



Legislative Notes

May 2, 2008

State Update

Conferees close to agreement on higher education policy bill

The higher education policy conference committee met today and quickly walked through the side-by-side comparison of the Senate and House bills. Conferees adopted language that has already been adopted in the higher education article of the budget bill, which includes adding the spouse of a veteran as a Minnesota resident for the state grant program and making permanent the use of any state grant surplus to be used for the living and miscellaneous expense. Other provisions adopted include clarification on the ACHIEVE scholarship program, including the two-year colleges as potential users of the revenue fund, a study prepared by the Office of Higher Education on the enrollment patterns of students from low-income families in higher education and a change in the make-up of the Board of Trustees to include two members appointed from recommendations by the AFL-CIO.

Both House and Senate leadership have imposed internal deadlines of midnight Monday, May 5 for conference committees to finish bills.

With May 19 deadline nearing, lawmakers continue session-ending negotiations

Gov. Tim Pawlenty and DFL legislative leaders have been trading budget offers over the last couple weeks in order to eliminate a \$935 million projected budget deficit and go home. Some of the sticking points include the governor's proposed property tax cap and the shift of \$125 million from the health care access fund to balance the budget. In Gov. Pawlenty's latest offer this week, the Central Corridor light-rail line that runs between Minneapolis and St. Paul is back in play. In exchange for the Central Corridor, Pawlenty proposed including the Minneapolis Veterans Home and a new state park on Lake Vermilion in any final budget solution.

The conference committee charged with solving the budget deficit continues to meet, and higher education was on the agenda this week. Higher education chairs Sen. Sandy Pappas, DFL-St. Paul, and Rep. Tom Rukavina, DFL-Virginia, explained what is in the higher education article of the budget bill. At the time of this writing, the cuts to the Minnesota State Colleges and Universities system, the University of Minnesota and the Office of Higher Education have not been presented or discussed. Lawmakers are waiting for an agreement between legislative leaders and the governor before they determine the final cuts. As a reminder, the House bill includes a cut of \$6.17 million for the system, and the Senate bill includes a cut of \$6.5 million but would reallocate \$1.5 million of that amount for other purposes. Speaker of the House Margaret Anderson Kelliher, DFL-Minneapolis, said Democrats would like to reach a deal with

the governor when they meet this weekend on the omnibus budget bill in an effort to get the budget bill through conference committee by Monday.

As for next week, after trying to finish conference committee bills early in the week, legislative leaders have said their big focus will be on property taxes. Speaker Kelliher has called the DFL leadership's property tax proposal "governor friendly" in an attempt to negotiate. We will soon learn more how the remaining two weeks of session will wrap up.

Data sharing between the Department of Education and the Office of Higher Education

Members of the data practices bill conference committee adopted a provision in the Senate bill this week that allows for data sharing between the Office of Higher Education and the Minnesota Department of Education. The language is an initiative of the P-16 Council that will enable the state to follow students from K-12 public education into post-secondary education by giving the two agencies authority to share data. The state would be able to analyze how choices made in high school influence students' success in post-secondary education. The data will be reported in aggregate form only. Once conferees for the data practices bill have adopted a final report, the bill will head back to the Senate and House floors for final approval before heading to the governor for signature.

University students oppose legislation allowing students to have firearms on campus

The Minnesota State University Student Association, the organization that represents the students at the seven state universities, had its final student conference of the academic year last weekend. Students voted to oppose the proposed legislation (HF 4189 and SF 3844) that would allow students to possess concealed firearms on Minnesota State Colleges and Universities campuses. Since the bill deadlines are up however, any committee action on this bill is unlikely this session. The Board of Trustees adopted a policy in 2003 prohibiting students from possessing or carrying a firearm while on system property, regardless of whether the student has a permit to carry a firearm.

American Legislative Exchange Council hosts legislative briefing

Sen.Gen Olson, R-Minnetrista, state chair of the American Legislative Exchange Council, is hosting a legislative briefing entitled, "Rich States, Poor States," by Arthur B. Laffer and Stephen Moore. The briefing will be May 6, 8-9 a.m. at the Capitol in Room 229. The American Legislative Exchange Council is a bipartisan membership association for conservative state lawmakers who share a common belief in limited government, free markets, federalism and individual liberty. The study can be viewed at: www.alec.org/2/rich-states-poor-states-alec-laffer-state-economic-competitiveness-index.html

Federal Update

Congress agrees to increase loan limits

Students can now borrow more money to pay for school, under legislation passed by the U.S. House of Representatives Thursday. Undergraduate students, considered dependents of their

parents, now can borrow \$31,000 in federal loans for their degree, while independent undergraduate students have a new limit of \$57,500. Parents also benefit from the new legislation, as the grace period for the PLUS loans have been extended.

The bill also saves money in the student loan program. Under the new proposal, Education Secretary Margaret Spellings will be given temporary authority to purchase student loans issued by companies. This action would result in federal savings, which will be reinvested into Academic Competitiveness Grants and SMART Grants. The Academic Competitiveness program awards low-income students that took rigorous high school courses and would be applied after their federal Pell Grants are received; the SMART grants are directed toward students who are studying science, mathematics, technology, engineering, or a critical language. The bill now awaits the president's signature.

Parental expectations for postsecondary education

According to a recently released study by the Department of Education's National Center for Education Statistics, nearly two-thirds of students in grades 6 through 12 have parents who expect them to earn a bachelor's degree or higher, and 91 percent were expected to continue their education beyond high school. The report, *Parental Expectations and Planning for College*, examines the level of education parents in the U.S. expect their children to achieve, and can be viewed at <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2008079>.

Here's What's Happening at the Capitol:

This schedule shows all meetings that we are aware of at the time of publication that may have an impact on the system. This schedule may change. Watch the House and Senate schedules posted on the Legislature Web site (www.leg.state.mn.us).

Sunday, May 4

At the call of the chair

Joint Committee: Omnibus Supplemental Budget Conference Committee

Room: 123 State Capitol

Chairs: Rep. Lyndon Carlson, Sen. Richard Cohen

Agenda: HF1812/SF3813 (Carlson/Cohen) Omnibus supplemental budget bill

Monday, May 5

10:00 AM

SF3001 Education Policy Omnibus Conference Committee

Room: 318 State Capitol

Chairs: Rep. Carlos Mariani, Sen. Chuck Wiger

Agenda: SF3001 (Mariani/Wiger) E-12 education policy omnibus bill

11:00 AM

Meeting Time Note: Plan is to recess for caucus and reconvene at 12:30 p.m.

House Meets in Session

11:00 AM

Senate Meets in Session

1:00 PM

Conference Committee on S.F. 2942 – higher education policy

Room: 118 Capitol

Chairs: Sen. Sandra L. Pappas and Rep. Tom Rukavina

Agenda: S.F. 2942-Pappas: Omnibus higher education policy bill.

At the call of the chair

Joint Committee: Omnibus Supplemental Budget Conference Committee

Room: 123 State Capitol

Chairs: Rep. Lyndon Carlson, Sen. Richard Cohen

Agenda: HF1812/SF3813 (Carlson/Cohen) Omnibus supplemental budget bill

Time TBA

Conference Committee on H.F. 3722

Room: 125 Capitol

Chairs: Sen. David J. Tomassoni and Rep. Tom Rukavina

Agenda: H.F. 3722-Tomassoni: Omnibus economic development policy provisions modification.

Tuesday, May 6

9:00 AM

House Finance

Room: 200 State Office Building

Chair: Rep. Lyndon Carlson

Agenda: HF3082 (Murphy, M.) Legislative Commission on Pensions and Retirement recommendations on the 2008 Omnibus Retirement Bill