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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 1773

March 7, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to higher education; establishing grants for construction management
1.3 education; adding a surcharge to permit fees; establishing an account; requiring
1.4 a report; appropriating money; amending Minnesota Statutes 2006, section
1.5 16B.70, by adding a subdivision; proposing coding for new law in Minnesota
1.6 Statutes, chapter 16B.

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

1.8 Section 1. **FINDINGS; CONSTRUCTION MANAGEMENT EDUCATION**
1.9 **PROGRAMS.**

1.10 The legislature finds an increasing need exists for construction management
1.11 education programs and resources within the state's public postsecondary education
1.12 system to prepare graduates for the management of construction operations.

1.13 Sec. 2. Minnesota Statutes 2006, section 16B.70, is amended by adding a subdivision
1.14 to read:

1.15 **Subd. 4. Construction management education surcharge and account. (a)**
1.16 For nonresidential construction building permits, the surcharge under subdivision 1
1.17 is increased by an amount equal to one-quarter mill (.00025) of the fee or 25 cents,
1.18 whichever amount is greater, and designated for and deposited in the construction
1.19 management education account.

1.20 (b) The construction management education account is created as an account in
1.21 the special revenue fund, administered by the Department of Labor and Industry for
1.22 the purpose of enhancing construction management education in public postsecondary
1.23 institutions. Funds in the account are appropriated to the commissioner for the purposes
1.24 of section 16B.702.

2.1 Sec. 3. **[16B.702] CONSTRUCTION MANAGEMENT EDUCATION**
 2.2 **PROGRAM.**

2.3 Subdivision 1. **Construction Management Education Account Advisory**
 2.4 **Committee.** The commissioner of labor and industry must establish a four-member
 2.5 advisory committee to oversee the construction management education account and to
 2.6 award grants. The commissioner must appoint the members of the committee as follows:
 2.7 the executive director of the Associated General Contractors of Minnesota or designee,
 2.8 two members of the nonresidential construction industry, and a construction management
 2.9 program coordinator or director from an accredited construction management program in
 2.10 the Minnesota State Colleges and Universities or the University of Minnesota. Members
 2.11 serve three-year terms. Advisory committee members are reimbursed for traveling and
 2.12 other expenses related to committee activities. The committee may accept funds from
 2.13 federal, state, or local public agencies, or from private foundations or individuals for
 2.14 deposit into the construction management education account. All money in the account
 2.15 must be used for the purposes of this section.

2.16 Subd. 2. **Duties.** The Construction Management Education Account Advisory
 2.17 Committee must maintain and increase the quality and availability of education programs
 2.18 for the construction industry by providing financial resources to accredited construction
 2.19 management programs in Minnesota State Colleges and Universities and the University
 2.20 of Minnesota. Grants must be used to maintain and upgrade facilities and provide
 2.21 greater industry access to modern construction standards and management practices,
 2.22 the committee must:

- 2.23 (1) confirm the qualifications of programs applying for grants;
 2.24 (2) affirm applications for American Council for Construction Education
 2.25 accreditation and, when funds are available, award grants to complete the accreditation
 2.26 process;
 2.27 (3) promote close ties between feeder technical and community colleges and
 2.28 four-year construction management programs; and
 2.29 (4) support development of new educational programs with specific emphasis on
 2.30 outreach to the construction industry at large.

2.31 Subd. 3. **Grant awards.** (a) The committee may award grants to qualified public
 2.32 postsecondary educational institutions for the support of construction management
 2.33 education.

2.34 (b) The committee may award grants to any organization or association of
 2.35 contractors, or organization of contractor organizations to promote outreach and

3.1 continuing education in the construction industry up to an amount equal to 25 percent of
3.2 the total funds available under this article.

3.3 (c) To be eligible for a grant under this section a public postsecondary educational
3.4 institution must provide one of the following:

3.5 (1) a bachelor of science construction management degree accredited by the
3.6 American Council for Construction Education;

3.7 (2) a degree with an American Council for Construction Education accredited
3.8 option, including, but not limited to, Engineering Technology and Industrial Technology;

3.9 (3) a bachelor of science degree program documenting placement of more than 50
3.10 percent of their graduates with Minnesota nonresidential contractors; and

3.11 (4) the development of a construction management curriculum to meet the American
3.12 Council for Construction Education criteria.

3.13 The committee may also consider other specific grant requests, including requests
3.14 from the construction industry.

3.15 (d) Grant awards must be made to eligible public postsecondary institutions under
3.16 this subdivision in the following amounts:

3.17 (1) \$3,000 per graduate during the past academic year up to a maximum of \$100,000
3.18 for institutions qualifying under paragraph (c), clause (1);

3.19 (2) \$3,000 per graduate during the past academic year up to a maximum of \$100,000
3.20 for institutions qualifying under paragraph (c), clause (2);

3.21 (3) \$3,000 per graduate placed with Minnesota nonresidential contractors during the
3.22 past academic year to a maximum of \$20,000 for institutions qualifying under paragraph
3.23 (c), clause (3). These funds shall be used for the purpose of becoming accredited by
3.24 the American Council for Construction Education and shall be available for up to three
3.25 years. The board may continue to provide a grant to an institution that, in its judgment, is
3.26 meeting the intent of this program and is continuing progress towards accreditation; and

3.27 (4) institutions qualifying under paragraph (c), clause (4), may receive a grant in
3.28 an amount up to \$25,000 per year for up to two years. Thereafter, these institutions may
3.29 receive grants based upon the criteria described in paragraph (c), clauses (1) to (3).

3.30 (e) Grant awards may be made to eligible organizations after funding paragraph
3.31 (d), as follows:

3.32 (i) to support and develop outreach, continuing education, and cooperative education
3.33 or internship programs;

3.34 (ii) for administrative and clerical support positions; and

4.1 (iii) for faculty recruitment and development, including support for postgraduate
4.2 work leading to advanced degrees, visiting lecturer compensation and expenses, teaching
4.3 assistant positions, and faculty positions.

4.4 (f) Grants under this section may also be used to support general classroom and
4.5 laboratory operating expenses and related administrative supplies, including, but not
4.6 limited to, reference materials, testing equipment, and equipment maintenance. Grants
4.7 may only be awarded from the construction management education account to the extent
4.8 that funds are available. No other state funding may be provided for these grants.

4.9 Subd. 4. **Reports.** (a) The committee shall report to the commissioner annually
4.10 on the grant program, including the names of the public postsecondary educational
4.11 institutions receiving grants, the amount of the grant, the purposes for each grant, the
4.12 number of students served, the number of placements made to the construction industry
4.13 for the previous academic year, and any other information the committee considers
4.14 relevant to the program.

4.15 (b) After receiving an initial grant, the president of each public postsecondary
4.16 educational institution must annually submit a report to the committee listing the amount
4.17 of all past grants awarded from the construction management education account and the
4.18 uses of those funds. The report must be submitted with a request for a new or continuing
4.19 grant and at a minimum must include the following:

4.20 (1) the number of graduates placed with the Minnesota contractors during the
4.21 previous academic year;

4.22 (2) the expected enrollment in construction management courses in the upcoming
4.23 academic year; and

4.24 (3) continuing education and extension courses offered in construction management
4.25 during the previous academic year and their enrollments.

4.26 Subd. 5. **Administration.** Up to \$15,000 per year from the construction
4.27 management education account may be used for the administration of this program.