

assigned if promoted to that position.

Approved June 2, 1977.

CHAPTER 384—H.F.No.559

[Coded in Part]

An act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1976, Section 124.48, is amended to read:

124.48 **EDUCATION; STUDENT FINANCIAL AID; INDIAN SCHOLARSHIPS.** The state board may award scholarships to any Minnesota resident student who ~~has~~ is of one-fourth or more Indian ~~blood~~ ancestry and who, in the opinion of the board, has the capabilities to ~~profit~~ benefit from education. ~~Scholarship~~ Scholarships shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned. The amount and type of each such scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year he is eligible for additional scholarships, if additional training is necessary to reach his educational and vocational objective. Scholarships may not be given to any Indian student for more than four years of study.

Sec. 2. Minnesota Statutes 1976, Section 136A.121, is amended to read:

136A.121 **SCHOLARSHIPS AND GRANTS-IN-AID.** Subdivision 1. **ELIGIBILITY.** An applicant shall be eligible to compete for a scholarship under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

(1) ~~is a citizen of the United States;~~

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

(3) (2) has met all the requirements for admission as a full time student to an eligible institution of his choice as defined in sections 136A.09 to 136A.131;

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(4) (3) has demonstrated capacity for superior achievement at the institutional level as measured by standards prescribed by the board;

(5) (4) is a qualified applicant as defined herein.

Subd. 2. **ELIGIBILITY FOR GRANTS-IN-AID.** An applicant shall be eligible to compete for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

(1) is a citizen of the United States;

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

(3) (2) is a graduate of a secondary school or its equivalent and has met all requirements for admission as a full time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 or has completed at least one academic year of study at a two year institution and seeks transfer to a four year eligible institution;

(4) (3) has met such criteria pertaining to financial need as the board shall make by regulation.

Subd. 3. **ALLOCATION AND AMOUNT.** (4) Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those ~~first year students and transfer students~~ applicants for initial awards and applicants for renewal awards who meet the board's requirements;

(2) Subd. 4. A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicant's need, whichever is the lesser. Scholarship winners who do not demonstrate financial need under criteria prescribed by the board shall be awarded honorary scholarships;

(3) Subd. 5. A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100, but in no event shall exceed one-half of the applicant's financial need; or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicant's need, whichever is the lesser.

(4) Subd. 6. In dispensing available funds in a given year, priority shall be given on the following basis:

Renewal scholarships and grants-in-aid.

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Thereafter, until the funds are exhausted, to first year and transfer applicants for initial awards, on the basis of their rank in the case of scholarships, and on the basis of need with first year and transfer all applicants treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the board.

Subd. 7. Only first year students shall be eligible to apply for and receive initial scholarship awards. Only first year and transfer students who meet the board's requirements shall be eligible to apply for and receive initial grants-in-aid for the 1977-1978 school year. First year students, transfer students who meet the board's requirements and second year students who did not receive a grant-in-aid award upon entrance to post-secondary education shall be eligible to apply for and receive initial grants-in-aid for the 1978-1979 school year and subsequent school years.

(5) Subd. 8. Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalaureate degree obtained, whichever occurs first;

(6) Subd. 9. Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota ; United States citizenship, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need;

(7) Subd. 10. The student must apply for renewal of his scholarship or grant-in-aid each year;

Subd. 11. The deadline for the board to accept applications for state scholarships and grants-in-aid shall be not earlier than February 15.

(8) Subd. 12. The student must continue to attend an eligible institution;

(9) Subd. 13. All scholarship winners shall be notified of their award by the board and shall be given appropriate evidence of the award;

(10) Subd. 14. All grant-in-aid recipients shall be duly notified thereof by the board

(11) Subd. 15. Financial scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such awards shall revert to the board scholarship or grant-in-aid account.

Sec. 3. Minnesota Statutes 1976, Section 136A.144, is amended to read:

136A.144 EMERGENCY SCHOLARSHIP FUND; FOREIGN STUDENTS; AWARD. The state of Minnesota shall establish an emergency scholarship fund to be awarded to public and private institutions of higher education in Minnesota which are eligible for the state grant-in-aid program as defined in this chapter, and which have

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foreign students enrolled, for the purpose of enabling them to achieve and maintain a desirable cultural mix in their student populations, and of assisting their bona fide foreign students to meet unexpected financial needs: The formula for apportioning available emergency scholarship funds to the institutions shall be established by the higher education coordinating board, which shall take into consideration full-time equivalent fall term enrollments and the total cost of education of foreign students at each participating institution. Each institution wishing to receive funds to assist foreign students shall submit to the board in accordance with policies and procedures established by the board an estimate of the amount of funds needed by the institution and the amount allocated to any institution shall not exceed the estimate of need submitted by the institution. Any funds which would be allocated to an institution according to the formula but which exceed the estimate of need by the institution or the actual need of the institution may be re-allocated by the board to other institutions for which the estimate of need exceeds the amount of allocation under the formula. The amounts awarded to individual students with emergency financial needs shall be determined by the participating institution based on guidelines reflecting the total cost of education at each institution and resources available to each potential recipient.

Sec. 4. Minnesota Statutes 1976, Section 136A.16, Subdivision 3, is amended to read:

Subd. 3. The board shall be authorized to make or to ~~guarantee~~ loans in amounts not to exceed the maximum amount provided in the higher education act of 1965 and any amendments thereof and the board shall be authorized to establish procedures determining the loan amounts for which students are eligible.

Sec. 5. Minnesota Statutes 1976, Section 136A.16, Subdivision 4, is amended to read:

Subd. 4. The board shall have the right to contract with or to enter into agreements with eligible lenders for purposes of ~~guaranteeing~~ making loans to residents in accordance with the policies, rules, and regulations of the board.

Sec. 6. Minnesota Statutes 1976, Section 136A.16, Subdivision 6, is amended to read:

Subd. 6. *The board shall be empowered to charge for insurance on each ~~guaranteed~~ loan a premium, payable each year in advance, in an amount not to exceed the premium in the federal regulations which govern the vocational and higher education loan program. Premium fees shall be available to the board without fiscal year limitation for the purposes of making and ~~guaranteeing~~ loans and meeting expenses incurred in administering the program.*

Sec. 7. Minnesota Statutes 1976, Section 136A.16, Subdivision 7, is amended to read:

Subd. 7. The board is ~~designated the state agency to~~ may apply for, receive, accept, and disburse federal funds, as well as funds from other public and private sources, made

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available to the state for use as reserves to guarantee student loans or as administrative moneys to operate student loan programs. In making application for federal funds, it may comply with all requirements of such federal law and such rules and regulations to enable it to receive, accept, and administer such funds.

Sec. 8. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.162] CLASSIFICATION OF DATA. All data on applicants for financial assistance collected and used by the higher education coordinating board for the purposes of the scholarship, grant-in-aid and loan programs administered by that board shall be classified as private data on individuals pursuant to section 15.162, subdivision 5a. Exceptions to this classification are the names and addresses of scholarship, grant-in-aid and loan program recipients.

Sec. 9. Minnesota Statutes 1976, Section 136A.17, Subdivision 3, is amended to read:

Subd. 3. The board may loan ~~and guarantee the loan of~~ money; upon such terms and conditions as the board may prescribe.

Sec. 10. Minnesota Statutes 1976, Section 136A.17, Subdivision 4, is amended to read:

Subd. 4. No loan ~~or guarantee of a loan~~ shall be made in excess of the maximum provided by pertinent federal laws and regulations and the aggregate unpaid principal amount of loans to any individual student shall not exceed the maximum provided in pertinent federal laws and regulations.

Sec. 11. Minnesota Statutes 1976, Section 136A.17, Subdivision 5, is amended to read:

Subd. 5. The board may ~~insure~~ make loans for vocational study to an individual student for a maximum of three academic years or their equivalent and loans for higher education to an individual student for a maximum of eight academic years of study or their equivalent.

Sec. 12. Minnesota Statutes 1976, Section 136A.17, Subdivision 6, is amended to read:

Subd. 6. No loans made ~~or guaranteed~~ by the board shall be made at an annual rate of interest in excess of the maximum prescribed in the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965, and any amendments thereof.

Sec. 13. Minnesota Statutes 1976, Section 136A.17, Subdivision 7, is amended to read:

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Subd. 7. The benefits of the loan ~~insurance~~ program will not be denied any student because of his family income or lack of need if his adjusted annual family income at the time the note is executed is less than the maximum prescribed in the applicable federal regulations.

Sec. 14. Minnesota Statutes 1976, Section 136A.17, Subdivision 8, is amended to read:

Subd. 8. The repayment procedures applicable for loans made ~~or guaranteed~~ by the board shall be consistent with federal regulations governing interest payments under the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965.

Sec. 15. Minnesota Statutes 1976, Section 136A.171, is amended to read:

136A.171 **REVENUE BONDS; ISSUANCE; PROCEEDS.** The higher education coordinating board is hereby authorized to issue revenue bonds ~~in an aggregate amount not to exceed \$90,000,000~~ for the purpose of obtaining funds for loans made in accordance with the provisions of this chapter. The aggregate amount of revenue bonds, issued directly by the board, outstanding at any one time, not including refunding bonds, shall not exceed \$125,000,000. Proceeds from the issuance of bonds may be held and invested by the board pending disbursement in the form of loans. All interest and profits from such investments shall inure to the benefit of the board and shall be available to the board 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 ~~for~~ loan reserve funds.

Sec. 16. Minnesota Statutes 1976, Section 136A.233, is amended to read:

136A.233 **WORK-STUDY GRANTS.** Subdivision 1. Notwithstanding the provisions of sections 136A.09 to 136A.131, the higher education coordinating board may offer work-study grants to eligible post-secondary institutions according to the full time equivalent enrollment of all eligible post-secondary institutions that apply to participate in the program. Each institution wishing to receive a work-study grant shall submit to the board in accordance with policies and procedures established by the board an estimate of the amount of funds needed by the institution and the amount allocated to any institution shall not exceed the estimate of need submitted by the institution. Any funds which would be allocated to an institution according to full time equivalent enrollment but which exceed the estimate of need by the institution or the actual need of the institution may be reallocated by the board to other institutions for which the estimate of need exceeds the amount of allocation according to enrollment. "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state scholarship and grant program as specified in section 136A.101, subdivision 4.

Subd. 2. For purposes of this subdivision sections 136A.231 to 136A.235, the following words have the meanings ascribed to them:

(a) "Eligible student" means a Minnesota resident enrolled or intending to enroll

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full time in a Minnesota post-secondary institution.

(b) "Financial need" means the need for financial assistance in order to attend a post-secondary institution as determined by a post-secondary institution according to guidelines established by the higher education coordinating board.

(c) "Eligible employer" means any eligible post-secondary institution and any nonprofit, nonsectarian agency located in the state of Minnesota and also includes a handicapped person or a person over 65 who employs a student to provide personal services in or about the residence of the handicapped person or the person over 65.

(d) "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state scholarship and grant program as specified in section 136A.101, subdivision 4.

Subd. 3. Work-study payments shall be made to eligible students by post-secondary institutions as follows:

(a) Students shall be selected for participation in the program by the post-secondary institution on the basis of student financial need.

(b) No eligible student shall be employed under the state work-study program during the period when he or she is not a full time student; provided, with the approval of the institution, a full time student who becomes a part-time student during an academic year may continue to be employed under the state work-study program for the remainder of the academic year.

(c) Students will be paid for hours actually worked and the maximum hourly rate of pay shall not exceed the maximum hourly rate of pay permitted under the federal college work-study program.

(d) Minimum pay rates will be determined by an applicable federal or state law.

(e) Not less than 20 percent of the compensation paid to the student under the state work-study program shall be paid by the eligible employer.

(f) Not more than 50 percent of the institution's work-study allocation shall be used to employ students by the post-secondary institutions under the provisions of this program. Each post-secondary institution receiving funds for state work-study grants shall make a reasonable effort to place work-study students in employment with eligible employers outside the institution.

(g) The percent of the institution's work-study allocation provided to graduate students shall not exceed the percent of graduate student enrollment at the participating institution.

Sec. 17. [136A.132] **PART-TIME STUDENT GRANT-IN-AID PROGRAM.**
Subdivision 1. There is hereby created a part-time student grant-in-aid program under the
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supervision of the higher education coordinating board.

Subd. 2. Institutions eligible for attendance by recipients of part-time student grants-in-aid shall be those institutions approved by the higher education coordinating board as eligible institutions for the state grant-in-aid program in accordance with Minnesota Statutes, Section 136A.101.

Subd. 3. Any student attending an eligible institution less than full-time and pursuing a program or course of study leading to a degree, diploma or certificate shall be eligible for a part-time student grant-in-aid.

Subd. 4. A recipient of a part-time grant-in-aid shall be selected by the post-secondary education institution of attendance in accordance with guidelines, criteria, policies and procedures established by the higher education coordinating board.

Subd. 5. The amount of any part-time student grant-in-aid award shall be based on the need of the applicant determined by the institution in accordance with policies established by the higher education coordinating board but the amount of an award shall not exceed the cost of tuition and required fees paid or to be paid by the student or the cost of tuition and fees for a comparable program at the university of Minnesota, whichever is the lesser.

Subd. 6. Part-time student grants-in-aid shall be awarded for a single term as defined by the institution in accordance with guidelines and policies of the higher education coordinating board. Awards shall not be renewable but the recipient of an award may apply for additional awards for subsequent terms.

Subd. 7. Funds appropriated for part-time student grants-in-aid shall be allocated among eligible institutions by the higher education coordinating board according to a formula which takes into account the number of part-time students enrolled in each institution and other relevant factors determined by the board.

Sec. 18. APPROPRIATION. There is hereby appropriated from the general fund to the higher education coordinating board the sum of \$250,000 for the year ending on June 30, 1978 and the sum of \$500,000 for the year ending on June 30, 1979 for part-time student grants-in-aid in accordance with section 17 of this act. Any balance remaining after the first year of the biennium shall not cancel but shall carry over to the second year of the biennium.

Sec. 19. [136A.133] Subdivision 1. The program of grants for nursing students authorized by Minnesota Statutes, Section 148.286 shall be discontinued when commitments to nursing students made on or before June 30, 1977 have been fulfilled by the state board of nursing. The board of nursing shall continue to administer grants under commitments made on or before June 30, 1977, but the board of nursing shall not make any additional awards or commitments to students after June 30, 1977.

Subd. 2. Beginning on July 1, 1977, the higher education coordinating board shall administer a program of grants to nursing students.

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Subd. 3. Grants to nursing students under the program authorized by subdivision 2 of this section shall be administered according to the terms and conditions of the state grant-in-aid program under Minnesota Statutes, Sections 136A.095 to 136A.131. Criteria for student eligibility and selection and terms of grants to nursing students, including the amount of grants and renewal of grants, shall be the same as for the state grant-in-aid program except that (1) in order to be eligible for a nursing grant, an applicant must be enrolled as a full time student in a nursing education program of an eligible college or vocational school for the purpose of meeting educational requirements prerequisite to licensure as a registered nurse or a licensed practical nurse as defined in Minnesota Statutes, Section 148.171 to 148.299, and (2) a nursing student shall be eligible to apply for a nursing grant for any year of the student's nursing program.

Subd. 4. A student who receives a nursing grant under subdivisions 2 and 3 shall not be eligible to receive a state scholarship or state grant-in-aid award for the same year.

Sec. 20. This act is effective the day following final enactment.

Approved June 2, 1977.

CHAPTER 385—H.F.No.562

[Coded]

An act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [168.271] **INFORMATIONAL LABELS ON PICKUP TRUCKS.**
 [Subdivision 1.] Every manufacturer of new trucks having a gross vehicle weight of 9,000 pounds or less which are sold or offered for sale for use upon the public streets or highways within this state shall, prior to the delivery of the new truck to a Minnesota dealer, or at or prior to the introduction date of new models delivered to a Minnesota dealer prior to introduction date, securely affix to the windshield or side window of the truck a label upon which the manufacturer shall endorse clearly, distinctly and legibly true and correct entries disclosing information identical to and in the same manner as required on new automobiles. The label shall remain affixed to the truck until delivery of the truck to the ultimate purchaser. Any manufacturer who shall willfully fail to affix a proper label required by this section or any person who shall willfully remove, alter or mutilate a label prior to delivery of the truck to the ultimate purchaser is guilty of a misdemeanor. Sections 1 and 2 shall not apply to trucks for which the annual sales in Minnesota of the previous model year were less than 200.

Sec. 2. [168.271] [Subd. 2.] **EFFECTIVE DATE.** This act shall apply to new trucks having a gross vehicle weight of 9,000 pounds or less built after December 31, 1978.

Approved June 2, 1977.

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