

CHAPTER 137
UNIVERSITY OF MINNESOTA

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137.01 [Repealed, 1998 c 384 s 13]

137.02 POWERS AND DUTIES OF BOARD OF REGENTS.

Subdivision 1. **Transportation between university campus and farm.** The Board of Regents is hereby authorized to provide adequate means for safe, convenient, and rapid transportation of persons, supplies, and materials between the university farm and the university campus and the transportation of persons from intermediate points to either the university campus or the university farm and from the university campus or university farm to intermediate points and for the transportation of supplies and materials to and from the university farm by means of a connection with the belt line railway operated by the Minnesota Transfer Railway Company; and to that end the Board of Regents is hereby authorized to acquire by gift, purchase, condemnation, or otherwise such rights-of-way as may be deemed necessary and to construct, maintain, and operate lines of railway thereon and to make such contracts with any railway company for trackage rights, track connections, and motive power or for the hiring of rolling stock or for the operation of the same as may be found necessary or expedient in carrying out the provisions of this subdivision. The Board of Regents shall prescribe the rate of fares which shall be charged for the transportation of persons, which fares when collected shall be kept in a separate fund and used to defray the expense of maintaining and operating such railway.

Subd. 2. **Employees may be bonded.** The regents of the university shall have authority to indemnify the officers or the employees of the university against liability arising out of the operation of motor vehicles or other equipment by them while engaged in the performance of their duties as such public officials or employees and to pay out of the public funds the premiums on the indemnity insurance policies insuring such governmental agency against such liability. The regents may defend any such officer or employee, in the name and on behalf of the officer or employee, in any suit brought against the officer or employee to enforce a claim, whether groundless or otherwise, arising out of the operation of a motor vehicle or other equipment in the performance of official duties, and may compromise and settle such claim or suit and pay out of public funds the amount of such settlement or compromise, or the amount of any judgment against such officer or employee based on any such claim without first requiring such officer or employee to settle or pay any such claim. The regents may, in their discretion, pay the premiums of the indemnity insurance policies referred to in this subdivision, insuring such officers or employees against liability for or injury to persons or property, within the limits of this subdivision, and such payment of insurance premiums out of public funds shall in no way impose on the regents any liability.

Subd. 3. **Power of eminent domain granted.** The Board of Regents may use any money not specifically appropriated for other purposes for acquiring land by purchase or condemnation. In case it is desired to use the fund for the acquisition of land by eminent domain, the power of eminent domain shall be exercised in accordance with chapter 117.

Subd. 3a. **Consultation required.** Land must not be purchased and a building must not be purchased, constructed, or erected on land of the University of Minnesota until the regents have first consulted with the chair of the senate Finance Committee and the chair of the house of representatives Ways and Means Committee and obtained their advisory recommendations.

Subd. 4. **Employee salaries.** All nonacademic employees of the University of Minnesota shall be paid salaries comparable to salaries paid to state employees in the classified civil service.

History: (3139, 3139-3, 3139-4, 3139-6) 1913 c 257 s 1; 1935 c 173 s 1,2; Ex1937 c 81 s 2; 1976 c 163 s 23; 1976 c 348 s 21; 1986 c 444; 1989 c 300 art 1 s 31; 1993 c 4 s 20

137.021 ACCEPTANCE OF FEDERAL MONEY.

The regents of the University of Minnesota are hereby designated the state agency empowered to accept any and all moneys provided for or made available to this state by the United States of America or any department or agency thereof for the construction and equipping of any building for university or college purposes in accordance with the provisions of federal law and any rules or regulations promulgated thereunder and are further authorized to do any and all things required of this state by such federal law and the rules and regulations promulgated thereunder in order to obtain such federal money.

History: Ex1959 c 90 s 6

137.022 PERMANENT UNIVERSITY FUND.

Subdivision 1. **Investment.** The investment management of the permanent university fund shall be under the jurisdiction of the Board of Regents of the University of Minnesota, subject to any limitations imposed by the Constitution of the state of Minnesota, article XI, section 9. All securities and cash held in the state treasury credited to the permanent university fund that are unappropriated or unencumbered are transferred and appropriated to the Board of Regents of the University of Minnesota solely for the purpose of investment by them. The investments are restricted to those the State Board of Investment may invest in under section 11A.24.

Subd. 2. **Income.** All income from the permanent university fund is appropriated annually to the Board of Regents. Authority over this income is vested solely in the board but must be used by the board directly to enhance the mission of the university. This appropriation of income must not be used to reduce other appropriations made to the Board of Regents. The determination of this income shall be based on the procedures detailed in section 11A.16, subdivision 5, or 11A.12, subdivision 2.

Subd. 3. **Endowed chair account.** (a) For purposes of this section, the permanent university fund has three accounts. The sources of the money in the endowed mineral research and scholarship accounts are set out in paragraph (b) and subdivision 4. All money in the fund

that is not otherwise allocated is in the endowed chair account. The income from the endowed chair account must be used, and capital gains allocated to that account may be used, to provide endowment support for professorial chairs in academic disciplines. The endowment support for the chairs from the income and the capital gains must not total more than six percent per year of the 36-month trailing average market value of the endowed chair account of the fund, as computed quarterly or otherwise as directed by the regents. The endowment support from the income and the capital gains must not provide more than half the sum of the endowment support for all university chairs and professorships endowed, with nonstate sources providing the remainder. The endowment support from the income and the capital gains may provide more than half the endowment support of an individual chair.

(b) If any portion of the annual appropriation of the income is not used for the purposes specified in paragraph (a) or subdivision 4, that portion lapses and must be added to the principal of the three accounts of the permanent university fund in proportion to the market value of each account.

Subd. 4. **Mineral research; scholarships.** (a) All income credited after July 1, 1992, to the permanent university fund from royalties for mining under state mineral leases from and after July 1, 1991, must be allocated as provided in this subdivision.

(b)(1) Fifty percent of the income, up to \$50,000,000, must be credited to the mineral research account of the fund to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral and mineral-related research including mineral-related environmental research; and

(2) The remainder must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the Board of Regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.

(d) The Board of Regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the disbursement of money from the endowed scholarship account and to the environment and natural resources committees on the use of the mineral research account.

(e) Capital gains and losses and portfolio income of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.

(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived.

History: 1963 c 567 s 2; 1965 c 41 s 1; 1971 c 197 s 3; 1976 c 2 s 172; 1980 c 516 s 2; 1980 c 607 art 14 s 45 subd 2; s 46; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1985 c 248 s 70; 1Sp1985 c 11 s 65; 1990 c 591 art 6 s 8,9; 1Sp1993 c 2 art 4 s 1,2; 1997 c 183 art 3 s 26; 2003 c 133 art 2 s 19; 2006 c 282 art 8 s 7

137.0225 UNIVERSITY SCHOLARSHIP.

The Board of Regents may establish a scholarship to help offset the impact of rising tuition for Minnesota students from middle-income families. To be eligible for a scholarship under this section, a student must be a Minnesota resident undergraduate from a family that is not Pell Grant eligible with an annual adjusted gross income not to exceed \$100,000.

History: 2009 c 95 art 2 s 31

137.023 UNIVERSITY STUDENT ON BOARD OF REGENTS.

In electing members of the Board of Regents pursuant to article 13, section 3, of the Constitution of the state of Minnesota, and Territorial Laws 1851, chapter 3, section 5, one member of the Board of Regents of the university shall be a person who at the time of election to the board is a student who is enrolled in a degree program at the university. This person shall represent the state at large. Upon expiration of the term or in the event of a vacancy in the office, one position shall be filled by a person having the same qualifications.

History: 1976 c 120 s 1; 1986 c 444; 1989 c 157 s 1

137.024 CONGRESSIONAL DISTRICTS REPRESENTED ON BOARD OF REGENTS.

At least one member of the Board of Regents of the university shall be a resident of each congressional district.

History: 1976 c 120 s 2

137.0245 REGENT CANDIDATE ADVISORY COUNCIL.

Subdivision 1. **Establishment.** A Regent Candidate Advisory Council is established to assist in determining criteria for, and identifying and recruiting qualified candidates for membership on the Board of Regents and making recommendations to the joint legislative committee described in section 137.0246, subdivision 2.

Subd. 2. **Membership.** The Regent Candidate Advisory Council shall consist of 24 members. Twelve members shall be appointed by the Subcommittee on Committees of the

Committee on Rules and Administration of the senate. Twelve members shall be appointed by the speaker of the house. Each appointing authority must appoint one member who is a student enrolled in a degree program at the University of Minnesota at the time of appointment. No more than one-third of the members appointed by each appointing authority may be current or former legislators. No more than two-thirds of the members appointed by each appointing authority may belong to the same political party; however, political activity or affiliation is not required for the appointment of any member. Geographical representation must be taken into consideration when making appointments. Section 15.0575 shall govern the advisory council, except that:

(1) the members shall be appointed to six-year terms with one-third appointed each even-numbered year; and

(2) student members are appointed to two-year terms with two students appointed each even-numbered year.

A member may not serve more than two full terms.

Subd. 3. **Duties.** (a) The advisory council shall:

(1) develop, in consultation with current and former regents and the administration of the University of Minnesota, a statement of the selection criteria to be applied and a description of the responsibilities and duties of a regent, and shall distribute this to potential candidates; and

(2) for each position on the board, identify and recruit qualified candidates for the Board of Regents, based on the background and experience of the candidates, their potential for discharging the responsibilities of a member of the Board of Regents, and the needs of the board. The selection criteria must not include a limitation on the number of terms an individual may serve on the Board of Regents.

(b) The selection criteria developed under paragraph (a), clause (1), must include a criterion that regents represent diversity in geography; gender; race; occupation, including business and labor; and experience.

(c) The selection criterion must include an identification of the membership needs of the board for individual skills relevant to the governance of the University of Minnesota and the needs for certain individual characteristics. Individual characteristics relate to qualities such as gender, race, and geographic location of residence.

Subd. 4. **Recommendations.** (a) The advisory council shall recommend at least two and not more than four candidates. By January 15 of each odd-numbered year, the advisory council shall submit its recommendations to the joint legislative committee described in section 137.0246, subdivision 2.

(b) The advisory council must submit a report to the joint committee on the needs criterion identified under subdivision 3, paragraph (c), at the same time it submits its recommendations.

Subd. 5. **Support services.** The Legislative Coordinating Commission shall provide administrative and support services for the advisory council.

History: 1988 c 703 art 1 s 16; 1990 c 383 s 1; 2003 c 133 art 3 s 25; 2005 c 107 art 2 s 47-49; 2007 c 144 art 2 s 44,45; 2009 c 95 art 2 s 32

137.0246 REGENT NOMINATION AND ELECTION.

Subdivision 1. [Repealed by amendment, 2007 c 144 art 2 s 46]

Subd. 2. **Regent nomination joint committee.** (a) The joint legislative committee consists of the members of the higher education budget and policy divisions in each house of the legislature. The chairs of the divisions from each body shall be cochairs of the joint legislative committee. A majority of the members from each house is a quorum of the joint committee.

(b) By February 28 of each odd-numbered year, or at a date agreed to by concurrent resolution, the joint legislative committee shall meet to consider the advisory council's recommendations for regent of the University of Minnesota for possible presentation to a joint convention of the legislature.

(c) The joint committee may recommend to the joint convention candidates recommended by the advisory council and the other candidates nominated by the joint committee. A candidate other than those recommended by the advisory council may be nominated for consideration by the joint committee only if the nomination receives the support of at least three house of representatives members of the committee and two senate members of the committee. A candidate must receive a majority vote of members from the house of representatives and from the senate on the joint committee to be recommended to the joint convention. The joint committee may recommend no more than one candidate for each vacancy. In recommending nominees, the joint committee must consider the needs of the board of regents and the balance of the board membership with respect to gender, racial, and ethnic composition.

History: 2005 c 107 art 2 s 50; 2007 c 144 art 2 s 46; 2009 c 95 art 2 s 33

137.025 APPROPRIATIONS; PAYMENT; INVESTMENT.

Subdivision 1. **Monthly payments.** The commissioner of management and budget shall pay 1/12 of the annual appropriation to the University of Minnesota on the 21st day of each month. If the 21st day of the month falls on a Saturday or Sunday, the monthly payment must be made on the first business day immediately following the 21st day of the month.

Subd. 2. **Appropriations for buildings.** The commissioner of management and budget shall pay no money to the University of Minnesota pursuant to a direct appropriation for buildings until all balances separately invested, including cash, and those in the temporary investment pool attributable to all state building funds shall be reduced below \$5,000,000, or any other amount

specified in the act making the appropriation. Payment shall then be made upon certification of the amounts needed for construction payments, but so as not to increase the building balances in cash, separately invested, or in the temporary investment pool, to a total above the indicated level.

Subd. 3. **Investment; income.** Money not paid to the university by reason of the foregoing requirements shall be invested by the state in those securities authorized by section 11A.25 until paid to the university. Income from investments shall be credited to the general fund in the state treasury.

History: 1976 c 163 s 24; 1980 c 607 art 14 s 46; 1987 c 401 s 29; 2009 c 95 art 2 s 34; 2009 c 101 art 2 s 109

137.0251 BUDGETARY INFORMATION.

The Board of Regents of the University of Minnesota shall make available to the commissioner of management and budget all books, accounts, documents, and property that the commissioner desires to inspect.

History: 1988 c 703 art 1 s 18; 2009 c 101 art 2 s 109

137.0252 APPROPRIATION; CONTRACT BUYOUT.

No appropriation from the state of Minnesota to the governing board of the University of Minnesota shall be used directly or indirectly for costs related to the early termination of a contract of a coach who reports to the director of athletics.

History: 2007 c 144 art 2 s 47

137.027 APPROPRIATION; FRINGE BENEFITS.

Direct appropriations to the University of Minnesota include money to pay the employer's share of Social Security, state retirement, and health insurance. Money provided for these purposes shall be expended only for these purposes and any amounts in excess of the employer's share shall be returned to the state treasury.

History: 1976 c 163 s 25

137.03 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.04 LIBRARY TO GET COPIES OF STATE PUBLICATIONS.

The general library of the University of Minnesota is a depository of all books, pamphlets, maps, and other works published by or under the authority of the state of Minnesota.

History: (3137, 3138) 1905 c 278 s 1,2; 1947 c 365 s 3

137.05 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.06 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.07 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.08 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.09 BOARD OF REGENTS NOT TO EXCEED APPROPRIATIONS; PENALTY.

It shall be unlawful for the Board of Regents to permit any expenditures for any purpose in excess of the amount appropriated or contemplated by law and any member or agent of the board violating this provision is guilty of a gross misdemeanor.

History: (3145) 1905 c 119 s 6; 1984 c 628 art 3 s 11; 2005 c 10 art 3 s 7

137.10 REFUND OF TUITION TO STUDENTS IN CERTAIN CASES.

Any student who, being a resident of the state, has enrolled to pursue any course in the University of Minnesota and paid tuition for the course, and who, prior to the termination of the school year for which the tuition was paid, enlisted or has been inducted into the military services of the United States, either voluntarily or pursuant to the present selective service law, is entitled to the refund of all tuition paid for which credit cannot properly be given.

The administrative officers of the University of Minnesota shall refund to the students any tuition so paid. Any student making application for refund of any paid tuition shall furnish to the administrative officers of the University of Minnesota a certificate from the proper officers reciting the fact of the enlistment or the induction of the student into the military service of the United States.

History: 1941 c 272; 1957 c 576 s 1,2; 1975 c 321 s 2; 1984 c 609 s 9; 1Sp2001 c 1 art 2 s 18

137.11 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.12 PEACE OFFICERS; APPOINTMENT; POWER OF ARREST.

The regents of the University of Minnesota are hereby authorized to appoint, employ and fix the compensation to be paid out of funds of the regents of the University of Minnesota, persons as peace officers who shall have and may exercise throughout the state of Minnesota the same powers of arrest possessed by a sheriff, police officer, or peace officer, but said powers of arrest shall only be exercised in connection with investigations authorized to be made by the regents of the University of Minnesota, which investigations shall relate to university personnel or property.

History: 1947 c 126 s 1; 1969 c 266 s 1; 1977 c 82 s 1

137.13 [Expired]

137.14 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.15 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.16 MORRIS BRANCH; ADMISSION OF INDIANS.

Subdivision 1. **Admission.** The University of Minnesota, Morris branch, situated in whole or in part on the lands described in Laws 1909, chapter 184, shall admit Indian pupils qualified for admission at all times free of charge for tuition and on terms of equality with white pupils.

Subd. 2. **Substitute.** Subdivision 1 is a substitute for the provisions of Laws 1909, chapter 184, section 2, which reads: The said lands and buildings described in section 1 hereof shall be held and maintained by the state of Minnesota as an agricultural school, and Indian pupils shall at all times be admitted to said school free of charge for tuition and on terms of equality with white pupils.

History: 1961 c 312 s 2,3

137.17 ROCHESTER BRANCH.

Subdivision 1. **Establish.** The Board of Regents may establish a branch campus of the University of Minnesota in Rochester, to serve the educational needs of and to foster the economic goals of the region and the state. The University of Minnesota should expand higher education offerings in Rochester that it is uniquely qualified to provide. To the extent possible, the Board of Regents should provide its offerings in partnership with higher education institutions that already serve Rochester and the southeastern region of Minnesota, and should avoid unnecessary duplicative offerings of courses and programs, particularly in nursing and allied health programs.

Subd. 2. [Repealed, 2006 c 282 art 8 s 10]

Subd. 3. **Missions.** The legislature intends that the mission of the expanded education offerings in Rochester be congruent with the university's unique core mission of teaching, research, and outreach in order to support the educational needs and economic development of this region and the state. The legislature recognizes that the distinctiveness of each of the higher education institutions in Rochester must be maintained to achieve success in serving the higher education needs of the community and the economic goals of the state.

Subd. 4. [Repealed, 2006 c 282 art 8 s 10]

History: 1999 c 214 art 2 s 16; 2006 c 282 art 8 s 8,9

137.20 [Repealed, 1990 c 397 s 1]

137.21 [Repealed, 1990 c 397 s 1]

137.22 HIGHER EDUCATION ACT OF 1965; RECEIPTS.

In order to enable the state to match the cost of any program under Title I of the Higher Education Act of 1965, any receipts accruing to any state department or agency by reason of service performed for the University of Minnesota in connection with the program shall be

deposited in the state treasury. The receipts are appropriated to the department or agency making the deposit, to be used as part of the state's 25 percent share of the cost of the programs. The balance of the state's share of the cost of the programs is payable by the participating departments or agencies from any moneys appropriated for salaries, supplies and expenses.

History: 1976 c 163 s 26

137.31 PROCUREMENT FROM SMALL BUSINESSES.

Subdivision 1. **Small business set asides.** Prior to the beginning of each fiscal year, the regents of the University of Minnesota shall designate and set aside for awarding to small businesses approximately 20 percent of the value of procurement contracts which are to be awarded during that fiscal year and which are to be paid in total or in part from funds appropriated to the university by the legislature. The regents shall designate specific procurement contracts to be set aside, or may authorize the university administration to divide the amount set aside into procurement contracts of economically feasible size, in order to facilitate offers or bids from small businesses. In making the annual designation, the regents shall attempt to vary the procurement contracts included in the set-aside program so that a variety of goods and services produced by different small businesses can be included in the university set-aside program over a period of years. For the purposes of this section, (a) "procurement contract" means any agreement, written or oral, by which the university obtains needed goods or services, including the construction of capital improvements; and (b) "small business" has the meaning given that term by state law. Nothing in this section shall be construed to prevent small businesses from seeking awards of procurement contracts not included in the set-aside program.

Subd. 2. **Procurement rules.** The regents shall establish procurement rules to govern the university set aside program. The rules shall include guidelines and procedures for negotiating price or securing bids, reasonable limitations on the amount by which a contract price under the set-aside program may exceed the estimated cost of obtaining comparable goods or services on the open market, uniform procedures for providing security for performance under procurement contracts, criteria for evaluating the financial and technical capabilities of participating small businesses, and any other matter deemed necessary or desirable for the proper operation of the university small business set-aside program.

Subd. 3. [Repealed, 1989 c 352 s 25]

Subd. 3a. [Repealed, 1990 c 541 s 31]

Subd. 4. **Replacement contracts.** If a procurement contract designated for the set-aside program cannot be awarded to a small business under the conditions prescribed in subdivisions 1 and 2, the award shall be placed in accordance with the regular procurement policies of the university. In this event, the university shall designate as a replacement a procurement contract

of comparable value to be included in the university set-aside program during that fiscal year if practicable.

Subd. 5. **Publicity.** The regents and the administration of the University of Minnesota shall publicize the provisions of the university small business set-aside program, attempt to locate small businesses able to perform set aside procurement contracts, and encourage participation by small businesses in the University of Minnesota small business set-aside program.

Subd. 6. [Repealed, 1995 c 212 art 2 s 22]

History: 1979 c 86 s 1; 1981 c 356 s 169; 1983 c 289 s 115 subd 1; 1987 c 312 art 1 s 26 subd 2; 1987 c 401 s 30; 1989 c 352 s 11-13; 1990 c 541 s 14; 1993 c 163 art 1 s 23

137.33 [Repealed, 1996 c 310 s 1; 1996 c 398 s 66]

137.34 PROGRAM ESTABLISHED.

Subdivision 1. **Program established.** The Minnesota Extension Service is instructed to develop and implement an ongoing program for rural health and safety.

Subd. 2. [Repealed, 1996 c 310 s 1]

Subd. 3. **Responsibilities.** The rural health and safety program in the Minnesota extension service has the following ongoing responsibilities:

- (1) to develop programs and materials related to farm accident prevention;
- (2) to develop and implement educational programs that will enable rural residents to understand and comply with safety standards and good health practices;
- (3) to maintain cooperation and effective working relationships with health and safety agencies and organizations in Minnesota, other states, and the United States government; and
- (4) to seek and efficiently utilize grant money made available for programs relating to rural and farm safety.

Subd. 4. **Program funding.** Money for support of the rural health and safety program in the Minnesota Extension Service may be accepted from the following sources:

- (1) legislative appropriations from the general fund;
- (2) funds from other sources within the University of Minnesota and the Extension Service to the extent not precluded by other law; and
- (3) gifts or grants from individuals, organizations, governmental units, foundations, corporations, or other sources except that no restrictions may be placed by the giver with respect to the functions, duties, and responsibilities of the program.

History: 1988 c 688 art 2 s 1

137.341 FARM SAFETY SPECIALIST POSITION.

The Minnesota legislature finds that because the Extension Service has unique opportunities for delivering health and safety messages to farm families, the Extension Service is urged to retain and, to the extent practicable, keep filled at all times, the staff position of farm safety specialist.

History: 1991 c 254 art 3 s 22

137.342 RESEARCH CENTER FOR AGRICULTURAL HEALTH AND SAFETY.

Subdivision 1. **Creation.** There is created within the Division of Environmental and Occupational Health in the University of Minnesota School of Public Health and under its direction an interagency, interdisciplinary research center for agricultural health and safety. The center shall coordinate funding for, and the findings of, research projects designed to reduce injury and death from farm accidents, reduce long-term exposure to potentially hazardous agricultural agents, and make health care services more available to persons who suffer from health problems related to agriculture.

Subd. 2. [Repealed, 2001 c 161 s 58]

History: 1991 c 254 art 3 s 23

137.35 TARGETED BUSINESSES.

Subdivision 1. **Purchasing methods.** (a) The regents may award up to a six percent preference in the amount bid for specified goods and services to small targeted group businesses designated under section 16C.16, subdivision 5.

(b) The regents may designate a purchase of goods or services for award only to small targeted group businesses designated under section 16C.16, subdivision 5, if the regents determine that at least three small targeted group businesses are likely to bid.

(c) The regents, as a condition of awarding a construction contract or approving a contract for consultant, professional, or technical services, may set goals that require the prime contractor to subcontract a portion of the contract to small targeted group businesses. The regents must establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses are not reasonably available. The regents may establish financial incentives for prime contractors who exceed the goals for use of subcontractors and financial penalties for prime contractors who fail to meet goals under this paragraph. The subcontracting requirements of this paragraph do not apply to prime contractors who are small targeted group businesses. At least 75 percent of the value of the subcontracts awarded to small targeted group businesses under this paragraph must be performed by the business to which the subcontract is awarded or by another small targeted group business.

(d) The regents may award up to a four percent preference in the amount bid on university procurement to small businesses located in an economically disadvantaged area as defined in section 16C.16, subdivision 7.

(e) The regents may delegate responsibility under this section to university employees.

Subd. 2. **Eligibility.** The rules adopted by the commissioner of administration to define small businesses and to set time and other eligibility requirements for participation in programs under sections 16C.16 to 16C.19 apply to this section.

Subd. 3. **Noncompetitive bids.** The regents are encouraged to purchase from small targeted group businesses designated under section 16C.16 when making purchases that are not subject to competitive bidding procedures.

Subd. 4. [Repealed, 1995 c 212 art 2 s 22]

History: 1990 c 541 s 15; 1998 c 386 art 2 s 52-54

137.36 PROMPT PAYMENT TO SUBCONTRACTORS.

Each university contract must require the prime contractor to pay any subcontractor within ten days of the prime contractor's receipt of payment from the university for undisputed services provided by the subcontractor. The contract must require the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney fees, incurred in bringing the action.

History: 1990 c 541 s 16

137.37 OFF-CAMPUS SITES AND CENTERS.

The Board of Regents and the university campuses are requested to not establish any off-campus centers or other permanent sites located off university campuses to provide academic programs, courses, or student services without authorizing legislation. This section does not apply to sites set up specifically for the delivery of courses and programs through telecommunications.

History: 1990 c 591 art 3 s 8; 1996 c 398 s 54

137.38 EDUCATION AND TRAINING OF PRIMARY CARE PHYSICIANS.

Subdivision 1. **Condition.** If the Board of Regents accepts the amount transferred under section 62J.692, subdivision 7, paragraph (b), to be used for the purposes described in sections 137.38 to 137.40, it shall comply with the duties for which the transfer is made.

Subd. 2. **Primary care.** For purposes of sections 137.38 to 137.40, "primary care" means a type of medical care delivery that assumes ongoing responsibility for the patient in both health maintenance and illness treatment. It is personal care involving a unique interaction and communication between the patient and the physician. It is comprehensive in scope, and includes all the overall coordination of the care of the patient's health care problems including biological, behavioral, and social problems. The appropriate use of consultants and community resources is an important aspect of effective primary care. Primary care physicians include family practitioners, general pediatricians, and general internists.

Subd. 3. **Goals.** The Board of Regents of the University of Minnesota, through the University of Minnesota Medical School, is requested to implement the initiatives required by sections 137.38 to 137.40 in order to increase the number of graduates of residency programs of the medical school who practice primary care by 20 percent over an eight-year period. The initiatives must be designed to encourage newly graduated primary care physicians to establish practices in areas of rural and urban Minnesota that are medically underserved.

Subd. 4. **Grants.** The Board of Regents is requested to seek grants from private foundations and other nonstate sources, including community provider organizations, for the medical school initiatives outlined in sections 137.38 to 137.40.

Subd. 5. [Repealed, 1995 c 212 art 2 s 22; 1995 c 263 s 16]

History: *1992 c 549 art 6 s 4; 1993 c 345 art 11 s 10-12; 1Sp2001 c 9 art 2 s 4; 2002 c 379 art 1 s 113*

137.39 MEDICAL SCHOOL INITIATIVES.

Subdivision 1. **Modified school initiatives.** The University of Minnesota Medical School is requested to study the demographic characteristics of students that are associated with a primary care career choice. The medical school is requested to modify the selection process for medical students based on the results of this study, in order to increase the number of medical school graduates choosing careers in primary care.

Subd. 2. **Design of curriculum.** The medical school is requested to ensure that its curriculum provides students with early exposure to primary care physicians and primary care practice, and to address other primary care curriculum issues such as public health, preventive medicine, and health care delivery. The medical school is requested to also support premedical school educational initiatives that provide students with greater exposure to primary care physicians and practices.

Subd. 3. **Clinical experiences in primary care.** The medical school is requested to develop a program to provide students with clinical experiences in primary care settings in internal medicine and pediatrics. The program must provide training experiences in medical

clinics in rural Minnesota communities, as well as in community clinics and health maintenance organizations in the Twin Cities metropolitan area.

History: 1992 c 549 art 6 s 5; 1993 c 345 art 11 s 13,14

137.40 RESIDENCY AND OTHER INITIATIVES.

Subdivision 1. **Primary care and rural rotations.** The University of Minnesota Medical School is requested to increase the opportunities for general medicine, pediatrics, and family practice residents to serve rotations in primary care settings. These settings must include community clinics, health maintenance organizations, and practices in rural communities.

Subd. 2. **Rural residency training program in family practice.** The medical school is requested to establish a rural residency training program in family practice. The program shall provide an initial year of training in a metropolitan-based hospital and family practice clinic. The second and third years of the residency program shall be based in rural communities, utilizing local clinics and community hospitals, with specialty rotations in nearby regional medical centers.

Subd. 3. **Continuing medical education.** The medical school is requested to develop continuing medical education programs for primary care physicians that are comprehensive, community-based, accessible to primary care physicians in all areas of the state, and which enhance primary care skills.

History: 1992 c 549 art 6 s 6; 1993 c 345 art 11 s 15

137.41 [Repealed, 1997 c 183 art 3 s 39]

137.42 GRANTS FOR AREA HEALTH EDUCATION CENTER PROGRAMS.

Subdivision 1. **Grant application.** The Board of Regents of the University of Minnesota, through the Academic Health Center and the University of Minnesota-Duluth School of Medicine, is requested to apply for a federal Area Health Education Center Program grant. If awarded a grant, the University of Minnesota-Duluth School of Medicine, in cooperation with public or private, nonprofit area health education centers, is requested to plan, develop, and operate area health education center programs. The University of Minnesota-Duluth School of Medicine is requested to develop cooperative arrangements with two area health education centers in year two of the grant, and develop cooperative arrangements with an additional two centers in year three of the grant.

Subd. 2. **Program requirements.** Each program must:

- (1) provide preceptorship educational experiences for health science students;
- (2) maintain community-based primary care residency programs or be affiliated with such programs;

- (3) maintain continuing education programs for health professionals or coordinate its activities with such programs;
- (4) maintain learning resources and dissemination systems;
- (5) have agreements with community-based organizations for educating and training health professionals;
- (6) train health professionals, including nurses and allied health professionals; and
- (7) carry out recruitment and health career awareness programs among minority and other students in medically underserved areas of the state.

History: 1995 c 234 art 8 s 27

137.43 SUBSTITUTE PHYSICIAN DEMONSTRATION PROJECT.

Subdivision 1. **Establishment.** The Board of Regents, through the University of Minnesota Academic Health Center, is requested to establish and administer a substitute physician (locum tenens and emergency room coverage) demonstration project at up to four rural demonstration sites within the state. The Academic Health Center is requested to coordinate the administration of the project with the commissioner of health and the Office of Rural Health and Primary Health Care.

Subd. 2. **Project activities.** The project must:

- (1) encourage physicians to serve as substitute physicians for the demonstration sites;
- (2) provide a central register of physicians interested in serving as substitute physicians at the demonstration sites;
- (3) provide a referral service for requests from demonstration sites for substitute physicians; and
- (4) provide substitute physician services at rates that reflect the administrative savings resulting from centralized referral and credentialing.

Subd. 3. **Credentialing; professional education.** The Academic Health Center is requested to credential persons desiring to serve as substitute physicians. The Academic Health Center may employ substitute physicians serving in the demonstration project as temporary clinical faculty and may provide substitute physicians with additional opportunities for professional education and interaction.

Subd. 4. **Demonstration sites.** The Academic Health Center is requested to designate up to four rural communities as demonstration sites for the project. The Academic Health Center is requested to choose sites based on a community's need for substitute physician services and the willingness of the community to work cooperatively with the Academic Health Center and

participate in the demonstration project evaluation.

History: 1995 c 234 art 8 s 28

137.44 HEALTH PROFESSIONAL EDUCATION BUDGET PLAN.

The Board of Regents is requested to adopt a biennial budget plan for making expenditures from the funds dedicated for the instructional costs of health professional programs at publicly funded academic health centers and affiliated teaching institutions. The budget plan may be submitted as part of the University of Minnesota's biennial budget request.

History: 1999 c 245 art 11 s 3; 2003 c 133 art 2 s 20

FOOTBALL STADIUM

137.50 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 137.51 to 137.60.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of management and budget.

Subd. 3. **Stadium.** "Stadium" means an athletic stadium suitable for intercollegiate National Collegiate Athletic Association (NCAA) Division I football games and related infrastructure improvements constructed on the University of Minnesota's east bank campus in the city of Minneapolis.

Subd. 4. **Board.** "Board" means the Board of Regents of the University of Minnesota.

Subd. 5. **Commission.** "Commission" means the Metropolitan Sports Facilities Commission.

Subd. 6. **University land.** "University land" means approximately 2,840 acres owned by the University of Minnesota as of May 25, 2006, lying within the area legally described as approximately the Southerly 3/4 of the Southwest 1/4 of Section 1 (comprising 120 acres), approximately the Southeast 1/4 of Section 2 (comprising 160 acres), the East 1/2 of Section 10, Section 11, the West 1/2 of Section 12, Section 13, and Section 14, all in Township 114 North, Range 19 West, Dakota County, Minnesota.

Subd. 7. **Permitted university uses.** "Permitted university uses" means university educational, research, outreach, scientific, and agricultural uses including, undiminished, all of the uses present as of May 25, 2006, of the university land, all of the uses of university real property that adjoins the university land present as of May 25, 2006, any uses related to the foregoing uses, and the making of improvements incidental to those uses, provided that an improvement must be agreed to in writing by the university and the commissioner of natural resources.

Subd. 8. **Other permitted uses.** "Other permitted uses" means agricultural, outdoor recreation uses including those named in section 86A.03, subdivision 3, open space management uses, outdoor recreation-based uses consistent with those of the parks and open space system created pursuant to chapter 473, wildlife management areas, aquatic management areas, scientific and natural areas, and the making of improvements incidental to those uses, provided the improvements have been agreed to in writing by the university and the commissioner of natural resources.

Subd. 9. **Prohibited uses.** "Prohibited uses" means use of the university land for residential, commercial, or industrial uses, except to the extent those uses are otherwise permitted by Laws 2006, chapter 247, or are permitted as of May 25, 2006, under university leases, easements, or use agreements, or are utility uses within defined corridors.

History: 2006 c 247 s 1; 2009 c 101 art 2 s 109

137.51 LAND PROTECTION AND TRANSFER.

Subdivision 1. **Land protection.** The obligation of the state of Minnesota to make the payments required under section 137.54 is expressly conditioned upon the university's covenant in perpetuity, subject to subdivision 3, limiting the use of the university land by the university, its successors, and assigns to the permitted university uses and the other permitted uses and forbidding the use of the university land by the university, its successors, and assigns for any of the prohibited uses. A declaration imposing those restrictions and granting to the Department of Natural Resources the right to enforce the same which has been executed by the university and filed in the Office of the Dakota County Recorder shall satisfy this condition. In furtherance of the purposes of this subdivision, the university and Department of Natural Resources shall promptly endeavor to enter into a joint powers agreement pursuant to section 471.59, or a conservation easement held by a qualified conservation organization or by a conservation easement holder as described in applicable Minnesota law embodying those restrictions, which agreement or easement shall provide for cooperative oversight of the use of the university land. Nothing in this section or in any declaration, agreement, or easement made or entered into pursuant to this section shall impair the rights of third parties under leases, easements, or use agreements in force as of May 25, 2006. Any lease or other transfer of the university land made after May 25, 2006, shall, unless otherwise agreed to by the commissioner of natural resources, be for a term that expires not later than the date the university land is conveyed as provided under subdivision 2. Any agreement between the board and the commissioner of natural resources must provide that the income received by the university from leases of the university land to third parties shall be dedicated to the operation and maintenance of the university land. Except as limited by Laws 2006, chapter 247, or by any declaration, agreement, or conservation easement made, entered into, or granted as provided in this section, the rights of the university with respect to the university

land while it continues to own the land are not impaired.

Subd. 2. **Land transfer.** Not later than the date on which the state of Minnesota makes the last of the payments required under section 137.54, the Board of Regents of the University of Minnesota shall offer to convey the university land to the Department of Natural Resources in its "as is" condition by quit claim deed, without warranties, for the sum of \$1. The Department of Natural Resources may request conveyance of any or all of the university land offered to be conveyed and the regents shall convey the portion requested. The commissioner of natural resources may, at its option, request that the university convey all or part of the university land to another governmental unit of the state. Except as provided in this subdivision, the instrument of conveyance by the university may not limit the rights of the state with respect to the land. Any conveyance shall be subject to the perpetual right of the university to use the university land for the permitted university uses. A conveyance shall also be subject to the rights of third parties under leases, easements, and use agreements in force on May 25, 2006. The instruments of transfer shall otherwise limit the use of the university land to the other permitted uses and subject those uses to restrictions as may be provided in any agreement between the university and state or any conservation easement granted pursuant to subdivision 1, and proscribe its use for the prohibited purposes. The University of Minnesota shall have the right to enforce those limitations and restrictions. The university shall promptly endeavor and use due diligence to require the federal government to fulfill its obligations under applicable laws, including the Defense Environmental Restoration Program, United States Code, title 10, section 2701, et seq., or the Comprehensive Environmental Response Compensation and Liability Act, as amended, United States Code, title 42, section 9601, et seq., with respect to environmental contamination that occurred prior to the time the university took title to the university land. The university shall seal any abandoned wells on the land pursuant to state law.

Subd. 3. **Termination of use restrictions.** Unless otherwise agreed by the board and the commissioner of management and budget, in the event the state of Minnesota fails to make the total payments required by section 137.54 by July 1, 2033, the restrictions in this section on the university's use of the university land; any declaration, agreement, or conservation easement containing those restrictions; and the university's obligation to offer the university land to the state of Minnesota shall be null and void.

History: 2006 c 247 s 2; 2009 c 101 art 2 s 109

137.52 RECREATIONAL PROGRAM ASSESSMENT.

(a) The commissioner of natural resources, in cooperation with the Board of Regents of the University of Minnesota, shall submit to the governor and the legislature by January 15, 2007, an assessment of the short-term and long-term programmatic plans for the development of the land identified in section 137.50, subdivision 6. The assessment shall include, but is not limited to, a

timeline for providing the recreational opportunities, and the needed restoration including native species of local ecotype, measurable outcomes, and anticipated costs. The assessment must also include an evaluation of the opportunities to foster small-scale farm-to-market vegetable farming. The commissioner of natural resources shall consult with interested stakeholders, including Dakota County, to assist in the development of the plan.

(b) The board shall, until the issue is resolved, report annually to the legislature on or before February 1, on its efforts and the efforts of the Department of Defense to remedy contamination of the university land caused by activities occurring prior to the University of Minnesota acquiring the land.

(c) The commissioner of natural resources, in consultation with the Pollution Control Agency, shall report to the legislature by January 7, 2007, on what entities are responsible for remediating pollution on the university land that occurred prior to May 25, 2006.

(d) The commissioner of natural resources, in cooperation with the board, shall submit to the governor and the legislature by January 7, 2007, a report regarding the implementation of section 137.51 and any recommendations for changes in section 137.51 necessary to carry out the intent of that section. The report must, among other things, specifically address the issue of whether a process or mechanism is necessary to resolve disputes between the University of Minnesota, the state, and other parties regarding uses of the university land.

(e) The commissioner of natural resources must communicate with interested parties, including the local government units that contain any part of the university land, regarding the intended activities of the department with respect to the university land.

History: 2006 c 247 s 3

137.53 ACTIVITIES; CONTRACTS.

The legislature recognizes that the board has all powers necessary or convenient for designing, constructing, equipping, improving, controlling, operating, and maintaining the stadium and may enter into contracts that are, in its judgment, in the best interests of the public for those purposes. Notwithstanding contrary law, the board may adopt the fair and competitive design and construction procurement procedures in connection with the stadium that it considers to be in the public interest. The board must ensure, to the greatest extent practicable, that materials derived from American-made steel are used in the construction of the stadium. Sections 16B.33 and 16B.335 do not apply to the stadium.

History: 2006 c 247 s 4

137.54 CONDITIONS FOR PAYMENT TO UNIVERSITY.

(a) Before the commissioner may make the first payment to the board authorized in this section, the commissioner must certify that the board has received at least \$110,750,000 in

pledges, gifts, sponsorships, and other nonstate general fund revenue support for the construction of the stadium. On July 1 of each year after certification by the commissioner, but no earlier than July 1, 2007, and for so long thereafter as any bonds issued by the board for the construction of the stadium are outstanding, the state must transfer to the board up to \$10,250,000 to reimburse the board for its stadium costs, provided that bonds issued to pay the state's share of such costs shall not exceed \$137,250,000. Up to \$10,250,000 is appropriated annually from the general fund for the purpose of this section. The appropriation of up to \$10,250,000 per year may be made for no more than 25 years. The board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the university for the construction of the stadium, and the actual amount of the state's annual payment to the university shall equal the amount required to service the bonds representing the state's share of such costs. Except to the extent of the annual appropriation described in this section, the state is not required to pay any part of the cost of designing or constructing the stadium.

(b) The board must certify to the commissioner that the per-semester student fee contribution to the stadium will be at a fixed level coterminous with bonds issued by the board to meet the student share of the design construction of the stadium and that the student fee will not be increased to meet construction cost overruns.

(c) Before the first payment is made under paragraph (a), the board must certify to the commissioner that a provision for affordable access for university students to the university sporting events held at the football stadium has been made.

History: 2006 c 247 s 5

137.55 PUBLIC USE OF STADIUM.

The board is requested, in furtherance of its outreach mission and subject to its policies regarding the use of university facilities, to provide ample opportunities for use of the stadium for events sponsored by public bodies including public schools.

History: 2006 c 247 s 6

137.56 ENVIRONMENTAL REVIEW.

The commissioner must not make an annual payment required by this act until the board has completed an environmental review of the stadium project and the commissioner determines that the board is performing the duties of the responsible governmental unit as prescribed in the Minnesota Environmental Policy Act, chapter 116D, and the rules adopted under that chapter. The legislature ratifies the Environmental Quality Board's designation of the board as a responsible governmental unit.

History: 2006 c 247 s 7

137.57 NO FULL FAITH AND CREDIT.

Any bonds or other obligations issued by the board under Laws 2006, chapter 247, are not public debt of the state, and the full faith and credit and taxing powers of the state are not pledged for their payment, or of any payments that the state agrees to make under Laws 2006, chapter 247.

History: 2006 c 247 s 8

137.58 MITIGATION FUND.

The board is requested to cooperate with the reconstituted stadium area advisory group described in the University of Minnesota On-Campus Football Stadium-Final EIS, dated February 13, 2006, to mitigate the impact of the construction and operation of the stadium. The board shall also establish a mitigation fund for the support of community initiatives that relate to the impacts of the operation of the stadium. On July 1, 2007, the university shall deposit \$1,500,000 into a fund to be managed by the board. Income from the fund shall be made available exclusively to pay for mitigation activities. The use of the funds must be coordinated through the reconstituted stadium area advisory group.

History: 2006 c 247 s 9

137.59 NEIGHBORHOOD IMPACT REPORT.

The board and the city of Minneapolis are requested to work with the reconstituted stadium area advisory group described in the University of Minnesota On-Campus Football Stadium-Final EIS, dated February 13, 2006, to assess and prepare a report of the impact of the university on the surrounding community and the relationship of the community to the university. The report shall include, but not be limited to, an assessment of:

- (1) the direct and indirect impacts of the university on the surrounding community, addressing issues of public safety, transportation, and housing quality, availability, and affordability;
- (2) opportunities and strategies to improve coordination between the university, surrounding residential and business areas, and the city of Minneapolis;
- (3) strategies for strengthening and revitalizing the neighborhoods and commercial business areas and supporting economic development; and
- (4) identification of the best practices and strategies for building partnerships among the stakeholders.

The report shall include consensus recommendations from the University of Minnesota, the city of Minneapolis, and the reconstituted stadium area advisory group for short- and long-term solutions to ongoing issues and concerns and shall include projected costs and benefits

of the recommendations made. The report shall be submitted to the governor and the legislature by January 15, 2007.

History: 2006 c 247 s 10

137.60 EMINENT DOMAIN.

The board may not acquire the fire station number 19 building for the construction of the stadium and related infrastructure, either directly or indirectly, through the exercise of the power of eminent domain.

History: 2006 c 247 s 11

BIOMEDICAL SCIENCE RESEARCH FUNDING

137.61 PURPOSE.

Sections 137.61 to 137.65 provide for a biomedical science research funding program to further the investment in biomedical science research facilities in Minnesota to benefit the state's economy, advance the biomedical technology industry, benefit human health, and facilitate research collaboration between the University of Minnesota and other private and public institutions in this state.

History: 2008 c 179 s 44

137.62 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 137.61 to 137.65.

Subd. 2. **Biomedical science research facility.** "Biomedical science research facility" means a facility located on the campus of the University of Minnesota to be used as a research facility and laboratory for biomedical science and biomedical technology. A hospital licensed under sections 144.50 to 144.56 is not a biomedical science research facility.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of management and budget.

Subd. 4. **Project costs.** "Project costs" means the sum of all obligations incurred, paid, or to be paid that are reasonably required for the design, construction, and completion of the project, including, but not limited to:

- (1) site acquisition;
- (2) soil and environmental testing, surveys, estimates, plans and specifications, supervision of construction, and other engineering and architectural services;
- (3) payments under construction contracts and payments for performance bonds; and

(4) purchase and installation of furniture, fixtures, and equipment.

Subd. 5. **Project.** "Project" means the acquisition, construction, improvement, expansion, repair, or rehabilitation of all or part of a structure, facility, infrastructure, or equipment necessary for a biomedical science research facility approved by the Board of Regents.

History: 2008 c 179 s 45; 2009 c 101 art 2 s 109

137.63 BIOMEDICAL SCIENCE RESEARCH FACILITIES FUNDING PROGRAM.

Subdivision 1. **Program established.** A biomedical science research facilities funding program is established to provide appropriations to the Board of Regents of the University of Minnesota for up to 75 percent of the project costs for each of four projects approved by the Board of Regents under section 137.64.

Subd. 2. **Project requirements.** The Board of Regents of the University of Minnesota, either acting on its own or in collaboration with another private or public entity, must pay at least 25 percent of the project costs for each of four projects. The board must not use tuition revenue to pay for the university's share of the costs for the projects approved under section 137.64.

History: 2008 c 179 s 46

137.64 CONDITIONS FOR PAYMENTS TO UNIVERSITY.

Subdivision 1. **Certifications.** Before the commissioner may make any payments authorized in this section to the Board of Regents for a biomedical science research facility project, the commissioner must certify that the board has, by board resolution, approved the maximum project cost for the project and complied with the requirements of section 137.63, subdivision 2. For each project approved by the board, the board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the University of Minnesota for the project, and the actual amount of the state's annual payment to the University of Minnesota under subdivision 2. The annual payment must not exceed the amount required to pay debt service on the bonds issued to finance 75 percent of the project costs.

Subd. 2. **Payments.** On July 15 of each year after the certification under subdivision 1, but no earlier than July 15, 2009, and for so long thereafter as any bonds issued by the board for the construction of a project are outstanding, the state must transfer to the board annual payments as certified under subdivision 1, up to the maximum amounts in the appropriation schedule under subdivision 3. Payments under this section are to reimburse the Board of Regents for the state's share of the project costs for the biomedical science research facility projects, provided that the principal amount of bonds issued by the University of Minnesota to pay the state's share of the costs must not exceed \$219,000,000.

Subd. 3. **Appropriations.** Annual appropriations are made from the general fund to the

commissioner of management and budget for transfer to the Board of Regents, as follows:

- (1) up to \$850,000 is appropriated in fiscal year 2010;
- (2) up to \$3,650,000 is appropriated in fiscal year 2011;
- (3) up to \$7,825,000 is appropriated in fiscal year 2012;
- (4) up to \$12,100,000 is appropriated in fiscal year 2013;
- (5) up to \$14,825,000 is appropriated in fiscal year 2014; and
- (6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, up to 25 years following the certification of the last project by the commissioner.

Subd. 4. **Report to legislature.** The Board of Regents must report to the committees of the legislature with responsibility for capital investment by January 15 of each even-numbered year on the biomedical science research facility projects authorized under this section. The report must at a minimum include for each project, the total cost, the number of researchers, research grants, and the amount of debt issued by the board.

Subd. 5. **Reinvestment.** The Board of Regents must, to the extent permitted under federal law and University of Minnesota policies, place a priority on reducing the state's share of project costs by dedicating a share of the proceeds from any commercialization or licensing revenues attributable to research conducted in the biomedical science facilities to reducing the appropriations needed under subdivision 3.

Subd. 6. **Services to individuals and firms.** Consistent with its mission and governing policies and the requirements for tax exempt bonds, the university shall make available laboratory and other services on a fee-for-service basis to individuals and firms in the bioscience industry in Minnesota. The university will not assert patent rights when providing services that do not involve its innovative intellectual contributions.

History: 2008 c 179 s 47; 2009 c 101 art 2 s 109

137.65 NO FULL FAITH AND CREDIT.

Any bonds or other obligations issued by the board under sections 137.61 to 137.65, are not public debt of the state, and the full faith and credit and taxing powers of the state are not pledged for their payment, or of any payments that the state agrees to make under sections 137.61 to 137.65.

History: 2008 c 179 s 48

137.70 UNIVERSITY NEIGHBORHOOD DEVELOPMENT.

Subdivision 1. **Purpose.** In order to support and create an environment surrounding the campuses of the University of Minnesota in Minneapolis and Duluth, that is conducive to the

purposes of higher education and a vital community, the Board of Regents and the cities of Minneapolis and Duluth shall create with the Marcy Holmes, Southeast Como, Prospect Park, and Cedar-Riverside neighborhood and business associations, an appropriate organization so that they cooperate in the development of those neighborhoods. The organization shall include representatives from the Marcy Holmes, Southeast Como, Prospect Park, and Cedar-Riverside neighborhood and business associations. The purpose of the organization is to improve the university's Minneapolis and Duluth campus area neighborhoods including, but not limited to, the following:

(1) providing and supporting the development of good quality university neighborhood housing, including housing for students, faculty, employees, alumni, and others who may wish to live in the university area neighborhoods;

(2) encouraging and assisting university faculty, staff, students, and others to live in the neighborhood as long-term residents;

(3) supporting and assisting appropriate business development in commercial areas of the neighborhood; and

(4) cooperating and coordinating planning and development in all matters affecting the neighborhood with local government, businesses, residents, and other stakeholders in the neighborhood.

Subd. 2. **Membership.** The organization created by the Board of Regents and the city of Minneapolis shall include representatives from the organizations currently represented on the University District Alliance Steering Committee. The Board of Regents and the city of Duluth may establish the membership of an organization for the purposes of subdivision 1.

Subd. 3. **Report.** The Board of Regents and the cities of Minneapolis and Duluth shall report by January 15, 2010, to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance and economic development and housing finance on the status and activities of the organization that is created.

History: 2009 c 78 art 6 s 8