

CHAPTER 136A

HIGHER EDUCATION SERVICES OFFICE;
FACILITIES AUTHORITY

136A.01	Higher Education Services Office.	136A.101	Definitions.
136A.011	Higher Education Services Council.	136A.121	Grants.
136A.03	Executive officers; employees.	136A.125	Child care grants.
136A.031	Advisory groups.	136A.171	Revenue bonds; issuance; proceeds.
136A.08	Reciprocal agreements relating to nonresident tuition with other states or provinces.	136A.29	Powers; duties.
		136A.69	Fees.

136A.01 HIGHER EDUCATION SERVICES OFFICE.

Subdivision 1. **Creation.** An office for higher education in the state of Minnesota, to be known as the Minnesota Higher Education Services Office or HESO, is created with a director appointed by the governor with the advice and consent of the senate and serving at the pleasure of the governor.

[For text of subd 2, see M.S.2002]

History: 2003 c 133 art 2 s 3

136A.011 HIGHER EDUCATION SERVICES COUNCIL.

[For text of subd 1, see M.S.2002]

Subd. 2. **Duties.** The council shall:

(1) provide advice and review regarding the performance of the Higher Education Services Office in its duties and in any policies, procedures, or rules the office prescribes to perform its duties; and

(2) communicate with and make recommendations to the governor and the legislature.

History: 2003 c 133 art 2 s 4

136A.03 EXECUTIVE OFFICERS; EMPLOYEES.

The Higher Education Services Office shall be under the administrative control of the director. The director shall serve in the unclassified service of the state civil service. The director, or the director's designated representative, on behalf of the office is authorized to sign contracts and execute all instruments necessary or appropriate to carry out the purposes of sections 136A.01 to 136A.178 for the office. The salary of the director shall be established according to section 15A.0815. The director may appoint other professional employees who shall serve in the unclassified service of the state civil service. All other employees shall be in the classified civil service.

An employee appointed by the director to serve in the unclassified service as provided in this section, is a person who has studied higher education or a related field at the graduate level or has similar experience and who is qualified for a career in financial aid and other aspects of higher education and for activities in keeping with the planning and administrative responsibilities of the office and who is appointed to assume responsibility for administration of educational programs or research in matters of higher education.

History: 2003 c 133 art 2 s 5

136A.031 ADVISORY GROUPS.

[For text of subd 1, see M.S.2002]

Subd. 2. **Higher Education Advisory Council.** A Higher Education Advisory Council (HEAC) is established. The HEAC is composed of the president of the

University of Minnesota or designee; the chancellor of the Minnesota State Colleges and Universities or designee; the commissioner of education; the president of the Private College Council; a representative from the Minnesota Association of Private Postsecondary Schools; and a member appointed by the governor. The HEAC shall (1) bring to the attention of the Higher Education Services Council any matters that the HEAC deems necessary, and (2) review and comment upon matters before the council. The council shall refer all proposals to the HEAC before submitting recommendations to the governor and the legislature. The council shall provide time for a report from the HEAC at each meeting of the council.

[For text of subs 3 and 4, see M.S.2002]

Subd. 5: **Expiration.** Notwithstanding section 15.059, subdivision 5, the advisory groups established in this section expire on June 30, 2005.

History: 2003 c 130 s 12; 2003 c 133 art 2 s 6, 7

136A.08 RECIPROCAL AGREEMENTS RELATING TO NONRESIDENT TUITION WITH OTHER STATES OR PROVINCES.

[For text of subs 1 and 2, see M.S.2002]

Subd. 3. **Wisconsin.** A higher education reciprocity agreement with the state of Wisconsin may include provision for the transfer of funds between Minnesota and Wisconsin. If this provision is included, the amount of funds to be transferred shall be determined according to a formula which is mutually acceptable to the office and a duly designated agency representing Wisconsin. The formula shall recognize differences in tuition rates between the two states and the number of students attending institutions in each state under the agreement. Any payments to Minnesota by Wisconsin shall be deposited by the office in the general fund of the state treasury. The amount required for the payments shall be certified by the director of the office to the commissioner of finance annually.

[For text of subs 4 to 6, see M.S.2002]

History: 2003 c 133 art 3 s 2

136A.101 DEFINITIONS.

[For text of subs 1 to 5, see M.S.2002]

Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the amount of a family contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is the parental contribution. For independent students with dependents other than a spouse, the assigned family responsibility is the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is 72 percent of the student contribution. The assigned family responsibility for all other independent students is 90 percent of the student contribution.

[For text of subs 7 to 10, see M.S.2002]

History: 2003 c 133 art 2 s 8

136A.121 GRANTS.

[For text of subs 2 to 5, see M.S.2002]

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of allowances specified in law for living and miscellaneous expenses, and an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or the tuition and fee maximums established in law.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.

The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution.

Subd. 7. **Insufficient appropriation.** If the amount appropriated is determined by the office to be insufficient to make full awards to applicants under subdivision 5, awards must be reduced by:

(1) adding a surcharge to the applicant's assigned family responsibility, as defined in section 136A.101, subdivision 5a; and

(2) a percentage increase in the applicant's assigned student responsibility, as defined in subdivision 5.

The reduction under clauses (1) and (2) must be equal dollar amounts.

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent for eight semesters or the equivalent, excluding courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

Subd. 9a. **Full-year grants.** Students may receive state grants for four consecutive quarters or three consecutive semesters during the course of a single fiscal year. In calculating a state grant for the fourth quarter or third semester, the office must use the same calculation as it would for any other term, except that the calculation must subtract any federal Pell grant for which a student would be eligible even if the student has exhausted the Pell grant for that fiscal year.

[For text of subds 11 and 12, see M.S.2002]

Subd. 13. **Deadline.** The deadline for the office to accept applications for state grants for a term is 14 days after the start of that term.

[For text of subds 16 and 17, see M.S.2002]

History: 2003 c 133 art 2 s 9-13

136A.1211 [Repealed, 2003 c 133 art 2 s 21]

136A.122 [Repealed, 2003 c 133 art 2 s 21]

136A.124 [Repealed, 2003 c 133 art 2 s 21]

136A.125 CHILD CARE GRANTS.

[For text of subd 1, see M.S.2002]

Subd. 2. **Eligible students.** An applicant is eligible for a child care grant if the applicant:

(1) is a resident of the state of Minnesota;

(2) has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in section 125A.02, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;

(3) is income eligible as determined by the office's policies and rules, but is not a recipient of assistance from the Minnesota family investment program;

(4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters or the equivalent;

- (5) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;
- (6) is enrolled at least half time in an eligible institution; and
- (7) is in good academic standing and making satisfactory academic progress.

[For text of subd 3, see M.S.2002]

Subd. 4. **Amount and length of grants.** The amount of a child care grant must be based on:

- (1) the income of the applicant and the applicant's spouse;
- (2) the number in the applicant's family, as defined by the office; and
- (3) the number of eligible children in the applicant's family.

The maximum award to the applicant shall be \$2,200 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine community market costs and review institutional requests for compensatory grant increases to ensure need and equal treatment. The office shall prepare a chart to show the amount of a grant that will be awarded per child based on the factors in this subdivision. The chart shall include a range of income and family size.

[For text of subds 4a to 9, see M.S.2002]

History: 2003 c 133 art 2 s 14,15

136A.171. REVENUE BONDS; ISSUANCE; PROCEEDS.

The Higher Education Services Office may issue revenue bonds to obtain funds for loans made in accordance with the provisions of this chapter. The aggregate amount of revenue bonds, issued directly by the office, outstanding at any one time, not including refunded bonds or otherwise defeased or discharged bonds, shall not exceed \$850,000,000. Proceeds from the issuance of bonds may be held and invested by the office pending disbursement in the form of loans. All interest and profits from the investments shall inure to the benefit of the office and shall be available to the office for the same purposes as the proceeds from the sale of revenue bonds including, but not limited to, costs incurred in administering loans under this chapter and loan reserve funds.

History: 2003 c 133 art 3 s 3

136A.29. POWERS; DUTIES.

[For text of subds 1 to 8, see M.S.2002]

Subd. 9. The authority is authorized and empowered to issue revenue bonds whose aggregate principal amount at any time shall not exceed \$800,000,000 and to issue notes, bond anticipation notes, and revenue refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42, to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving, furnishing, or equipping one or more projects or parts thereof.

[For text of subds 10 to 23, see M.S.2002]

History: 2003 c 133 art 2 s 16

136A.69. FEES.

The office shall collect reasonable registration fees that are sufficient to recover, but do not exceed, its costs of administering the registration program. The office shall charge \$1,100 for initial registration fees and \$950 for annual renewal fees.

History: 2003 c 133 art 2 s 17