

Sec. 43. INSTRUCTION TO REVISOR.

The revisor of statutes shall renumber Minnesota Statutes, section 103G.005, subdivision 18, as section 103G.005, subdivision 15a.

Sec. 44. REPEALER.

Minnesota Statutes 1994, section 103G.2242, subdivision 13, is repealed.

Sec. 45. EFFECTIVE DATE.

This act is effective the day following final enactment, except that section 24, subdivision 1, paragraph (e), does not apply to replacement completed using wetland banking credits established by a person who submitted a complete wetland banking application to a local government unit by April 1, 1996.

Presented to the governor April 4, 1996

Signed by the governor April 11, 1996, 11:44 a.m.

CHAPTER 463—H.F.No. 3273

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 bonds; appropriating money; amending Minnesota Statutes 1994, sections 16A.632, by adding a subdivision; 16A.641, subdivision 8; 16A.695, by adding a subdivision; 16B.24, subdivisions 6 and 6a; 41B.19, subdivision 1; 41B.195; 124C.73, subdivision 1; 134.45, subdivisions 5 and 6; 135A.046; 268.917; and 475.58, by adding a subdivision; Minnesota Statutes 1995 Supplement, sections 16A.28, subdivision 5; 16B.335, subdivision 1; 240A.09; 473.894, subdivision 11; and 473.901, subdivision 1; Laws 1990, chapter 535, section 3, subdivision 3; Laws 1994, chapter 643, section 11, subdivision 11, as amended; section 19, subdivision 8, as amended; section 21, subdivision 4, as amended; section 23, subdivision 20; section 27, subdivision 2; section 35, subdivision 3; and section 79, subdivision 8; Laws 1995, First Special Session chapter 2, article 1, section 13; proposing coding for new law in Minnesota Statutes, chapters 268 and 446A; repealing Minnesota Statutes 1994, sections 15.50, subdivision 5; 116.162, as amended; and 446A.071, subdivisions 1, 3, 4, 5, 6, 7, and 8; Minnesota Statutes 1995 Supplement, section 446A.071, subdivision 2; Laws 1994, chapter 643, section 24, subdivision 3.

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

Section 1. CAPITAL IMPROVEMENTS APPROPRIATIONS.

The sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials 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.

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

SUMMARY

MINNESOTA STATE COLLEGES AND UNIVERSITIES	\$ 93,931,000
UNIVERSITY OF MINNESOTA	93,804,000
CHILDREN, FAMILIES, AND LEARNING	19,100,000
CENTER FOR ARTS EDUCATION	6,879,000
RESIDENTIAL ACADEMIES AT FARIBAULT	2,373,000
NATURAL RESOURCES	39,676,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	3,000,000
POLLUTION CONTROL AGENCY	3,550,000
PUBLIC FACILITIES AUTHORITY	22,100,000
BOARD OF WATER AND SOIL RESOURCES	14,750,000
AGRICULTURE	41,275,000
ADMINISTRATION	48,485,000
AMATEUR SPORTS COMMISSION	21,600,000
MILITARY AFFAIRS	1,120,000
CORRECTIONS	94,154,000
HUMAN SERVICES	8,807,000
VETERANS HOMES BOARD	740,000
TRANSPORTATION	49,639,000
HOUSING FINANCE AGENCY	3,500,000
ECONOMIC SECURITY	3,500,000
MINNESOTA HISTORICAL SOCIETY	5,950,000
PUBLIC SERVICE	4,000,000
GRANTS TO POLITICAL SUBDIVISIONS	69,410,000
BOND SALE EXPENSES	608,000
TOTAL	\$ 651,951,000
Bond Proceeds Fund	597,110,000
Transportation Fund	10,000,000
Trunk Highway Fund	36,053,000
General Fund	8,253,000
Highway User Tax Distribution Fund	535,000

APPROPRIATIONS

\$

Sec. 2. MINNESOTA STATE COLLEGES
AND UNIVERSITIES

Subdivision 1. To the board of trustees of the Minnesota state colleges and universities for the purposes specified in this section

93,931,000

Subd. 2. The board of trustees is requested to conduct a thorough evaluation of all buildings under its jurisdiction to determine the condition and the repair and betterment requirements. The evaluation shall include a

review of the energy efficiency of all major building systems. The information should be compiled for each campus and summarized for the entire system.

Subd. 3. Higher Education Asset
Preservation and Replacement

16,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046. This appropriation may not be spent for renewal.

Subd. 4. Alexandria Technical College

The board may use up to \$300,000 in revenue bonds under Minnesota Statutes, sections 136A.25 to 136A.42, to construct parking facilities for independent school district No. 206 and the technical college to settle land acquisition issues resulting from the merger. The parking facilities may be located on land owned by the school district. Debt service on the revenue bonds must be paid with parking fees and other charges. The board may also use money from other sources to pay for the construction of the facilities.

Subd. 5. Anoka Hennepin Technical College

The board of trustees of the Minnesota state colleges and universities may acquire the aviation management facility and corresponding real property leased for use by the Anoka Hennepin technical college at the Anoka county airport, according to the terms of the existing lease-purchase agreement.

Subd. 6. Anoka Ramsey Community College

(a) Addition and Remodeling

10,430,000

Design, construct, furnish, and equip an addition and remodel existing space to provide classrooms, a learning resource center, computer labs, a developmental learning center, science labs, nursing and student services facilities, offices, and a campus center.

(b) Design and construct a replacement energy plant and service elevator	4,510,000
Subd. 7. Fond du Lac Community College	3,600,000
Construct a residence facility that provides cultural education experiences for Indian students to meet the statutory requirement that the campus serve statewide Indian needs.	
Subd. 8. Hibbing Community and Technical Colleges	4,500,000
Construct additions and install related electrical and mechanical utilities at the community college site to prepare for collocation of programs.* (The preceding subdivision was vetoed by the governor.)	
Subd. 9. Hutchinson Technical College	2,000,000
Design and construct a heating, ventilation, and air conditioning system.	
Subd. 10. Itasca Community College	
The board may use up to \$600,000 in revenue bonds under Minnesota Statutes, sections 136A.25 to 136A.42, toward the purchase of Wannigan Residence Hall. The balance of the purchase price must come from nonstate sources or from a grant from a state agency. The board may not provide a grant.	
Subd. 11. Mankato State University	
(a) Construct a hazardous waste facility	270,000
(b) Construct a chiller plant addition	1,050,000
Subd. 12. Mesabi Community College	1,230,000
Design and construct improvements for code compliance and life safety; telecommunications upgrades; mechanical, heating, venting, and air conditioning improvements; and electrical upgrading.	

Subd. 13. Metropolitan State University,
Minneapolis Region Campus

In selecting a site for Metro State University, west metropolitan Minneapolis region campus, it is the intent of the legislature that the board of trustees determine how best to improve the delivery of comprehensive, quality educational programs. The board shall seek input from the communities, business interests, elected officials, and other interested parties, including the University of Minnesota. Priority shall be given to sites that are under the authority of the board, including consideration of consolidating the Metro State programs with other Minnesota state college and university campuses to form a fully integrated and consolidated campus under a single administration. The board shall report its recommendations to the 1997 legislature. The board must not enter into any agreements regarding the lease or purchase of a site until the site has been approved in law.

Subd. 14. Metropolitan State University,
St. Paul Region Campus

(a) Acquire Land Adjacent to the Campus 1,600,000

(b) Power Plant Annex, Building C 1,200,000

Construct campus loading dock, Seventh Street entrance and handicapped access, site development, landscaping, and lighting.

(c) Library 200,000

Design a library for the St. Paul campus. This appropriation must be matched by an equal amount from nonstate sources.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 15. Minneapolis Community
College 4,330,000

Design and construct modifications to the air handling system and fire alarm system, replace temperature control system, air handling units, and chillers.

Subd. 16. Moorhead State University	
(a) Acquire land within the campus boundaries	1,400,000
(b) Construct a storm water drainage system for the campus	1,800,000
Subd. 17. North Hennepin Community College	3,846,000
Design, remodel, construct, furnish, and equip phase 2 of the learning resource center.	
Subd. 18. Staples Technical College	225,000
Design and prepare contract documents for replacement classrooms on the west campus.	
Subd. 19. St. Cloud State University Library	29,500,000
Construct, furnish, and equip a new library.	
Subd. 20. Vermilion Community College	1,890,000
Design and construct improvements for code compliance, telecommunications upgrade, mechanical upgrades, heating, ventilation, and air conditioning improvements, and electrical modifications.	
Subd. 21. Willmar Technical College	2,150,000
Construct major modifications to the heating, ventilation, and air conditioning systems, install a sprinkler system and telecommunications cable trays.	
Subd. 22. Winona State University	2,200,000
Construct a chiller plant addition.	
Subd. 23. Debt Service	
(a) The board shall pay one-third of the debt service on state bonds sold to finance projects authorized by subdivisions 6, item (a); 7; 8; 14; 16, item (a); 17; 18; and 19. After each	

sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Sec. 3. UNIVERSITY OF MINNESOTA

Subdivision 1. To the board of regents of the University of Minnesota for the purposes specified in this section

93,804,000

Subd. 2. Higher Education Asset Preservation and Replacement

12,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046. This appropriation may not be spent for renewal.

The commissioner of finance shall not release the appropriation in this subdivision until the University of Minnesota has provided to the commissioner a list of buildings that will be decommissioned.

Subd. 3. Facility Renewal

6,200,000

Renovate existing classrooms and instructional spaces.

The commissioner of finance shall not release the appropriation in this subdivision

until the University of Minnesota has provided to the commissioner a list of buildings that will be decommissioned.

Subd. 4. Crookston 3,050,000

Design, construct, furnish, and equip a controlled-environment science facility and construct a connecting road.

Subd. 5. Duluth 1,430,000

Design a library.

Subd. 6. Morris

(a) Renovate Humanities and Fine Arts Building 2,300,000

(b) Science Building 2,720,000

Design a science laboratory addition, student support facilities, power plant addition, and physical education addition.

Subd. 7. Twin Cities

(a) Architecture Renovation 9,000,000

Design, renovate, furnish, and equip the architecture building.

(b) Haecker Hall Renovation 12,000,000

Design, renovate, furnish, and equip Haecker Hall and related space.

(c) Magnetic Resonance Research Building 3,500,000

Design, construct, furnish, and equip a new magnetic resonance research building.

(d) Minnesota Library Access Center 38,500,000

Construct, furnish, and equip the Minnesota library access center to house the university's archives and special collections, immigration history research center documents and collections, to store less frequently used library materials for state university, private college, city, county, and regional libraries in the state, and to house Minitex services.

(e) Molecular and Cellular
Therapeutics Facility Remodeling 3,000,000

Remodel and equip the molecular and cellular therapeutics facility, including the modification of utilities, air filtration, and distribution systems, to accommodate new research programs.

Subd. 8. Willmar Poultry
Testing Laboratory 104,000

Pay the difference in an exchange of land and facilities for the poultry testing laboratory in Willmar.

Subd. 9. Debt Service

(a) The board of regents shall pay one-third of the debt service on state bonds sold to finance projects authorized by subdivisions 4; 5; 6, item (b); 7, items (a) and (c) to (e); and 8. After each sale of general obligation bonds, the commissioner of finance shall notify the board of regents of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Sec. 4. CHILDREN, FAMILIES, AND LEARNING

Subdivision 1. To the commissioner of children, families, and learning, for the purposes specified in this section

19,100,000

Subd. 2. Youth Initiative Grants

16,000,000

For grants to local government units to design, furnish, equip, repair, replace, or construct parks and recreation buildings and school buildings to provide youth, with preference for youth in grades four through eight, with regular enrichment activities during nonschool hours, including after school, evenings, weekends, and school vacation periods, and that will provide equal access and programming for girls. The buildings may be leased to nonprofit community organizations, subject to Minnesota Statutes, section 16A.695, for the same purposes. Enrichment programs include academic enrichment, homework assistance, computer and technology use, arts and cultural activities, clubs, school-to-work and work force development, athletic, and recreational activities. Grants must be used to expand the number of children participating in enrichment programs or improve the quality or range of program offerings. The facilities must be fully available for programming sponsored by youth-serving nonprofit and community groups, or school, county, or city programs, for maximum hours after school, evenings, weekends, summers, and other school vacation periods. Priority must be given to proposals that demonstrate collaboration among private, nonprofit, and public agencies, including regional entities dealing with at-risk youth, and community and parent organizations in arranging for programming, staffing, transportation, and equipment. All proposals must include an inventory of existing facilities and an assessment of programming needs in the community.

(a) Enrichment grants within the city of Minneapolis

5,000,000

Of this amount, at least \$2,500,000 must be used in the neighborhoods of the Near North

Side, Hawthorne, Sumner–Glenwood, Powderhorn, Central, Whittier, and Phillips.

(b) Enrichment grants within the city of St. Paul

5,000,000

Of this amount, at least \$2,500,000 must be used in the neighborhoods of Summit–University, Thomas–Dale, North End, Payne–Phalen, Daytons Bluff, and the West Side.

The remaining \$2,500,000 is available city-wide, with priority for some of the remaining amount given to proposals by public/private partnerships currently offering after-school enrichment programs in low-income areas in conjunction with a neighborhood-based organization. Up to \$100,000 of the remaining \$2,500,000 may be used to develop urban sports facilities for at-risk inner city youth, including those older than eighth grade.

(c) Enrichment grants outside of the cities of Minneapolis and St. Paul

6,000,000

Priority must be given to school attendance areas with high concentrations of children eligible for free or reduced school lunch and to government units demonstrating a commitment to collaborative youth efforts.

\$500,000 is to the city of Bloomington for after school enrichment activities in the northeast Bloomington study area.

The commissioner of children, families, and learning must make a grant of at least \$1,000,000 to a school district that is a part of a collaborative effort that has at least two other school districts, is multicultural and multijurisdictional, and has previously received a facility planning grant for collaborative purposes.

(d) Each grant must be matched by \$1 from local sources for each \$2 of state money. In-kind contributions of facilities may be used for the local match. The value of in-kind contributions must be determined by the commissioner of finance.

(e) Preference must be given to projects for which at least ten percent of the youth initiative grant is expended using youthbuild under Minnesota Statutes, sections 268.361 to 268.367, or other youth employment and training programs, for the labor portion of the construction. Eligible programs must consult with appropriate labor organizations to deliver education and training.

Subd. 3. Independent School
District No. 38, Red Lake 100,000

For a grant to independent school district No. 38, Red Lake, for the construction of a classroom space for interactive television instruction. This grant is only available if the district rebuilds other space with insurance proceeds.

Subd. 4. School Building Accessibility Grants 2,000,000

For grants to local school districts according to Minnesota Statutes, sections 124C.71 to 124C.73. Grants are contingent upon a dollar-for-dollar match by nonstate sources.

Subd. 5. Library Accessibility 1,000,000

For grants to public libraries for accessibility capital projects under Minnesota Statutes, section 134.45. Grants are contingent upon a dollar-for-dollar match by nonstate sources.

Sec. 5. CENTER FOR ARTS EDUCATION

Subdivision 1. To the
commissioner of administration for
the purposes specified in this section 6,879,000

Subd. 2. Instructional Resource Facility 6,879,000

To design, construct, furnish, and equip a new instructional resource facility.

Sec. 6. RESIDENTIAL ACADEMIES AT FARIBAULT

Subdivision 1. To the
commissioner of administration for the
purposes specified in this section 2,373,000

Subd. 2. Asset Preservation 750,000

To be spent in accordance with Minnesota Statutes, section 16A.632. The commission-

er of administration shall give priority to replacement and repair of roofs and replacement of windows.

Subd. 3. Demolition of Dow Hall 1,000,000

To demolish Dow hall and the old industrial building at the Minnesota state academy for the blind in order to remove potential safety hazards. This appropriation is also available to construct surface parking on the site following demolition.

A historical marker must be placed at the site, which must include one or more artifacts of the original building and must explain the history and significance of Dow Hall.

Subd. 4. Exterior Lighting 556,000

To design and construct exterior lighting.

Subd. 5. Sidewalk Replacement 67,000

To design, remove, and reconstruct deteriorated sidewalks at the Minnesota state academy for the blind. This appropriation is from the general fund.

Sec. 7. NATURAL RESOURCES

Subdivision 1. . To the commissioner of natural resources or another named officer for the purposes specified in this section 39,676,000

Subd. 2. Asset Preservation 500,000

To the commissioner of administration to be spent in accordance with Minnesota Statutes, section 16A.632. The commissioner of natural resources shall determine project priorities as appropriate based upon need.

Subd. 3. Office Facility Completions 1,800,000

To design, construct, furnish, and equip service facilities at consolidated office sites.

Subd. 4. Fergus Falls Office Consolidation 2,300,000

To design, construct, furnish, and equip office and service facilities for the consoli-

dated area headquarters in Fergus Falls.*
**(The preceding subdivision was vetoed by
 the governor.)**

Subd. 5. State Park and Recreation
 Area Building Rehabilitation 2,400,000

For improvements of a capital nature to repair, rehabilitate, construct, or add to state park buildings throughout the state, according to the management plan required in Minnesota Statutes, chapter 86A. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 6. State Park and Recreation
 Area Building Development 1,750,000

To construct, furnish, and equip new buildings and associated utilities in the state park system, according to the management plan required in Minnesota Statutes, chapter 86A. \$500,000 of this amount is for an interpretive center at Lake Bronson state park. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 7. State Park and Recreation
 Area Betterment and Rehabilitation 1,450,000

To upgrade, repair, or rehabilitate improvements of a capital nature at state park and recreation area facilities throughout the state, including, but not limited to, resource management projects, trail rehabilitation, campground rehabilitation, and road and bridge repair. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 8. State Park and
 Recreation Area Acquisition 1,750,000

For acquisition from willing sellers of private lands within state park and recreation area boundaries established by law. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 9. Metro Regional Park
Rehabilitation, Acquisition, and
Development

9,400,000

This appropriation is for payment by the commissioner of natural resources to the metropolitan council. The commissioner shall pay the amount on a reimbursement basis to the metropolitan council upon receipt of a certified copy of a council resolution requesting payment. The appropriation must be used to pay the cost of rehabilitation, acquisition, and development by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.315. The metropolitan council, in cooperation with the city of St. Paul, must develop a plan and fund the restoration of oak savannah remnants in two regional parks in Ramsey county. This appropriation must not be used for research, planning, administration, or tax equivalency payments. This appropriation may be used for the purchase of homes only if the purchases are included in the work program required by law and they are expressly approved by the legislative commission on Minnesota resources.

Subd. 10. Mississippi River
Grant

700,000

This appropriation is for a grant to the Minneapolis park and recreation board, working in cooperation with the city of Minneapolis and the Minneapolis Community Development agency, to acquire or develop land along the Mississippi Riverfront in both the Central Mississippi Riverfront park and upper harbor area. If the park board acquires land, the city and the Minneapolis Community Development agency must match the appropriation from nonstate sources.

The funds appropriated under this subdivision may not be used to acquire land of a company engaged in the scrap metal business.

Subd. 11. Trail Rehabilitation

500,000

To upgrade, repair, or rehabilitate improvements of a capital nature on the Luce line trail, the Douglas trail, and the North Shore trail. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 12. Trail Acquisition
and Development

4,000,000

For acquisition and development of a capital nature on state trails as specified in Minnesota Statutes, section 85.015. The commissioner shall determine project priorities as appropriate based upon need.

\$500,000 of this appropriation is for acquisition and construction for the Shooting Star trail and Goodhue Pioneer trail portion of the Douglas trail, provided that any land acquired must provide a complete trail segment that connects to a community or another trail segment.

Subd. 13. Blue Earth/Minnesota
River Trail Acquisition

230,000

This appropriation is from the general fund for capital planning for Blue Earth/Minnesota river trail acquisition and other recreational opportunities within the Minnesota river valley. The trail is to run along the Blue Earth river from Mankato to the Iowa border and along the Minnesota river from Belle Plaine to the South Dakota border. The commissioner must work with local communities and citizens for trail planning purposes. Planning for other recreational purposes may include public water accesses, canoe and boating routes, and recreation areas within the Minnesota river valley and tributaries.

Subd. 14. Mesabi Trail System

500,000

For a grant to the St. Louis and Lake counties' regional railroad authority for completion of the primary segments of the Mesabi trail system. This appropriation is available

to the extent matched by money from other sources.

Subd. 15. Well Inventory
and Sealing

696,000

To seal inactive wells on state-owned land. \$276,000 of this appropriation is from the general fund. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 16. Dam Improvements

1,560,000

For the emergency repair, reconstruction, or removal of publicly owned dams throughout the state. \$910,000 of this appropriation is for a grant to Rochester public utilities for the repair of the Lake Zumbro hydroelectric dam. The commissioner shall determine remaining project priorities as appropriate based upon need as provided in Minnesota Statutes, section 103G.511.

Subd. 17. Flood Hazard
Mitigation Grants

1,490,000

For the flood hazard mitigation grant program to local government units for capital improvements to prevent or alleviate flood damages. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 18. Forest Road and
Bridge Projects

250,000

For reconstruction, resurfacing, replacement, or construction of improvements of a capital nature to state forest roads and bridges throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 19. RIM Fisheries Improvement
Projects

250,000

For fish habitat improvement projects of a capital nature statewide, including installation of aeration systems and shoreline stabilization. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 20. RIM Fisheries
Acquisition

300,000

For acquisition of trout and warm water stream easements and aquatic management areas. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 21. RIM Wildlife, SNA,
and Prairie Bank Improvements

900,000

For development, protection, or improvements of a capital nature to wildlife management areas, state lands, scientific and natural areas, and prairie bank areas throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 22. RIM Wildlife and Natural Area
Land Acquisition

3,500,000

To acquire land for wildlife management areas under Minnesota Statutes, section 97A.135; to acquire land for scientific and natural areas under Minnesota Statutes, section 84.033; to acquire native prairie bank easements under Minnesota Statutes, section 84.96; for the critical habitat private sector matching account under Minnesota Statutes, section 84.943; and for acquisition and wetland restoration under the North American Waterfowl Management Plan. The commissioner shall determine project priorities as appropriate based upon need.

\$500,000 is for scientific and natural areas and native prairie bank easements.

Subd. 23. St. Louis River
Land Acquisition

2,200,000

To acquire and preserve undeveloped lands located along the St. Louis, Cloquet, and Whiteface rivers. This appropriation is available only if approximately 4,000 acres of privately-owned land identified in the St. Louis river management plan have been donated to the state.

Subd. 24. McQuade Public Access

500,000

For acquisition and development of a public access on Lake Superior in the city of Duluth, the town of Duluth, and the town of Lakewood. This appropriation must be matched by a total of \$350,000 from the iron range resources and rehabilitation board and nonstate sources and is contingent on sufficient land owned by the cities and the town, the value of which may not be applied as part of the required match, being made available to complete the project.

Subd. 25. Eagle Creek Matching Contributions

The first \$1,500,000 of contributions of land received after June 8, 1995, by the state from private sources in the Eagle Creek watershed may not be used as match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943. This subdivision is effective retroactively to June 9, 1995.

Subd. 26. Residential Environmental Learning Centers

After the first \$12,500,000 in nonstate matching money has been committed for the Long Lake Conservation Center, the Deep Portage Conservation Reserve, the Wolf Ridge Environmental Learning Center, the Northwoods Audubon Center, and the Forest Resource Center, as required in Laws 1995, First Special Session chapter 2, article 1, section 48, the specific appropriations for these facilities in Laws 1994, chapter 643, section 23, subdivision 28, must be distributed and administered separately for each facility. The balances of these specific appropriations must be matched as required in Laws 1995, First Special Session chapter 2, article 1, section 48, for each facility separately. Matching funds raised after January 1, 1992, and spent or committed to be spent to plan, design, or construct these facilities are eligible to count toward the required match. The predesign and design requirements of Min-

nesota Statutes, section 16B.335, do not apply to the specific appropriations for these facilities in Laws 1994, chapter 643, section 23, subdivision 28.

Subd. 27. Laurentian Environmental Learning Center

750,000

For a grant to independent school district No. 621, Mounds View, for capital improvements at the Laurentian Environmental Learning Center, including remodeling of existing buildings, construction of new buildings, demolition, roadway and parking improvements, trail improvements, and handicapped access improvements. \$250,000 of this appropriation is available immediately. The balance is available to the extent matched by money from other sources.*
(The preceding subdivision was vetoed by the governor.)

Subd. 28. Work Program

The commissioner of natural resources must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by subdivision 5, 6, 7, 8, 9, 11, 12, 13, 14, 19, 20, 21, 22, 23, 24, or 27 of this section. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Sec. 8. OFFICE OF ENVIRONMENTAL ASSISTANCE

3,000,000

To the office of environmental assistance for the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54. Grants under this section are exempt from the requirements of Minnesota Statutes, section 16B.335.

Sec. 9. POLLUTION CONTROL AGENCY

Subdivision 1. To the commissioner of the pollution control agency for the purposes specified in this section 3,550,000

Subd. 2. Red Wing Combined Sewer Overflow 3,350,000

For a combined sewer overflow grant under Minnesota Statutes, section 116.162, to the city of Red Wing to complete construction and separation of its combined sewer system. This appropriation must be matched dollar for dollar from local sources. It is the expectation of the legislature that this will be the final appropriation for the combined sewer overflow program.

Subd. 3. Automated Water Quality Monitoring Systems 200,000

This appropriation is from the general fund for ten permanent water quality monitoring stations and equipment at river and stream locations throughout the state.

Sec. 10. PUBLIC FACILITIES AUTHORITY

Subdivision 1. To the public facilities authority for the purposes specified in this section 22,100,000

Subd. 2. Matching Money for Federal Grants 4,000,000

For state matching money for federal grants to capitalize the water pollution control revolving fund and the state drinking water revolving fund under Minnesota Statutes, sections 446A.07 and 446A.081.

Expenditure of this appropriation is limited to the minimum amount necessary to match the allotment of federal money to Minnesota. This appropriation must be used for qualified capital projects.

Subd. 3. Wastewater Infrastructure Program 17,500,000

For loans to municipalities under new Minnesota Statutes, section 446A.072. This appropriation must be used for qualified capital projects.

The wastewater infrastructure program in new Minnesota Statutes, section 446A.072, is a continuation of the program in Minnesota Statutes 1994, section 446A.071. Any money previously appropriated for the purposes of Minnesota Statutes 1994, section 446A.071, is appropriated for the purposes of this subdivision.

Subd. 4. Red Rock Rural Water System

600,000

For a grant for up to 80 percent of the cost of design and construction of an elevated water tank and mainline for the Red Rock rural water system, a public water system authorized under Minnesota Statutes, chapter 116A. Increased demand on the Red Rock rural water system has resulted in problems including dangerously low water levels in an existing storage tank. This appropriation is intended to allow the Red Rock rural water system to address these problems while avoiding prohibitively high water rates. This appropriation is available only if the commissioner of natural resources finds that the Red Rock rural water system has instituted a uniform rate for water service and has in place an approved emergency and conservation plan as required in Minnesota Statutes, section 103G.291, subdivision 3.

Sec. 11. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. To the board of water and soil resources for the purposes in this section

14,750,000

Subd. 2. Area II Minnesota River Basin

250,000

For grant-in-aid on roadside stormwater retention projects initiated by local governments in area II in the Minnesota river basin.

Subd. 3. RIM and PWP Conservation Easements

11,500,000

This appropriation is for the following purposes:

(a) to acquire conservation easements from landowners on marginal lands to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, section 103F.515; and

(b) to acquire perpetual conservation easements on existing type 1, 2, 3, and 6 wetlands, adjacent lands, and for the establishment of permanent cover on adjacent lands, in accordance with Minnesota Statutes, section 103F.516.

(c) Up to \$1,500,000 may be used for the acquisition of limited conservation easements that allow cropping or grazing at reduced payment rates on land that is currently or within the last two years has been enrolled in the federal Conservation Reserve Program (CRP), under United States Code, title 16, section 3831. The board, in conjunction with the commissioner of agriculture, must select counties for participation in the program based on: (1) the number of CRP acres; (2) the number of whole farm CRP acres; (3) the number of highly erodible CRP acres; (4) local soil conservation initiatives in place; (5) the potential for negative water quality impacts from CRP acres converted to agricultural crop production; and (6) the potential to complement public wildlife lands and other conservation lands, including protected grassland prairies. A conservation easement must be for 20 years and require that the activities on the enrolled lands comply with a conservation plan that will limit soil erosion within the soil loss tolerance, as defined in rules adopted under Minnesota Statutes, section 103F.411. Payments for conservation easements and practices under this program are as follows:

(1) to establish permanent conservation practices required by the conservation plan, for the installation of permanent livestock watering systems, or for the installation of permanent fencing for grazing systems, up to 75 percent of the total eligible costs, not to exceed an average of \$75 per acre; and

(2) ten annual payments each equal to five percent of the payment rate for 20-year easements acquired under Minnesota Statutes, section 103F.515 for land restricted to grazing and haying under the conservation plan; or

(3) ten annual payments each equal to two and one-half percent of the payment rate for 20-year easements acquired under Minnesota Statutes, section 103F.515 for land where cropping is allowed under the conservation plan.

The board may only acquire an easement under this paragraph after it determines that there is adequate funding appropriated to make the annual payments required for the duration of the easement and the landowner agrees to convey at least ten percent of the landowner's CRP land in a permanent easement under Minnesota Statutes, section 103F.515. Priority must be given for land being conveyed or leased to beginning farmers, as defined under Minnesota Statutes, section 41C.02, subdivision 6. Up to 20 percent of the appropriation may be used for professional and technical services related to acquisition of the easements. By March 15, 1997, the board, in conjunction with the commissioner of agriculture, shall report to the finance division of the senate environment and natural resources committee and the house of representatives environment and natural resources finance committee on the acquisition of easements under this paragraph. The report must include an analysis of the need for expansion of the program to all agricultural areas of the state in order to protect water quality and provide necessary wildlife habitat, and the adequacy of payments under the program.

Subd. 4. Road Construction
Wetland Replacement Credit

3,000,000

To acquire land for wetlands or restore wetlands to be used to replace wetlands drained or filled as a result of the repair, maintenance, or rehabilitation of existing public

roads, as provided in new Minnesota Statutes, section 103G.222, paragraphs (m) to (o), if 1996 House File No. 787 is enacted.

Subd. 5. Work Program

The board of water and soil resources must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by this section. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Sec. 12. AGRICULTURE

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

41,275,000

Subd. 2. Rural Finance Authority

41,000,000

To the rural finance authority to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is for the beginning farmer program under Minnesota Statutes, section 41B.039, the loan restructuring program under Minnesota Statutes, section 41B.04, the seller-sponsored program under Minnesota Statutes, section 41B.042, the agricultural improvement loan program under Minnesota Statutes, section 41B.043, and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the rural finance authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to provide full interest and principal coverage and a reserve for potential losses.

Loans for capital projects from this appropriation are exempt from Minnesota Statutes,

section 16B.335. Priority for loans must be given first to basic beginning farmer loans; second, to seller-sponsored loans; and third, to agricultural improvement loans.

Subd. 3. Biological

Control Agents Greenhouse

275,000

To the commissioner of agriculture for acquisition and construction of a greenhouse to produce biological control agents.

Sec. 13. ADMINISTRATION

Subdivision 1. To the commissioner of administration or another named agency for the purposes specified in this section

48,485,000

Subd. 2. Capital Asset

Preservation and Replacement (CAPRA)

12,000,000

To be spent in accordance with Minnesota Statutes, section 16A.632.

Up to \$900,000 of the money appropriated in this subdivision may be used as necessary to renovate the Governor's Residence in St. Paul for life safety, code, security, and ancillary storage facility improvements.

In accordance with Minnesota Statutes, section 16B.31, subdivision 6, the commissioner of administration shall identify the condition and suitability of all major state buildings and office space and report the commissioner's findings by June 30, 1997, to the chairs of the senate committee on finance and the house of representatives committees on ways and means and on capital investment. The report must identify the useful life, the current condition, the estimated cost of currently needed repairs, and the suitability for the current state purposes of all major state-owned buildings and office space owned or leased by the state. The legislature intends to use the report in considering future appropriations to the commissioner of administration and to state agencies for asset preservation.

Subd. 3. Statewide Building Access

9,000,000

For improvements of a capital nature to remove barriers and make state-owned build-

ings, programs, and services accessible to individuals with disabilities, including compliance with federal ADA guidelines. The commissioner shall determine project priorities as appropriate based upon need and shall take into consideration the recommendations and priorities of the council on disability. In determining project priorities, the commissioner must give lower priority to projects in facilities which the state intends to demolish, sell, or abandon within five years.

Subd. 4. Renovate Capitol Building

7,400,000

\$4,800,000 is to predesign, design, and reconstruct the northeast and northwest terraces of the capitol building.

\$1,400,000 is to renovate the lantern and related structures on the capitol dome.

\$1,200,000 is to predesign, design construct, furnish, and equip the renovation of the capitol cafeteria and related spaces.

The balance of the appropriation in this subdivision that is not needed for the projects specified may be used for other structural stabilization projects at the capitol or to improve the capitol mall.

Subd. 5. Transportation Building Phase IV

5,525,000

To continue life safety renovation at the transportation building in St. Paul. This renovation is to include new heating, ventilation, and air conditioning systems, elevators, lighting, windows, and raised floors.

This appropriation is from the trunk highway fund.

Account balances from previous appropriations for earlier phases of this continuing project may be used for phase IV.

Subd. 6. Renovate Capitol Area Elevators

1,500,000

To improve, upgrade, and modify existing elevator equipment in the capitol area.

Subd. 7. Agency Relocation

3,735,000

\$1,670,000 is from the general fund to relocate the print communications, micrographics, and travel management divisions of the department of administration into a new support services facility, and to relocate the department of human rights, the driver and vehicle services division of the department of public safety, the department of labor and industry in St. Cloud, and the department of human services in St. Cloud.

\$116,000 is from the general fund to complete the move of the Minnesota historical society to the state history center.

\$25,000 is from the general fund for unanticipated moving expenses.

\$1,389,000 is from the trunk highway fund for the partial relocation of the department of transportation.

\$535,000 is from the highway user tax distribution fund to relocate the driver and vehicle services division of the department of public safety.

Subd. 8. Revenue Facilities Design

1,950,000

To design new revenue department facilities. \$1,450,000 of this appropriation is not available until the report required by subdivision 10 has been completed. Notwithstanding Minnesota Statutes, section 15.50, subdivision 2, paragraph (e), plans for the building need not be selected through a design competition.

The plans for the facilities for the department of revenue may provide for two or more buildings in separate locations. The principal administrative offices of the department must be located in or near the capitol area. Other operations may be located outside of the capitol area as appropriate and conveniently situated for efficient operations of the department.

The design development phase of the revenue department building project must in-

clude an analysis of the cost, benefit, and operational feasibility of relocating revenue department jobs to areas in greater Minnesota.

Subd. 9. Support Services
Facility

2,000,000

To acquire land for print communications, micrographics, records center, and central stores. This appropriation is not available until the report required by subdivision 10 has been completed.

Subd. 10. Evaluate Capitol Area
Office Building Construction Plans

125,000

This appropriation is from the general fund to the legislative coordinating commission to evaluate the projects in subdivisions 8 to 9 and how they fit into the master plan for construction of office buildings in the capitol area. The evaluation must determine the added costs and benefits, if any, of building in the St. Paul central business district over building in the capitol complex. The evaluation must be completed and reported to the chairs of the senate finance and house ways and means and capital investment committees by October 15, 1996. This appropriation is available until June 30, 1997.

In addition, the evaluation must include an independent cost analysis of the projects upon completion of the construction drawings. The analysis must be reported to the legislature and approved before the commissioner of administration may advertise for bids on construction of any of the projects.

Subd. 11. Korean War Memorial

250,000

For design and construction of a Korean war veterans memorial on the capitol mall. In creating the memorial, the commissioner may accept money from nonstate sources. The design is subject to approval by the capitol area architectural and planning board.

Subd. 12. Robotics and Technical
Training Facility

5,000,000

This appropriation is from the general fund to predesign, design, and construct, a techni-

cal training and classroom facility in St. Paul for training in the use of robotics methods in manufacturing and other subjects. The facility shall be owned by the state. It shall be managed to promote the best interests of all parties involved by a four-member board of directors consisting of the commissioner of administration and the chancellor of the Minnesota state colleges and universities or their designees, and representatives of the United Auto Workers local 879 and the Ford Motor Company. The board may delegate on-site management to Ford Motor Company. This appropriation is subject to negotiation of a use agreement between the commissioner and Ford Motor Company. The appropriation is also contingent upon a match of at least \$1,600,000 of nonstate money. The agreement shall include provisions for equipment, maintenance, and management of the facility. The agreement shall provide for at least 20 percent use and access for students in Minnesota state college and university programs at no charge to the state over the life of the agreement. The term of the agreement shall be 25 years. The commissioner shall consult with the chancellor in negotiating the educational provisions of the use agreement.

Sec. 14. AMATEUR SPORTS COMMISSION

Subdivision 1. To the amateur sports commission for the purposes specified in this section

21,600,000

Subd. 2. Ice Center Grants

8,000,000

(a) \$6,500,000 is for grants of up to \$250,000 each to construct new ice arenas and renovate existing arenas throughout the state, according to criteria in Minnesota Statutes, section 240A.09.

(b) \$500,000 is for renovation grants for arenas that are at least 20 years old, which may be in amounts up to \$125,000.

(c) All new and renovated facilities receiving grants must be publicly owned. Projects re-

ceiving grants from appropriations in items (a) and (b) are exempt from the requirements of Minnesota Statutes, section 16B.335.

(d) \$1,000,000 of this amount may be used only for a national curling center in the Virginia, Mountain Iron, Gilbert, and Eveleth area. The facility may only be constructed after endorsement by a national governing body member of the United States Olympic Committee.

Subd. 3. Land Acquisition
at National Sports Center 400,000

This appropriation is to acquire land at the national sports center in Blaine and related development costs of fees, landscaping, parking, road access, and construction needed to meet code requirements.

Subd. 4. Ski Jump 500,000

For design, construction, and equipping of a K70 ski jump in the Hyland Hills/Bush Lake ski area.

Subd. 5. National Inner City Center 3,400,000

(a) For a grant to special school district No. 1, Minneapolis, for an urban sports facility, to be owned by the district. The facility must be located on land owned by the district.

(b) This appropriation is contingent on the following:

(1) the commission has determined that nonstate money in the amount of not less than \$8,000,000 has been committed by nonstate sources for construction on adjacent property of an integrated community facility with a day care center, a natatorium, and other sports facilities to be owned and operated by a nonprofit entity and providing sports and community programming for urban at-risk youth; and

(2) the nonprofit entity has agreed to manage and operate the sports facility and to pay all operating expenses at no cost to the commission under a management agreement com-

plying with the requirements of Minnesota Statutes, section 16A.695.

Subd. 6. National Volleyball Center 2,300,000

For a grant to the city of Rochester to design, construct, furnish, and equip a national volleyball center, to be located on land owned by the city. This grant is contingent upon a local match of at least \$2,300,000 from non-state sources. The facility may be constructed only after endorsement by a national governing body member of the United States Olympic Committee.

Subd. 7. Mariucci Ice and Tennis Facility 7,000,000

To the board of regents of the University of Minnesota to predesign, design, construct, and equip a new facility adjacent to Mariucci arena on the Minneapolis campus to include an ice sheet and tennis courts.

Sec. 15. MILITARY AFFAIRS

Subdivision 1. To the adjutant general or another named officer for the purposes specified in this section 1,120,000

Subd. 2. Asset Preservation 500,000

To the commissioner of administration to be spent in accordance with Minnesota Statutes, section 16A.632. The commissioner shall give priority to replacement and repair of roofs.

Subd. 3. Renovation of Kitchen Facilities 400,000

To renovate kitchen facilities at national guard training and community centers in Thief River Falls, Wadena, Willmar, Redwood Falls, Pine City, Pipestone, Red Wing, Fergus Falls, Hastings, and Sauk Centre. This appropriation is exempt from the requirements of Minnesota Statutes, section 16B.335.

Subd. 4. Armory Facility and Ramp 220,000

This appropriation is from the general fund to the commissioner of administration for

purchasing options for land for a military affairs facility and parking ramp in the capitol area as defined in Minnesota statutes, section 15.50. For this purpose, the commissioner of administration may also use unencumbered balances of prior land acquisition appropriations to the commissioner.

Sec. 16. CORRECTIONS

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

94,154,000

It is the policy of the state to convert existing, surplus state property for use as correctional facilities, rather than construct new facilities, whenever surplus state property is available, appropriate, and cost-effective for conversion. Conversion of existing facilities recycles buildings and materials, and provides opportunities for current and former state employees to continue their careers without the total disruption that relocation entails.

The commissioners of corrections and human services shall evaluate the St. Peter Regional Treatment Center facilities as potential sites for correction facilities, and shall report their findings to the legislature by February 1, 1997.

The commissioners of administration and corrections and the adjutant general must evaluate the feasibility of using vacant or underutilized facilities at Camp Ripley as a correctional facility. The commissioners and the adjutant general must report the results of the facility evaluation to the legislature by February 1, 1997.

Subd. 2. Asset Preservation

1,750,000

To be spent in accordance with Minnesota Statutes, section 16A.632.

Subd. 3. New Facility

89,000,000

To complete design and to construct, furnish, and equip a new close-custody correctional facility to provide at least 800 beds.

The commissioner of administration shall develop a design alternative to bid and construct one of the six residential pods at the new facility to accommodate two inmates per cell. This would result in a total of 680 single occupancy close-custody cells, and 136 medium-custody double occupancy cells.

The commissioner of administration may use construction delivery methods as may be appropriate to minimize the cost of the facility and maximize the construction time savings.

Before final contract documents for this project are advertised for construction bids, the commissioners of administration and corrections shall certify to the chairs of the senate finance committee, the senate crime prevention finance division, the house ways and means committee, the house judiciary finance committee, and the house capital investment committee that the program scope of the project has not increased since the project budget was reviewed in accordance with Minnesota Statutes, section 16B.335.

Upon receipt and evaluation of construction bids and before awarding contracts for the construction phase of the project, the commissioner of administration shall provide the bids and evaluation to the chairs of the senate finance committee and the house ways and means committee and the chairs of the policy committees and finance divisions having jurisdiction over criminal justice policy. Within 14 days after receiving them, the chairs shall advise the commissioner on which design should be constructed.

If the chairs advise the 952-bed option, but the legislature does not appropriate by April 15, 1997, any additional money that may be needed to complete the project with that option, the commissioner shall award the bids for the 800-bed single-cell close-custody facility in order to avoid delays that would further escalate the cost of the project.

Upon receipt and evaluation of construction bids and before awarding contracts for the construction phase of the project, the commissioners of administration and finance shall inform the same committee chairs of the project budget necessary to complete that portion of the project. Any portion of this appropriation that exceeds the project budget shall be unallotted by the commissioner of finance.

By February 1 of each year, the commissioner shall report to the chairs of the house judiciary committee and senate crime prevention committee on efforts to recruit a workforce for the correctional facility that is proportional to the protected groups in the inmate population, the results of the efforts, and recommendations for achieving the goal of proportional representation of protected class employees in relation to the inmate population.

Subd. 4. Bed Expansion for
Geriatric Inmates – Ah Gwah Ching

700,000

To predesign, design, remodel, construct, furnish, and equip new space for 100 beds for geriatric inmates and inmates with special medical needs at the Minnesota correctional facility – Ah Gwah Ching.

The commissioners of corrections and human services must enter into agreements to establish the correctional facility at Ah Gwah Ching with appropriations available for this purpose.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 5. Inmate
Bed Expansion – Brainerd

1,500,000

For capital improvements to the Brainerd regional human services center to establish a correctional facility for medium and minimum security inmates and to establish a special unit for inmates with medical needs.

Subd. 6. Minnesota Correctional
Facility – Lino Lakes

500,000

For predesign and design of a segregation unit for 80 medium security beds.

Subd. 7. Minnesota Correctional
Facility – Red Wing

By February 15, 1997, the commissioner of corrections shall report to the chairs of the house of representatives and senate committees having jurisdiction over criminal justice funding on the advisability of converting the Minnesota correctional facility at Red Wing to a minimum security facility for adults.

Subd. 8. Third Judicial District
Regional Juvenile Treatment Center–Rochester

680,000

For a grant to Olmsted county. The grant is to design, remodel, equip, and furnish building No. 7 on the campus of the former Rochester State Hospital. The remodeled building is to be used for juvenile sex offenders and pre-delinquent or delinquent youths as a part of an integrated, comprehensive juvenile services model for the third judicial district. For purposes of this grant, Olmsted county is the fiscal agent for participating counties.

Subd. 9. Braham Site Costs Grant

24,000

For a grant to reimburse the city of Braham for costs incurred in attempting to qualify as a site for a new state correctional facility for male offenders. Reimbursable costs include but are not limited to planning expenses, site analysis, purchase of land options, legal services, engineering surveys, and water and sewer utility extensions. This appropriation is from the general fund.

Sec. 17. HUMAN SERVICES

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

8,807,000

Subd. 2. Asset Preservation

1,000,000

To be spent in accordance with Minnesota Statutes, section 16A.632. The commissioner of administration shall give priority to replacement and repair of roofs and fire alarm systems.

Subd. 3. Anoka Metro Regional Treatment Center 322,000

For predesign and design of improvements to the existing residential, program, clinical, and ancillary support areas in the Miller building.

Subd. 4. Brainerd Regional Human Services Center 1,500,000

To improve and upgrade heating, ventilation, cooling, air conditioning, and electrical systems in the most critical residential areas at the center as determined by the commissioner of human services.

Subd. 5. Cambridge Regional Human Services Center 3,400,000

This appropriation is to demolish existing buildings and design, construct, and equip new facilities for the first 36 out of 72 beds proposed for the Minnesota extended treatment option (METO) program; to renovate the auditorium building for recreational and program activities; and to renovate the laundry building for work activity programs.

Subd. 6. Fergus Falls Regional Treatment Center Renovation Predesign 85,000

For predesign of improvements to upgrade and consolidate residential, program, and ancillary services at the Fergus Falls campus.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 7. Willmar Regional Treatment Center Residential and Program Space Remodeling 2,500,000

For design and renovation of buildings 1 and 7 for use as an adolescent treatment unit at the Willmar regional treatment center.

Sec. 18. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section 740,000

Subd. 2. Asset Preservation 500,000

To be spent in accordance with Minnesota Statutes, section 16A.632. The commission-

er shall give priority to elimination or containment of hazardous substances at facilities operated by the veterans homes board, and to acquisition and installation of an emergency generator at the Hastings veterans home.

Subd. 3. Silver Bay Dementia Unit

240,000

To design, construct, furnish, and equip an addition to the Silver Bay veterans home to be used for a day room, activity area, and wander area for dementia and alzheimer patients.

Sec. 19. TRANSPORTATION

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

49,639,000

Subd. 2. Port Development Assistance Program

3,000,000

For port improvement projects to repair, construct, and improve terminal structures, equipment, and access as authorized under Minnesota Statutes, chapter 457A. Grants awarded under this subdivision are contingent upon a \$4 state to \$1 local match. The grants must be made to political subdivisions or port authorities for capital improvements. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 3. Metro Public Safety Radio System

15,000,000

\$7,500,000 of this appropriation is from the trunk highway fund.

This appropriation is to construct the initial backbone of the metropolitan regionwide public safety radio communications system described in Minnesota Statutes, sections 473.891 to 473.905. The appropriation is not available until the commissioner of finance has determined that the amount necessary to complete the initial backbone has been committed by other sources. The other sources may include the \$10,000,000 of bonds supported by appropriations from the 911 emer-

gency telephone service fee account in the state government special revenue fund and the \$3,000,000 of bonds supported by the full faith and credit and taxing powers of the metropolitan council that are authorized by Minnesota Statutes, sections 473.891 to 473.905, as well as contributions from other nonstate sources.

Subd. 4. Local Bridge
Replacement and Rehabilitation

10,000,000

This appropriation is from the state transportation fund as provided in Minnesota Statutes, section 174.50, to match federal funds and to replace or rehabilitate local deficient bridges.

Political subdivisions may use grants made under this section to construct or reconstruct bridges, including:

(1) matching federal-aid grants to construct or reconstruct key bridges;

(2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

(3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and

(4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more cost-efficient than the replacement of the existing bridge.

Subd. 5. Trunk Highway
Facility Projects

20,454,000

This appropriation is from the trunk highway fund.

(1) For construction documents, construction, furnishing, and equipping of Bemidji headquarters building to replace the existing

facility. The new facility will house the district staff, support services, design, construction, right-of-way, materials engineering, maintenance, radio shop, inventory center, vehicle maintenance, vehicle storage, bridge maintenance, and building services	9,000,000
(2) Repair, replace, construct, or develop additions to chemical and salt storage buildings at 29 department of transportation locations statewide	1,000,000
(3) For schematic design, design development, construction documents, construction, furnishing, and equipping of an addition to the Rochester district office and state patrol center	1,260,000
(4) Construct, furnish, and equip a new equipment storage building on a new site in Pipestone to replace the existing facility	520,000
(5) Construct, furnish, and equip a new equipment storage building on a new site in Deer Lake to combine and replace existing operations at Togo and Effie	644,000
(6) Construct, furnish, and equip a new equipment storage building on a new site in Rushford to replace the existing facility	663,000
(7) For construction documents, construction, furnishing, and equipping of an addition to the central services building at Fort Snelling for heated storage	855,000
(8) Schematic design, design development, and construction documents for projects at Duluth, St. Cloud, Jordan, Fort Snelling, Golden Valley, and a new record building	677,000
(9) Design, construction, equipping, and furnishing of an addition to the Garrison truck station and related improvements	206,000
(10) For construction documents, construction, furnishing, and equipping of an addition to the Hastings truck station	1,362,000
(11) Construct, furnish, and equip a new equipment storage building on a new site in Gaylord to replace the existing facility	680,000

(12) Remove asbestos from various department of transportation buildings statewide	200,000
(13) Construct, furnish, and equip a new equipment storage building on a new site in Hibbing to replace the existing facility. Minnesota Statutes, section 16B.33, does not apply to this project	1,237,000
(14) Design, construction, equipping, and furnishing of an addition to the Long Prairie truck station and related improvements	215,000
(15) Design, construction, equipping, and furnishing of an addition to the Forest Lake truck station and related improvements	451,000
(16) Design, construction, equipping, and furnishing of an addition to the Erskine truck station and related improvements	300,000
(17) Construct, furnish, and equip class II safety rest areas in Fillmore county, Cook county, and Kanabec county	120,000
(18) Construct pole-type storage buildings at department of transportation locations throughout the state	350,000
(19) Land acquisition at Fort Snelling next to the central services complex when it is made available as surplus property by the federal government	200,000
(20) Design, construction, equipping, and furnishing of an addition to the Dilworth truck station and related improvements	514,000
(21) Clauses (1) to (20) are exempt from the requirements of Minnesota Statutes, section 16B.335.	
(22) The money for a project in this section is available only if not funded in another law enacted in 1996.	
Subd. 6. Drivers' Examination Stations	1,185,000

This appropriation is from the trunk highway fund to the commissioner of transportation for capital improvements to license exam stations, grounds, and facilities at Arden Hills, Eagan, and Plymouth.

Sec. 20. HOUSING FINANCE AGENCY

Subdivision 1. (a) To the commissioner of the housing finance agency for building construction and rehabilitation or financing of building construction and rehabilitation for the purposes specified in this section

3,500,000

(b) At least 25 percent of the total appropriation under this section, except those grants made under the neighborhood land trust program, must utilize youthbuild, Minnesota Statutes, sections 268.361 to 268.367, or other youth employment and training programs to do the labor portion of the construction. Eligible programs must consult with appropriate labor organizations to deliver education and training. In making grants under this section, the commissioner shall use a request for proposal process.

Subd. 2. Grants for Transitional Housing Loans for Families, Homeless Youth, and Battered Women

2,500,000

To the commissioner of the housing finance agency for the purpose of making transitional housing loans, including loans for housing for homeless youths, homeless families, and battered women to local government units authorized under Minnesota Statutes, section 462A.202, subdivision 2.

Subd. 3. Neighborhood Land Trust Program

1,000,000

To the Minnesota housing finance agency's local government unit housing account established in Minnesota Statutes, section 462A.202, for loans with or without interest to a city to purchase or acquire land and buildings for purposes of the neighborhood land trust program under Minnesota Statutes, sections 462A.30 and 462A.31, upon terms and conditions the agency determines.* **(The preceding subdivision was vetoed by the governor.)**

Sec. 21. ECONOMIC SECURITY

3,500,000

To the commissioner of economic security for grants to state agencies and political sub-

divisions to construct or rehabilitate facilities for Head Start or other early childhood learning programs, for crisis nurseries, or for child visitation centers under Minnesota Statutes, section 268.917, and for drop-in centers, recreational space, and other facilities to serve homeless youth under new Minnesota Statutes, section 268.918.

Grants for early childhood learning programs may be committed so that recipients may leverage the grants to obtain other money for the program.

No project for homeless youth facilities may receive a grant of more than \$250,000.

At least 25 percent, up to \$50,000, of each grant under this section must utilize youth-build, Minnesota Statutes, sections 268.361 to 268.367, or other youth employment and training programs to do the labor portion of the construction. Eligible programs must consult with appropriate labor organizations to deliver education and training. In making grants under this section, the commissioner shall use a request for proposal process.

Sec. 22. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota historical society for the purposes specified in this section	5,950,000
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Subd. 2. Historic Site Preservation and Repair	3,000,000
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For capital repair, reconstruction, or replacement of deferred maintenance needs at state historic sites, buildings, exhibits, markers, and monuments, including restoration of the fire tower at the forest history center. The society shall determine project priorities as appropriate based on need.

Subd. 3. Historic Site Network Master Planning	300,000
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For updating of master plans for the state historic sites network. This appropriation is from the general fund and is available until June 30, 1998.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 4. County and Local Preservation Projects	750,000
To be allocated to county and local jurisdictions as matching money for historic preservation projects of a capital nature. Grant recipients must be public entities and must match state funds on at least an equal basis. The facilities must be publicly owned.	
Subd. 5. 1879 Sibley County Courthouse Restoration	250,000
For a grant to the city of Henderson for the restoration, and life safety and handicapped accessibility upgrading, of the 1879 Sibley County Courthouse in preparation for its use as the Joseph R. Brown Interpretive Center.	
Subd. 6. St. Anthony Falls Heritage Zone Implementation	1,000,000
For a grant to the St. Anthony Falls heritage board for capital improvements to implement the comprehensive interpretive development plan for the historic resources of the St. Anthony Falls historic district.	
Subd. 7. Battle Point	500,000
For a grant to independent school district No. 115, Cass Lake-Bena, for capital improvements at the Battle Point historic site. This appropriation may be supplemented with money from other sources.	
Subd. 8. Pickwick Mill	150,000
For a grant to Winona county for renovation of the historic Pickwick Mill.	
Sec. 23. PUBLIC SERVICE	4,000,000
To the commissioner of finance for the energy conservation investment loan program in the department of public service under Minnesota Statutes, section 216C.37.	
Sec. 24. GRANTS TO POLITICAL SUBDIVISIONS	
Subdivision 1. To the commissioner of administration for the purposes specified in this section	69,410,000
Subd. 2. Austin School District No. 492	975,000
For a grant to independent school district No. 492, Austin, to construct a television trans-	

mitter in the Rushford area to broadcast the signal of public television station KSMQ-TV into Fillmore, Houston, and Winona counties, subject to Minnesota Statutes, section 16A.695.

Subd. 3. Family Practice Residency Program Grant

1,400,000

For a grant to the city of Duluth for Miller-Dwan hospital, the establishment, administration, management, maintenance, improvement, and financing of which is authorized under Laws 1994, chapter 471. The grant is for remodeling a clinic building used by a family practice residency program that places two-thirds of its graduates in Minnesota communities outside the seven-county metropolitan area. The grant is contingent upon a local match of \$1 for each \$2 of state money.

Subd. 4. Farmamerica

400,000

For a grant to Farmamerica in Waseca county for signage and for hard surfacing of walkways, trails, and roads related to the Farmamerica facility.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 5. Headwaters Science Grant

200,000

For a grant to the city of Bemidji for pre-design and design of the headwaters science center.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 6. Lake Superior Center

10,000,000

For a grant to the Lake Superior Center authority for costs to design, construct, furnish, and equip the Lake Superior Center in Duluth. All land, buildings, and capital assets must be owned by the Lake Superior Center authority. This appropriation is not available until the commissioner of administration has received commitments from the city of Duluth that the city will secure money from nonstate sources to pay the operating costs of the Lake Superior Center, if necessary. This appropriation is not available until the com-

missioner of administration has also determined that the match required in Laws 1994, chapter 643, section 2, subdivision 10, of \$8,000,000 from federal or nonstate sources, has been committed and that an additional \$3,500,000 from nonstate sources has been committed to the project.

Subd. 7. Lake Superior
Zoological Gardens

1,500,000

For a grant to the city of Duluth for the purpose of constructing an animal containment facility and new exhibits at the Lake Superior Zoological Gardens.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 8. Lyn/Lake/Jungle
Theatre Performing Arts Center

335,000

For a grant to Hennepin county to design, construct, furnish, and equip the Lyn/Lake/Jungle Theatre community performing arts center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that at least \$1,630,000 has been committed by nonstate sources to complete the Lyn/Lake/Jungle Theatre.

Subd. 9. Milwaukee Road
Depot in Montevideo

500,000

For a grant to the city of Montevideo to restore the Milwaukee Road Depot in Montevideo.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 10. Minneapolis Convention Center

12,000,000

For a grant to the city of Minneapolis for land acquisition and related site acquisition costs related to expansion of the Minneapolis convention center.

The city shall utilize this grant in such a way as not to compel the legislature in any way to be required to provide subsequent appropriations for this project.

As a condition of this grant, the city of Minneapolis shall provide a report to the chairs of

the house ways and means committee, house capital investment committee, senate finance committee, and commissioner of finance on or before July 1, 1997, which describes the long-term financing plan for expansion of the convention center. This financing plan must identify all capital and operating costs associated with the expansion project and identify sources of financing, including alternatives to state participation in capital costs for the project.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 11. Multijurisdictional Reinvestment Programs

10,000,000

For a grant to Hennepin county to carry out projects (a), (b), and (c) in accordance with the multijurisdictional reinvestment program plan established as provided in Minnesota Statutes, section 383B.79. The amount to be spent for each project, if anything, may be determined by Hennepin county.

(a) Humboldt Avenue Project. To acquire land for green space connecting the campuses of three schools in the vicinity of Humboldt Avenue North. Development of the green space, which will be paid for by Hennepin county, will include reclamation of wetland amenities for public use and construction of a parkway. Hennepin county shall consult with and seek advice from the affected residents, cities, and school districts.

(b) 29th Street Corridor. To design and construct the 29th Street Corridor bikeway and trailway and a greenway connecting it to the Urban Village housing project in Minneapolis.

(c) Shingle Creek Pond. To develop a stormwater retention pond to reduce runoff and minimize pollution of Shingle Creek. The project must be compatible and consistent with a comprehensive multijurisdictional reinvestment program established under Minnesota Statutes, section 383B.79.

(d) The government jurisdictions participating in these projects must match in the aggregate

gate the total state contribution under this subdivision on at least a dollar-for-dollar basis. The government jurisdictions, however constituted, may use any nonstate money under their control to meet the match requirement.* **(The preceding subdivision was vetoed by the governor.)**

Subd. 12. Prairieland Expo

1,500,000

(a) For a grant to the southwest regional development commission to construct, equip, and furnish a facility to display, preserve, and interpret the history of southwest Minnesota, as authorized in Minnesota Statutes, section 462.3911. The facility is to be known as "Prairieland Expo."

(b) The facility must be owned by the southwest regional development commission. The southwest regional development commission may enter into a lease or management contract with an entity under Minnesota Statutes, section 16A.695, for operation, management, and oversight of the facility.

(c) This appropriation is not available until the commissioner of administration has determined that the necessary financing to complete the project has been committed by nonstate sources, and the commissioner has received commitments from the southwest regional development commission that the commission will secure money from nonstate sources to pay the operating costs of Prairieland Expo, if necessary.

Subd. 13. Science Museum
of Minnesota

30,000,000

For a grant to the city of St. Paul to design, construct, furnish, and equip a science museum in St. Paul.

This appropriation is not available until matched by at least \$59,000,000 in nonstate funds and is not available until the city of St. Paul has provided written evidence of the availability of matching funds to the commissioner of finance and the commissioner of finance has determined that all matching

requirements of current and prior appropriations for this project have been met. This is the final state appropriation for this project.

Subd. 14. Stearns County Quarry Park and Nature Preserve 250,000

For a grant to Stearns county to design and develop the first phase of this park. Eligible project costs include site reclamation and capital improvements to provide public access for trail activities, swimming, scuba, rock climbing, ski touring, mountain biking, and general outdoor recreation.

Subd. 15. Voyageur Center 350,000

For a grant to the city of International Falls for the predesign and design of an interpretive and conference center. The center shall provide educational opportunities and enhance tourism by presenting information and displays which preserve and interpret the history of the voyageur and related animals, emphasizing the importance of the fur trade to the history and development of the region and the state. The center shall include conference facilities. The center shall be located in the city of International Falls. The city may enter into a lease or management contract with a nonprofit entity under Minnesota Statutes, section 16A.695, for operation of the center. In developing plans for the facility the commissioner must consult with the small business development center located at Rainy River Community College.* **(The preceding subdivision was vetoed by the governor.)**

Sec. 25. BOND SALE EXPENSES 608,000

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

Sec. 26. Laws 1995, First Special Session chapter 2, article 1, section 13, is amended to read:

Sec. 13. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so

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that, during the biennium ending June 30, 1997, no more than \$458,704,000 \$446,840,000 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. During the biennium, 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. 27. BOND SALE AUTHORIZATIONS.

Subdivision 1. BOND PROCEEDS FUND. To provide the money appropriated in this act from the bond proceeds fund the commissioner of finance, on request of the governor, shall sell and issue bonds of the state in an amount up to \$597,110,000 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.

Subd. 2. TRANSPORTATION FUND. To provide the money appropriated in this act from the state transportation fund, the commissioner of finance, on request of the governor, shall sell and issue general obligation bonds of the state in an amount up to \$10,000,000 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. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 28. BOND REAUTHORIZATIONS.

The following bond authorizations, which have been reported to the legislature according to Minnesota Statutes, section 16A.642, subdivision 1, are reauthorized, and do not cancel under the terms of that subdivision:

(1) an amount remaining of \$7,000,000 for appropriations from the state transportation fund for railroad assistance, authorized in Laws 1984, chapter 597, section 22;

(2) an amount remaining of \$2,463,442 for appropriations from the bond proceeds fund for programs of the rural finance authority, authorized in Laws 1986, chapter 398, article 6, section 19, subdivision 1;

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(3) an amount remaining of \$121,756.89 for appropriations from the bond proceeds fund for betterment of state trails, authorized in Laws 1987, chapter 400, section 25, subdivision 1; and

(4) an amount remaining of \$1,654,993.40 for appropriations from the water pollution control fund for wastewater treatment, authorized in Laws 1987, chapter 400, section 25, subdivision 5.

Sec. 29. Minnesota Statutes 1995 Supplement, section 16A.28, subdivision 5, is amended to read:

Subd. 5. **PERMANENT IMPROVEMENTS.** An appropriation for ~~permanent improvements~~ to acquire or better public land or buildings or other public improvements of a capital nature, including the acquisition of real property does not lapse until the purposes of the appropriation are determined by the commissioner, after consultation with the affected agencies, to be accomplished or abandoned. This subdivision also applies to any part of an appropriation for a fiscal year that has been requisitioned to acquire real property or construct permanent improvements. An appropriation to pay moving expenses lapses at the end of the third fiscal year during which it was made available.

Sec. 30. Minnesota Statutes 1994, section 16A.632, is amended by adding a subdivision to read:

Subd. 4. **REPORT.** By January 15 of each year the commissioner of administration, with respect to each state agency, shall submit to the commissioner of finance, the chairs of the finance divisions that oversee the appropriations to that state agency, and to the chairs of the senate finance committee and the house of representatives capital investment committee, a list of the projects in the agency that have been funded with money from the capital asset preservation and replacement account during the preceding calendar year, as well as a list of those priority projects for which CAPRA appropriations will be sought for the agency in that year's legislative session.

Sec. 31. Minnesota Statutes 1994, section 16A.641, subdivision 8, is amended to read:

Subd. 8. **APPROPRIATION OF PROCEEDS.** (a) The proceeds of bonds issued under each law are appropriated for the purposes described in the law and in this subdivision. This appropriation may never be canceled.

(b) Before the proceeds are received in the proper special fund, the commissioner may transfer to that fund from the general fund amounts not exceeding the expected proceeds from the next bond sale. The commissioner shall return these amounts to the general fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the bond proceeds.

(c) Actual and necessary travel and subsistence expenses of employees and all other nonsalary expenses incidental to the sale, printing, execution, and delivery of bonds must be paid from the proceeds. The proceeds are appropriated for this purpose. Bond proceeds must not be used to pay any part of the salary of a state employee involved in the sale, printing, execution, or delivery of the bonds.

(d) Bond proceeds remaining in a special fund after the purposes for which the bonds were issued are accomplished or abandoned, as certified by the head of the agency

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administering the special fund, or as determined by the commissioner, unless devoted under the appropriation act to another purpose designated in the act, shall be transferred to the state bond fund.

Sec. 32. Minnesota Statutes 1994, section 16A.695, is amended by adding a subdivision to read:

Subd. 5. PROGRAM FUNDING. Recipients of grants from money appropriated from the bond proceeds fund must demonstrate to the commissioner of the agency making the grant that the recipient has the ability and a plan to fund the program intended for the facility. A private nonprofit organization that leases or manages a facility acquired or bettered with grant money appropriated from the bond proceeds fund must demonstrate to the commissioner of the agency making the grant that the organization has the ability and a plan to fund the program intended for the facility.

Sec. 33. Minnesota Statutes 1994, section 16B.24, subdivision 6, is amended to read:

Subd. 6. PROPERTY RENTAL. (a) LEASES. The commissioner shall rent land and other premises when necessary for state purposes. Notwithstanding subdivision 6a, paragraph (a), the commissioner may lease land or premises for up to ten years; subject to cancellation upon 30 days' written notice by the state for any reason except rental lease of other non-state-owned land or premises for the same use. The commissioner may not rent lease non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. If the commissioner enters into a lease-purchase agreement for buildings or substantial portions of buildings within the capitol area, the commissioner shall require that any new construction of non-state-owned buildings conform to design guidelines of the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented leased for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental lease of other non-state-owned land or premises for the same use. An agency or department head must consult with the chairs of the house appropriations and senate finance committees before entering into any agreement that would cause an agency's rental costs to increase by ten percent or more per square foot or would increase the number of square feet of office space rented by the agency by 25 percent or more in any fiscal year.

(b) USE VACANT PUBLIC SPACE. No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available or use of the space is not feasible, prudent, and cost-effective compared with available alternatives.

(c) PREFERENCE FOR CERTAIN BUILDINGS. For needs beyond those which can be accommodated in state-owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost-effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places,

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designated by a state or county historical society, or designated by a municipal preservation commission.

(d) **RECYCLING SPACE.** Leases for space of 30 days or more for 5,000 square feet or more must require that space be provided for recyclable materials.

Sec. 34. Minnesota Statutes 1994, section 16B.24, subdivision 6a, is amended to read:

Subd. 6a. **LEASE WITH OPTION TO BUY LEASE-PURCHASE AGREEMENT; CANCELLATION.** (a) With the approval of the commissioner of finance and the recommendation of the legislative advisory commission, the commissioner of administration may lease land or premises for as long as 20 years if the lease agreement provides enter into lease-purchase agreements. A lease-purchase agreement must provide the state with a unilateral right to purchase all the leased land and premises and if the lease agreement provides for the transfer of the ownership of the leased land and buildings upon normal termination of the lease for an amount not to exceed \$1 at specified times for specified amounts. Under these lease agreements, the lease rental rates shall not be more than market rental rates. The unilateral right must be available at any time during the lease agreement. If the commissioner chooses to exercise the option Notwithstanding subdivision 6, the term of the lease may be for more than ten years, but must not exceed 20 years. Prior to exercising the state's right to purchase prior to the normal termination of the lease premises, the commissioner shall obtain the approval of purchase must be approved by an act of the legislature.

(b) A lease with option to buy lease-purchase agreement entered into under paragraph (a) is must be subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

Sec. 35. Minnesota Statutes 1995 Supplement, section 16B.335, subdivision 1, is amended to read:

Subdivision 1. **CONSTRUCTION AND MAJOR REMODELING.** (a) The commissioner, or any other recipient 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 in anticipation of which the appropriation was made 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 ways and means committee and the chairs have made their recommendations, and the chair of the house capital investment committee is notified. "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 or from the predesign submittal. 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. The chairs of the senate finance committee, the house capital investment committee, and the house ways and means committee must also be notified whenever there is a substantial change in a construction or major remodeling project, or in its cost.

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(b) Capital projects exempt from the requirements of this section include construction, renovation, or improvements to dams, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, trails, bike paths, sewer separation projects, water and wastewater facilities, campgrounds, roads, bridges, or any other capital project with a construction cost of less than \$200,000.

Sec. 36. Minnesota Statutes 1994, section 41B.19, subdivision 1, is amended to read:

Subdivision 1. **PROCEDURE.** For the purpose of developing the state's agricultural resources by providing for the extension of credit on real estate security and to assure the timely payment of the principal of and interest on the bonds or other obligations issued by the rural finance authority, and upon request of the rural finance authority under section 41B.08, the commissioner of finance may at the direction of the authority, issue general obligation bonds of the state in a principal amount not exceeding \$50,000,000. Additional amounts for the same purpose may be authorized from time to time by law. The bonds must be secured as provided in the Minnesota Constitution, article XI, section 7, and, except as provided in this section, must be issued and secured as provided in section 16A.641. The proceeds of the bonds, except any premium and accrued interest, must be deposited and held in the security account established by this section, and disbursed from, a separate account in the bond proceeds fund and used solely for the purposes specified in this section. The authority may use the proceeds of the bonds to make direct loans or to purchase participations in qualified agricultural loans as provided in this chapter. The participations purchased with the bond proceeds must be held as assets of the rural renewal bond account established by subdivision 4 in the state bond fund. The premium and accrued interest, if any, must be deposited in the the rural renewal bond account in the state bond fund.

Sec. 37. Minnesota Statutes 1994, section 41B.195, is amended to read:

41B.195 ADDITIONAL USE OF GENERAL OBLIGATION BONDS.

~~Notwithstanding the limit set forth in section 41B.19, subdivision 1, the commissioner of finance, upon the request of the rural finance authority, may issue the general obligation bonds authorized by section 41B.19 and use the proceeds of the bonds to purchase participations in qualified agricultural loans if the commissioner determines that it is not practical or efficient to issue revenue bonds under section 41B.08 for the purpose of sections 41B.025, subdivision 5, 41B.037, 41B.038, and 41B.04 as a result of reduced program size or increased program costs. Subject to the other provisions of this section, the proceeds of the bonds must be deposited, held, and disbursed from a separate account, the bonds are payable from the bond account established by section 41B.19, subdivision 4, and the participations purchased with the bond proceeds must be held as assets of the bond account. If the rural finance authority later determines to issue revenue bonds under section 41B.08 for the purposes specified in section 41B.04, the commissioner may by order provide for the transfer of all or a portion of the remaining general obligation bond proceeds and interest on them, and all or a portion of the participations purchased with the bond proceeds and proceeds of them, to be transferred to the security account established in section 41B.19, subdivision 5, and used for the purposes specified in section 41B.19, subdivisions 1 and 5.~~

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Sec. 38. Minnesota Statutes 1994, section 124C.73, subdivision 1, is amended to read:

Subdivision 1. **QUALIFICATION.** A school district that meets the criteria required under subdivision 2 may apply for a grant in an amount up to 50 percent of the approved costs of removing architectural barriers from a building or site. A grant may not exceed \$150,000 to a recipient district in any fiscal year.

Sec. 39. Minnesota Statutes 1994, section 134.45, subdivision 5, is amended to read:

Subd. 5. **QUALIFICATION.** A public library jurisdiction may apply for a grant in an amount up to \$150,000 or 50 percent of the approved costs of removing architectural barriers from a building or site, whichever is less. Grants may be made only for projects in existing buildings used as a library, or to prepare another existing building for use as a library. Grants must not be used to pay part of the cost of meeting accessibility requirements in a new building.

Sec. 40. Minnesota Statutes 1994, section 134.45, subdivision 6, is amended to read:

Subd. 6. **AWARD OF GRANTS.** The commissioner, in consultation with the state council on disability, shall examine and consider all applications for grants. If a public library jurisdiction is found not qualified, the commissioner shall promptly notify it. The commissioner shall prioritize grants on the following bases: the degree of collaboration with other public or private agencies, the public library jurisdiction's tax burden, the long-term feasibility of the project, the suitability of the project, and the need for the project. If the total amount of the applications exceeds the amount that is or can be made available, the commissioner shall award grants according to the commissioner's judgment and discretion and based upon a ranking of the projects according to the factors listed in this subdivision. The commissioner shall promptly certify to each public library jurisdiction the amount, if any, of the grant awarded to it.

Sec. 41. Minnesota Statutes 1994, section 135A.046, is amended to read:

135A.046 HIGHER EDUCATION ASSET PRESERVATION AND RENEWAL REPLACEMENT.

Subdivision 1. **PURPOSE.** The legislature recognizes that post-secondary governing boards operate campus physical plants that in number, size, and programmatic use differ significantly from the physical plants operated by state departments and agencies. However, the legislature recognizes the need for standards to aid in categorizing and funding capital projects. The purpose of this section is to provide standards for those higher education projects that are intended to preserve and replace existing campus facilities.

Subd. 2. **STANDARDS.** Capital budget expenditures for Higher Education Asset Preservation and Renewal Replacement (HEAPR) projects must be for one or more of the following: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; or building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renewal to support the existing programmatic mission of the campuses.

Subd. 3. **REPORTING PRIORITIES.** Each post-secondary governing board shall establish priorities within its HEAPR Higher Education Asset Preservation and Re-

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placement projects. By ~~December 31~~ January 15 of each year, it shall submit a list of those priorities for which capital bonding appropriations will be sought in the next legislative session, as well as a list of the projects that have received bond proceeds during that calendar year to the commissioner of finance and to the chairs of the higher education finance divisions, the senate finance committee, and the house of representatives capital investment committee a list of the projects that have been paid for with money from a higher education asset preservation and replacement appropriation during the preceding calendar year as well as a list of those priority projects for which higher education asset preservation and replacement appropriations will be sought in that year's legislative session.

Sec. 42. Minnesota Statutes 1995 Supplement, section 240A.09, is amended to read:

240A.09 PLAN DEVELOPMENT; CRITERIA.

The Minnesota amateur sports commission shall develop a plan to promote the development of proposals for new statewide public ice facilities including proposals for ice centers and matching grants based on the criteria in this section.

(a) For ice center proposals, the commission will give priority to proposals that come from more than one local government unit ~~and that,~~

(b) In the metropolitan area as defined in section 473.121, subdivision 2, involve the commission is encouraged to give priority to the following proposals:

(1) proposals for construction of at least two or more ice sheets in a single new facility;

(2) proposals for construction of an additional sheet of ice at an existing ice center;

(3) proposals for construction of a new, single sheet of ice as part of a sports complex with multiple sports facilities; and

(4) proposals for construction of a new, single sheet of ice that will be expanded to a two-sheet facility in the future.

~~(b)~~ (c) The commission shall administer a site selection process for the ice centers. The commission shall invite proposals from cities or counties or consortia of cities. A proposal for an ice center must include matching contributions including in-kind contributions of land, access roadways and access roadway improvements, and necessary utility services, landscaping, and parking.

~~(e)~~ (d) Proposals for ice centers and matching grants must provide for meeting the demand for ice time for female groups by offering up to 50 percent of prime ice time, as needed, to female groups. For purposes of this section, prime ice time means the hours of 4:00 p.m. to 10:00 p.m. Monday to Friday and 9:00 a.m. to 8:00 p.m. on Saturdays and Sundays.

~~(d)~~ (e) The location for all proposed facilities must be in areas of maximum demonstrated interest and must maximize accessibility to an arterial highway.

~~(e)~~ (f) To the extent possible, all proposed facilities must be dispersed equitably, must be located to maximize potential for full utilization and profitable operation, and must accommodate noncompetitive family and community skating for all ages.

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(f) (g) The commission may also use the funds to upgrade current facilities, purchase girls' ice time, or conduct amateur women's hockey and other ice sport tournaments.

(g) (h) To the extent possible, 50 percent of all grants must be awarded to communities in greater Minnesota.

(h) (i) To the extent possible, technical assistance shall be provided to Minnesota communities by the commission on ice arena planning, design, and operation, including the marketing of ice time.

(i) (j) The commission may use funds for rehabilitation and renovation grants. Priority must be given to grant applications for indoor air quality improvements, including zero emission ice resurfacing equipment.

(j) ~~At least ten percent of the~~ (k) Grant funds ~~must~~ may be used for ice centers designed for sports other than hockey.

Sec. 43. Minnesota Statutes 1994, section 268.917, is amended to read:

268.917 EARLY CHILDHOOD LEARNING AND CHILD PROTECTION FACILITIES.

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for Head Start, early childhood and family education facilities, other early childhood intervention programs, or demonstration family service centers housing multiagency collaboratives, with priority to centers in counties or municipalities with the highest number of children living in poverty. The commissioner may also make grants to state agencies and political subdivisions to construct or rehabilitate facilities for crisis nurseries, or child visitation centers. The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner shall prescribe the terms and conditions of the leases. A grant for an individual facility must not exceed \$200,000. The commissioner shall give priority to grants that involve collaboration among sponsors of ~~early childhood learning programs under this section.~~ At least 25 percent of the amounts appropriated for these grants must be used in conjunction with the youth employment and training programs operated by the commissioner. Eligible programs must consult with appropriate labor organizations to deliver education and training.

Sec. 44. [268.918] HOMELESS YOUTH FACILITIES.

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities to provide services to homeless or at-risk youth. The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner shall prescribe the terms and conditions of the leases. The commissioner shall give priority to grants that involve collaboration among sponsors of programs. At least 25 percent of the amounts appropriated for these grants must be used in conjunction with the youth employment and training programs operated by the commissioner. Eligible programs must consult with appropriate labor organizations to deliver education and training.

Sec. 45. [446A.072] WASTEWATER INFRASTRUCTURE FUNDING PROGRAM.

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Subdivision 1. ESTABLISHMENT OF PROGRAM. The authority will establish a wastewater infrastructure funding program to provide supplemental assistance to municipalities applying for funding under the water pollution control revolving loan program or the United States Department of Agriculture Rural Economic and Community Development's (USDA/RECD) Water and Waste Disposal Loans and Grants program for the design and planning, improvements to, and construction of municipal wastewater treatment systems.

Subd. 2. TYPE OF SUPPLEMENTAL ASSISTANCE. Supplemental assistance shall be in the form of zero percent loans, with loan repayments beginning February 20 or August 20 following the scheduled date of the project obtaining the operational performance standards established by the agency. Upon receipt of notice from the agency that the project operational performance standards have been met the authority will forgive the scheduled loan repayments made under this section. If not forgiven, loan repayments shall be deferred upon request from the commissioner of the agency for six-month periods, provided the commissioner has determined that satisfactory progress is being made to achieve project performance or is developing or implementing a corrective action plan.

Subd. 3. PROGRAM ADMINISTRATION. The authority shall provide supplemental assistance, as provided in subdivision 2, to municipalities demonstrating financial need, as provided in subdivision 4, whose projects have been certified to the authority by the commissioner of the agency. The authority shall reserve supplemental assistance for projects in order of their priority ranking established by the agency.

Subd. 4. FUNDING LEVEL. (a) The authority shall provide supplemental assistance for essential project component costs as certified by the commissioner of the pollution control agency under section 116.182, subdivision 4.

(b) A municipality may not receive more than \$4,000,000 under this section unless specifically approved by law.

(c) The authority will calculate the grant amount needed for the essential project component costs by first determining the amount needed to reduce a municipality's monthly residential sewer service charge to \$25 or to an annual residential sewer service charge in excess of 1.5 percent of the municipality's median household income, whichever is less, and then multiplying that amount by 80 percent to determine the actual award amount to supplement loans under section 446A.07 or provide up to one-third of the amount of the grant funding level required by USDA/RECD for projects listed on the agency's intended use plan.

(d) The authority shall provide supplemental assistance to a municipality that would not otherwise qualify for supplemental assistance if:

(1) the municipality voluntarily accepts a sewer connection from another governmental unit to serve residential, industrial, or commercial developments that were completed before March 1, 1996, or are on lots whose plats were recorded before that date; and

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(2) fees charged by the municipality for the connection must take into account state and federal grants used by the municipality for the construction of the treatment plant.

The amount of supplemental assistance under this paragraph must be sufficient to reduce debt service payments under section 446A.07 to an extent equivalent to a zero percent loan in an amount up to the other governmental unit's project costs necessary for connection. Eligibility for supplemental assistance under this paragraph ends three years after the agency certifies that the connection has met the operational performance standards established by the agency.

Subd. 5. APPLICATIONS. Applications for the wastewater infrastructure funding program must be made to the authority on forms prescribed by the authority and the agency for the water pollution control revolving loan program. The commissioner of the pollution control agency shall determine if the project meets the criteria in section 116.182. The commissioner of the pollution control agency shall certify projects to the authority under section 116.182, and shall rank the certified applications in accordance with section 116.182, and determine the essential project component percentage for each certified application.

Subd. 6. DISBURSEMENTS. Disbursements made by the authority to recipients must be made for eligible project costs as incurred by the recipients, and must be made by the authority in accordance with the project financing agreement and applicable state and federal laws and rules governing the payments.

Subd. 7. LOAN REPAYMENTS. All loan repayments received by the authority under subdivision 2 must be used to provide additional assistance under this section.

Subd. 8. ELIGIBILITY. A municipality is eligible only after grant funding from other sources has been applied for, obtained, rejected, or the authority has determined that the potential funding is unlikely.

Subd. 9. LOAN LIMITATION. Supplemental assistance may not be used to reduce the sewer service charges of a significant wastewater contributor, or a single user that has caused the need for the project or whose current or projected flow and load exceed one-half of the current wastewater treatment plant's capacity, unless the applicant can demonstrate to the authority that the significant wastewater contributor cannot pay its fair share. Funding will not be provided for projects that are not qualified for assistance or that would violate the state's constitution or laws regarding the use of funds appropriated for the program.

Subd. 10. HIGH COST PROJECTS. The authority shall not award supplemental assistance for projects in excess of \$10,000 per household unless the agency has ranked the project in the top half of the project priority list.

Subd. 11. REPORT ON NEEDS. By October 15 of each odd-numbered year, the authority, in conjunction with the pollution control agency, shall prepare a report to the finance division of the senate environment and natural resources committee and the house environment and natural resources finance committee on wastewater funding assistance needs of municipalities under this section.

Subd. 12. SYSTEM REPLACEMENT FUND. Each recipient of assistance under this section shall establish a system replacement fund setting aside a minimum of \$.10 per

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1,000 gallons of flow for major rehabilitation, expansion, or replacement of the treatment plant at the end of its useful life. Money must remain in the account, for the life of the loan associated with the supplemental assistance under section 446A.072, unless use of the fund is approved by the authority for major rehabilitation, expansion, or replacement of the treatment plant. Failure to maintain the fund will cancel the loan forgiveness provided under section 446A.072, subdivision 2.

Sec. 46. Minnesota Statutes 1995 Supplement, section 473.894, subdivision 11, is amended to read:

Subd. 11. **PERFORMANCE STANDARDS.** The board shall be authorized to set or adopt performance and technical standards for operation of the backbone and subsystems and may modify standards as necessary to meet changing needs.

Sec. 47. Minnesota Statutes 1995 Supplement, section 473.901, subdivision 1, is amended to read:

Subdivision 1. **COSTS COVERED BY FEE.** For each fiscal year beginning with the fiscal year commencing July 1, 1995 1997, the amount necessary to pay the following costs shall be paid from money is appropriated to the commissioner of administration for those costs from the 911 emergency telephone service account established under section 403.11:

- (1) debt service costs and reserves for bonds issued pursuant to section 473.898;
- (2) repayment of the right-of-way acquisition loans;
- (3) costs of design, construction, maintenance of, and improvements to those elements of the first phase that support mutual aid communications and emergency medical services; or
- (4) recurring charges for leased sites and equipment for those elements of the first phase that support actual aid and emergency medical communication services.

Money appropriated from the 911 emergency telephone service fee account This appropriation shall be used to pay annual debt service costs and reserves for bonds issued pursuant to section 473.898 prior to use of fee money to pay other costs eligible under this subdivision. In no event shall the money appropriated from the 911 emergency telephone service fee account for the first phase radio system the appropriation for each fiscal year exceed an amount equal to four cents a month for each customer access line or other basic access service, including trunk equivalents as designated by the public utilities commission for access charge purposes and including cellular and other nonwire access services, in the fiscal year.

Sec. 48. Minnesota Statutes 1994, section 475.58, is amended by adding a subdivision to read:

Subd. 4. **PROPER USE OF BOND PROCEEDS.** The proceeds of obligations issued after approval of the electors under this section may only be spent: (1) for the purposes stated in the ballot language; or (2) to pay, redeem, or defease obligations and interest, penalties, premiums, and costs of issuance of the obligations. The proceeds may not be spent for a different purpose or for an expansion of the original purpose without the approval by a majority of the electors voting on the question of changing or expanding the purpose of the obligations.

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Sec. 49. Laws 1990, chapter 535, section 3, subdivision 3, is amended to read:

Subd. 3. **FUNDS.** The corporation may accept and use gifts, grants, or contributions from any source, except that the corporation may not receive state general fund appropriations to support operation of the facility. If the facility experiences an operating deficit, the corporation and any Minnesota nonprofit corporation with which the corporation enters into management contracts or lease agreements shall rely upon private or local government sources to provide operating funds. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and invest or reinvest the money, securities, or other property given or bequeathed to it. The principal of these funds, the income from them, and all other revenues received by it from any nonstate source must be placed in the depositories the board determines and is subject to expenditure for the board's purposes. Expenditures of \$25,000 or more must be approved by the full board.

Sec. 50. Laws 1994, chapter 643, section 11, subdivision 11, as amended by Laws 1995, chapter 208, section 4, is amended to read:

Subd. 11. Northland Community College

(a) Integrate community college
and technical college 100,000

This appropriation is to prepare design documents for remodeling and new construction necessary for the integration of Northland community college and Thief River Falls technical college. The project will begin with the integration of the student services area and the learning resources center.

(b) Construct ~~regional multievent~~
~~cultural center~~ athletic facilities 3,000,000

This appropriation is to construct athletic facilities that are expected to be part of a regional multievent cultural center. All cities, counties, and school districts in region 8A, and public post-secondary education systems shall be encouraged to cooperate in the construction and joint use of the facility facilities. Up to \$2,000,000 is available immediately for this project, but the remainder of the money is not available unless matched by an equal amount of money or in-kind contributions from nonstate sources. Nonstate money or in-kind contributions that are raised in excess of the required match may be used to expand the center with additional phases.

Pre-design plans for the expanded center may be based on the assumption that contribu-

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tions in excess of the required match will be available to construct it, but design and construction for each phase may not be undertaken until the money necessary to complete the phase has been committed.

The nonstate match added to this project is in lieu of the debt service payment assessed to higher education projects.

Sec. 51. Laws 1994, chapter 643, section 19, subdivision 8, as amended by Laws 1995, First Special Session chapter 2, article 1, section 45, is amended to read:

Subd. 8. Battle Point
Historic Site

350,000

For design of the Battle Point historic site, preliminary plans for which were authorized in Laws 1990, chapter 610, article 1, section 17, and Laws 1992, chapter 558, section 24, subdivision 5.

Notwithstanding Laws 1990, chapter 610, article 1, section 17, the planned educational center will be owned by independent school district No. 115, Cass Lake-Bena, and is subject to Minnesota Statutes, section 16A.695. The center must be constructed on land leased to the school district by the Leech Lake Band of Chippewa Indians under a ground lease having an initial term of at least 20 years and a total term of at least 40 years, including renewal options. The school district must contract with the Leech Lake Band to operate the center on behalf of the council school district. The center and all classes and programs run by or through the center must be open to the public.

Sec. 52. Laws 1994, chapter 643, section 21, subdivision 4, as amended by Laws 1995, First Special Session chapter 2, article 1, section 46, is amended to read:

Subd. 4. Tourism and Exposition
Centers

2,200,000

For two grants to political subdivisions for exhibition space for tourism and exposition centers. One grant must be for \$1,000,000 to the southwest regional development commission for the Prairieland Expo facility to develop construction planning documents for capital improvements and to acquire land

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for the facility. This grant is subject to new Minnesota Statutes, section 16A.695. It is the legislature's expectation that the commission will secure a grant from the department of transportation's intermodal surface transportation efficiency act funds. The other grant must be for capital improvements for a publicly owned tourism and exposition center selected by the commissioner and located in northeastern Minnesota, and is not subject to Minnesota Statutes, section 16B.335.

Sec. 53. Laws 1994, chapter 643, section 23, subdivision 20, is amended to read:

Subd. 20. Local Recreation Grants 1,400,000

For matching grants to be provided to local units of government for acquisition, development, or renovation of a capital nature of local park and recreation areas. Recipients must provide a match of at least one-half of total eligible project costs. The commissioner shall make payment to local units of government upon receiving documentation of reimbursable expenditures. The commissioner shall determine project priorities as appropriate based upon need.

Of this appropriation, \$300,000 is to provide a grant to Winona county for the purchase and development of the scenic vista on Hiawatha-Appleblossom Scenic Drive in Winona county. These funds must be matched on a dollar-for-dollar basis.

\$500,000 of this appropriation is for grants to units of government to acquire and better natural and scenic areas under new Minnesota Statutes, section 85.019, subdivision 4a.

Sec. 54. Laws 1994, chapter 643, section 27, subdivision 2, is amended to read:

Subd. 2. Marine Education Center 20,500,000

To design, construct, furnish, and equip a marine education center and related visitor improvements at the zoo. This appropriation is intended to complete the project.

All of the debt service costs on the bonds sold to finance this project that are due and pay-

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able before fiscal year 1998 must be paid from dedicated receipts of the Minnesota zoological garden to the commissioner of finance as required by Minnesota Statutes, section 16A.643. Beginning in fiscal year 1998, 60 percent of the debt service costs on the bonds sold to finance this project must be paid from dedicated receipts of the Minnesota zoological garden to the commissioner of finance as required by Minnesota Statutes, section 16A.643.

The board may not institute an admission fee increase before April 1, 2000.

Sec. 55. Laws 1994, chapter 643, section 35, subdivision 3, is amended to read:

Subd. 3. **METHOD OF PAYMENT.** The commissioner shall reduce each system's assessment each year under subdivisions 1 and 2 by one-third of the net income from investment of general obligation bond proceeds that must be allocated among between the systems in proportion to the amount of principal and interest otherwise required to be paid by each. Each higher education system shall pay its resulting net assessment to the commissioner of finance by December 1 each year. If a higher education system fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the system and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the higher education systems to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Sec. 56. Laws 1994, chapter 643, section 79, subdivision 8, is amended to read:

Subd. 8. **REALLOCATION OF UNUSED GRANT MONEY.** On December 31, 1995 1996, the commissioner shall determine whether any money remains of the appropriations made in 1994 for the purposes of this section. If any money remains that has not been granted to counties, the commissioner shall invite counties to submit applications for capital improvements to acquire or better publicly owned secure juvenile detention facilities. The commissioner shall consider the needs of applicants for improvements at the facilities and shall make grants to counties whose needs, in the commissioner's judgment, are greatest.

Sec. 57. **FURNISHINGS.**

The house of representatives may spend up to \$300,000 from funds carried over from its appropriations for the biennium ending June 30, 1995, for the purchase or renovation of chairs for public rooms in the state office building and the capitol building.

Sec. 58. **DESIGN-BUILD METHOD OF CONSTRUCTION.**

Beginning with the capital budget projects approved by law in 1996, the commissioner of administration or the commissioner of transportation may use a design-build method of project development and construction for projects to construct new vehicle and equipment storage or maintenance facilities. "Design-build method of project devel-

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opment and construction" means a project delivery system in which a single contractor is responsible for both the design and the construction of the project. The commissioner of administration or the commissioner of transportation may select the projects that will be constructed using the design-build method. Minnesota Statutes, section 16B.33, does not apply to the projects selected. When the design-build method has been used, the commissioners are requested to report to the legislature on the use of the design-build method, including comparative cost analysis, quality of product obtained, advantages and disadvantages of using this method, and the commissioners' recommendations for further use of the design-build method.

Sec. 59. **LAND TRANSFER.**

Notwithstanding other law, the board of trustees of the Minnesota state colleges and universities shall without compensation transfer to the school board of independent school district No. 347, Willmar, up to seven acres in the southwest corner of approximately 40 acres of undeveloped technical college property previously transferred by the school board and legally described as "The Southeast Quarter of the Southwest Quarter (SE 1/4 of the SW 1/4) of Section 4, Township 119, Range 35." The number of acres transferred shall be as agreed by the school board and the board of trustees of the Minnesota state colleges and universities. Unless and until the school board elects to develop this property for its own educational purposes, the board of trustees of the Minnesota state colleges and universities shall have access to the property at no cost for the purpose of agricultural instruction. If the school board elects to develop the property, it shall do so only for an educational purpose. The deed of gift must provide that, if the school board develops the property for other than an educational purpose, uses the property without developing it, or no longer desires to hold the property, the property will revert to the state on behalf of the board of trustees of the Minnesota state colleges and universities.

Sec. 60. **REVISOR'S INSTRUCTION.**

The revisor shall, in Minnesota Statutes, section 116.182, change references to Minnesota Statutes, section "446A.071" to section "446A.072."

Sec. 61. **REPEALER.**

(a) Minnesota Statutes 1994, sections 15.50, subdivision 5; and 446A.071, subdivisions 1, 3, 4, 5, 6, 7, and 8; Minnesota Statutes 1995 Supplement, section 446A.071, subdivision 2; and Laws 1994, chapter 643, section 24, subdivision 3, are repealed.

(b) Minnesota Statutes 1994, section 116.162, as amended by Laws 1995, chapter 233, article 2, section 56, is repealed.

Sec. 62. **EFFECTIVE DATES.**

Except as otherwise provided, this act is effective the day following final enactment. Section 45 applies to projects contracted for in calendar year 1996 and later. Section 56 is effective retroactively to December 31, 1995. Section 61, paragraph (b), is effective December 31, 2000.

Presented to the governor April 4, 1996

Signed by the governor April 17, 1996, 11:45 a.m.

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