



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 9, 2007

The Honorable James Metzen
President of the Senate
322 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

Dear President Metzen:

I have vetoed and am returning Chapter 65, Senate File 1989, the Omnibus Higher Education Funding Act.

I appreciate the efforts by the conferees and committee chairs to develop a comprehensive funding proposal for higher education this session. However, as I have made clear on numerous occasions, without an agreement on the overall state budget, which includes consideration of available revenues and expenditures, it is irresponsible to sign a bill of this magnitude. This bill creates ongoing expenses of \$416 million dollars which is \$95 million dollars over my administration's budget recommendations in the 2010-2011 budget period. Committing to this level of spending in this bill will severely limit the funds available for other priorities such as K-12 education.

I also want to express my disappointment that Senate File 1989 does not include a key initiative from our budget proposal, the ACHIEVE program. This program would encourage Minnesota high school students to take rigorous courses to prepare for college by rewarding them with scholarship funds for completing such courses. Building on the success of existing academic and grant programs, the ACHIEVE program would begin to address the academic and financial access needs of a broad spectrum of students. It will also create tangible reform in our high schools by providing a direct incentive for students to adequately prepare for college. We modified our ACHIEVE proposal in response to concerns expressed by legislators throughout the process. It is doubtful that the "alternative" proposal included in this bill would have any significant impact on the state's future workforce and global competitiveness.

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I am also disappointed that the Legislature included a significant number of special interest projects at particular campuses rather than providing the Board of Trustees for the Minnesota State Colleges and Universities with greater flexibility in determining the best and highest uses for the funds. I strongly believe that basing funding on progress toward meeting strategic goals will achieve greater efficiency and accountability in the use of public funds. I am also disappointed that this bill would reduce the Boards' current flexibility for competitive compensation. This limitation on Board authority should be eliminated. Finally, I do not support the creation of a new construction surcharge that would be applied broadly to all non-residential construction permits in the state as a means to fund a particular type of educational program at public postsecondary institutions.

Finally, I do not agree with the changes this bill makes to designate specific "union" and "business" positions on the Board of Trustees for the Minnesota State Colleges and Universities. The current provisions allow for wide diversity on the Board. To further engage interest groups in these important board appointments would encourage more parochial advocacy and may hinder the Board's ability to be collaborative and flexible.

Although I am pleased that this bill includes some assistance to our students who are military veterans in the form of a Minnesota GI Bill, the amount of funding for this program is only one-third of our proposal. I believe our returning veterans deserve better. I also appreciate that the Legislature dropped language proposed earlier that would have mandated that public institutions offer resident tuition rates to illegal immigrants.

I would like to finalize a higher education bill that strengthens our public systems and supports quality, choice, and access for students. However, it is essential that such a bill incorporate an affordable level of future spending commitments. We look forward to working with you in the coming days to reach a compromise acceptable to all.

Sincerely,

A handwritten signature in black ink, appearing to be 'Tim Pawlenty', written over a horizontal line.

Tim Pawlenty
Governor