

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

INFORMATION ITEM
2006 State Legislative Initiatives

Lawmakers will return to St. Paul for the 2006 Legislative session on March 1, 2006. The signature issue for the upcoming session will be the capital bonding bill. The November forecast is predicting a \$701 million surplus for the 2006-07 biennium, and a \$337 million surplus for fiscal year 2005. The fiscal year 2005 surplus will be deposited in the tax relief account for the Legislature to determine how to use. Both Republicans and Democrats have said that the funds will be used for some type of property tax relief. The \$701 million surplus for the current biennium under current law is required to be used for the K-12 education accounting shifts from 2002 and 2003. The November forecast, along with the next revenue forecast scheduled to be released in February 2006, will form the basis for any adjustments in spending.

Bonding Bill

Legislators have been touring greater Minnesota this fall reviewing bonding projects. In January they will begin to look at metro area projects and will then be ready to start the 2006 session informed on the \$280.4 million Minnesota State Colleges and Universities request. We anticipate that the Capital Investment committees in both the Senate and the House will hold hearings prior to the March 1 start date. Governor Pawlenty will make his bonding recommendation to the Legislature on January 13. Details will be discussed at the Board meeting.

Supplemental Budget Request

The Board has submitted a supplemental budget request to the Governor for \$31.5 million. This includes \$10 million for the increase in fuel costs, \$3.5 million to support innovative international educational and training incentives for the state colleges and universities, \$3 million for a Bioscience Center of Excellence, and \$15 million for critical infrastructure and security. The Governor will make his recommendation to the Legislature, and then the Legislature will decide if they want to fund any of the supplemental budget requests submitted by all agencies. Since legislators have indicated that the FY2005 surplus will be used for some type of property tax relief, and the FY2006-07 surplus is designated under current law to be used for the K-12 education accounting shifts, it may be hard to find any revenue to fund the request.

Issues We Are Watching

Bills that were introduced in the 2005 session but not adopted are still available for consideration in the 2006 session. While 2006 is a bonding year and a short session, we do anticipate seeing some bills resurface, including undocumented student tuition. This is the bill that Senator Sandy Pappas (DFL-St.

Paul) and Rep. Ray Cox (R-Northfield) carried last session that would allow non-citizen students that attended high school in Minnesota to pay resident tuition rates.

The language, which ended up in the higher education omnibus bill and was removed at the final hour in conference committee, invoked much debate and controversy at the state capitol. Both Sen. Pappas and Rep. Cox have indicated that we will see this legislation in the 2006 session.

Another bill introduced last session that may resurface this session is the academic bill of rights introduced by Senator Michelle Bachmann (R-Stillwater) and Rep. Ray Vandever (R-Forest Lake). This bill is similar to the national movement that would mandate state funded college and university professors to not use their classrooms to promote personal political or ideological beliefs.

As issues arise during the 2006 session, we will continue to keep the Board updated.