

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

Agenda Item Summary Sheet

Committee: Advancement

Date of Meeting: January 19, 2010

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:

On-going communication with Legislative leaders.

Scheduled Presenter(s):

Mary Davenport, Director of Government Relations

Outline of Key Points/Policy Issues:

State update

Federal update

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INFORMATION ITEM

State and Federal Legislative Update

STATE UPDATE

2010 Legislative Session

The 2010 legislative session will convene February 4, 2010. The Governor's capital budget recommendation is tentatively scheduled to be released by January 15th; the Governor's State of the State Address is expected in February, followed by the Minnesota Management and Budget office's February economic forecast release. The 2010 legislative session is scheduled to adjourn on May 17, 2010.

Bonding Update

Lawmakers and Minnesota Management and Budget Commissioner Tom Hanson have made more than 50 visits to Minnesota State Colleges and Universities campuses this fall while traveling the state to gain a better understanding of the bonding projects being requested this upcoming session.

Bonding presentations will begin in January at the Capitol. The Minnesota State Colleges and Universities system is scheduled to present its \$396.8 million bonding request to the Senate Higher Education Budget and Policy Division Tuesday, Jan. 12. The system is scheduled to be before the House Higher Education and Workforce Development Finance and Policy Division January 26th. Once the higher education committees hear the bonding request, they will make a recommendation to their respective Capital Investment committees.

Legislators have said they hope to pass a large bonding bill early in the 2010 legislative session in order to help the state's slumping economy. Some lawmakers have expressed the desire to pass a capital investment bill early in the session, resulting in more jobs created and/or more jobs maintained in the Minnesota construction and related industry.

2010 Legislative Session Issues

In addition to the 2010 capital budget agenda, several policy issues are anticipated:

1. Office of the Legislative Auditor report on the Office of the Chancellor
2. Revenue fund statutory debt authorization increase
3. St. Cloud Technical College's lease of the Allied Health Building
4. Eliminate the requirement that the SBI select and monitor the funds in the Defined Contribution Retirement program and allow the system to contract with the SBI or other qualified third party to provide these services.
5. ARRA reporting
6. State grant shortfall

Other legislative interests related to Minnesota State Colleges and Universities may emerge during the 2010 session and might include:

1. Chancellor and president performance incentives
2. Cost of on-line education
3. Oral Hygiene Practitioner Dental education
4. Status of career and technical education
5. MGDPA Educational Data - make income to public employees from outside sources public information
6. Expanded fields for doctorate education
7. K-12 issues (PSEO, teacher education, licensure)
8. Board of Trustees confirmation (Trustee Frederick)
9. Trustee Candidate Advisory Council process and recommendations

FEDERAL UPDATE

FY2010

On December 16, President Obama signed the FY2010 consolidated appropriations bill that combines the Transportation; Commerce, Justice, Science; Financial Services; Labor-Health-Education; Military Construction, Veterans Affairs; and State Foreign Operations Appropriations bill.

The bill includes \$17.495 billion to maintain the discretionary portion of the maximum Pell Grant award at \$4,860, which, combined with a mandatory supplement of \$690, is a \$5,550 maximum Pell Grant in FY2010. This is an increase of \$200 over FY2009 levels. \$853 million is appropriated for TRIO programs (\$5 million increase) and \$323 million for GEAR UP (\$10 million increase) to assist approximately 1.6 million disadvantaged and first-generation students prepare for, enter, and complete college.

The Perkins Career and Technical Education Act funding remained flat at FY2009 levels. Adult Education received \$628 million (an increase of \$74 million). The bill provides nearly \$7 billion (\$436 million increase) to the National Science Foundation for scientific research. The National Institutes of Health received \$31 billion for biomedical research.

The bill includes nearly \$110 billion to meet veterans' needs, including the expansion of the GI Bill education benefits. There is also funding to help veterans transition to civilian workforce, including \$6 million for a new college-based Centers of Excellence for Veterans Success initiative by the Education Department to provide academic, counseling and support services for veterans seeking to use their new GI education benefits.

Dislocated Worker Employment and Training programs were funded at \$1.4 billion, a 5.3 percent increase over last year, for training and support services for workers affected by mass layoffs and plant closures. \$125 million is included for competitive grants to community colleges and local adult education providers to prepare workers for careers in high-demand and emerging industries. Also included is \$103 million for YouthBuild and \$1.7 billion for Job Corps, to provide training, counseling and educational opportunities to low-income kids.

The bill includes \$400 million for the Teacher Incentive Fund, which supports school districts and states aimed at rewarding effective teachers and schools through compensation systems tied to student achievement results. Also included is \$256 million to support the start-up of over 1,300 new charter schools in FY2010. And \$250 million is included to transform Striving Readers into a new comprehensive literacy initiative from pre-K through grade 12 to help struggling students build their literacy skills and improve the integration of reading initiatives across the Department of Education.

The Health Resources and Services Administration estimates that the nation's nursing shortage will grow to more than one million nurses by the year 2020. The bill includes \$244 million for nurse training (an increase of \$73 million).

The Labor, Health and Human Services and Education section of the appropriations bill includes funding for the veterans re-entry education project, and for projects at Anoka Ramsey Community College, Lake Superior College and Metropolitan State University. The Commerce-Justice-Science section of the bill includes funding for Winona State University. The table below lists the projects included in the appropriation bill. Rep. Betty McCollum serves on the House Appropriations Committee.

Institution	Project	Amount Requested	Final Appropriation	Sponsor(s)
Winona State University	National Child Protection Training Center	\$3,000,000	\$1,000,000	Rep. Walz Senator Klobuchar
Anoka Ramsey CC	Biomedical Device Manufacturing	\$1,000,000	\$800,000	Rep. Paulsen Sen. Klobuchar Sen. Franken
Systemwide	Veterans re-entry education	\$2,300,000	\$300,000	Congressman Walz Sen. Klobuchar Sen. Franken
Lake Superior College	Center for Advanced Aviation	\$2,500,000	\$200,000	Rep. Oberstar Sen. Klobuchar Sen. Franken
Metropolitan State University	New Faculty Model for Addressing Nursing Shortage	\$975,000	\$150,000	Sen. Klobuchar Sen. Franken

FY2011

The House will convene with the first day legislative business beginning January 12th, and the Senate on January 20th. Top legislative priorities with elements related to higher education to watch in 2010 include Student Aid and Fiscal Responsibility Act (HR 3221), Jobs for Main Street Act of 2010 (HR 2847) and the Workforce Investment Act reauthorization.

Requests for special appropriations from the federal FY2011 budget are being finalized. Project requests that received congressional interest will be continued along with several new projects initiatives that have received member interest. These include:

District 1

National Child Protection Training Center Winona State University
Center for Family Health Promotion Minnesota State University, Mankato
Minnesota State Modeling & Simulation Center Minnesota State University, Mankato
Center for Transportation Studies, Minnesota State University, Mankato

District 3

(pending January 25 meeting between Congressman Paulsen and District 3 Presidents)

District 4

Nursing Initiative, Metropolitan State University
Advanced Dental Hygiene Practitioner Metropolitan State University Demonstration Project

District 5

Power of You to Close the Achievement Gap, Minneapolis Community & Technical College

District 6

Science Express, St. Cloud State University

District 7

Regional Science Center Road, Minnesota State University Moorhead
Nursing Education Program on White Earth Indian Reservation, Northland
Maintenance Technician Trainer Program for UAVs, Northland

District 8

Center for Advanced Aviation, Lake Superior College
Corrosion Training Simulation Program, Pine Technical College
Geothermal Heating & Cooling Project, Northeast Higher Education District
Center for the Young Child, Pine Technical College

Statewide

Veterans Re-entry Education Program
International Renewable Energy Technology Institute
E-folio