

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

INFORMATION ITEM
Legislative Update

1 Legislators have been reviewing budget and policy requests from each of the higher education systems
2 this month. Chancellor McCormick, assisted by several Trustees, has made presentations on the Board
3 of Trustees budget request to the House and Senate committees.
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5 **Economic Forecast**

6 Improvements in the State economic outlook for the next 30 months will provide an additional \$234
7 million in tax revenue that will be applied to the projected budget gap of \$700 million. While this
8 represents only a 0.8 percent improvement in revenues, it certainly is an improved forecast and will help
9 lawmakers balance the budget with fewer reductions.

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11 **Budget Request**

12 Lawmakers have reviewed the enrollment base adjustment and the \$66.5 million budget request of the
13 Board of Trustees in several hearings this month. Senators have introduced a bill on each of the
14 Strategic Priorities in the request and are learning the details of the request in committee hearings. These
15 include funding for nursing programs, a teacher center, farm and small business management, online
16 education, outreach to underserved populations, an innovations fund, facilities repair, and competitive
17 salary adjustments.

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19 Students, faculty, and administrators have been making the case for the enrollment base adjustment of
20 \$130.8 million in meetings with legislators throughout the session. Enrollment continues to grow and
21 base funding is necessary if colleges and universities are to maintain services for students in an open
22 access system.

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24 **Bonding Legislation**

25 Both the House and Senate have passed bonding bills and the conference committee is working to
26 resolve differences in the bills. The Senate bill provides \$244 million of which \$60 million is for repairs.

27 House members have a smaller bill with \$154.7 million of which \$46.4 million is for repairs. College
28 and university representatives and staff from the Office of the Chancellor have been monitoring each
29 committee hearing and answering questions about projects, inflation and authorizing language.

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31 **Related Legislation**

32 Numerous bills have been introduced that relate to higher education as well as elementary secondary
33 education this session. Teacher preparation and college credit for high school classes are two of the
34 topics lawmakers are reviewing. In addition we are supporting a proposal to award applied doctoral
35 degrees in state universities. We expect considerable discussion on a new university in Rochester based
36 on Governor Pawlenty's recommendation in the state of the state speech earlier this year.

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38 At the Board meeting there will be an opportunity to provide additional information based on recent hearings.