

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3184

04/03/2023

Authored by Bierman

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

1.1 A bill for an act  
1.2 relating to higher education; regulating the sale, disposition, or transfer of  
1.3 University of Minnesota flagship health care facilities; restricting the use of certain  
1.4 state money; appropriating money; proposing coding for new law in Minnesota  
1.5 Statutes, chapter 137.

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

1.7 Section 1. 137.375 UNIVERSITY OF MINNESOTA FLAGSHIP HEALTH CARE  
1.8 FACILITIES.

1.9 Subdivision 1. **Recognition.** (a) The health care facilities licensed as M Health Fairview  
1.10 University of Minnesota Medical Center shall be designated as University of Minnesota  
1.11 flagship health care facilities, in recognition of:

1.12 (1) the University of Minnesota Medical School's importance to the state as a public  
1.13 entity dedicated to medical education, research, and public service;

1.14 (2) the constitutional foundation of the University of Minnesota's land grant mission;  
1.15 and

1.16 (3) the public support provided to these academic health care facilities.

1.17 (b) The University of Minnesota flagship health care facilities must remain dedicated  
1.18 to the university's public health care mission.

1.19 Subd. 2. Restrictions. (a) The University of Minnesota flagship health care facilities,  
1.20 as charitable assets devoted to the University of Minnesota's public education and research  
1.21 missions, may not be owned or controlled, directly or indirectly, in whole or in part, by a  
1.22 for-profit entity or an out-of-state entity.

2.1 (b) The Minnesota-based nonprofit corporation that owns the University of Minnesota  
 2.2 flagship health care facilities as of the effective date of this section may sell, dispose of, or  
 2.3 otherwise transfer in any manner, including through a change of control, the University of  
 2.4 Minnesota flagship health care facilities or any portion of these facilities, only to the Board  
 2.5 of Regents of the university or to a wholly controlled subsidiary of the regents of the  
 2.6 university.

2.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.8 **Sec. 2. RESTRICTION ON PROCEEDS FROM TRANSFER OF UNIVERSITY**  
 2.9 **OF MINNESOTA FLAGSHIP HEALTH CARE FACILITIES.**

2.10 A third party that receives state money from the Board of Regents of the University of  
 2.11 Minnesota for the regents to acquire ownership of the University of Minnesota flagship  
 2.12 health care facilities must use the state money received solely for the direct, charitable  
 2.13 provision of health care services in Minnesota. Nothing in this section shall be construed  
 2.14 to limit or restrict the authority of the attorney general to enforce Minnesota Statutes, chapter  
 2.15 317A or 501B.

2.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.17 **Sec. 3. APPROPRIATION; ACQUISITION AND OPERATION OF FLAGSHIP**  
 2.18 **HEALTH CARE FACILITIES.**

2.19 \$950,000,000 in fiscal year 2023 is appropriated from the general fund to the Board of  
 2.20 Regents of the University of Minnesota to acquire, directly or through a wholly controlled  
 2.21 subsidiary of the regents of the university, sole ownership of the University of Minnesota  
 2.22 flagship health care facilities, and to support the operations of these facilities. This  
 2.23 appropriation is in addition to any other appropriations for these purposes. This is a onetime  
 2.24 appropriation and is available until June 30, 2024.

2.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.