.** The board shall base yearly allocations on the need for and use of the funds in the last academic year, and other relevant factors as determined by the board in consultation with the institutions.

Subd. 7. **Monitoring and reallocation.** The board shall establish procedures to (1) continually monitor the use of funds throughout the year; (2) identify areas of unmet need for grants; and (3) redistribute available funds in a timely manner to meet the needs of eligible recipients.

Subd. 8. **Information.** The board shall develop and provide information about the program to eligible post-secondary institutions, human service agencies, and potential applicants.

Subd. 9. **Report.** Institutions must submit reports, when requested by the board, on program activity including the number of students served, the child care costs, and the number of students on a waiting list for available funds. The reports must also include the institution's method of prioritizing applicants if insufficient funds are available.

History: 1989 c 293 s 28

136A.131 ACCOUNTING AND RECORDS.

Subdivision 1. **Accounts.** The board shall establish and maintain appropriate accounts and related records of each recipient of a grant.

Subd. 2. **Rules, payment and accounting.** The board shall provide by rule the method of payment of the grant awarded and prescribe a system of accounting to be kept by the institution selected by a recipient.

Subd. 3. **Certification to commissioner of finance.** Upon proper verification for payment of a grant, the board shall certify to the commissioner of finance the amount of the current payment to be made to the grant recipient in conformance with the rule of the board governing the method of payment.

Subd. 4. **Recovery of overpayments.** A recipient of a grant must reimburse the board for overpayment. The amount of reimbursement is the difference between the amount received and the amount of actual entitlement as calculated by the board after it makes its final findings under section 136A.121 and rules implemented under that section. The amount of reimbursement may include any costs or expenses, including reasonable attorney fees, incurred by the agency in collecting the debt. The reimbursement is recoverable from the recipient or the recipient's estate. The agency may institute a civil action, if necessary for recovery.

The recipient must not receive additional awards until the overpayment is recovered or the recipient is making payments under an approved plan. Additional awards for which the recipient is eligible may be used to recover an unreimbursed overpayment.

History: 1989 c 293 s 30

136A.132 PART-TIME STUDENT GRANT PROGRAM.

Subdivision 1. **Creation.** A part-time student grant program is created under the supervision of the higher education coordinating board.

Subd. 2. **Eligible institutions.** Institutions eligible for attendance by recipients of part-time student grants are those institutions approved by the higher education coordinating board as eligible institutions for the state grant program in accordance with section 136A.101.

Subd. 3. **Student eligibility.** An applicant is eligible to be considered for a part-time student grant if the applicant:

- (1) is a resident of the state of Minnesota;
- (2) is an undergraduate student who has not earned a baccalaureate degree;

(3) is pursuing a program or course of study that applies to a degree, diploma, or certificate;

(4) is attending an eligible institution either less than half time as defined by the board, or as a new or returning student enrolled at least half time but less than full time as defined by the board; and

(5) is not in default, as defined by the board, of any federal or state student educational loan.

Subd. 4. Selection. A recipient of a part-time grant must be selected by the post-secondary education institution of attendance in accordance with guidelines, policies, and rules established by the higher education coordinating board.

Subd. 5. Amount. The amount of any part-time student grant award must be based on the need of the applicant determined by the institution in accordance with policies and rules established by the higher education coordinating board.

Subd. 6. Length of award. Part-time student grants must be awarded for a single term as defined by the institution in accordance with guidelines and policies of the higher education coordinating board. Awards are not renewable, but the recipient of an award may apply for additional awards for subsequent terms.

A new or returning student enrolled at least half time but less than full time, as defined by the board, and pursuing a program or course of study that applies to a degree, diploma, or certificate is eligible for an award for only one term.

Subd. 7. Institutional allocation. Funds appropriated for part-time student grants must be allocated among eligible institutions by the higher education coordinating board according to a formula which takes into account the number of resident part-time students enrolled in each institution and other relevant factors determined by the board. However, an institution may not receive less than it would have received under the allocation formula used before fiscal year 1988.

History: 1989 c 293 s 31

136A.134 GRANTS TO DISLOCATED RURAL WORKERS.

[For text of subds 1 to 3, see M.S.1988]

Subd. 4. Program recipients. An eligible institution shall select a recipient of a dislocated rural worker grant in accordance with guidelines, policies, and rules established by the board.

[For text of subd 5, see M.S.1988]

History: 1989 c 293 s 32

136A.14 [Repealed, 1989 c 293 s 85]

136A.141 [Repealed, 1989 c 293 s 85]

136A.142 [Repealed, 1989 c 293 s 85]

136A.15 DEFINITIONS.

Subdivision 1. For purposes of sections 136A.15 to 136A.1702, the terms defined in this section have the meanings ascribed to them.

[For text of subds 2 to 6, see M.S.1988]

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.1701, includes parents of an eligible student as the term "parent" is defined in the Higher Education Act of 1965, as amended, and applicable regulations. Except for the purposes of section 136A.1701, 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 applicable regulations. An eligible student, for section 136A.1701, means a student who gives informed consent authorizing the disclosure of data specified in section 136A.162, paragraph (b), to a consumer credit reporting agency.

Subd. 8. "Resident student" means a student who meets the conditions in section 136A.101, subdivision 8.

History: 1989 c 293 s 33-35

136A.16 POWERS AND DUTIES OF BOARD.

Subdivision 1. Notwithstanding chapter 16B, the Minnesota higher education coordinating board is designated as the administrative agency for carrying out the purposes and terms of sections 136A.15 to 136A.1702. The board may establish one or more loan programs.

Subd. 2. The board shall adopt policies and prescribe appropriate rules to carry out the purposes of sections 136A.15 to 136A.1702. The policies and rules except as they relate to loans under section 136A.1701 must 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.

[For text of subds 3 and 4, see M.S.1988]

Subd. 5. The board may contract with guarantee agencies, insurance agencies, collection agencies, or any other person, to carry out the purposes of sections 136A.15 to 136A.1702.

[For text of subds 6 and 7, see M.S.1988]

Subd. 8. Money made available to the board that is not immediately needed for the purposes of sections 136A.15 to 136A.1702 may be invested by the board. The money must be invested in bonds, certificates of indebtedness, and other fixed income securities, except preferred stocks, which are legal investments for the permanent school fund. The money may also be invested in prime quality commercial paper that is eligible for investment in the state employees retirement fund. All interest and profits from such investments inure to the benefit of the board.

Subd. 9. The board may employ the professional and clerical staff the director deems necessary for the proper administration of the loan programs established and defined by sections 136A.15 to 136A.1702.

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.15 to 136A.1702, for design of loan application forms, and for prescribing procedures for submission of applications for loans.

[For text of subds 11 and 12, see M.S.1988]

History: 1989 c 293 s 36-41

136A.162 CLASSIFICATION OF DATA.

All data on applicants for financial assistance collected and used by the higher education coordinating board for student financial aid programs administered by that board shall be classified as private data on individuals under section 13.02, subdivision 12. Exceptions to this classification are that:

(a) the names and addresses of program recipients or participants are public data; and

(b) the following data collected in the Minnesota supplemental loan program under section 136A.1701 may be disclosed to a consumer credit reporting agency only if the borrower and the cosigner give informed consent, according to section 13.05, subdivision 4, at the time of application for a loan:

- (1) the lender-assigned borrower identification number;
- (2) the name and address of borrower;
- (3) the name and address of cosigner;
- (4) the date the account is opened;
- (5) the outstanding account balance;
- (6) the dollar amount past due;
- (7) the number of payments past due;
- (8) the number of late payments in previous 12 months;
- (9) the type of account;
- (10) the responsibility for the account; and
- (11) the status or remarks code.

History: 1989 c 293 s 42

136A.17 PROVISIONS FOR FEDERAL PROGRAMS.

Subdivision 1. A student is eligible to apply for a loan under sections 136A.15 to 136A.1702 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 programs.

[For text of subds 2 to 11, see M.S.1988]

History: 1989 c 293 s 43

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.15 to 136A.1702 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.15 to 136A.1702.

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

[For text of subds 3 and 4, see M.S.1988]

Subd. 5. **Maximum loans for students.** Loans made under this section or sections 136A.15 to 136A.1702 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.

[For text of subds 6 to 10, see M.S.1988]

History: 1989 c 293 s 44-46

136A.172 NEGOTIABLE NOTES; ISSUANCE; CONDITIONS.

The board may from time to time issue negotiable notes for the purpose of sections 136A.15 to 136A.179 and may from time to time renew any notes by the issuance of new notes, whether the notes to be renewed have or have not matured. The board may issue notes partly to renew notes or to discharge other obligations then outstanding and partly for any other purpose. The notes may be authorized, sold, executed, and delivered in the same manner as bonds. Any resolution or resolutions authorizing notes of the board or any issue thereof may contain any provisions which the board is authorized to include in any resolution or resolutions authorizing revenue bonds of the board or any issue thereof, and the board may include in any notes any terms,

covenants, or conditions which it is authorized to include in any bonds. All such notes shall be payable solely from the revenue of the board, subject only to any contractual rights of the holders of any of its notes or other obligations then outstanding.

History: 1989 c 293 s 47

136A.173 NEGOTIABILITY; BOND ANTICIPATION NOTES; PAYMENT; CONDITIONS.

Subdivision 1. The board may from time to time issue revenue bonds for purposes of sections 136A.15 to 136A.179 and all such revenue bonds, notes, bond anticipation notes, or other obligations of the board issued pursuant to sections 136A.15 to 136A.179 shall be and are hereby declared to be negotiable for all purposes notwithstanding their payment from a limited source and without regard to any other law or laws. In anticipation of the sale of such revenue bonds, the board may issue negotiable bond anticipation notes and may renew the same from time to time, but the maximum maturity of any such note, including renewals thereof, shall not exceed five years from the date of issue of the original note. Such notes shall be paid from any revenues of the board available therefor and not otherwise pledged, or from the proceeds of sale of the revenue bonds of the board, in anticipation of which they were issued. The notes shall be issued in the same manner as the revenue bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions, or limitations which a bond resolution or the board may contain.

[For text of subds 2 to 6, see M.S.1988]

History: 1989 c 293 s 48

136A.174 SECURITY FOR BONDS.

In the discretion of the board any revenue bonds issued under the provisions of sections 136A.15 to 136A.179 may be secured by a trust agreement by and between the board and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within the state. Such trust agreement or the resolution providing for the issuance of such revenue bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged or any portion thereof. Such trust agreement or resolution providing for the issuance of such revenue bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of laws, including particularly such provisions as have hereinabove been specifically authorized to be included in any resolution or resolutions of the board authorizing revenue bonds thereof. Any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or of revenues or other moneys may furnish such indemnifying bonds or pledges such securities as may be required by the board. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the board may deem reasonable and proper for the security of the bondholders.

History: 1989 c 293 s 49

136A.175 REFUNDING REVENUE BONDS; PROCEEDS; INVESTMENTS.

[For text of subds 1 to 3, see M.S.1988]

Subd. 4. All such revenue bonds shall be subject to the provisions of sections 136A.15 to 136A.179 in the same manner and to the same extent as other revenue bonds issued pursuant to sections 136A.15 to 136A.179.

History: 1989 c 293 s 50

136A.176 BONDS NOT STATE OBLIGATIONS.

Bonds issued under authority of sections 136A.15 to 136A.179 do not, and shall state that they do not, represent or constitute a debt or pledge of the faith and credit of the state, grant to the owners or holders thereof any right to have the state levy any taxes or appropriate any funds for the payment of the principal thereof or interest thereon. Such bonds are payable and shall state that they are payable solely from the rentals, revenues, and other income, charges, and moneys as are pledged for their payment in accordance with the bond proceedings.

History: 1989 c 293 s 51

136A.177 RIGHTS OF BONDHOLDERS.

Any holder of revenue bonds issued under the provisions of sections 136A.15 to 136A.179 or any of the coupons appertaining thereto, and the trustee or trustees under any trust agreement, except to the extent the rights herein given may be restricted by any resolution authorizing the issuance of, or any such trust agreement securing, such bonds, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the state or granted hereunder or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by sections 136A.15 to 136A.179 or by such resolution or trust agreement to be performed by the board or by any officer, employee or agent thereof, including the fixing, charging and collecting of the rates, rents, fees and charges herein authorized and required by the provisions of such resolution or trust agreement to be fixed, established and collected.

History: 1989 c 293 s 52

136A.178 LEGAL INVESTMENTS; AUTHORIZED SECURITIES.

Bonds issued by authority under the provisions of sections 136A.15 to 136A.179 are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them; it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising due care in selecting securities for purchase or investment; and provided further, that in no event shall assets of pension funds of public employees of the state of Minnesota or any of its agencies, board or subdivisions, whether publicly or privately administered, be invested in bonds issued under the provisions of sections 136A.15 to 136A.179. Such bonds are hereby constituted "authorized securities" within the meaning and for the purposes of section 50.14. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state now or may hereafter be authorized by law.

History: 1989 c 293 s 53

136A.179 PUBLIC PURPOSE; TAX FREE STATUS.

The exercise of the powers granted by sections 136A.15 to 136A.179 will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare and prosperity, and for the improvement of their health and living conditions, and as providing loans by the board or its agent will constitute the performance of an essential public function.

History: 1989 c 293 s 54

136A.233 WORK-STUDY GRANTS.

Subdivision 1. Allocation to institutions. The higher education coordinating board may offer work-study grants to eligible post-secondary institutions according to the resident full-time equivalent enrollment of all eligible post-secondary institutions that apply to participate in the program. The board shall seek to equalize work-study job opportunities by also taking into account student employment needs at eligible institutions. Each institution wishing to receive a work-study grant shall submit to the board, in accordance with policies and procedures established by the board, an estimate of the amount of funds needed by the institution. The amount allocated to any institution shall not exceed the estimate of need submitted by the institution. Any funds which would be allocated to an institution according to full-time equivalent enrollment but which exceed the estimate of need by the institution or the actual need of the institution may be reallocated by the board to other institutions for which the estimate of need exceeds the amount of allocation according to enrollment. The institution must not receive less than it would have received under the allocation formula used before fiscal year 1988. No more than one-half of any increase in appropriations, attributable to this section, above the level before fiscal year 1988 may be allocated on the basis of identified student employment needs at eligible institutions.

Subd. 2. Definitions. For purposes of sections 136A.231 to 136A.234, the words defined in this subdivision have the meanings ascribed to them.

(a) "Eligible student" means a Minnesota resident enrolled or intending to enroll full time in a Minnesota post-secondary institution.

(b) "Minnesota resident" means a student who meets the conditions in section 136A.101, subdivision 8.

(c) "Financial need" means the need for financial assistance in order to attend a post-secondary institution as determined by a post-secondary institution according to guidelines established by the higher education coordinating board.

(d) "Eligible employer" means any eligible post-secondary institution and any nonprofit, nonsectarian agency or state institution located in the state of Minnesota, including state hospitals, and also includes a handicapped person or a person over 65 who employs a student to provide personal services in or about the residence of the handicapped person or the person over 65.

(e) "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state grant program as specified in section 136A.101, subdivision 4.

(f) "Independent student" has the meaning given it in the Higher Education Act of 1965, United States Code, title 20, section 1070a-6, and applicable regulations.

Subd. 3. Payments. Work-study payments shall be made to eligible students by post-secondary institutions as provided in this subdivision.

(a) Students shall be selected for participation in the program by the post-secondary institution on the basis of student financial need.

(b) No eligible student shall be employed under the state work-study program while not a full-time student; provided, with the approval of the institution, a full-time student who becomes a part-time student during an academic year may continue to be employed under the state work-study program for the remainder of the academic year.

(c) Students will be paid for hours actually worked and the maximum hourly rate of pay shall not exceed the maximum hourly rate of pay permitted under the federal college work-study program.

(d) Minimum pay rates will be determined by an applicable federal or state law.

(e) Not less than 20 percent of the compensation paid to the student under the state work-study program shall be paid by the eligible employer.

(f) Each post-secondary institution receiving funds for state work-study grants shall make a reasonable effort to place work-study students in employment with eligible employers outside the institution.

(g) The percent of the institution's work-study allocation provided to graduate students shall not exceed the percent of graduate student enrollment at the participating institution.

History: 1989 c 293 s 55

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

[For text of subd 1, see M.S.1988]

Subd. 1a. **Private college council member.** The president of the Minnesota private college council, or the president's designee, shall serve without compensation as an advisory, nonvoting member of the authority.

[For text of subd 2, see M.S.1988]

History: 1989 c 293 s 56

136A.29 POWERS; DUTIES.

[For text of subds 1 to 8, see M.S.1988]

Subd. 9. The authority is authorized and empowered to issue revenue bonds whose aggregate principal amount at any time shall not exceed \$250,000,000 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.

[For text of subds 10 to 23, see M.S.1988]

History: 1989 c 293 s 57

136A.51 [Repealed, 1989 c 293 s 85]

136A.52 [Repealed, 1989 c 293 s 85]

136A.53 [Repealed, 1989 c 293 s 85]

136A.55 [Repealed, 1989 c 293 s 85]

136A.69 FEES.

The board may collect reasonable registration fees not to exceed \$400 for an initial registration of each school and \$250 for each annual renewal of an existing registration.

History: 1989 c 293 s 58