

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES**

Agenda Item Summary Sheet

Committee: Advancement

Date of Meeting: April 20, 2011

Agenda Item: State and Federal Legislative Update

Proposed
Policy Change

Approvals
Required by
Policy

Other
Approvals

Monitoring

Information

Cite policy requirement, or explain why item is on the Board agenda:

Review of state and federal legislative affairs and issues.

Scheduled Presenter(s):

Dr. Mary Davenport, executive director of government relations

Outline of Key Points/Policy Issues:

State legislative activity

Federal legislative activity

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INFORMATION ITEM

State and Federal Legislative Update

STATE

Status of Higher Education appropriation bills

Both the House and Senate passed their respective higher education omnibus bills after much discussion. The budgets proposed for higher education continue the downward trend in state appropriations (see comparisons below).

Funding year	Base Amount (millions)
Current law FY2012	\$ 630.4
FY2011	\$ 605.4
FY 2003	\$ 597.1
Governor (proposed)	\$ 592.8
Senate (proposed)	\$ 546.8
House (proposed)	\$529.7

Both bills include tuition caps. The House bill sets the maximum annual increase for tuition and mandatory fees at 2 percent per year at the two-year colleges and 4 percent per year at the four-year universities. The Senate version caps the maximum tuition rate increase for all tuition rates at 3 percent per year at the two-year colleges and 4 percent per year at the four-year universities. The House bill mandates that 1% of the FY2013 campus appropriation is contingent on meeting three of five goals focused on increased completion rates, increased number of students of color served, increased student enrollment in online or blended courses or sections, increased persistence rates, and a decrease in total energy consumption. The House bill establishes the salary of the chancellor, vice chancellors and presidents at or below the governor's salary of \$120,000 and prohibits performance pay. The House bill also requires the Board of Trustees to do a comprehensive evaluation of the Minnesota State Colleges and Universities system's structure with recommendations for improvement to increase efficiency and effectiveness of delivering postsecondary education. Both bills set the age eligibility for the senior citizen higher education program at 62 years, reversing the 2010 change in law to increase the age to 66.

The next step in the process is conference committee, where the House and Senate will meet to work through the differences between the two bills. At this time, conferees have been announced in the House and include Rep. Bud Nornes, R-Fergus Falls; Rep. Bob Dettmer, R-Forest Lake; Rep. Kurt Daudt, R-Crown; Rep. Pat Mazorol, R-Bloomington; and Rep. David Hancock, R-Bemidji.

Confirmation of Trustees

Trustee Jacob Englund will have completed his confirmation hearing in the Senate by the time of this meeting. The Senate Higher Education committee recommended trustees Duane Benson, Phil Krinkie, Alfredo Oliveira, Thomas Renier and Michael Vekich for confirmation earlier this session. The confirmation of all trustees is to be taken up next by the full Senate.

Upcoming dates:

April 26 Passover/Easter break ends; legislators return to St. Paul
April 29 Policy bills are to be out of the committee of origin
May 6 Policy bills must pass out of both bodies
May 23 Last day of session

FEDERAL

The status of the FY2011 federal budget remains tenuous. An update will be provided.