

tenance account in excess of the reserve requirements shall be transferred to the rail service improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the rail service improvement account. ~~The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way.~~ All money to be deposited in ~~those accounts~~ this rail service improvement account as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished.

Sec. 10. Minnesota Statutes 1988, section 398A.02, is amended to read:

398A.02 PURPOSE.

The purpose of the regional railroad authorities act is to provide a means whereby one or more municipalities, with state and federal aids as may be available, may provide for the preservation and improvement of local rail service for agriculture, industry, or passenger traffic and provide for the preservation of abandoned rail right-of-way for future transportation uses, when determined to be practicable and necessary for the public welfare, particularly in the case of abandonment of local rail lines.

Sec. 11. REPEALER.

Minnesota Statutes 1988, section 222.50, subdivision 8, is repealed.

Presented to the governor May 26, 1989

Signed by the governor May 26, 1989, 5:49 p.m.

CHAPTER 300—H.F.No. 46

An act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; providing for deficiencies in and supplementing appropriations for the expenses of state government; setting filing fees for mental health service providers; appropriating money; amending Minnesota Statutes 1988, sections 16A.69; 16B.31, subdivision 3, and by adding a subdivision; 116.18, subdivision 3d; 124.477; 124.494, subdivisions 1, 2, and 4; 124.495; 129B.72, subdivisions 2, and by adding a subdivision; 129B.73, subdivision 4, and by adding a subdivision; 136.03; 136.65, by adding a subdivision; 137.02, by adding a subdivision; 148B.40, subdivision 3; 148B.42, by adding a subdivision; and 268.027; Laws 1979, chapter 280, sections 1 and 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 16B and 129B; repealing Minnesota Statutes 1988, section 268.027; and Laws 1987, chapter 400, section 59, as amended.

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

New language is indicated by underline, deletions by ~~strikeout~~.

ARTICLE 1**Section 1. CAPITAL IMPROVEMENTS APPROPRIATIONS.**

The sums in the column marked "APPROPRIATIONS" are appropriated from the state building fund, or another named fund, to the state agencies indicated, to be spent to acquire and to better public land and buildings and other public improvements of a capital nature, as specified in this act.

SUMMARY

TECHNICAL INSTITUTES	\$ 5,485,000
COMMUNITY COLLEGES	5,805,000
STATE UNIVERSITIES	27,830,000
UNIVERSITY OF MINNESOTA	14,415,000
EDUCATION	2,703,000
HUMAN SERVICES	11,751,000
CORRECTIONS	2,600,000
HEALTH	390,000
VETERANS HOMES BOARD	165,000
JOBS AND TRAINING	1,000,000
BOARD OF WATER AND SOIL RESOURCES	1,500,000
MINNESOTA HISTORICAL SOCIETY	301,000
ADMINISTRATION	38,312,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	450,000
NATURAL RESOURCES	6,857,000
POLLUTION CONTROL AGENCY	10,125,000
PUBLIC FACILITIES AUTHORITY	12,700,000
TRADE AND ECONOMIC DEVELOPMENT	6,780,000
MILITARY AFFAIRS	400,000
TRANSPORTATION	8,000,000
BOND SALE EXPENSES	119,000
TOTAL	\$157,688,000
General Fund	2,103,000
Building Fund	142,585,000
Reinvest in Minnesota Resources Fund	5,000,000
Transportation Fund	8,000,000
	APPROPRIATIONS
	\$

Sec. 2. TECHNICAL INSTITUTES

Subdivision 1. To the state board of vocational technical education for the purposes specified in this section

5,485,000

The state board shall review and report to the house appropriations and senate

finance committees by January 15 of each year on the status of the capital improvement projects in this section.

As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.

Subd. 2. Post-secondary vocational technical construction in the school districts listed in this subdivision

675,000

(a) Independent School District No. 564, Thief River Falls

505,000

This appropriation is added to the appropriation in Laws 1987, chapter 400, section 17, subdivision 2, clause (p), for the same purposes. The total amount of the project may not exceed \$2,708,000.

(b) Independent School District No. 819, Wadena

170,000

This appropriation is added to the appropriation in Laws 1987, chapter 400, section 17, subdivision 2, clause (q), for the same purposes. The total amount of the project may not exceed \$2,321,000.

Subd. 3. Statewide

Notwithstanding Minnesota Statutes, section 136C.44, during the biennium ending June 30, 1991, the state board of vocational technical education must not make grants to school districts but shall directly supervise and control the preparation of plans and specifications to construct, alter, or enlarge the technical institute buildings, structures, and improvements provided for in this subdivision. The state board of vocational technical education may provide grants to school districts for land purchases authorized

in this act. The school district must still finance 15 percent of the cost of each project, other than in a joint vocational technical district as defined in Minnesota Statutes, section 136C.60.

During the biennium, the state board of vocational technical education shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Plans must be paid for out of this appropriation. The remainder of the appropriation must not be spent until the board has secured suitable plans and specifications, prepared by a competent architect or engineer. The plans and specifications must be accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this act. The state board of vocational technical education may employ appropriate staff to implement this subdivision and may delegate responsibilities to technical institute staff.

(a) Acquire land	950,000
This appropriation is to acquire land at the campuses at Bemidji, Detroit Lakes, Pine City, St. Paul, and Winona.	
(b) To continue development of the master facility plan at each technical institute campus	250,000
(c) Miscellaneous	3,610,000

This appropriation is for capital improvement grants to school districts for roofs, parking lots, hazardous material abatement, fuel tank removal, electrical, mechanical, and other physical plant repairs and betterments at technical institute campuses.

Sec. 3. COMMUNITY COLLEGES

Subdivision 1. To the commissioner of administration for the purposes specified in the following subdivisions

5,805,000

Notwithstanding Minnesota Statutes, section 16B.24, subdivision 2, the state board for community colleges shall supervise and control the making of necessary repairs to all state community college buildings and structures during the biennium ending June 30, 1991.

The state board shall review and report to the house appropriations and senate finance committees by January 15 of each year on the status of the capital improvement projects in this section.

As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.

Subd. 2. Brainerd Community College

360,000

This appropriation is to prepare working drawings to provide space for drama, child care, physical education, laboratories, biology, a library, classrooms, a campus center, an art studio and classroom, offices, parking, and storage areas.

Subd. 3. Fergus Falls Community College

200,000

This appropriation is to prepare working drawings for a campus center, child

care, laboratories, offices, administration and counseling, classrooms, continuing education, physical education, parking, and storage.

Subd. 4. Fond du Lac Center

100,000

This appropriation is to prepare working drawings for classrooms, laboratories, offices, and other necessary purposes. This appropriation is available only after receipt of a gift of land upon which the structures will be located.

Subd. 5. Hibbing Community College

25,000

This appropriation is to prepare working drawings for athletic facilities. The plans must be developed in cooperation with the local school board.

Subd. 6. Lakewood Community College

320,000

This appropriation is to prepare working drawings to provide space for classrooms, child care, continuing education, physical education, parking, student services, administration, laboratories, campus center, and faculty office areas.

Subd. 7. Normandale Community College

580,000

This appropriation is to prepare working drawings to provide space for administration, classrooms, a campus center, laboratories, a library, continuing education, maintenance, student services areas, and parking areas.

Subd. 8. Rainy River Community College

155,000

This appropriation is to prepare working drawings for classrooms, laboratories, student services areas, faculty offices, a bookstore, child care, maintenance facilities, library, administration areas, and parking areas.

Subd. 9. Southeastern Education Center

825,000

This appropriation is to prepare working drawings for: (1) a facility to be shared by the University of Minnesota, Rochester Community College, and Winona State University; and (2) the space vacated on the community college campus as a result of the new structure.

Subd. 10. Willmar Community College

185,000

This appropriation is to prepare working drawings for laboratories, a library, offices, parking, heating systems, fine arts, and classroom areas.

Subd. 11. Systemwide

(a) Acquire land

1,000,000

This appropriation is to the community college board to acquire land at Willmar, Brainerd, and Anoka-Ramsey community colleges.

Before taking action, the board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action. The board shall explain the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition. Should either chair object to the proposed purchase, then further action must be suspended pending presentation of the proposal to the legislature for consideration.

The community college board may pay relocation costs, at its discretion, when acquiring property.

(b) To continue effective facility and program planning at community college campuses

250,000

(c) Miscellaneous

1,805,000

This appropriation is for capital improvements at community colleges statewide,

including roofs, hazardous material abatement, repair or construction of parking lots, electrical, mechanical, and other physical plant repairs and betterments.

Sec. 4. STATE UNIVERSITIES

Subdivision 1. To the state university board for the purposes specified in the following subdivisions

27,830,000

Notwithstanding Minnesota Statutes, sections 16B.30 and 16B.31, during the biennium, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, or enlargement of the state university buildings, structures, and improvements provided for in this section. During the biennium, the board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Plans must be paid for out of this appropriation. The remainder of the appropriation must not be spent until the board has secured suitable plans and specifications, prepared by a competent architect or engineer. The plans and specifications must be accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this act.

The board shall review and report to the house appropriations and senate finance

committees by January 15 of each year on the status of the capital improvement projects in this section.

Notwithstanding Minnesota Statutes, section 16B.24, subdivision 2, the state university board shall supervise and control the making of necessary repairs to all state university buildings and structures during the biennium ending June 30, 1991.

Notwithstanding other law, during the biennium, the state university board, on behalf of St. Cloud State and Winona State universities, may purchase property adjacent to or in the vicinity of the campuses as necessary for the development of the universities.

Before taking action, the board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action. The board shall explain the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition. Should either chair object to the proposed purchase, then further action must be suspended pending presentation of the proposal to the legislature for consideration.

The state university board may pay relocation costs, at its discretion, when acquiring property.

As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.

Subd. 2. Bemidji Campus

150,000

This appropriation is from the general fund to replace the theater lighting in Bangsberg Hall.

Subd. 3. Mankato Campus

(a) Val Imm Drive

500,000

This appropriation is to pay a special assessment by the city of Mankato for the cost of reconstruction and improvement of Val Imm Drive.

During the biennium ending June 30, 1991, the city of Mankato may assess the state university board for costs of a storm water system. The assessment must not be made until completion of the work and must not be more than \$275,000 or 50 percent of the project, whichever is less.

(b) Remodel and construct an addition to Memorial Library	11,200,000
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Subd. 4. Metropolitan Campus Plan for a consolidated administrative and student center - working drawings	600,000
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Subd. 5. Moorhead Campus Prepare working drawings for a classroom and office building	210,000
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Subd. 6. St. Cloud Campus Repair exterior of business building	295,000
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Subd. 7. Southwest Campus Waterproof tunnels	365,000
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The appropriation in Laws 1987, chapter 400, section 19, subdivision 6, item (e), must not be spent for telecommunication towers and equipment for the southwest regional microwave system, but must be spent to develop the facilities and purchase the necessary fiber optic and microwave equipment to develop the regional system.

Subd. 8. Winona Campus Construct Health And Applied Science Building.	10,310,000
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Subd. 9. This appropriation is for capital improvements on state university campuses statewide.

(a) Abate hazardous materials	1,200,000
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(b) Replace roofs	1,400,000
(c) Acquire land	1,600,000

This appropriation is to acquire land adjacent to or in the vicinity of the Winona and St. Cloud campuses.

Up to \$350,000 of the unencumbered balance remaining from the money appropriated in Laws 1987, chapter 400, section 19, subdivision 7, for planning and land acquisition at Winona State University may be used for acquiring additional land adjacent to or in the vicinity of the Winona State campus.

Options for purchase of land may be negotiated for the Science Center at Moorhead.

Subd. 10. Wood-Fired Boilers

Effective upon enactment of this act, no more money shall be paid out of the treasury of this state in connection with an agreement under Minnesota Statutes, section 16B.16, to provide a wood-fired boiler heating system at the campus of either Bemidji State University or St. Cloud State University. This prohibition is intended to be permanent.

Minnesota Statutes, section 16B.16, authorizes the commissioner of administration to enter into installment purchase agreements to acquire equipment that will improve the energy efficiency of a state building or facility if, among other things, the entire cost of the contract is a percentage of the resultant savings in energy costs and the state may unilaterally cancel the agreement if the legislature fails to appropriate funds to continue the contract. Section 16B.16 does not authorize the commissioner to commit the state to pay for equipment that does not work nor to pay more for energy as a result of the installment pur-

chase agreement than would be needed without the agreement. If there are no savings in energy costs through use of the equipment, there should be no compensation due under the agreement.

The commissioner of administration acted under Minnesota Statutes, section 16B.16, when entering into installment purchase agreements to install wood-fired boiler heating systems at the campuses of Bemidji State University and St. Cloud State University. The wood-fired boiler heating system installed at the Bemidji campus did not work as promised and the promised energy savings were not achieved. The state refused to make further payments under the agreement for Bemidji and canceled the agreement for St. Cloud. The state later resumed making payments under the agreement for Bemidji, even though it believed there had been a complete failure of consideration.

The purpose of this subdivision is to make clear to all potential investors in state and local bonds and to financial institutions that the state is not and never has been responsible for financing the wood-fired boiler heating systems at Bemidji and St. Cloud state universities, other than through payment to the vendor of a percentage of the resultant savings in energy costs. Since the equipment and technology chosen by the vendor did not produce savings in energy costs, the entire loss should be borne by the vendor and by the vendor's financial backers, not by the state.

Sec. 5. UNIVERSITY OF MINNESOTA

Subdivision 1. To the regents of the University of Minnesota for the purposes specified in the following subdivisions

14,415,000

The regents shall review and report to the house appropriations and senate finance committees by January 15 of each year on the status of the capital improvement projects in this section.

As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.

Subd. 2. Twin Cities Campus

(a) Plan Walter Library Renovation	2,270,000
(b) Biological Sciences and Basic Sciences Construction Projects - Working Drawings	5,114,000
(c) Upgrade Indoor-Outdoor Track	270,000
(d) Physiology Building - Working Drawings	60,000
(e) Earth Sciences and Materials Engineering Building - Schematic Plans	1,035,000

Subd. 3. Waseca Campus

Prepare working drawings for a food service and campus center	266,000
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Subd. 4. Statewide

5,400,000

\$3,040,000 is for health and life safety improvements at University of Minnesota facilities statewide.

\$2,200,000 is the final appropriation for the state's share of the cost of clean up of the Rosemount Research Center.

\$160,000 is to prepare schematic plans for integrated waste management.

Subd. 5. Other Provisions

The regents of the University of Minnesota may use nonstate money to plan an addition to Ferguson Hall and to plan the next phase of the recreation sports facility.

In addition to the purpose stated in Laws 1987, chapter 400, section 20, subdivision 8, clause (a), the regents are authorized to use the appropriation to construct an attached greenhouse.

Sec. 6. EDUCATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section 2,703,000

Subd. 2. Minnesota State Academy for the Blind and Deaf - Faribault

(a) Rewire Rodman Service Building and Tate Hall 318,000

(b) Abate asbestos 135,000

Subd. 3. Minnesota School and Resource Center for the Arts - St. Paul Demolish buildings on the art school site 250,000

Subd. 4. Desegregation Grants 2,000,000

This appropriation is for desegregation grants to school districts under the desegregation capital improvement grant act according to Minnesota Statutes, sections 129B.71 to 129B.73.

Sec. 7. HUMAN SERVICES

To the commissioner of administration for the purposes specified in this section 11,751,000

(a) Plan and construct eight state-operated community service facilities, to be owned by the state 2,640,000

(b) Upgrade or install heating, ventilating, and air conditioning equipment in state-owned residential and program buildings 4,200,000

This appropriation is for Anoka, Brainerd, Cambridge, Faribault, Fergus Falls, Moose Lake, St. Peter, and Willmar regional treatment centers, and for Ah-Gwah-Ching and Oak Terrace state nursing homes. The commissioner of human services shall determine the priority for each project.

\$150,000 is for the state board for community colleges and the commissioner of human services to jointly study the feasibility of converting buildings at the Cambridge regional treatment center for use by the Cambridge community college center. The study must be submitted to the chairs of the senate finance committee and house appropriations committee for their advisory recommendations. Following receipt of the recommendations, the state board and the commissioner shall prepare a preliminary plan for the conversion and submit it to the legislature by January 1, 1990. The plan must include a timetable for the transfer and for any construction, remodeling, or repairs required to make the facilities ready for use by the college center. It must also include the estimated costs of the facility improvements required to convert the buildings to college use.

(c) Prepare working drawings to renovate and reconstruct Anoka, Cambridge, Moose Lake, and Fergus Falls regional treatment centers, and evaluate the need for additional security and nursing home beds in the metropolitan area

1,228,000

(d) Remodel residential buildings at regional treatment centers to meet standards for skilled nursing facilities

3,000,000

This appropriation is to remodel and plan to remodel buildings at Brainerd and Fergus Falls and to plan to remodel buildings at Faribault and Moose Lake.

(e) Replace boilers and make related steam system renovations at Ah-Gwah-Ching State Nursing Home 683,000

Sec. 8. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes specified in this section 2,600,000

Subd. 2. Minnesota Correctional Facility — Red Wing
Install and upgrade appropriate fire and safety equipment on boilers #1 and #2 300,000

Subd. 3. Minnesota Correctional Facility — St. Cloud
Replace and reinsulate steam, condensate, sewer, and water lines in utility tunnels 1,100,000

Subd. 4. Minnesota Correctional Facility — Shakopee
Demolish old Shakopee correctional facility 250,000

Subd. 5. Minnesota Correctional Facility — Stillwater
Complete various projects required to comply with OSHA regulations 350,000

Subd. 6. Systemwide
Repair roofs at various state correctional facilities 600,000

Sec. 9. HEALTH

To the commissioner of administration for the purposes specified in this section 390,000

(a) Conduct evaluation of public health laboratories ventilation system and make structural changes necessary for adequate ventilation 260,000

(b) Conduct long-range space utilization study of the laboratories at the present

health building focusing on safety and
changing laboratory technologies 130,000

**Sec. 10. VETERANS HOMES
BOARD**

Subdivision 1. To the commissioner
of administration for the purpose
specified in this section.

Subd. 2. Minnesota Veterans Home
— Minneapolis Demolish Building 5 165,000

Sec. 11. JOBS AND TRAINING
Acquire site and building in Minneapolis
for department offices 1,000,000

**Sec. 12. BOARD OF WATER AND
SOIL RESOURCES**

To the board of water and soil
resources for the reinvest in Minnesota
resources program 1,500,000

This appropriation is from the reinvest
in Minnesota resources fund to acquire
conservation easements under Minneso-
ta Statutes, section 40.43, subdivision 3.
The board shall give priority to acquir-
ing easements on cropland in sensitive
groundwater areas. The approved com-
plement of the board of water and soil
resources is increased by one position to
administer these projects, to be paid from
this appropriation.

**Sec. 13. MINNESOTA HISTOR-
ICAL SOCIETY**

To the Minnesota historical society
for the purposes specified in this section 301,000

(a) Red Lake Tribal Information Center 165,000

This appropriation is to prepare work-
ing drawings for a Red Lake Tribal
Information Center to be owned by the
state or a political subdivision.

(b) Red Wing Energy Park Archaeological Site

136,000

This appropriation is for a grant to Goodhue county to acquire Lot 6, Block 2, Red Wing Energy Park, city of Red Wing for historic preservation and educational purposes. The property consists of archaeological lands and resources adjacent to the Cannon Valley Trail and affords unique educational opportunities.

Sec. 14. ADMINISTRATION

To the commissioner of administration for the purposes specified in this section

38,312,000

(a) Provide handicapped persons with access to state buildings - statewide

29,000,000

\$390,000 is for use by the state board of vocational technical education.

\$95,000 is for use by the state board for community colleges.

\$400,000 is for the regents of the University of Minnesota.

\$2,050,000 is for use by the commissioner of administration.

No more than \$2,935,000 of this \$29,000,000 may be spent before June 30, 1990.

The legislature declares its continuing intent to make state-owned buildings fully accessible to disabled persons by June 30, 1993.

The commissioner of administration shall update and review the 1984 accessibility survey for accuracy, completeness, and currency; shall prepare preliminary plans and specifications to correct identified deficiencies; shall prepare a report and work plan, including schedules and updated cost estimates for submission

to the legislature by February 15, 1990; and shall begin construction and remodeling of buildings identified in the report and work plan as having the greatest need. In preparing the report and work plan and any changes to it, the commissioner shall consult with and receive the recommendations and priorities of the council on people with disabilities. The commissioner of administration shall submit by each February 15 a progress report to the chair of the senate committee on finance and the house committee on appropriations on the status of the construction and remodeling of state buildings paid for out of this appropriation.

The commissioner of administration shall apply for the maximum federal share for each capital improvement project for which money is appropriated in this item.

The commissioner of finance shall schedule the sale of state general obligation bonds so that during fiscal years 1990 and 1991 no more than \$811,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest expenses resulting from the expenditure of \$2,935,000 appropriated in this item. Additional amounts may be transferred for debt service related to this item only as specifically authorized by law.

- (b) Remove or encapsulate asbestos in state buildings - statewide 1,500,000
- (c) Remodel State Capitol 3,000,000

The commissioner of administration must not prepare final plans and specifications for projects included in this appropriation until the commissioner has presented the program and schematic plans and cost estimates for all elements necessary to complete the projects to the committee on rules and administration of the senate and the committee has made

its recommendations on the plans. The recommendations are advisory only. Failure or refusal to make a recommendation is deemed a negative recommendation.

\$400,000 of this appropriation is from the general fund to the senate for relocation and other expenses related to remodeling senate space.

(d) Restore State Capitol

575,000

This appropriation is to replace interior downspouts and replace the northwest plaza.

(e) Relocate state agencies

1,160,000

This appropriation is from the general fund to relocate state agencies to the Judicial Center and move the department of commerce.

(f) Renovate house space in state capitol

2,200,000

This appropriation for the remodeling of the house space, including the house chamber. Any plans developed for the project shall include design requirements for an automated chamber.

(g) Minnesota Public Radio

393,000

This appropriation is from the general fund for equipment grants to Minnesota Public Radio for its Appleton, Thief River Falls, and central Minnesota stations.

(h) Select site and plan for new agriculture department building

420,000

This appropriation is to the commissioner of administration to plan, select a site, and prepare schematic plans for a new agriculture department building. In the planning and site selection process, the commissioner shall give priority to a building site within or in close proximity to the University of Minnesota St. Paul campus. Before preparing the sche-

matic plans, the commissioner shall report to the legislature by February 15, 1990, with a recommendation for a new location for the state department of agriculture. The report must include a recommended site, cost, and timetable for implementing the recommendations.

(i) Interest on arbitration award for remodeling State Office Building

64,000

This appropriation is to pay to the parties receiving a portion of the arbitrator's award for remodeling the state office building, other than the prime contractor, an amount to make up the difference between the interest paid on the award, which was at a rate of eight percent a year, and the average interest rate paid by them on money borrowed to provide them with operating capital pending receipt of the arbitrator's award, assumed to be 11.1 percent.

Sec. 15. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD
Plan for office building

450,000

This appropriation is for the site selection work to select a site in the capitol area for the construction of future state office buildings to house executive branch agencies and for the design competition necessary for one office building in the capitol area for housing executive branch agencies.

Sec. 16. NATURAL RESOURCES

Subdivision 1. To the commissioner of natural resources for the purposes specified in this section

6,857,000

Subd. 2. Reinvest in Minnesota

3,500,000

This appropriation is from the reinvest in Minnesota resources fund for fish and wildlife land acquisition and development.

\$1,000,000 of this appropriation is for transfer to the private sector critical habitat matching account under Minnesota Statutes, section 84.943.

Subd. 3. Other Programs

(a) Acquire and develop trails 1,200,000

Included in this appropriation is money to appraise the Paul Bunyan trail, engineer and begin development of the Soo Line trail, and acquire land for the Red River, Minnesota Valley, and Heartland state trails.

(b) Water Bank Program under Minnesota Statutes, section 105.392 600,000

(c) Flood damage reduction and prevention under Minnesota Statutes, section 104.11 1,032,000

(d) Construct hazardous chemical storage buildings at six regional headquarters and restore Hibbing airport apron 525,000

Sec. 17. POLLUTION CONTROL AGENCY

To the pollution control agency for the purposes specified in this section 10,125,000

(a) Combined sewer overflow grants 6,750,000

(b) State match to federal grants for construction of wastewater treatment facilities 2,500,000

Any money remaining after all grants have been awarded under this section may be used for the award of grants under Minnesota Statutes, section 116.18, subdivision 3a. The pollution control agency may transfer appropriations to the public facilities authority to accomplish this purpose.

(c) Grant administration 875,000

This appropriation is for 23 administra-

tive positions that are directly related to the construction of these projects.

**Sec. 18. PUBLIC FACILITIES
AUTHORITY**

To the public facilities authority for the purposes specified in this section

12,700,000

(a) State Independent Grants Program

8,000,000

For fiscal year 1990, money appropriated for the state independent grants program is not subject to Minnesota Statutes, section 116.18, subdivision 3a, paragraph (b), or section 116.181.

\$2,000,000 is for new grants for reimbursement or new projects under Minnesota Statutes, section 116.18, subdivision 3a, paragraph (c). This appropriation is not available to communities that are eligible for federal grants and must be divided pro rata among the communities in amounts not to exceed their eligible grants.

\$3,000,000 is for continuation grants under Minnesota Statutes, section 116.18, subdivision 3a, paragraphs (a) and (b). A continuation grant must not exceed \$654,900 to a grantee.

\$3,000,000 of this appropriation is for grant adjustments to those municipalities identified in Minnesota Statutes, section 116.18, subdivision 3d. A supplemental grant must not exceed two and one-half percent of the total eligible costs of construction. A municipality is eligible for this grant increase if it meets the requirements of Minnesota Statutes, section 116.18, subdivision 3d.

The public facilities authority may transfer appropriations to the pollution control agency to address insufficient state match to federal grants under Minneso-

ta Statutes, section 116.18, subdivision 2a.

(b) State match to federal grants to capitalize the state water pollution control revolving fund

4,700,000

Any money in excess of the amount needed for the 20 percent state match to the federal grant may be used for grants under Minnesota Statutes, section 116.18, subdivision 3a, paragraph (a) or (c).

Sec. 19. TRADE AND ECONOMIC - DEVELOPMENT

To the commissioner of trade and economic development for the purposes specified in this section

6,780,000

(a) Dredge upper harbor area of Duluth Harbor

6,100,000

This appropriation is for payment of a grant to the seaway port authority of Duluth and is available only after the commissioner of trade and economic development has determined that it will be matched by at least \$7,100,000 of federal money and \$2,850,000 of private investment.

(b) National shooting sports center

400,000

This appropriation is for the planning for the construction of a national shooting sports center to be located at Giant's Ridge in Biwabik.

(c) Kayaking center

280,000

This appropriation is for a grant to Carlton county for the planning and construction of facilities for the kayaking center at Carlton.

Sec. 20. MILITARY AFFAIRS

To the adjutant general for the purpose specified in this section.

Remove asbestos from national guard

facilities statewide and correct code violations at building U-1 at Camp Ripley

400,000

The appropriation for building U-1 is only available upon demonstration to the commissioner of finance that federal money is available for this project.

Sec. 21. BOND SALE EXPENSES

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8

119,000

Sec. 22. DEBT SERVICE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 1991, no more than \$369,000,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. Before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 23. BOND SALE.

Subdivision 1. BUILDING FUND. To provide the money appropriated in this act from the state building fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$142,585,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 2. REINVEST IN MINNESOTA FUND. To provide the money appropriated in this act from the reinvest in Minnesota resources fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$5,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 24. Minnesota Statutes 1988, section 16A.69, is amended to read:

16A.69 APPROPRIATIONS INTO SINGLE PROJECT ACCOUNT.

Subdivision 1. APPROPRIATIONS INTO SINGLE PROJECT ACCOUNT.

The commissioner shall place the money from two or more appropriations for the same or related projects in one account if all the appropriations do not lapse until their purposes are accomplished or abandoned. The commissioner of administration shall first certify which accounts are involved to the commissioner.

Subd. 2. TRANSFER BETWEEN ACCOUNTS. Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of vocational technical education, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house appropriations committee before the transfer is made under this subdivision.

Sec. 25. Minnesota Statutes 1988, section 16B.31, subdivision 3, is amended to read:

Subd. 3. FEDERAL AID. (a) APPLICATION FOR AID. The commissioner, or any other agency to whom an appropriation is made for a capital improvement, shall apply for the maximum federal share for each project.

(b) ACCEPTANCE OF AID. The commissioner is the state agency empowered to accept money provided for or made available to this state by the United States of America or any federal department or agency for the construction and equipping of any building for state purposes not otherwise provided for by law, other than University of Minnesota buildings, in accordance with the provisions of federal law and any rules or regulations promulgated under federal law. The commissioner may do whatever is required of this state by federal law, rules, and regulations in order to obtain the federal money.

New language is indicated by underline, deletions by ~~strikeout~~.

(b) (c) **FEDERAL FUNDS CONSIDERED PART OF APPROPRIATION.**

The commissioner may after consultation with the chairs of the senate finance committee and house of representatives appropriations committee, adopt a plan, provide for an improvement, or construct a building that contemplates expenditure for its completion of more money than the appropriation for it, if the excess money is provided by the United States government and granted to the state of Minnesota under federal law or any rule or regulation promulgated under federal law. This federal money, for the purpose of this section, is a part of the appropriation for the project.

(e) (d) **DELAYED FEDERAL MONEY.** If an amount is payable to a creditor of the state from a project account which is financed partly with federal money and the project is included in appropriations made to the commissioner for public buildings and equipment, and the amount cannot be paid on time because of a deficiency of money in the project account caused by a delay in the receipt of federal money, the commissioner may provide money needed to pay the amount by temporarily transferring the sum to the project account from any other appropriation made to the commissioner in the same act. Required money for a payment is appropriated for that purpose. When the delayed federal money is received, the commissioner shall have the amount of money transferred returned to the account from which it came.

Sec. 26. Minnesota Statutes 1988, section 16B.31, is amended by adding a subdivision to read:

Subd. 5. METHODS OF ACQUISITION. If money has been appropriated to the commissioner to acquire lands or sites for public buildings or real estate, the acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings must be under chapter 117.

Sec. 27. **[16B.335] REVIEW OF PLANS AND PROJECTS.**

Subdivision 1. CONSTRUCTION AND MAJOR REMODELING. The commissioner, or any other agency to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition authorized by the appropriation until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate finance committee and the chair of the house appropriations committee and the chairs have made their recommendations. "Construction or major remodeling" means construction of a new building or substantial alteration of the exterior dimensions or interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted. The program plans and estimates must be presented for review at least two weeks before a recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 2. OTHER PROJECTS. All other projects, including building improvements, small structures at experiment stations, asbestos removal, life safety, PCB removal, tuckpointing, roof repair, code compliance, landscaping, drainage, electrical and mechanical systems work, paving of streets, parking lots, and the like must not proceed until the agency undertaking the project has notified the chair of the senate finance committee and the chair of the house appropriations committee that the work is ready to begin.

Sec. 28. Minnesota Statutes 1988, section 116.18, subdivision 3d, is amended to read:

Subd. 3d. ADJUSTMENTS TO MATCHING GRANTS AND STATE INDEPENDENT GRANTS. A municipality with a population of 25,000 or less that was tendered a state matching grant under subdivision 2a, or a state independent grant under subdivision 3a, or a federal grant under the federal Water Pollution Control Act, United States Code, title 33, sections 1281 to 1299, from October 1, 1984, through September 30, 1987, shall, after the municipality has awarded bids for construction of the treatment works, and upon request, receive a grant increase of ~~five~~ 2.5 percent of the total eligible costs of construction, up to the maximum entitlement for grants awarded on or after October 1, 1987, under subdivisions 2a and 3a. The municipality must inform other entities that are providing funding for construction of the treatment works of the grant increase, and repay any funds to which it is not entitled. A municipality must not receive funding for more than 100 percent of the total costs of the treatment works. Documentation of money received from other sources must be submitted with the request for the grant increase. Money remaining after all grants have been awarded under this subdivision may be used for the award of grants under subdivisions 2a and 3a. An adjustment grant awarded after July 1, 1989, that is a continuation of a previously awarded adjustment grant must be awarded through a letter from the agency to the municipality stating the grant amount. A formal grant agreement is not required.

Sec. 29. Minnesota Statutes 1988, section 136.03, is amended to read:

136.03 MANAGEMENT OF STATE UNIVERSITIES.

Subdivision 1. MANAGEMENT. The state universities shall be under the management, jurisdiction, and control of the state university board; and it shall have and possess all of the powers, jurisdiction, and authority, and shall perform all of the duties by them possessed and performed on and prior to April 1, 1901, except as hereinafter stated. Notwithstanding the provisions of sections 136.01, 136.015, and 136.017, the state university board, as it deems necessary, may close state universities under its jurisdiction. Prior to closing a state university the board shall hold a public hearing on the issue in the area which would be affected by the closing. At the hearing affected persons shall have an opportunity to present testimony. The hearing shall be conducted by the office of administrative hearings. The administrative law judge shall prepare a summary of testimony received at the hearing for the board. The board shall give notice of

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this hearing by publishing notice in the State Register and in a newspaper of general circulation in the affected area at least 30 days before the scheduled hearing.

Subd. 2. METHODS OF ACQUISITION. If money has been appropriated to the state university board to acquire lands or sites for public buildings or real estate, the acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings must be under chapter 117.

Sec. 30. Minnesota Statutes 1988, section 136.65, is amended by adding a subdivision to read:

Subd. 3. METHODS OF ACQUISITION. If money has been appropriated to the community college board to acquire lands or sites for public buildings or real estate, the acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings must be under chapter 117.

Sec. 31. Minnesota Statutes 1988, section 137.02, is amended by adding a subdivision to read:

Subd. 3a. CONSULTATION REQUIRED. Land must not be purchased and a building must not be purchased, constructed, or erected on land of the University of Minnesota until the regents have first consulted with the chair of the senate finance committee and the chair of the house appropriations committee and obtained their advisory recommendations.

Sec. 32. Minnesota Statutes 1988, section 268.027, is amended to read:

268.027 DEPARTMENT OF JOBS AND TRAINING; MINNEAPOLIS LOCATION; RIGHT OF EMINENT DOMAIN.

Notwithstanding sections 16B.24 and 268.026 or chapter 94, the commissioner of administration, in consultation with the commissioner of jobs and training, is authorized to buy and sell real property in Minneapolis and the greater Minneapolis area for the purpose of relocating department offices to locations more accessible to the residents of Minneapolis and colocating with other social service agencies.

Property acquired under authority of this section may be acquired by gift, purchase, or condemnation proceedings. Condemnation proceedings must be done under chapter 117. Condemnation proceedings authorized by this section may be used to acquire property at only one proposed office site.

Sec. 33. Laws 1979, chapter 280, section 1, is amended to read:

Section 1. **STATE TRANSPORTATION BONDS; ISSUANCE AND SALE.** The commissioner of finance shall, upon the request of the commissioner of transportation, issue and sell Minnesota state transportation bonds for the purposes provided in Minnesota Statutes, Section 174.51, Subdivision 1, in the aggregate principal amount of ~~\$52,000,000~~ \$60,000,000 in the manner and upon

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the conditions prescribed in Minnesota Statutes, Section 174.51 and in Article XI of the Minnesota Constitution. The proceeds of the bonds, except as provided in Minnesota Statutes, Section 174.51, Subdivision 5, shall be deposited in the Minnesota state transportation fund for expenditure in accordance with section 2, subdivisions 2 and 3, and Minnesota Statutes, Section 174.50.

Sec. 34. Laws 1979, chapter 280, section 2, as amended by Laws 1982, chapter 617, section 25, Laws 1985, chapter 299, section 39, and Laws 1985, First Special Session, chapter 16, article 2, section 16, is amended to read:

Sec. 2. **APPROPRIATION.** Subdivision 1. ~~\$52,000,000~~ \$60,000,000, or so much thereof as is determined to be needed, is appropriated from the Minnesota state transportation fund to the department of transportation to be expended for disbursement in the form of grants by the commissioner of transportation for construction and reconstruction of key bridges on the state transportation system and shall be allocated pursuant to subdivisions 2 and 3. The appropriation shall not lapse, but shall remain available until expended.

Subd. 2. ~~\$50,500,000~~ \$58,500,000 or so much thereof as is needed, is available for expenditure at a rate ~~not exceeding \$12,500,000 per fiscal year~~ for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

(1) To counties.... ~~\$11,500,000~~ \$16,220,000

(2) To home rule charter and statutory cities.... ~~\$1,500,000~~ \$2,620,000

(3) To towns.... ~~\$21,000,000~~ \$23,160,000

Grants under clauses (1) to (3) may be used by political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdictions. Additional grants may be made in an aggregate amount not to exceed \$16,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:

(1) The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.

(2) The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge.

Subd. 3. An additional amount not to exceed \$1,500,000 is available for grants for preliminary engineering and environmental studies pursuant to section 3.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 35. **BOND SALE REDUCTIONS.**

The bond sale authorization in Laws 1981, chapter 334, section 12, is reduced by \$37,880,000.

Sec. 36. **EFFECTIVE DATE.**

This article is effective the day after its final enactment.

ARTICLE 2

ELEMENTARY AND SECONDARY EDUCATION

Section 1. Minnesota Statutes 1988, section 124.477, is amended to read:

124.477 BOND ISSUE; MAXIMUM EFFORT SCHOOL LOANS; 1988.

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of ~~\$20,000,000~~ \$22,000,000, in addition to the bonds already authorized for this purpose. The same amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Enough money to pay interest on the bonds to and including July 1 in the second year after the date of issue must be credited from the bond proceeds to the school loan bond account in the state bond fund. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

Sec. 2. Minnesota Statutes 1988, section 124.494, subdivision 1, is amended to read:

Subdivision 1. **QUALIFICATION.** Any group of school districts that meets the criteria required under subdivision 2 may apply for an incentive grant in an amount ~~up to~~ not to exceed the lesser of \$6,000,000 or 75 percent of the approved construction costs of a cooperative secondary education facility.

Sec. 3. Minnesota Statutes 1988, section 124.494, subdivision 2, is amended to read:

Subd. 2. **REVIEW BY COMMISSIONER.** (a) Any group of districts that

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submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than ~~4,000~~ 1,200 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least 240 pupils would be served in grades 10 to 12, 320 pupils would be served in grades 9 to 12, or 480 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) an education program is developed that provides for more learning opportunities and course offerings, including the offering of advanced placement courses, for students than is currently available in any single member district; and

(10) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 4. Minnesota Statutes 1988, section 124.494, subdivision 4, is amended to read:

Subd. 4. **AWARD OF GRANTS.** The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On July 1 of ~~1988~~ 1989, the commissioner shall make awards to no more than two qualified applicants whose applications have been on file with the commissioner more than one month. A grant award is subject to verification by the joint powers districts as specified in subdivision 6. A grant award must not be made until the site of the secondary facility has been determined. If the total amount of the approved applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

Sec. 5. Minnesota Statutes 1988, section 124.495, is amended to read:

124.495 STATE BOND AUTHORIZATION.

To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of ~~\$16,000,000~~ \$14,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 6. Minnesota Statutes 1988, section 129B.72, subdivision 2, is amended to read:

Subd. 2. **APPLICATION FORMS; RULES.** The commissioner of education shall prepare application forms and establish application dates. ~~The state board of education shall adopt rules under chapter 14 to govern the application process set out in section 129B.73.~~

Sec. 7. Minnesota Statutes 1988, section 129B.72, is amended by adding a subdivision to read:

Subd. 3. **CRITERIA.** A district applying for a grant under this section must match with local district funds to be used for construction, enlarging, or modifying school buildings. The commissioner of education must determine that the costs are directly related to reducing or eliminating racial imbalance and are part of an approved desegregation plan. The district must also certify that the district has sought all available federal funds before submitting a grant application.

Sec. 8. Minnesota Statutes 1988, section 129B.73, subdivision 4, is amended to read:

Subd. 4. **MATCHING REVENUE.** Upon being awarded a grant under

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subdivision 3, the board shall determine the need to bond for additional revenue. If the board determines that there is no need to bond, it shall certify to the commissioner of education that other funds are available for the purpose. If a bond issue is required, the board shall submit, within 90 days, the question of authorizing the borrowing of funds for remodeling or improvements to the voters of the district at a special election, that may be held in conjunction with the annual election of the school board members. If a majority of those voting on the question do not vote in the affirmative, and the district does not have other funds available, the grant must be canceled.

Sec. 9. Minnesota Statutes 1988, section 129B.73, is amended by adding a subdivision to read:

Subd. 5. PROJECT BUDGET. A district that receives a grant must provide the commissioner with the project budget and any other information the commissioner requests.

Sec. 10. [129B.76] ISSUANCE AND SALE OF BONDS.

To provide money for grants under the desegregation capital improvement grant act, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$2,000,000 in the manner, upon the terms, and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 11. CAPITAL LOAN; FOLEY AND OGILVIE SCHOOL DISTRICTS.

Subdivision 1. FOLEY SCHOOL DISTRICT. A capital loan in an amount not to exceed \$4,853,000 to independent school district No. 51, Foley, is approved.

Subd. 2. OGILVIE SCHOOL DISTRICT. A capital loan in an amount not to exceed \$11,341,048 to independent school district No. 333, Ogilvie, is approved. Notwithstanding Minnesota Statutes, section 124.43, subdivision 3a, if the aggregate amount of the capital loans approved exceeds the amount that is or can be made available, the commissioner of education shall reduce the amount allotted to independent school district No. 333, Ogilvie, by the amount of the deficit, rather than pro rating the deficit between Ogilvie and Foley.

Sec. 12. MAXIMUM EFFORT SCHOOL LOAN AND COOPERATIVE SECONDARY FACILITIES STUDY.

The commissioner of education shall evaluate the effectiveness of the maximum effort school loan program and the cooperative secondary facilities capital grant program, both individually and as they compare to each other, and recommend changes in one or both programs, if appropriate, in a report that must be submitted to the legislature by January 1, 1990.

Sec. 13. REPEALER.

New language is indicated by underline, deletions by strikeout.

Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8, section 22, is repealed. The sections repealed by Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8, section 22, remain effective.

Sec. 14. **EFFECTIVE DATE.**

This article is effective the day after its final enactment.

ARTICLE 3

DEFICIENCY APPROPRIATIONS

Section 1. **APPROPRIATIONS.**

The sums shown in the column marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal year ending June 30, 1989.

SUMMARY BY FUND

General	\$2,849,000
Game and Fish	260,000
Special Revenue	642,000
TOTAL	\$3,751,000
	APPROPRIATIONS
	Available for the Year
	Ending June 30, 1989

Sec. 2. **EDUCATION AIDS**

Department of Education	
Education Aids Law Litigation	\$ 116,000

This appropriation is added to the appropriation in Laws 1987, chapter 398, article 10, section 2, subdivision 3.

Sec. 3. **HEALTH AND HUMAN SERVICES**

Subdivision 1. Human Services	
Residents of Institutions for Mental Disease	957,000

This appropriation is to pay the cost of Minnesota supplemental assistance and general assistance medical care to replace

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medical assistance formerly provided to residents of institutions for mental disease and is added to the appropriation in Laws 1987, chapter 403, article 1, section 2, subdivision 6.

Notwithstanding any other law to the contrary, and with the approval of the commissioner of finance, the commissioner of human services may transfer any unencumbered funds from any department account, except the income maintenance entitlement accounts, to the regional treatment salary account during fiscal year 1989. Any such funds moved must be identified to the chair of the senate finance subcommittee on health and human services and the house appropriations division on health and human services.

Subd. 2. Health-Related Boards

The appropriations in this subdivision are from the special revenue fund and are added to the appropriations in Laws 1987, chapter 403, article 1, section 10.

(a) Board of Optometry	4,000
(b) Board of Podiatry	16,000
(c) Board of Pharmacy	10,000
(d) Board of Psychology	6,000
(e) Board of Veterinary Medicine	6,000

Sec. 4. AGRICULTURE, TRANSPORTATION, SEMI- STATE ACTIVITIES

Subdivision 1. Public Safety Disaster Relief

212,000

This appropriation is added to the appropriation in Laws 1987, chapter 358, section 5, subdivision 3.

Subd. 2. Agriculture

(a) Laboratory Equipment to Test for Aflatoxin	75,000
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This appropriation is added to the appropriation in Laws 1987, chapter 358, section 7, subdivision 2.

(b) Costs of Testing for the Varroa Mite 52,000

This appropriation is added to the appropriation in Laws 1987, chapter 358, section 7, subdivision 2.

(c) Haylift 100,000

This appropriation is for another haylift to help farmers who are short of hay to feed their livestock.

Sec. 5. STATE DEPARTMENTS

Subdivision 1. Court of Appeals
Disability Retirement 78,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 4.

Subd. 2. Trial Courts
Workers Compensation 146,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 5.

Subd. 3. Board of Public Defense
Trial Transcripts 160,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 7.

Subd. 4. Attorney General
(a) Education Aids Law Litigation 61,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 13, subdivision 4.

(b) LTV and Reserve Bankruptcy
Litigation 75,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 13, subdivision 5.

Subd. 5. Secretary of State

The reimbursement to the general fund of \$500,000 required by Laws 1987, chapter 356, section 5, subdivision 2, is reduced to \$200,000.

Subd. 6. Administration

Volunteer Services

70,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 16, subdivision 2.

Subd. 7. Finance

(a) Biennial Budget System

150,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 18, subdivision 4.

(b) College Savings Bonds

22,000

Subd. 8. Employee Relations

Applicant Processing System

40,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 31, subdivision 4.

Subd. 9. Natural Resources

(a) Drought Emergency

201,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 22, subdivisions 3 and 8.

(b) Park Operations

600,000

This appropriation is from the state park maintenance and operation account in the special revenue fund and is added to the appropriation in Laws 1987, chapter 404, section 22, subdivision 5.

(c) Deer Feeding

260,000

This appropriation is from the game and fish fund and is added to the appropriation in Laws 1987, chapter 404, section 22, subdivision 7.

Subd. 10. Pollution Control Agency

Waste Management Board Audit

279,000

This appropriation is for transfer to the siting bond account in the state building fund to reimburse the account for routine operating expenses of the waste management board inappropriately charged to the bond account.

Subd. 11. Veterans Affairs

Veterans Relief

55,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 36, subdivision 2.

Sec. 6. Minnesota Statutes 1988, section 148B.40, subdivision 3, is amended to read:

Subd. 3. **MENTAL HEALTH SERVICE PROVIDER.** "Mental health service provider" or "provider" means any person who provides, for a remuneration, mental health services as defined in subdivision 4. It does not include persons licensed by the board of medical examiners under chapter 147; the board of nursing under sections 148.171 to 148.285; or the board of psychology under sections 148.88 to 148.98; the board of social work under sections 148B.18 to 148B.28; the board of marriage and family therapy under sections 148B.29 to 148B.39; or another licensing board if the person is practicing within the scope of the license. In addition, the term does not include employees of the state of Minnesota or any of its political subdivisions while acting within the scope of their public employment; hospital and nursing home social workers exempt from licensure by the board of social work under section 148B.28, subdivision 6, including hospital and nursing home social workers acting as marriage and family counselors within the scope of their employment by the hospital or nursing home; and persons certified as chemical dependency professionals by the Institute for Chemical Dependency Professionals of Minnesota, Inc.

Sec. 7. Minnesota Statutes 1988, section 148B.42, is amended by adding a subdivision to read:

Subd. 6. **FILING FEE.** The fee for filing as an unlicensed mental health service provider is \$50 until permanent rules establishing fees for filing under this section are in effect.

Sec. 8. **TEMPORARY PROVISIONS RELATING TO INSTITUTIONS FOR MENTAL DISEASES.**

Subdivision 1. ELIGIBILITY FOR GENERAL ASSISTANCE MEDICAL CARE AND MINNESOTA SUPPLEMENTAL AID. For the period beginning January 1, 1989, and ending June 30, 1989, general assistance medical care and Minnesota supplemental aid may be paid for any person who is over age 18 and would be eligible for medical assistance except that the person resides in a

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facility that is determined by the commissioner of human services or the federal health care financing administration to be an institution for mental diseases.

Subd. 2. COVERED SERVICES. For the period beginning January 1, 1989, and ending June 30, 1989, reimbursement under general assistance medical care includes, in addition to services covered under Minnesota Statutes 1988, section 256D.03, subdivision 4, the following services for a person who would be eligible for medical assistance except that the person resides in a facility that is determined by the commissioner of human services or the federal health care financing administration to be an institution for mental diseases:

- (1) case management services for a person with serious and persistent mental illness;
- (2) medical supplies and equipment; and
- (3) psychological services.

Subd. 3. EXCEPTION TO RESIDENTIAL FACILITY LIMITS. For the period beginning January 1, 1989, and ending June 30, 1989, a residential facility certified to participate in the medical assistance program, licensed as a boarding care home or nursing home, and determined by the commissioner of human services or the federal health care financing administration to be an institution for mental diseases is exempt from the maximum negotiated rate in Minnesota Statutes, section 256D.37. The rate for eligible individuals residing in these facilities is the individual's medical assistance rate using the individual's assigned case mix classification. Counties must be reimbursed for payments made between January 1, 1989, and June 30, 1989, to certified nursing homes and boarding care homes declared institutions for mental diseases by January 1, 1989, on behalf of persons otherwise eligible for medical assistance. The reimbursement must not exceed the state share of supplemental aid funds expended for each person at the appropriate medical assistance rate.

Sec. 9. EFFECTIVE DATE.

This article is effective the day after its final enactment.

Presented to the governor May 30, 1989

Signed by the governor May 30, 1989, 11:40 a.m.

CHAPTER 301—S.F.No. 139

An act relating to public safety; providing for special license plates for veterans who are owners of self-propelled recreational equipment; providing for disposition of POW plates to surviving spouses of former prisoners of war; defining physically handicapped person for purposes of parking privileges; prohibiting issuance of both a Minnesota identification card

New language is indicated by underline, deletions by ~~strikeout~~.