

CHAPTER 492—H.F.No. 4078

An act relating to capital improvements; authorizing spending for public purposes including, but not limited to, acquiring and bettering public land and buildings and other public improvements of a capital nature with certain conditions; requiring certain studies and reports; establishing state recreation areas; imposing accounting standards for infrastructure; authorizing acquisition and conveyance of state land; renaming certain state facilities; repealing requirement for cost-benefit analysis on certain state projects; authorizing and changing procedures for the sale of state bonds; appropriating money; amending Minnesota Statutes 1998, sections 16A.641, subdivision 1; 16A.642; 16A.67, subdivisions 1 and 5; 16A.6701, subdivision 2; 16A.671, subdivisions 1 and 2; 85.015, by adding a subdivision; 103F.161, by adding a subdivision; 116.182, subdivision 1; 116J.561; 134.45, by adding a subdivision; 135A.034; 136F.36, subdivisions 1, 3, and by adding a subdivision; 136F.60, by adding a subdivision; 136F.64, subdivision 1; 136F.98, subdivision 1; 193.143; 246.18, subdivision 7; 349A.10, subdivision 5; and 462A.202, subdivision 2; Minnesota Statutes 1999 Supplement, sections 16B.616, subdivisions 3 and 4, as amended; 85.019, subdivision 4b; 116J.567; 119A.45, as amended; 124D.88, subdivision 3; and 446A.072, subdivision 4; Laws 1984, chapter 597, section 22; Laws 1987, chapter 400, section 25, subdivisions 1 and 5; Laws 1989, chapter 300, article 1, section 23, subdivision 1; Laws 1990, chapter 610, article 1, section 30; Laws 1991, chapter 354, article 11, section 2, subdivision 1; Laws 1992, chapter 558, section 28; Laws 1994, chapter 639, article 3, section 5; chapter 643, section 31; Laws 1995, First Special Session chapter 2, article 1, section 14; Laws 1996, chapter 463, section 27; Laws 1997, chapter 246, section 10; Laws 1998, chapter 404, sections 3, subdivision 24; 5, subdivision 11, as amended; 7, subdivision 23, as amended; 23, subdivision 13; and 27; Laws 1999, chapter 223, article 1, section 2, subdivision 2; and chapter 240, article 1, sections 8, subdivision 2; 12; 13; and 16; proposing coding for new law in Minnesota Statutes, chapter 115.

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

ARTICLE 1

CAPITAL IMPROVEMENTS

Section 1. CAPITAL IMPROVEMENT 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 for public purposes including, but not limited to, acquiring and bettering public land and buildings and other public improvements of a capital nature, as specified in this article. Unless otherwise specified, the appropriations in this article are available until the project is completed or abandoned.

SUMMARY

UNIVERSITY OF MINNESOTA	\$ 100,213,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	131,021,000
PERPICH CENTER FOR ARTS EDUCATION	877,000

CHILDREN, FAMILIES, AND LEARNING	80,741,000
MINNESOTA STATE ACADEMIES	3,066,000
NATURAL RESOURCES	73,177,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	2,200,000
BOARD OF WATER AND SOIL RESOURCES	23,800,000
AGRICULTURE	21,700,000
ZOOLOGICAL GARDENS	1,000,000
ADMINISTRATION	81,450,000
AMATEUR SPORTS COMMISSION	1,110,000
ARTS	4,500,000
MILITARY AFFAIRS	3,625,000
VETERANS AFFAIRS	25,000
HUMAN SERVICES	12,471,000
HEALTH	7,135,000
VETERANS HOMES BOARD	11,700,000
PUBLIC SAFETY	2,844,000
CORRECTIONS	18,035,000
TRADE AND ECONOMIC DEVELOPMENT	51,382,000
HOUSING FINANCE AGENCY	2,000,000
MINNESOTA HISTORICAL SOCIETY	5,750,000
BOND SALE EXPENSES	448,000
CANCELLATIONS	(29,913,000)
TOTAL	\$ 610,357,000
Bond Proceeds Fund	
(General Fund Debt Service)	470,900,000
Bond Proceeds Fund Cancellations	(20,902,000)
Bond Proceeds Fund	
(User Financed Debt Service)	71,359,000
General Fund	98,011,000
General Fund Cancellations	(9,011,000)

APPROPRIATIONS

\$

Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. To the board of regents of the University of Minnesota for the purposes specified in this section 100,213,000

Subd. 2. Higher Education Asset Preservation and Replacement 9,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for HEAPR under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 9 is reduced accordingly. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 3. Twin Cities - Minneapolis

(a) Molecular and Cellular Biology Building

35,000,000

To complete construction, furnish, and equip a new molecular and cellular biology building on the east bank of the Minneapolis campus. This appropriation is in addition to project funding of \$35,000,000 in Laws 1998, chapter 404, section 2, subdivision 11.

(b) Art Building

18,500,000

To design, construct, furnish, and equip a new art building on the west bank of the Minneapolis campus. This appropriation is contingent on \$23,000,000 of nonstate money for this project. The nonstate money is in lieu of the one-third debt service payments.

Subd. 4. Twin Cities - St. Paul

(a) Microbial and Plant Genomics Building

10,000,000

To design, construct, furnish, and equip a new microbial and plant genomics center on the St. Paul campus. This appropriation is contingent on \$10,000,000 in nonstate matching money for this project. The non-

state money is in lieu of the one-third debt service payments.

(b) Plant Growth Facilities - Phase I 5,963,000

To construct a biocontainment facility in partnership with the Minnesota department of agriculture.

Subd. 5. Crookston Kiehle Building 6,500,000

To design, construct, furnish, and equip an addition for the Technology Center, Learning Resources Center, and support spaces for art, music, and theater, and to renovate existing space.

Subd. 6. Duluth Music Performance Center 6,100,000

To design, construct, furnish, and equip a music performance laboratory, that will include a lobby, auditorium, stage, green room, rehearsal space, media space, and related facilities.

Subd. 7. Morris Science and Math Building Renovation, Phase 2 8,000,000

To renovate, furnish, and equip the existing science building, including converting obsolete labs and classrooms into instructional research space.

Subd. 8. Research and Outreach Centers 1,150,000

To remodel facilities and replace the sewage handling system for the Cloquet Forestry Center; to construct a wean and finish facility for swine research at Waseca.

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 this section, except for higher education asset preservation and replacement, the art building, and the microbial and plant genomics building.

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. 3. 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

131,021,000

Subd. 2. Higher Education Asset Preservation and Replacement

30,000,000

This appropriation is for the purposes specified in Minnesota Statutes, section 135A.046, including safety and statutory compliance, envelope integrity, mechanical systems, and space restoration. The following must be funded out of this appropriation: replacement or renovation of the boil-

ers at Winona State University; \$3,000,000 for Minnesota State University, Mankato, to make capital repairs to athletic facilities; and the completion of the HVAC project at the Hutchinson campus of Ridgewater College.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for HEAPR under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 23 is reduced accordingly. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 3. Alexandria Technical College 500,000

To design a new classroom and office building, including an auditorium.

Subd. 4. Anoka-Hennepin Technical College 12,500,000

For roof repairs and replacements, heat, ventilation, and air conditioning improvements, necessary repairs and remodeling, and demolition. Any roof replacement must be for an industry standard roof.

The technical college shall complete an evaluation of programs, program placement, and space needs by June 30, 2000. The technical college shall, as soon as practicable, submit copies of the reports and agreements required by this subdivision to the chairs of the house and senate higher education funding divisions.

The commissioner may not release this appropriation until the following conditions for establishing a middle college on

the campus are satisfied:

(1) by June 30, 2000, a completed memorandum of understanding between the board and the Anoka-Hennepin school district on programs to be offered for the secondary technical education program, allocation of space in the current building and the new building to be constructed pursuant to clause (2), and terms for the mutual operation of the campus; and

(2) by June 30, 2000, a completed agreement between Anoka county and the Anoka-Hennepin school district on financing and constructing a new building for a secondary technical education program on the campus for a value of at least \$8,500,000. The school district may enter into a lease/purchase agreement with the county as part of the financing transaction and the board may convey title to land to accomplish such purpose. Minnesota Statutes, sections 94.09 to 94.16, and 103F.535, do not apply to these real estate transactions.

Subd. 5. Bemidji State University

(a) American Indian History Center 2,000,000

To predesign, design, construct, furnish, and equip a museum and center for American Indian history and policy.

(b) Northwest Technical College 5,000,000

(a) To design, construct, furnish, and equip a technology laboratory building.

(b) The remaining money from the appropriation in Laws 1998, chapter 404, section 3, subdivision 5, may be used for predesign and design of the project in paragraph (a), and predesign of phase II.

(c) The board of trustees must not convey the technical college to the school district.

(d) The board of trustees shall advise the chairs of the senate higher education budget division and the house higher education finance committee before initiating pre-design of phase II.

Subd. 6. Fond Du Lac Tribal and Community College

4,500,000

To construct and remodel classroom, lab, and recreational space at the college.

This appropriation is contingent on \$3,000,000 of nonstate money for this project. The total project authorization is increased by the total of nonstate money for the project.

Subd. 7. Itasca Community College

3,600,000

To design, construct, furnish, and equip an engineering building. The costs of the portion of the project for student housing may not be paid from this appropriation.

Costs of the student housing may be paid with the proceeds of Minnesota state college and university revenue bonds issued in the same manner and with the same effect as provided in Minnesota Statutes, section 136F.90, for projects at state universities. The revenue bonds may be secured by any revenue of the Minnesota state college and university system. All or part of the costs of the student housing may be paid with contributions from nonstate sources. The costs of the student housing are in addition to this appropriation.

Subd. 8. Minneapolis Community and Technical College

11,700,000

To design, construct, furnish, and equip a new library and information technology center, and remodel the Helland Center.

Subd. 9. Minnesota State University - Mankato, Phase 2

6,907,000

To design, renovate, and construct an addition to, and equip student athletic facilities at, the Pennington Building, Highland Center, Highland North, and the Taylor Center.

Subd. 10. Minnesota West Community and Technical College at Worthington

The board, for Minnesota west community and technical college, may enter into a market-rate lease agreement with the YMCA for not to exceed 20 years, subject to Minnesota Statutes, section 16A.695, for the lease of land on the Worthington campus. Siting and design of the facility must be consistent with the college's master plan and Minnesota state colleges and universities building standards. Minnesota west community and technical college may negotiate for use of the facility for college purposes. The lease may also include the city of Worthington. Before authorizing the project and leasing property under this subdivision, the board must notify the public of the proposed project, disclose the names of the participants in the project, conduct a feasibility study on the project and disclose its results as well as the private and public contributions to the project, including how it is to be financed, and hold a public hearing on the project. The lease must contain a provision that it terminate if the improved property is no longer used for the partial benefit of the students at the Worthington campus.

Subd. 11. Moorhead State University

(a) Expansion and Parking Facilities

3,600,000

This appropriation is from the general fund.

To demolish structures, eliminate blight, and construct parking facilities.

(b) Hagen Hall Science Building

1,600,000

To design an addition and design remodeling of Hagen Hall for sciences.

(c) Campus Security Building

The board of trustees of the Minnesota state colleges and universities may construct a campus security building at Moorhead State University. The board may accept nonstate money to support construction of the building. The board may enter into an agreement with the city of Moorhead whereby the city provides money for the construction of the building in exchange for the lease of space in the building for use by the city police department. Notwithstanding Minnesota Statutes, section 16B.24, or any other law to the contrary, the board may lease space in the building to the city for up to 25 years without obtaining state executive council approval.

(d) Student Services and Residence Hall

The board of trustees of the Minnesota state colleges and universities may lease state property, including state bond financed property, at Moorhead State University to a private developer for the construction of student services, alumni foundation, and student residence hall facilities. Notwithstanding Minnesota Statutes, sections 16A.695, subdivision 2, and 16B.24, or any other law, the board may lease the property for a term of up to

one-half the useful life of the property without obtaining state executive council approval. The board shall evaluate financing options available under Minnesota Statutes, sections 136A.25 to 136A.42, and 136F.98.

Subd. 12. Normandale Community College - Phase I 11,400,000

To design, construct, furnish, and equip an addition to the current science building.

Subd. 13. North Hennepin Community College - Phase II 11,000,000

To design, renovate, furnish, and equip the old science building and construct a connecting link and an addition to become a new general education building.

Subd. 14. Northland Community College and Technical College - Phase II 5,000,000

To remodel and construct an addition to the Developmental Learning Center and campus connector and replacement of the HVAC system.

Subd. 15. Northwest Technical College - Moorhead Campus 1,258,000

To design, construct, and renovate the Health Sciences Instructional Center and construct an addition, replace the boiler, and add parking.

Subd. 16. Ridgewater Community and Technical College at Willmar

Ridgewater community and technical college may build an addition to kennels for veterinary technology at Willmar campus with existing college money.

Subd. 17. Rochester Community and
Technical College

(a) Site Development

1,400,000

To complete construction of an internal campus road system; design and construct replacement athletic fields displaced by road improvements; and predesign, design, and partially construct a quadrangle between the main building and the sports center, including underground utilities to already approved buildings, landscaping, and reconfigured entrance.

(b) Construct Greenhouse and Class-
rooms

4,500,000

To design and construct a greenhouse, and to renovate associated instructional, office, and maintenance space.

Subd. 18. Southwest State University

800,000

To design the renovation of the library, including realignment of library functions to improve access and improvements to the infrastructure.

Subd. 19. St. Cloud State University

(a) Lawrence Hall Remodeling

3,864,000

To remodel the lower floors of Lawrence Hall for administrative and instructional space. The cost of remodeling the top floor for student housing must be paid entirely with the proceeds of Minnesota state college and university revenue bonds and is in addition to this appropriation.

(b) The board may do predesign for the renovation of Centennial Hall and design for the renovation of Eastman Hall and Riverview Hall using resources other than this appropriation that may be available to the board.

Subd. 20. St. Cloud Technical College 7,992,000

To design and remodel the A and B wings, construct an addition to the boiler room, and enlarge the HVAC system. Subject to approval by the board of trustees, the college may use up to \$500,000 of this appropriation for land acquisition.

Subd. 21. Winona State University 1,600,000

To design a new science building.

Subd. 22. Land Acquisition 300,000

To acquire the building at the northwest corner of 7th and Maria in St. Paul for Metropolitan State University.

Subd. 23. Debt Service

(a) The board shall pay one-third of the debt service on state bonds sold to finance projects authorized by this section, except for subdivisions 2 and 6. 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 gen-

eral 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. PERPICH CENTER FOR ARTS EDUCATION

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

877,000

Subd. 2. Delta Dormitory Upgrades

296,000

\$214,000 is for capital improvements to the electrical and mechanical systems in the campus residence hall.

\$82,000 is from the general fund for window treatments and furniture replacement.

Subd. 3. Asset Preservation

500,000

For asset preservation capital improvements on the campus including, but not limited to, design and construction of replacement of windows, removal of precast panels, installation of walls and insulation, and new water piping.

Subd. 4. Air Conditioning Gaia Building

81,000

Purchase, design, and install air conditioning system.

Sec. 5. CHILDREN, FAMILIES, AND LEARNING

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

80,741,000

Subd. 2. Metropolitan Magnet Schools

For grants in accordance with the metropolitan magnet school grant program under Minnesota Statutes, section 124D.88.

(a) East Metro

16,000,000

For a grant to district No. 6067, Tri-District, to complete construction of the East Metro Middle School. This is in addition to appropriations in Laws 1998, chapter 404, section 5, subdivision 5, and Laws 1999, chapter 240, section 3. Notwithstanding Minnesota Statutes, section 16B.31, subdivision 2, this project may proceed as planned at the \$17,700,000 level, in anticipation of receiving additional funding at a later session of the legislature.

(b) West Metro

500,000

This appropriation is from the general fund.

For a grant to the West Metro Education Program to complete construction of the Fine Arts Interdisciplinary Resource School.

Subd. 3. Monolithic Dome, Grand Meadow

3,000,000

For an alternative facilities design grant to independent school district No. 495, Grand Meadow, to construct a new school using monolithic dome construction techniques. The commissioner shall award the grant to demonstrate that a school constructed using monolithic dome construction techniques can provide operating and construction savings for school districts throughout the state. Grand Meadow school district must agree to provide the state with information and data about this construction method and with an analysis of a monolithic dome

as a suitable educational environment.

Subd. 4. Pine Point School 4,100,000

For a grant to independent school district No. 25, Pine Point, to construct a new school facility serving kindergarten through grade 8.

Subd. 5. Maximum Effort Capital Loans 44,030,000

For capital loans to school districts as provided in Minnesota Statutes, sections 126C.60 to 126C.72. Capital loans to the recipient school districts are approved in the following amounts:

(a) Independent School District No. 299, Caledonia	14,134,000
(b) Independent School District No. 306, La Porte	7,200,000
(c) Independent School District No. 38, Red Lake	11,166,000
(d) Independent School District No. 115, Cass Lake	7,505,000
(e) Independent School District No. 914, Ulen-Hitterdahl	4,025,000

The commissioner shall review the proposed plan and budget of the project and may reduce the amount of the loan to ensure that the project will be economical. The commissioner may recover the cost incurred by the commissioner for any professional services associated with the final review and construction by reducing the proceeds of the loan paid by the district. The commissioner shall report to the legislature any reductions to the appropriations in this subdivision by January 10, 2001.

The commissioner must study how the maximum effort loan program should be restructured to allow more school districts to qualify for capital financing under the

current debt service equalization aid program without needing to turn to the maximum effort loan program. The commissioner must report to the capital investment and K-12 education finance committees of the house and the education finance committee and the K-12 education budget division of the senate. The department must not accept any applications for the maximum effort loan program until after the end of the 2001 legislative session.

Subd. 6. Early Childhood Learning and Child Protection Facilities

3,000,000

For grants to construct or rehabilitate facilities for programs under Minnesota Statutes, section 119A.45, as amended in this act.

Subd. 7. Youth Enrichment Grants

5,000,000

This appropriation is from the general fund.

For grants to local government units to design, furnish, equip, renovate, replace, or construct parks and recreation facilities and school facilities, including soccer fields, to provide youth, with preference for youth in grades 4 to 8, 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 all children. Provided there are sufficient applications, 50 percent of this appropriation may only be spent in accordance with the recommendations of the Minnesota amateur sports commission. The buildings or facilities may be leased to nonprofit community organizations, subject to Minnesota Statutes, section 16A.695, for the same purposes. Enrichment programs include academic enrichment, homework assis-

tance, computer and technology use, arts and cultural activities, clubs, school-to-work and workforce 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 non-profit and community groups serving youth, 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 collaborations among political subdivisions, private, non-profit, 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. In awarding these grants, the commissioner shall consider the regional distributions required in Laws 1996, chapter 463, section 4, subdivision 2. 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.

Subd. 8. Library for the Blind Shelving 600,000

This appropriation is from the general fund.

To purchase and install permanent compact shelving in the basement area.

Subd. 9. Library Access Grants 1,000,000

For library access grants under Minnesota Statutes, section 134.45, to remove archi-

tectural barriers from a library building or site.

Subd. 10. Minnesota Planetarium 1,000,000

For a grant to the city of Minneapolis to predesign and design a new Minnesota planetarium located in conjunction with the Minneapolis downtown library.

Subd. 11. Multicultural Development Grants 1,511,000

(a) \$1,011,000 is for a grant to Watonwan county to renovate and expand the Watonwan county-St. James multicultural learning center.

(b) \$500,000 is for a grant to the city of Pelican Rapids to construct a multicultural learning center. * (The preceding subdivision was indicated as vetoed by the governor May 15, 2000; reconsidered and approved by the legislature after the governor's veto May 17, 2000.)

Subd. 12. Glover-Sudduth Center 1,000,000

For a grant to the city of Minneapolis through the Minneapolis Community Development Agency to design and construct the Glover-Sudduth Center for Urban Affairs, Education, and Economic Development. The city may enter into a lease or management agreement for the center, subject to Minnesota Statutes, section 16A.695.

Sec. 6. MINNESOTA STATE ACADEMIES

Subdivision 1. To the commissioner of administration for the purposes specified in this section 3,066,000

Subd. 2. Asset Preservation 1,000,000

For asset preservation capital improvements on both campuses of the Minnesota State Academies including, but not limited to, general asset preservation, electrical infrastructure upgrades, and sewer and water improvements.

Subd. 3. West Wing Noyes Hall 2,066,000

For mold abatement and renovation of the west wing of Noyes hall, including improvements to the mechanical system, to eliminate air quality problems.

Sec. 7. NATURAL RESOURCES

Subdivision 1. To the commissioner of natural resources for the purposes specified in this section 73,177,000

Subd. 2. Statewide Asset Preservation 2,000,000

For asset preservation improvements at the department of natural resources land, buildings, or other improvements of a capital nature throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for asset preservation. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 3. Office Facility Development 3,250,000

To design, construct, furnish, and equip a consolidated area office and service facility in Fergus Falls.

Subd. 4. ADA Compliance 2,000,000

For improvements of a capital nature to remove barriers and make department of natural resources buildings, programs, and services accessible to individuals with disabilities, in compliance with state and federal ADA guidelines.

Subd. 5. State Park and Recreation Area Building Rehabilitation

1,900,000

To design, 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. Moose Lake Geologic Interpretive Center

1,000,000

To construct a state geologic interpretive center at Moose Lake state park that features geological artifacts indigenous to Minnesota. The money is to be used for the interpretive center building and exhibits, and necessary road, parking, and sewer work.

Subd. 7. State Park and Recreation Area Betterment and Rehabilitation

1,500,000

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. This appropriation is to rehabilitate the swimming pool at Buffalo River state park and for other project priorities as appropriate based upon need as determined by the commissioner.

Subd. 8. State Park and Recreation Area Acquisition

500,000

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. Big Bog State Recreation Area

2,017,000

For development of the Big Bog state recreation area, including interpretive display development, interpretive wayside development, bog trail development, campground upgrades and enhancements, and road and snowmobile trail upgrades.

Subd. 10. Red River State Recreation Area

1,000,000

To develop the Red river state recreation area, including the construction of a campground. The area must be developed in a manner that provides a satisfactory, multiple use solution to the existing state park and recreation area deficiency in the area surrounding the city of East Grand Forks. The commissioner shall seek advice and cooperation from the appropriate local units of government and the appropriate state and national agencies, including, but not limited to, the United States Fish and Wildlife Service.

Subd. 11. Regional Parks: Greater Minnesota

500,000

For grants to public regional parks organizations located outside the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, to acquire land, design, and construct and redevelop regional parks and trails, open space, and recreational facilities. The improvements must be of a capital nature. Each \$3 of state grants must be matched by \$2 of nonstate funds.

Subd. 12. Metro Regional Park Acquisition and Betterment

5,600,000

This appropriation is for a grant 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. \$600,000 of this appropriation is for erosion control in Simon's Ravine at Kaposia Park. 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. 13. Como Park Education Resource Center

16,000,000

For a grant to the metropolitan council to complete construction of education, administration, meeting, and visitor reception facilities at the Como Park Education Resource Center.

As long as state bonds issued for the Como Park campus are outstanding, admission to the zoo must be free.

Subd. 14. Forest Road and Bridge Projects and Forestry Recreation Facilities

1,000,000

For reconstruction, resurfacing, replace-

ment, or construction of other improvements of a capital nature to state forest roads and bridges and forest recreation facilities throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 15. State Trail Acquisition and Development

3,400,000

To acquire and develop state trails as specified in Minnesota Statutes, section 85.015.

\$1,400,000 is to develop the Paul Bunyan trail between Hackensack and Walker.

\$750,000 is to develop the Blazing Star trail in Freeborn county.

\$400,000 is to acquire and develop the Gitchi-Gami trail in Lake and Cook counties.

\$350,000 is to acquire and develop the Mill Towns Trail through and between the cities of Northfield and Faribault.

\$500,000 is to acquire and develop the Shooting Star trail between Taopi and Lake Louise state park.

Subd. 16. Regional Trail Grants

500,000

For matching grants to be provided to local units of government under Minnesota Statutes, section 85.019, subdivision 4b, as amended in this act, to acquire and develop new, publicly owned trails of regional significance. Of this amount, \$250,000 is to the city of Fairfax to connect the Fair Ridge trail from Fort Ridgely state park to the city of Fairfax; and \$50,000 is to Rock county to connect the Blue Mounds state park to the city of Luverne. The commissioner

shall determine project priorities as appropriate based on need.

Subd. 17. St. Paul - Upper Landing Park

3,000,000

For a grant to the city of St. Paul to match a federal authorization for developing the Upper Landing Park.

Subd. 18. Metro Greenways and Natural Areas

1,500,000

To provide grants to local units of government for acquisition or betterment of greenways and natural areas in the metro region and to acquire greenways and natural areas in the metro region through the purchase of conservation easements or fee titles. The commissioner shall determine the project priorities and shall consult with representatives of local units of government, nonprofit organizations, and other interested parties.

Subd. 19. Lake Minnetonka Public Access

4,000,000

To acquire and develop a public access site on the southwest side of Gray's Bay on Lake Minnetonka.

Subd. 20. Lake Superior Public Access - McQuade Road

2,000,000

To design and develop a public access at McQuade Road on Lake Superior in cooperation with the joint powers board made up of the city of Duluth, St. Louis county, the town of Duluth, and the town of Lakewood.

This appropriation is not available until the commissioner has determined that at least \$2,000,000 has been committed from fed-

eral sources.

Subd. 21. Harbor of Refuge at Two Harbors

1,000,000

To develop the harbor of refuge and marina at Two Harbors, including public access improvements, marina slips, parking facilities, utilities, a fuel dock, and an administration building.

This appropriation is not available until the commissioner has determined that at least \$500,000 has been committed from federal sources.

Subd. 22. Dam Repair, Reconstruction, and Removal

1,200,000

For emergency repair or for reconstruction or removal of publicly owned dams. The commissioner shall determine project priorities as appropriate based upon need as provided in Minnesota Statutes, section 103G.511. Projects include but need not be limited to dam removals at Mazeppa and Cannon Falls and dam repairs at Lake Bronson.

\$246,000 of this appropriation is from the general fund to include but not be limited to engineering work for the removal of the Drayton dam and removal of the Straight River dam in Faribault and the Old Mill State Park dam. Up to \$60,000 of the general fund appropriation may be used to reimburse the city of Mazeppa for engineering costs incurred before March 1, 2000, on the Mazeppa Dam removal project.

Subd. 23. Flood Hazard Mitigation Grants

14,000,000

For the flood hazard mitigation grant program to local government units for publicly owned capital improvements to prevent or alleviate flood damages under Minnesota Statutes, section 103F.161. The commissioner shall determine project priorities as appropriate based upon need.

Funding for the Red River basin mediation agreement that is in addition to the governor's recommendation, and funding to mitigate past flood damage and prevent future flooding at Lake of the Isles in Minneapolis, must be reduced by 25 percent from the level those projects would have received with a total appropriation of \$16,000,000.

Subd. 24. Ring Dikes

300,000

This appropriation is from the general fund and is for the construction of ring dikes under Minnesota Statutes, section 103F.161. The ring dikes may be publicly or privately owned.

Subd. 25. Lewis and Clark Rural Water System

610,000

For a grant to the Lewis and Clark joint powers board to provide 50 percent of the nonfederal share of funding the construction of a rural water system to serve southwestern Minnesota. This appropriation is available to the extent matched by \$8 of federal money and \$1 of local money for each \$1 of state money.

Subd. 26. Scientific and Natural Area Acquisition and Improvement

500,000

To acquire land for scientific and natural areas and for development, protection, or improvements of a capital nature to scientific and natural areas throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 27. RIM Critical Habitat Match 750,000

To provide the state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943, for the acquisition or improvements of a capital nature to critical fish, wildlife, and native plant habitats. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 28. RIM Wildlife Development and Habitat Improvements 1,000,000

For improvements of a capital nature to develop, protect, or improve habitat on wildlife management areas and other state lands and waters throughout the state. The commissioner shall determine project priorities as appropriate based upon need.

Subd. 29. Native Prairie Bank Easements 1,000,000

For acquisition of prairie bank easements under Minnesota Statutes, section 84.96.

Subd. 30. Taylors Falls - St. Croix Valley Heritage Center 150,000

This appropriation is from the general fund.

For a grant to the St. Croix Valley Heritage Coalition, Inc. to assist it in developing plans for creation of the St. Croix Valley Heritage Center at Taylors Falls. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 31. Work Program

The commissioner 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 subdivisions 5 to 13, 15 to 21, and 26 to 29. 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

2,200,000

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. BOARD OF WATER AND SOIL RESOURCES

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

23,800,000

Subd. 2. RIM and PWP Conservation Easements

1,000,000

This appropriation is for the following purposes:

- (1) 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
- (2) to acquire perpetual conservation easements on existing type 1, 2, 3, and 6 wetlands and adjacent lands, and for the establishment of permanent cover on adja-

cent lands, in accordance with Minnesota Statutes, section 103F.516.

Subd. 3. Minnesota River Basin Conservation Reserve Enhancement Program

20,000,000

To acquire easements and implement conservation practices on frequently flooded cropland, including land within the 100-year floodplain and the major tributaries; on marginal cropland along rivers and streams; and on drained or altered wetlands in the Minnesota river basin to protect soil, enhance water quality, and support fish and wildlife habitat as provided in Minnesota Statutes, sections 103F.515 and 103F.516.

Subd. 4. Implementation

500,000

This appropriation is from the general fund.

For administrative expenses to implement subdivisions 2 and 3.

Subd. 5. Wetland Replacement Due to Public Road Projects

2,300,000

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 required by Minnesota Statutes, section 103G.222, subdivision 1, paragraph (m).

The purchase price paid for acquisition of land, fee, or perpetual easement, must be the amount deemed reasonable by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, and nonprofit organizations or fee owners to acquire land and restore and create wetlands and to acquire existing wetland bank-

ing credits with money provided by this appropriation. Acquisition of or the conveyance of land may be in the name of the political subdivision.

By October 15, 2000, the board of water and soil resources shall make a recommendation to the governor and the legislature on the inclusion of wetland replacement under Minnesota Statutes, section 103G.222, subdivision 1, paragraph (m), as a biennial budget item.

Subd. 6. Work Program

The board 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. 10. AGRICULTURE

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

21,700,000

Subd. 2. Rural Finance Authority Loan Participation

20,000,000

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. Agriculture Best Management Practices Loans

1,000,000

This appropriation is from the general fund.

For the agricultural best management practices loan program under Minnesota Statutes, section 17.117. In addition to the water quality best management practices eligible for funding under Minnesota Statutes, section 17.117, odor and other air quality best management practices for agricultural livestock facilities are also eligible for funding under this appropriation.

Subd. 4. Agroforestry Loan Program

200,000

This appropriation is from the general fund to the agroforestry revolving loan fund created in new Minnesota Statutes, section 41B.048.

Notwithstanding section 41B.048, subdivision 5, clause (3), a recipient of a loan from

this appropriation need not be a member of a producer-owned cooperative that will contract to market the agroforestry crop, but at least 50 percent of this appropriation must be used for loans to recipients who are members.

Subd. 5. Minnesota Center for Agricultural Innovation

500,000

For a grant to the city of Olivia to establish the Minnesota center for agricultural innovation to promote agricultural innovation by providing a place for experts to gather and study agricultural technology.

The appropriation is not available until the commissioner determines that \$500,000 has been committed to the project from nonstate sources. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 11. MINNESOTA ZOOLOGICAL GARDENS

1,000,000

Heating and Cooling System

For design, repair, and upgrades to the heating and cooling systems at the Minnesota Zoo.

Sec. 12. ADMINISTRATION

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

81,450,000

Subd. 2. Capital Asset Preservation and Replacement (CAPRA)

10,000,000

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

Subd. 3. Asset Preservation

3,000,000

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This appropriation is from the general fund.

For structural and infrastructure repairs of a capital nature to correct high-priority deferred maintenance needs of state facilities under the custodial control of the department of administration. The commissioner of administration shall determine project priorities as appropriate based on need.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for asset preservation. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 4. Electrical Utility Infrastructure, Phase 4	2,500,000
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To upgrade the primary electrical distribution system in the capitol complex.

Subd. 5. Capitol Security Renovation	1,000,000
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To renovate space in the capitol for the department of public safety's capitol security division and for the related environmental management operation of the department of administration's plant management division.

Subd. 6. Bureau of Criminal Apprehension Headquarters	58,000,000
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This appropriation is from the general fund.

To the commissioner of administration to construct, furnish, and equip a new building for the bureau of criminal apprehension, including offices and forensic laboratories, in St. Paul.

Subd. 7. World War II Veterans Memorial 150,000

This appropriation is from the general fund.

For design, architectural drawings, and the start of construction for a World War II veterans memorial on the state capitol mall. The design is subject to approval by the capitol area architectural and planning board. The commissioner of veterans affairs shall convene an advisory group, including members of veterans organizations to review and make recommendations about the design of the memorial. The appropriation must be matched by an equal amount from nonstate sources.

Subd. 8. 717 Delaware Street Health Building 4,000,000

To renovate the 717 Delaware Street building of the department of health on the campus of the University of Minnesota.

Subd. 9. Predesign for Health and Human Services and Related Facilities 1,000,000

This appropriation is from the general fund.

To predesign new facilities to house the principal administrative offices of the departments of health and human services. The predesign must consider collocating the two departments and providing laboratory facilities shared with the department of agriculture. The predesign must recommend a site for each of the facilities.

Subd. 10. Capitol Building Predesign 300,000

To predesign the phased restoration of remaining areas in the capitol building.

The commissioner of administration shall appoint a restoration advisory committee, which must include any members or employees of the senate named by the chair of the committee on rules and administration, to advise the commissioner on the expenditure of this appropriation.

Subd. 11. Agency Relocation 500,000

This appropriation is from the general fund.

For relocation of state agencies as determined by the commissioner of administration.

Subd. 12. Property Acquisition 1,000,000

This appropriation is from the general fund for due diligence expenses, acquisition of land, and to purchase options in order to hold properties that meet state development needs. This appropriation may also be used to demolish buildings located on any lands acquired and to develop temporary parking.

Sec. 13. AMATEUR SPORTS COMMISSION

Subdivision 1. To the amateur sports commission for the purposes specified in this section 1,110,000

Subd. 2. Mighty Ducks Ice Arena Grants 810,000

For ice arena grants under Minnesota Statutes, section 240A.09.

Subd. 3. National Sports Conference Center 300,000

To predesign a sports conference center on the campus of the National Sports Center and for related capital development costs.

Sec. 14. ARTS

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

4,500,000

Subd. 2. Lanesboro - Root River Center for the Arts

1,000,000

For a grant to the city of Lanesboro to acquire land for, design, and construct a theater and arts center for lease to the Commonweal Theatre Company and Cornucopia Arts Center. This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources. The city may enter into a lease or management agreement for the facility, subject to Minnesota Statutes, section 16A.695. * **(The preceding subdivision was indicated as vetoed by the governor May 15, 2000; reconsidered and approved by the legislature after the governor's veto May 17, 2000.)**

Subd. 3. Minneapolis - Guthrie Theater

3,000,000

This appropriation is from the general fund.

For a grant to the Minneapolis community development agency to acquire and prepare a site for and to design, construct, furnish, and equip a new Guthrie Theater in the city of Minneapolis. This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources. The Minneapolis community development agency may enter into a lease or management agreement for the theater. * **(The preceding subdivision was indicated as vetoed by the governor May 15, 2000; reconsidered and approved by the legislature after the governor's veto May 17, 2000.)**

Subd. 4. St. Paul - Children's Museum
Rooftop Perspectives 500,000

For a grant to the city of St. Paul for new permanent exhibits at the Minnesota Children's Museum. This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources. The project is subject to the use agreement requirement of Minnesota Statutes, section 16A.695, and Laws 1994, chapter 643, section 81.

Sec. 15. MILITARY AFFAIRS

Subdivision 1. To the adjutant general for the purposes specified in this section 3,625,000

Subd. 2. Kitchen Renovation 1,000,000

To renovate kitchen facilities at National Guard training and community centers in Sauk Centre, Alexandria, Morris, Ortonville, Fairmont, Mankato, Madison, Wadena, Olivia, and Winona. This appropriation is exempt from the requirements of Minnesota Statutes, section 16B.335.

Subd. 3. Asset Preservation 1,500,000

For asset preservation improvements of a capital nature at military affairs facilities statewide.

Subd. 4. Minnesota Military Museum at Camp Ripley 125,000

To upgrade the electrical and lighting, and heating, ventilation, and air conditioning systems in the main building of the Minnesota military museum, to design and construct an addition to the museum, and to insulate a heating system in building I-40. The adjutant general may enter into a lease or management agreement for the museum, subject to Minnesota Statutes, section 16A.695.

Subd. 5. Law Enforcement Training
Center

The adjutant general may designate a site within Camp Ripley to establish a live fire tactical operations law enforcement training center and may use existing resources to design and prepare a site for the facility.

Subd. 6. Tactical Live-Fire Village 1,000,000

To construct a live-fire tactical operations law enforcement training facility at Camp Ripley. The facility must be available for civilian law enforcement training on a fee-for-use basis. The commissioner of public safety shall establish the terms and conditions of civilian use of the facility after consultation with the civilian advisory committee on Camp Ripley facilities and use, and other Minnesota law enforcement officials and organizations.

Sec. 16. VETERANS AFFAIRS 25,000

For a grant to Women in Military Service for America Memorial Foundation, Inc., for the women's memorial at Arlington National Cemetery as a reminder to the public about the contributions of women in the military throughout the history of the United States. This appropriation is available until June 30, 2001.

Sec. 17. HUMAN SERVICES.

Subdivision 1. To the commissioner of administration for the purposes specified in this section 12,471,000

Subd. 2. Systemwide Roof Repairs and Replacement 1,971,000

For capital repair and replacement of roofs at department of human services facilities statewide.

Subd. 3. Systemwide Asset Preservation

3,000,000

For asset preservation improvements of a capital nature at state regional treatment centers.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for asset preservation. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 4. Upgrade Pexton Hall, St. Peter

7,200,000

To design, remodel, furnish, and equip 100 licensed beds in the residential and program areas in Pexton hall to securely house individuals committed as sexual psychopathic personalities and sexually dangerous persons; to construct an addition to house a control center, visitation space, and program administration; and to install fencing and security systems.

Subd. 5. Mash-Ka-Wisen Treatment Center Youth Alcohol Treatment Wing

300,000

This appropriation is from the general fund.

For a grant to the board of directors of the Minnesota Indian Primary Residential Treatment Center, Inc., to build a youth alcohol treatment wing at the Mash-Ka-Wisen treatment center. The appropriation is not available until the commissioner of finance has determined that the appropriation has been matched by a \$1,000,000 federal grant.

Sec. 18. HEALTH

7,135,000

Subdivision 1. Gillette Children's Hospital

7,000,000

To the commissioner of administration for a grant to Ramsey county to design, construct, furnish, and equip the renovation of and an addition to the Gillette Children's Hospital, which until 1974 was a state institution housed in a state building that served the medical needs of crippled children. This appropriation is not available until the commissioner of finance has determined that at least \$7,000,000 has been committed by nonstate sources. Amounts spent since January 1, 1998, by Gillette Children's Specialty Health Care to plan, design, and construct this project may be counted as part of the local match.

Subd. 2. Organ Donor Vehicle

135,000

To the commissioner of health for a grant to a Minnesota organ procurement organization that is certified by the federal Health Care Financing Administration or to an entity that is a charitable entity under section 501(c)(3) of the Internal Revenue Code of 1986 and is created by an organ procurement organization that is certified by the federal Health Care Financing Administration. The grant must be used for a mobile learning center to provide interactive education about organ, tissue, and eye donation to citizens across the state.

This appropriation is from the general fund. * (The preceding subdivision was indicated as vetoed by the governor May 15, 2000; reconsidered and approved by the legislature after the governor's veto May 17, 2000.)

Sec. 19. VETERANS HOMES BOARD

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

11,700,000

Subd. 2. Hastings Veterans Home, Phase 2

7,000,000

For design, repair, and renovation of the utility infrastructure systems and related improvements at the campus of the Hastings veterans home.

Subd. 3. Minneapolis Veterans Home

1,700,000

For infrastructure improvements of a capital nature at the campus of the Minneapolis veterans home, including, but not limited to, replacement of water lines, roofs, and building exteriors, and installation of freight elevators, nursing stations, and security systems.

Subd. 4. Asset Preservation

3,000,000

For asset preservation and infrastructure repairs of a capital nature at veterans homes statewide.

Sec. 20. PUBLIC SAFETY

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

2,844,000

Subd. 2. Regional Public Safety Training Facility Construction Grants

2,000,000

To the commissioner of public safety for grants to state departments or local units of government to predesign, design, construct, expand, or improve public safety training facilities.

The commissioner shall make no less than two grants from this appropriation. One-half of this appropriation must be for a grant or grants in the metropolitan area and one-half must be for a grant or grants in the nonmetropolitan area.

The commissioner may have the members of the public safety training facilities task force established under Laws 1998, chapter 404, section 21, subdivision 3, and employees of the department of administration review proposals.

To be eligible for a grant, a public safety training facility proposal must:

- (1) include a plan to meet the state, federal, and local training requirements for agencies in or near the region, either at one new or existing facility or at a number of sites within the region;
- (2) at a minimum, address law enforcement and fire training needs; however, other training needs such as emergency medical services, community education, and private sector safety training should also be considered;
- (3) clearly define multijurisdictional commitments to the proposal;
- (4) identify regional funding sources that must provide at least 75 percent of the construction costs and, unless a state agency is an ongoing partner in the facility's use and operation, 100 percent of the operating costs;
- (5) identify the anticipated service area and trainee population;
- (6) include plans for mobile training as needed; and
- (7) identify any specialized training that will be offered exclusively in the region.

If a state agency is an ongoing partner in the facility's use and operation, a state source for operating money must also be identified. The commissioner shall consider the training needs and the state of planning and preparations in a region when awarding grants under this subdivision.

Subd. 3. National Weather Service Transmitters

844,000

To buy National Weather Service transmitters for up to 13 sites throughout the state, and for generator upgrades at MNDOT sites to provide full coverage for weather emergencies and to pay for necessary engineering fees (1) to determine the most appropriate locations for the transmitters, antennas, and related equipment, (2) to determine the viability of the towers to accommodate the additional equipment, and (3) to identify and implement alternative sites, if necessary. Operational maintenance of the transmitters will be the responsibility of the National Weather Service as defined by a written agreement between the Minnesota department of administration and the United States Department of Commerce.

This appropriation is from the general fund.

Sec. 21. CORRECTIONS

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

18,035,000

Subd. 2. Sewer Repair, MCF-Faribault

7,500,000

To complete design and to repair and replace sanitary and storm sewers.

Subd. 3. Inmate Bed Expansion, MCF-Oak Park Heights

855,000

To design, construct, furnish, and equip a high security administrative control unit of up to 60 beds to house high-risk, violent, and dangerous inmates and to replace a computerized building operating system at the facility. It is anticipated that this appropriation will match up to \$13,124,000 in federal funding.

Subd. 4. H-Building Remodeling, Phase 3, MCF-Lino Lakes

3,400,000

The commissioner must execute an agreement with Anoka county for the county to pay 100 percent of the cost of meals provided to Anoka county jail inmates by the Lino Lakes facility.

To remodel and reorganize the food service building at MCF-Lino Lakes.

Subd. 5. Mental Health Support and Living Unit, MCF-Red Wing

800,000

To design, renovate, furnish, and equip Brown cottage into a mental health support area and provide up to 14 beds for an inpatient treatment ward. This appropriation may also be used for security improvements of a capital nature at the Dayton security detention cottage.

Subd. 6. Stillwater, Perimeter Wall Repair

1,000,000

To design and make capital repairs to the interior surface of the perimeter wall.

This appropriation must not be used to construct or repair the catwalks on the current wall, or to construct or repair new or current guard towers.

Subd. 7. Health Services Conversion, MCF-Stillwater

1,800,000

To design, renovate, furnish, and equip the vacant laundry area into a health services unit within the security perimeter of the main building.

Subd 8. Bayport Storm Sewer

2,680,000

For a grant to the city of Bayport for the Middle St. Croix River Watershed Management organization for the construction of stage 1 of the sewer system extending from Minnesota department of natural resources pond 82-310P (the prison pond) in Bayport through the Stillwater prison grounds to the St. Croix river. Funds remaining from prior appropriations may be used for construction.

Subd. 9. Asset Preservation

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, is available for asset preservation. Minnesota Statutes, section 16A.642 applies from the date of the original appropriation to the unspent amount transferred.

Subd. 10. Per Diem Money for Capital Improvements

If the commissioner of corrections contracts with other states, local units of government, or the federal government to rent beds in the Rush City correctional facility under Minnesota Statutes, section 243.51, subdivision 1, to the extent possible, the commissioner shall charge a per diem under the contract that is equal to or greater than the per diem cost of housing Minnesota inmates in the facility. This per diem cost shall be based on the assumption that the facility is at or near capacity. Notwithstanding any laws to the contrary, the commissioner may use the per diem mon-

ies for capital improvements recommended by the governor.

Sec. 22. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of trade and economic development or other named agency for the purposes specified in this section 51,382,000

Subd. 2. State Match for Federal Grants To the public facilities authority: 12,893,000

(a) To match federal grants to the water pollution control revolving fund under Minnesota Statutes, section 446A.07, for eligible projects in the following locations and other locations as determined by the authority: Jordan, La Porte, Butterfield, St. Paul South Highwood, Hibbing, Spring Lake township, Red Wing, Rollingstone, Dassel, Cannon Falls, St. Michael, Northfield, St. Paul I/I Phase II and III, metropolitan council environmental services, Warroad, Audubon, Brooten, Clarissa, Currie, Dover-Eyota-St. Charles, Eagle Bend, Fischer, Granite Falls, Hendricks, Hoffman, Magnolia, Red Wing, West Concord, Zumbrota, Avon, Biwabik, Chatfield, Claremont, Cold Spring, Coleraine/Bovey/Taconite, Elmore, New Germany, Ostrander, Rogers, and Waldorf.

(b) To match federal grants to the drinking water revolving fund under Minnesota Statutes, section 446A.081, for eligible projects in the following locations and other locations as determined by the authority: Green Lake SSWD, McGregor, Zumbro Falls, Shakopee, Aitkin, Eden Valley/Watkins, Long Prairie, Finlayson, Coleraine, Ottertail, Rock county rural water district, Rochester, Brooten, Howard Lake, Watertown, Osseo, Victoria, Lansing Township, Dayton, Henning, Pine River, Staples, Hoffman, Ely, Eden Valley, Glen-

wood, Winnebago, Montevideo, Clearwater, Tracy, Echo, New Richland, Underwood, Hibbing, Kenyon, Brownton, Wanamingo, Waite Park, Dover, Mayer, New Trier, Onamia, Hinckley, Lyle, Richmond, and Cokato.

(c) The expenditure and allocation of state matching money between funds described in paragraphs (a) and (b) must be based on the amount of federal money appropriated to the funds. This appropriation must be used for qualified capital projects.

Subd. 3. Wastewater Infrastructure
Funding Program

18,319,000

\$10,409,000 of this appropriation is from the general fund of which \$319,000 is to administer the wastewater infrastructure fund program.

To the public facilities authority for grants to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072.

To the greatest extent practical, the authority should use the grants for projects on the 2000 intended use plan in priority order to qualified applicants that submit plans and specifications to the pollution control agency or receive a funding commitment from USDA rural development before December 1, 2001. In determining whether the penalty factor under Minnesota Rules, part 7077.0196, should be applied to a project, the pollution control agency shall, beginning with the 2001 Intended Use Plan and Project Priority list, first assess the impact of the new or expanded discharge compared to the impact of the preexisting conditions and to the impact of alternative discharge locations. If the agency determines that the new or expanded discharge

is to a less environmentally sensitive area or that it is the preferable location for the discharge compared to the alternatives, the agency shall not apply the penalty factor to the project. The pollution control agency shall include as a factor in prioritizing projects whether a project is a multijurisdictional project connecting areas with failing onsite treatment systems with an existing or regional wastewater treatment system.

The authority shall set aside up to \$400,000 for the Innovative Technology Grants Program to provide 50 percent reimbursement for the cost of equipment and installation into an existing municipal wastewater treatment system. The project must be approved by the pollution control agency and demonstrate the application of existing technology that has not been used before in the treatment of municipal wastewater, but has the potential to improve the treatment of wastewater or make the treatment process more cost effective.

Beginning with the 2001 intended use plan, the pollution control agency shall include whether a community has a moratorium on development as a factor in prioritizing projects. The agency shall adopt rules implementing the provisions of this paragraph under Minnesota Statutes, section 14.389.

Subd. 4. Clean Water Partnership

2,000,000

For deposit in the water pollution control fund under Minnesota Statutes, section 446A.07, for the clean water partnership loan program under Minnesota Statutes, section 103F.725.

Subd. 4. Clean Water Partnership

2,000,000

This appropriation is from the general fund.

For transfer to the redevelopment accounts created in Minnesota Statutes, section 116J.561.

Subd. 6. Hennepin County - Empowerment Zone Projects 3,000,000

For a grant to Hennepin county to acquire and renovate a public service center as part of the Great Lake Center empowerment zone project.

Subd. 7. Landfall HRA Retaining Walls 100,000

For a grant to the city of Landfall Housing and Redevelopment Authority to repair or replace deteriorating retaining walls. *
(The preceding subdivision was indicated as vetoed by the governor.)

Subd. 8. Kanabec County - Mora Workforce Center Elevator 100,000

For a grant to Kanabec county to install an elevator in the county building in Mora to bring the building into compliance with the Americans with Disabilities Act.

Subd. 9. Koochiching County - Cold Weather Testing Center 2,700,000

For a grant to Koochiching county to design, construct, furnish, and equip the Minnesota Cold Weather Testing Center.

This appropriation is not available until the commissioner has determined that the necessary additional financing to complete the project with a total cost of at least \$5,400,000, has been committed from non-state sources.

The county may enter into a lease or management agreement for the center, subject to Minnesota Statutes, section 16A.695. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 10. Minneapolis - Empowerment Zone Projects

5,800,000

For a grant to the city of Minneapolis for public infrastructure improvements in the following empowerment zone projects: the Job Creation Area SEMI-Project and the Near Northside Redevelopment Project. The city of Minneapolis must consult and cooperate with other cities that have neighborhoods affected by these projects including, without limitation, on issues related to noise mitigation and traffic flow.

This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources.

Subd. 11. Farmamerica

470,000

This appropriation is from the general fund.

For a grant for accessibility and security improvements at Farmamerica - Minnesota's Agricultural Interpretive Center in Waseca, Minnesota.

Sec. 23. HOUSING FINANCE AGENCY

2,000,000

This appropriation is from the general fund.

To the commissioner of the housing finance agency for transfer to the housing development fund to make loans for transitional housing under Minnesota Statutes, section 462A.202, subdivision 2.

Sec. 24. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota Historical Society for the purposes specified in this section

5,750,000

Subd. 2. Historic Site Preservation and Repair

1,750,000

For capital repair, reconstruction, or replacement of deferred maintenance needs at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments. Of this amount \$200,000 is for the asset preservation for Le Duc Mansion. The society shall determine project priorities as appropriate based on need.

Subd. 3. St. Anthony Falls Heritage Center

3,000,000

To construct, furnish, and equip the St. Anthony Falls Heritage Center.

This appropriation is added to the appropriation in Laws 1998, chapter 404, section 25, subdivision 7, and is not available until the commissioner of finance has determined that the necessary additional financing to complete a project with a total cost of at least \$24,000,000, has been committed from nonstate sources.

Subd. 4. North West Company Fur Post Interpretive Center Exhibits

500,000

To construct permanent exhibits at the North West Company Fur Post Interpretive Center. This appropriation is added to the appropriation in Laws 1998, chapter 404, section 25, subdivision 5.

The hall housing the exhibits is named the "Senator Janet B. Johnson Exhibit Hall" and an appropriate plaque so designating must be prominently located in the hall.

Subd. 5. County and Local Preservation Grants

500,000

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.

Sec. 25. BOND SALE EXPENSES

448,000

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8. This appropriation is from the bond proceeds fund.

Sec. 26. BOND SALE AUTHORIZATION.

Subdivision 1. **BOND PROCEEDS FUND.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$426,870,000 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. **MAXIMUM EFFORT SCHOOL LOAN FUND.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$44,030,000 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 maximum effort school loan fund.

Sec. 27. CANCELLATIONS AND TRANSFERS.

(a) The \$734,000 appropriation in Laws 1994, chapter 643, section 18, for the design of the labor interpretive center is canceled. The bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, is reduced by \$734,000.

(b) The \$1,100,000 appropriation in Laws 1994, chapter 643, section 19, subdivision 9, as amended by Laws 1995, chapter 224, section 124, and Laws 1997, chapter 183, article 3, section 30, for the American Indian history center at Bemidji

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state university is canceled. The bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, is reduced by \$1,100,000.

(c) \$130,000 of the appropriation in Laws 1994, chapter 643, section 23, for dam improvements is canceled. The bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, is reduced by \$130,000.

(d) \$383,000 of the appropriation in Laws 1996, chapter 463, section 13, subdivision 9, for a support services facility near the corner of Mississippi Street and University Avenue is canceled. The bond sale authorization in Laws 1996, chapter 643, section 27, subdivision 1, is reduced by \$383,000.

(e) The unobligated balance of the appropriation in Laws 1996, chapter 463, section 15, subdivision 4, for an armory facility and ramp near the corner of Rice Street and University Avenue, estimated to be \$197,000, is canceled to the general fund.

(f) \$1,355,000 of the appropriation in Laws 1996, chapter 463, section 16, subdivision 5, for the Brainerd bed expansion project is canceled. The bond sale authorization in Laws 1996, chapter 463, section 27, subdivision 1, is reduced by \$1,355,000.

(g) The \$500,000 appropriation in Laws 1996, chapter 463, section 22, subdivision 7, for the Battle Point historic site is canceled. The bond sale authorization in Laws 1996, chapter 463, section 27, subdivision 1, is reduced by \$500,000.

(h) \$10,000,000 of the appropriation in Laws 1997, Second Special Session chapter 2, section 2, for public safety disaster assistance funds is canceled. The bond sale authorization in Laws 1997, Second Special Session chapter 2, section 12, is reduced by \$10,000,000.

(i) \$5,800,000 of the appropriation in Laws 1998, chapter 404, section 13, subdivision 5, for the Minnesota labor interpretive center is canceled to the general fund.

(j) \$1,893,000 of the appropriation in Laws 1998, chapter 404, section 5, subdivision 5, for the Southwest Metropolitan Integration Magnet School in Edina is canceled to the general fund.

(k) The \$800,000 appropriation in Laws 1998, chapter 404, section 15, subdivision 5, for a tennis facility in the city of St. Paul is canceled to the general fund.

(l) The \$1,700,000 appropriation in Laws 1998, chapter 404, section 22, for the Battle Point cultural education center is canceled. The bond sale authorization in Laws 1998, chapter 404, section 27, subdivision 1, is reduced by \$1,700,000.

(m) The balance of the appropriation in Laws 1998, chapter 404, section 23, subdivision 11, for the St. Cloud community events center is transferred to the board of trustees of the Minnesota state colleges and universities to construct a new athletic facility on the south side of the existing St. Cloud State University campus. The balance of the bond sale authorization in Laws 1998, chapter 404, section 27,

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subdivision 1, attributable to the events center project is to provide the money for the athletic facility project.

(n) \$1,000,000 of the appropriation in Laws 1998, chapter 404, section 23, subdivision 24, for the Minnesota African-American Performing Arts Center is canceled. The bond sale authorization in Laws 1998, chapter 404, section 27, subdivision 1, is reduced by \$1,000,000.

(o) The \$4,000,000 appropriation in Laws 1999, chapter 240, article 1, section 3, for the Southwest Metropolitan Integration Magnet School in Edina is canceled. The bond sale authorization in Laws 1999, chapter 240, article 1, section 13, is reduced by \$4,000,000.

(p) \$321,000 of the unobligated balance of the appropriation in Laws 1999, chapter 250, article 1, section 12, subdivision 5, to demolish the capitol square building and restructure the site as a temporary parking lot is canceled to the general fund.

Sec. 28. Minnesota Statutes 1998, section 16A.641, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY.** When authorized by a law enacted in accordance with the constitution, article XI, sections 5 and 7, the commissioner may shall sell and issue general obligation bonds of the state evidencing public debt incurred for any purpose stated in those sections. The full faith, credit, and taxing powers of the state are irrevocably pledged for the prompt and full payment of the bonds and interest. The decision of the commissioner on when to sell bonds must be based on the funding needs of the capital projects, the timing of the bond issue to achieve favorable interest rates, managing cash flow requirements for debt service, other state debt management considerations, and legal factors.

Sec. 29. Minnesota Statutes 1998, section 16A.642, is amended to read:

16A.642 STATE BONDS: REPORTS; CANCELLATIONS.

Subdivision 1. **REPORTS.** (a) The commissioner of finance shall report to the chairs of the senate committee on finance and the house of representatives committees on ways and means and on capital investment by February 1 of each odd-numbered year on the following:

(1) all laws authorizing the issuance of state bonds or appropriating general fund money for state or local government building capital investment projects enacted more than five four years before February 1 of that odd-numbered year; the projects authorized to be acquired and constructed with the bond proceeds for which less than 100 percent of the authorized total cost has been expended, encumbered, or otherwise obligated; the cost of contracts to be let in accordance with existing plans and specifications shall be considered expended for this report; and the amount of general fund money appropriated but not spent or otherwise obligated, and the amount of bonds not issued and bond proceeds held but not previously expended, encumbered, or otherwise obligated for these projects; and

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(2) all laws authorizing the issuance of state bonds or appropriating general fund money for state or local government capital programs or projects other than those described in clause (1), enacted more than five ~~four~~ years before February 1 of that odd-numbered year; and the amount of general fund money appropriated but not spent or otherwise obligated, and the amount of bonds not issued and bond proceeds held but not previously expended, encumbered, or otherwise obligated for these programs and projects.

(b) The commissioner shall also report on general fund appropriations for capital projects, bond authorizations or bond proceed balances that may be canceled because projects have been canceled, completed, or otherwise concluded, or because the purposes for which the money was appropriated or bonds were authorized or issued have been canceled, completed, or otherwise concluded. The general fund appropriations, bond authorizations or bond proceed balances that are unencumbered or otherwise not obligated that are reported by the commissioner under this subdivision are canceled, effective July 1 of the year of the report, unless specifically reauthorized by act of the legislature.

Subd. 2. **CANCELLATION.** If the commissioner determines that the purposes for which general obligation bonds of the state have been issued or for which general fund monies were appropriated are accomplished or abandoned, after consultation with the affected agencies, and there is a remaining authorization or appropriation for a specific project of \$500 or less, the commissioner may cancel the remaining authorization or appropriation for that project. The commissioner must notify the chairs of the senate finance committee and the house capital investment committee of any bond authorizations or general fund appropriations canceled under this subdivision.

Subd. 3. **APPLICATION OF UNUSED BOND PROCEEDS.** All canceled bond proceeds shall be transferred to the state bond fund and used to pay or redeem bonds from which they were derived.

Subd. 4. **GENERAL FUND CANCELLATIONS.** All canceled general fund appropriations for capital improvement projects under this section are canceled to the general fund.

Sec. 30. Minnesota Statutes 1998, section 16A.67, subdivision 1, is amended to read:

Subdivision 1. **AUTHORIZATION.** The commissioner of finance, ~~upon request of the governor,~~ is authorized to sell and issue state bonds to fund the judgment rendered against the state by the Minnesota supreme court in Cambridge State Bank et al. v. James, 514 N.W. 2d 565, on April 1, 1994, and related claims, and interest accrued on the judgment and related claims, to fund any bond reserve determined to be necessary, and to pay costs of issuance of the bonds. The proceeds of the bonds are appropriated for these purposes. The principal amount of the bonds shall not exceed \$400,000,000. The bonds shall be sold and issued upon such terms and in such manner as the commissioner shall determine to be in the best interests of the state. The final maturity of the bonds shall be not later than June 30, 2005.

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Sec. 31. Minnesota Statutes 1998, section 16A.67, subdivision 5, is amended to read:

Subd. 5. **COVENANTS; AGREEMENTS.** The commissioner may, for and on behalf of the state, enter into such covenants and agreements not inconsistent with subdivisions 1 to 4 and sections 246.18, subdivisions 4 and 6; and 349A.10, subdivision 5, as may be necessary or desirable to facilitate the sale and issuance of the bonds on terms favorable to the state, including, but not limited to, covenants and agreements relating to the payment of and security for the bonds, tax-exemption, and disclosure of information required by federal and state securities laws. Such covenants and agreements of the commissioner constitute an enforceable contract of the state and the state pledges and agrees with the holders of any bonds that the state will not limit or alter the rights vested in the commissioner to fulfill the terms of any such covenants or agreements made with the holders of the bonds, or in any way impair the rights and remedies of the holders until the bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The commissioner is authorized to include this pledge and agreement of the state in any covenant or agreement with the holders of such bonds. Such covenants may not include covenants to continue to operate the state lottery but may include covenants to continue to seek payment by and reimbursement from nonstate sources of health care costs so long as any bonds issued pursuant to this section are outstanding. The provisions of sections 16A.672 and 16A.675 are applicable to the bonds. The commissioner may pay to the United States of America any rebate in the amounts and at the times required by the United States Internal Revenue Code and treasury regulations promulgated thereunder in order to maintain the federal tax exemption of bonds issued under this section.

Sec. 32. Minnesota Statutes 1998, section 16A.6701, subdivision 2, is amended to read:

Subd. 2. **FEES CREDITED TO SPECIAL REVENUE FUND.** During any period in which bonds are issued and outstanding under section 16A.67, all state license and service fees must be credited to the special revenue fund created in section 16A.67, subdivision 3. Money credited to the special revenue fund must be transferred to the debt service fund established in section 16A.67, subdivision 4, at the times and in the amounts determined by the commissioner of finance to be necessary to provide for the payment and security of bonds issued pursuant to section 16A.67. On or before the tenth day of each month, any money in the special revenue fund not required to be transferred to the debt service fund must be transferred to the general fund. If bonds are not issued and outstanding under section 16A.67, all state license and service fees must be credited to the general fund.

Sec. 33. Minnesota Statutes 1998, section 16A.671, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY; ADVISORY RECOMMENDATION.** To ensure that cash is available when needed to pay warrants drawn on the general fund under

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appropriations and allotments, ~~the governor may authorize the commissioner may~~ (1) to issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund for expenditure during each biennium; and (2) ~~to~~ issue additional certificates to refund outstanding certificates and interest on them, under the constitution, article XI, section 6.

Sec. 34. Minnesota Statutes 1998, section 16A.671, subdivision 2, is amended to read:

Subd. 2. **ADVISORY RECOMMENDATION.** Before certificates are initially sold by any of the methods authorized in subdivision 6, ~~the governor commissioner~~ shall seek the advisory recommendation of the legislative advisory commission, or if there is no commission, the executive council, on (1) the necessity of issuing them, (2) the terms and conditions of the sale, and (3) the maximum amount to be issued and outstanding under the authorization. If the commission or council does not make a recommendation promptly, the recommendation is negative. An additional recommendation is not required for refunding outstanding certificates or for each issuance of certificates in accordance with an approved line of credit, underwriting, or placement agreement.

Sec. 35. Minnesota Statutes 1999 Supplement, section 16B.616, subdivision 3, as amended by Laws 2000, chapter 417, section 1, is amended to read:

Subd. 3. **SAFETY REQUIREMENTS.** In places of public accommodation using bleacher seating, all bleachers or bleacher open spaces over 55 inches above grade or the floor below, and all bleacher guardrails if any part of the guardrail is over 30 inches above grade or the floor below must conform to the following safety requirements:

(1) the open space between bleacher footboards, seats, and guardrails must not exceed four inches, unless approved safety nets are installed, except that retractable bleachers already in place as of January 1, 2001, with ~~may have~~ open spaces not exceeding nine inches, are exempt from the requirement of this clause and any bleachers owned by the University of Minnesota, the Minnesota state colleges and universities, or a private college or university may have open spaces not exceeding nine inches;

(2) bleachers must have vertical perimeter guardrails with no more than four-inch rail spacing between vertical rails or other approved guardrails that address climbability and are designed to prevent accidents; and

(3) the state building official shall determine whether the safety nets and guardrail climbability meet the requirements of the alternate design section of the State Building Code. All new bleachers manufactured, installed, sold, or distributed after January 1, 2001, must comply with the State Building Code in effect and this subdivision.

Sec. 36. Minnesota Statutes 1999 Supplement, section 16B.616, subdivision 4, as amended by Laws 2000, chapter 417, section 2, is amended to read:

Subd. 4. **ENFORCEMENT.** (a) A statutory or home rule charter city that is not covered by the code because of action taken under section 16B.72 or 16B.73 is

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responsible for enforcement in the city of the code's requirements for bleacher safety. In all other areas where the code does not apply because of action taken under section 16B.72 or 16B.73, the county is responsible for enforcement of those requirements.

(b) Municipalities that have not adopted the code may enforce the code requirements for bleacher safety by either entering into a joint powers agreement for enforcement with another municipality that has adopted the code or contracting for enforcement with a qualified and certified building official or state licensed design professional to enforce the code.

(c) Municipalities, school districts, organizations, individuals, and other persons operating or owning places of public accommodation with bleachers that are subject to the safety requirements in subdivision 3 shall provide a signed certification of compliance to the commissioner by January 1, 2002. For bleachers exempted by subject to the exception in subdivision 3, clause (1), entities covered by this paragraph must have on file a bleacher safety management plan and amortization schedule. The certification shall be prepared by a qualified and certified building official or state licensed design professional and shall certify that the bleachers have been inspected and are in compliance with the requirements of this section and are structurally sound. For bleachers owned by a school district, the person the district designates to be responsible for buildings and grounds may make the certification.

Sec. 37. **BIG BOG STATE RECREATION AREA.**

Subdivision 1. [85.013] [Subd. 2c.] BIG BOG STATE RECREATION AREA, BELTRAMI COUNTY. Big Bog state recreation area is established in Beltrami county.

Subd. 2. PURPOSE. The Big Bog state recreation area is created to expand and diversify regional recreational opportunities and to enrich the cultural, biological, and historical opportunities for visitors to an area of the state that has suffered severe economic distress. The Big Bog recreational area will also enhance public appreciation and provide for the long-term protection of a unique ecosystem.

Subd. 3. BOUNDARIES. The following described lands are located within the boundaries of Big Bog state recreation area, all in Beltrami county:

(1) Government Lots 1, 2, and 3 of Section 8, Township 154 North, Range 30 West, EXCEPT a tract in Government Lot 3 beginning 100 feet North of the South boundary of Government Lot 3 on the east right-of-way line of State Trunk Highway 72; thence northerly 200 feet along said trunk highway; thence East to the westerly right-of-way line of old Trunk Highway 72; thence southerly 200 feet along said right-of-way line; thence westerly to the point of beginning;

(2) all of Sections 25, 26, and 27; the east Half, the Northwest Quarter, and the North Half of the Southwest Quarter of Section 34; the North Half and the Southwest Quarter of Section 35; the North Half, the East Half of the Southwest Quarter, the Southwest Quarter of the Southwest Quarter, the West Half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 36, all in Township 156 North, Range 31 West; and

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(3) all of Sections 1 and 2; the East Half of Section 3; the East Half, the Southeast Quarter of the Northwest Quarter, the East Half of the Southwest Quarter, and the Southwest Quarter of the Southwest Quarter of Section 10; and all of Sections 11, 12, 13, 14, and 15, all in Township 155 North, Range 31 West.

Subd. 4. **ADMINISTRATION.** The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas.

Subd. 5. **CONTINUED LEASE OF LAND IN BIG BOG STATE RECREATION AREA.** Notwithstanding Minnesota Statutes, sections 85.011, 85.013, 85.053, and 86A.05, the commissioner of natural resources may continue to lease, upon the terms and conditions as the commissioner may prescribe and in the form approved by the attorney general, land within the Big Bog state recreation area that is included in lease number 144-15-109 to Waskish township.

Sec. 38. **RED RIVER STATE RECREATION AREA.**

Subdivision 1. **[85.013] [Subd. 20a.] RED RIVER STATE RECREATION AREA, POLK COUNTY.** The Red River state recreation area is established in Polk county.

Subd. 2. **BOUNDARIES.** The following described lands are located within the boundaries of the Red River state recreation area, all in Polk county:

(1) Lots 3 to 14 of Block 2 including streets and alleys adjacent thereto in Riverside Addition;

(2) Block 1 including streets and alleys adjacent thereto in Surprenant's Addition;

(3) Lots 1 to 24 including streets and alleys adjacent thereto in Grigg's Addition;

(4) Lots 2, 4, 6, 8, 10, and 12 of Block 1, Block 3, Lots 1 to 10 of Block 4, and Lots 1 to 12 in Blocks A and B including streets and alleys adjacent thereto in Grand Forks East;

(5) Lots 1 to 5 of Block 1 and Blocks 2 to 14 including streets and alleys adjacent thereto in Lake Park Addition;

(6) Lots 1 to 7 and Lots 19 to 24 of Block 2 including streets and alleys adjacent thereto in E.B. Frederick's Addition;

(7) Lots 1 to 3 of Block 1 and Blocks 2, 3, and 4 including streets and alleys adjacent thereto in Budge's First Addition;

(8) Lots 1 to 4 of Block 1 including streets and alleys adjacent thereto in River Heights 1st Addition;

(9) Blocks 1 and 2 including streets and alleys adjacent thereto in Thompson's Addition;

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(10) Lots 1 to 12 of Block 1, Lots 4 to 12 of Block 2, Block 3, and Lots 1 to 4 of Block 4 in Edwards Outlots and Outlots 4 to 8 including streets and alleys adjacent thereto in Auditor's Plat of Outlots;

(11) Auditor's Plat of Mrs. Hines' Outlot;

(12) Lots 6, 8, 10, 12, 14, 16, 18, 20, 22, and 24 of Block 3 and Lots 1 to 8 of Block 2 including streets and alleys adjacent thereto in the Original Townsite of East Grand Forks;

(13) Blocks 1 to 8 including streets and alleys adjacent thereto in Woodland Addition;

(14) Lots 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, and 23 of Block 31 and Blocks 32 to 38 including streets and alleys adjacent thereto in Traill's Addition;

(15) Blocks 2 to 16 including streets and alleys adjacent thereto in Elm Grove;

(16) Block 1, Lots 1 to 11 of Block 2, and Lots 1 to 11 of Block 3 including streets and alleys adjacent thereto in O'Leary and Ryan's Addition to Elm Grove;

(17) Lots 6 to 10 of Block 1, Lots 8 to 35 of Block 2, Blocks 3, 4, and 5 including streets and alleys adjacent thereto in Folsom Park Addition;

(18) Lots 1 to 6 of Block 1 in Jerome's Addition;

(19) Lots 1 to 4 of Block 3 in Prestige Addition;

(20) Lots 1 to 14 of Block 1 in Riverview Addition;

(21) Lots 6 to 16 of Block 3 in Riverview 3rd Addition;

(22) Lots 1 to 4 of Block 1 in Riverview 4th Addition;

(23) Lots 1 and 2 of Block 1 in Riverview 5th Addition;

(24) Lots 1 to 9 of Block 1 and Outlot A in Riverview 6th Addition;

(25) Lots 1 to 18 of Block 1 and Lots 1 to 5 of Block 2 including streets and alleys adjacent thereto in Timberline 2nd Addition;

(26) Lots 14 to 16 of Block 1 including streets and alleys adjacent thereto in Timberline Addition;

(27) Lots 19 and 20 including streets and alleys adjacent thereto in Murphy's Outlots;

(28) Lots 1 to 10 of Block 1 including streets and alleys thereto in Croy's 2nd Addition;

(29) Lots 1 to 6 of Block 1 including the streets and alleys adjacent thereto in Point of Woods 2nd Addition;

(30) Lots 1 to 6 of Block 1 including the streets and alleys adjacent thereto in Point of Woods Addition;

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(31) the unplatted portions of Government Lots 1, 2, and 3 of Section 35, Township 152 North, Range 50 West;

(32) all of Government Lot 7, the unplatted portion of Government Lot 9, and that part of Government Lots 6 and 8 and the Southeast Quarter of the Southeast Quarter lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 1, Township 151 North, Range 50 West;

(33) the unplatted portions of Government Lots 2, 3, 4, 5, and 6 of Section 2, Township 151 North, Range 50 West;

(34) all of Government Lots 1 and 2 of Section 11, Township 151 North, Range 50 West;

(35) all of Government Lots 1, 7, and 11, the unplatted portions of Government Lots 3, 5, 9, and 10, and the Northeast Quarter of the Northwest Quarter of Section 12, Township 151 North, Range 50;

(36) all of Government Lots 1 and 2, the Southwest Quarter of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 13, Township 151 North, Range 50 West;

(37) all of Government Lots 1, 2, 3, and 4 of Section 14; Township 151 North, Range 50 West;

(38) that part of Government Lot 7 lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 6, Township 151 North, Range 49 West; and

(39) all of Government Lots 2, 6, 7, and 9, the Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northeast Quarter, the unplatted portions of Government Lots 3 and 5, and that part of Government Lot 1 and the Northeast Quarter of the Northwest Quarter lying southwesterly of the southwesterly right-of-way line of the Burlington Northern and Santa Fe Railroad of Section 7, Township 151 North, Range 49 West.

Subd. 3. ADMINISTRATION. The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas. The commissioner shall appoint a citizens' oversight committee to assist with developing and managing the area. The committee shall serve without compensation and is exempt from Minnesota Statutes, section 15.059.

Sec. 39. Minnesota Statutes 1998, section 85.015, is amended by adding a subdivision to read:

Subd. 8a. MILL TOWNS TRAIL. (a) The trail shall originate at a point commonly known as Faribault Junction in Rice county, the termination point of the Sakatah Singing Hills Trail, and shall extend through the towns of Faribault, Dundas, Northfield, Waterford, and Randolph, to the termination point of the Cannon Valley

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Trail in Cannon Falls. The trail may be located within the Cannon River wild, scenic, and recreational river land use district.

(b) The trail shall be developed primarily for riding and hiking. Motorized vehicles, except snowmobiles, are prohibited from the trail.

Sec. 40. Minnesota Statutes 1999 Supplement, section 85.019, subdivision 4b, is amended to read:

Subd. 4b. **REGIONAL TRAILS.** The commissioner shall administer a program to provide grants to units of government for up to 50 percent of the costs of acquisition and betterment of public land and improvements needed for trails outside the metropolitan area deemed to be of regional significance according to criteria published by the commissioner. Recipients must provide a nonstate cash match of at least one-half of total eligible project costs. If land used for the trails is not in full public ownership, then the recipients must prove it is dedicated to the purposes of the grants for at least 20 years. The commissioner shall make payment to a unit of government upon receiving documentation of reimbursable expenditures. A unit of government may enter into a lease or management agreement for the trail, subject to section 16A.695.

Sec. 41. Minnesota Statutes 1998, section 103F.161, is amended by adding a subdivision to read:

Subd. 3. **RED RIVER BASIN FLOOD MITIGATION PROJECTS.** Notwithstanding subdivision 2, a grant for implementation of a flood hazard mitigation project in the Red river basin that is consistent with the 1998 mediation agreement and approved by the Red river flood damage reduction work group may be for up to 75 percent of the cost of the proposed mitigation measures for the Agassiz-Audubon, North Ottawa, Hay creek, and Thief River subwatershed projects.

Sec. 42. **[115.445] NOTIFICATION REQUIREMENTS.**

Before the pollution control agency may issue a permit for a new wastewater treatment system that requires a national pollutant discharge elimination system permit or a state disposal system permit, and before construction of the system may begin, the following requirements must be met:

(1) the project proposer must provide notice to other political subdivisions as required by section 116.182, subdivision 3a, unless section 116.182, subdivision 3a, does not apply to the project; and

(2) the agency shall evaluate wastewater treatment alternatives to the proposed project that are included in the facilities plan, and any comments received on the facilities plan, considering environmental and cost factors, and shall make the information available to the public and may make written findings regarding its evaluation.

Sec. 43. **[115.447] TRACKING REPORT FOR NEW WASTEWATER FACILITIES.**

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The pollution control agency shall annually prepare a report tracking the location and capacity of each new wastewater treatment system requiring a national pollutant discharge elimination system or state disposal system permit built after May 1, 2000. The annual report must also provide the total number of new systems built after that date. The commissioner shall submit the report to the chairs of the legislative committees with jurisdiction over environmental policy and finance by February 1 of each year.

Sec. 44. Minnesota Statutes 1998, section 116.182, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Agency" means the pollution control agency.

(c) "Authority" means the public facilities authority established in section 446A.03.

(d) "Commissioner" means the commissioner of the pollution control agency.

(e) "Essential project components" means those components of a wastewater disposal system that are necessary to convey or treat a municipality's existing wastewater flows and loadings, and future wastewater flows and loadings based on 50 percent of the projected residential growth of the municipality for a 20-year period.

(f) "Municipality" means a county, home rule charter or statutory city, town, the metropolitan council, an Indian tribe or an authorized Indian tribal organization; or any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state.

(g) "Outstanding international resource value waters" are the surface waters of the state in the Lake Superior Basin, other than Class 7 waters and those waters designated as outstanding resource value waters.

(h) "Outstanding resource value waters" are those that have high water quality, wilderness characteristics, unique scientific or ecological significance, exceptional recreation value, or other special qualities that warrant special protection.

Sec. 45. Minnesota Statutes 1998, section 116J.561, is amended to read:

116J.561 CREATION OF ~~ACCOUNT~~ ACCOUNTS.

A Two redevelopment ~~account~~ is accounts are created, one in the general fund and one in the bond proceeds fund. Money in the ~~account~~ accounts may be used to make grants as provided in section 116J.564 and to pay for the commissioner's costs in reviewing applications and making grants.

Sec. 46. Minnesota Statutes 1999 Supplement, section 116J.567, is amended to read:

116J.567 SALE OF LAND.

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Bond proceeds funds Money in the account in the bond proceeds fund may only be used for redevelopment costs for publicly owned property. ~~Nonbond proceeds funds~~ Money in the account in the general fund may be used for redevelopment costs as defined in section 116J.562, subdivision 2, provided that the land upon which the improvements are made will ultimately be sold to a private developer at the fair market value of the land, unless it can be determined by the commissioner that a sale for less than fair market value does not result in a subsidy to a private business or developer. Net sale proceeds, up to the amount of the grant, must be paid to the account by the development authority within two years of the sale. The sale and repayment provisions of this section do not apply to lands that will be acquired with ~~nonbond money~~ other than bond proceeds funds and retained in public ownership for infrastructure improvement and ponding or other environmental infrastructure. For the purpose of this section, "net sales proceeds" means the purchase price of the land minus redevelopment costs related to the land including redevelopment costs paid with grants made under section 116J.564.

Sec. 47. Minnesota Statutes 1999 Supplement, section 119A.45, as amended by Laws 2000, chapter 444, article 2, section 3, is amended to read:

119A.45 EARLY CHILDHOOD LEARNING AND CHILD PROTECTION FACILITIES.

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for early childhood programs, with priority to centers in counties or municipalities with the highest percentage 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 parenting time 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 must prescribe the terms and conditions of the leases. A grant for an individual facility must not exceed \$200,000 for each program that is housed in the facility, up to a maximum of \$500,000 for a facility that houses three programs or more. Programs include Head Start, early childhood and family education programs, and other early childhood intervention programs. The commissioner must give priority to grants that involve collaboration among sponsors of programs under this section and may give priority to projects that collaborate with child care providers, including all-day and school-age child care programs, special needs care, sick child care, and nontraditional hour care, and programs that include services to refugee and immigrant families. The commissioner may give priority to grants for programs that will increase their child care workers' wages as a result of the grant. At least 25 percent of the amounts appropriated for these grants up to \$50,000 must utilize youthbuild under sections 268.361 to 268.366 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. State appropriations must be matched on a 50 percent basis with nonstate funds. The matching requirement must apply programwide and not to individual grants.

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Sec. 48. Minnesota Statutes 1999 Supplement, section 124D.88, subdivision 3, is amended to read:

Subd. 3. **GRANT APPLICATION PROCESS.** (a) Any group of school districts that meets the criteria required under paragraph (b)(1) may apply for a magnet school grant in an amount not to exceed \$20,800,000 for the approved costs or expansion of a magnet school facility.

(b)(1) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 123B.71, and the commissioner shall prepare a review and comment on the proposed magnet school facility, regardless of the amount of the capital expenditure required to design, acquire, construct, remodel, improve, furnish, or equip the facility. The commissioner must not approve an application for a magnet school grant for any facility unless the facility receives a favorable review and comment under section 123B.71 and the participating districts:

(i) establish a joint powers board under section 471.59 to represent all participating districts and govern the magnet school facility;

(ii) design the planned magnet school facility to meet the applicable requirements contained in Minnesota Rules, chapter 3535;

(iii) submit a statement of need, including reasons why the magnet school will facilitate integration and improve learning;

(iv) prepare an educational plan that includes input from both community and professional staff; and

(v) develop an education program that will improve learning opportunities for students attending the magnet school.

(2) The districts may develop a plan that permits social service, health, and other programs serving students and community residents to be located within the magnet school facility. The commissioner shall consider this plan when preparing a review and comment on the proposed facility.

(c) When two or more districts enter into an agreement establishing a joint powers board to govern the magnet school facility, all member districts shall have the same powers.

(d) A joint powers board of participating school districts established under paragraphs (b) and (c) that intends to apply for a grant must adopt a resolution stating the costs of the proposed project, the purpose for which the debt is to be incurred, and an estimate of the dates when the contracts for the proposed project will be completed. A copy of the resolution must accompany any application for a state grant under this section.

(e)(1) The commissioner shall examine and consider all grant applications. If the commissioner finds that any joint powers district is not a qualified grant applicant, the commissioner shall promptly notify that joint powers board. The commissioner shall

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make awards to no more than two qualified applicants whose applications have been on file with the commissioner more than 30 days.

(2) A grant award is subject to verification by the joint powers board under paragraph (f). A grant award must not be made until the participating districts determine the site of the magnet school facility. If the total amount of the approved applications exceeds the amount of grant funding that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers board the amount, if any, of the grant awarded to it.

(f) Each grant must be evidenced by a contract between the joint powers board and the state acting through the commissioner. The contract obligates the state to pay to the joint powers board an amount computed according to paragraph (e)(2) and a schedule, and terms and conditions acceptable to the commissioner of finance.

(g) Notwithstanding the provisions of section 123B.02, subdivision 3, the joint powers and its individual members may enter into long-term lease agreements as part of the magnet school program.

Sec. 49. Minnesota Statutes 1998, section 134.45, is amended by adding a subdivision to read:

Subd. 5a. PROHIBITION ON PORNOGRAPHIC USE OF INTERNET. A public library jurisdiction is not eligible for a grant under this section unless it has adopted a policy to prohibit library users from using the library's Internet access to view, print, or distribute material that is obscene within the meaning of section 617.241.

Sec. 50. Minnesota Statutes 1998, section 135A.034, is amended to read:

135A.034 BUDGET PRIORITIES.

Subdivision 1. OPERATING BUDGET. The governing boards of the University of Minnesota, ~~and the Minnesota state colleges and universities, the community colleges, and the technical colleges~~ shall each develop, for legislative and executive branch acceptance, its highest budget priorities in accordance with statewide objectives for higher education. It is the intent of the legislature to appropriate at least 67 percent of the total cost of instruction after adjusting for inflation and enrollment changes. However, in the event of a budget shortfall, or if funding of inflation is not possible, available funding shall first be applied to the agreed upon budget priorities.

Subd. 2. CAPITAL PROJECTS. The board of regents of the University of Minnesota and the board of trustees of the Minnesota state colleges and universities are requested to consider the following criteria in establishing priorities for requests for bond funds for capital projects:

- (1) maintenance and preservation of existing facilities;
- (2) completion of projects that have received funding;
- (3) updating facilities to meet contemporary needs;

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(4) providing geographic distribution of capital projects; and

(5) maximizing the use of nonstate contributions.

Sec. 51. Minnesota Statutes 1998, section 136F.36, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY TO ACQUIRE, DEVELOP, AND SELL REAL PROPERTY FOR INSTRUCTIONAL PURPOSES.** For the purpose of instructional construction by technical colleges, the board may build, sell, or transfer personal property and may purchase or otherwise acquire real property that it does not intend to use as a permanent educational site. The board may, upon the terms and conditions it sets, develop and sell, transfer, or otherwise dispose of real property acquired under this section. A sale shall, transfer, or other disposition must be for at fair market value. For purposes of this section, a sale price resulting from public bidding, public auction, or negotiations between unrelated parties acting in their self-interest is fair market value. Where real property acquired under this section cannot be sold for fair market value, the board may lease the real property under the terms and conditions it sets. The board may also contract for the use of real property it does not own. Where the board makes improvements to real property it does not own, the landowner shall may compensate the board for the fair market value, nominal consideration, or without consideration as may be agreed on between the parties, of the board's contribution to the improvements. No other authorizing legislation or legislative approval is required for an acquisition, improvement, or sale under this section. Proceeds from the sale, lease, or improvement of real property under this section are appropriated to the board.

Sec. 52. Minnesota Statutes 1998, section 136F.36, subdivision 3, is amended to read:

Subd. 3. **WARRANTIES.** The board may, in its discretion, offer the warranties contained in chapter 327A, less extensive warranties or no warranties.

Sec. 53. Minnesota Statutes 1998, section 136F.36, is amended by adding a subdivision to read:

Subd. 5. **STATE EMPLOYEE PURCHASE.** Notwithstanding section 15.054, personal or real property resulting from instructional construction by technical colleges may be sold to a state employee under the following conditions:

(1) there is reasonable public notice of the sale;

(2) the sale is by public auction, sealed bid, or listing with a licensed real estate broker;

(3) the state employee offers the highest price; and

(4) the state employee was not involved in the development of the property or the award of the sale.

Sec. 54. Minnesota Statutes 1998, section 136F.60, is amended by adding a subdivision to read:

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Subd. 4. TRANSFER OF STATE COLLEGE OR UNIVERSITY-OWNED IMPROVEMENTS. The board may sell, transfer, or otherwise dispose of an improvement located on state-owned lands, the compensation for which shall be determined by the board. The sale, transfer, or disposition must be accomplished by a bill of sale describing the improvement transferred and the terms and conditions of the sale or transfer. Proceeds from the sale, transfer, or disposition must be retained by the board unless otherwise provided by section 16A.695 or other law.

Sec. 55. Minnesota Statutes 1998, section 136F.64, subdivision 1, is amended to read:

Subdivision 1. **GENERAL AUTHORITY; CONSTRUCTION; IMPROVEMENTS.** (a) Specific legislative authority is not required for repairs or minor capital projects financed with operating appropriation or institutional receipts that:

- (1) are undertaken for asset preservation or code compliance purposes; or
- (2) do not materially increase the net square footage of the institution; and
- (3) do not materially increase the costs of instructional programs.

For any project under this section with a cost in excess of \$50,000, unless the board of trustees determines that an emergency exists, the board must notify the chair of the finance committee of the senate, and the chairs of the ways and means committee and the capital investment committee of the house in writing before incurring any contractual obligations.

(b) The board shall supervise and control the preparation of plans and specifications for the construction, alteration, repair, or enlargement of state college and university buildings, structures, and improvements for which appropriations are made to the board. The board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Sec. 56. Minnesota Statutes 1998, section 136F.98, subdivision 1, is amended to read:

Subdivision 1. **ISSUANCE OF BONDS.** The board of trustees of the Minnesota state colleges and universities or a successor may issue additional revenue bonds under sections 136F.90 to 136F.97 in an whose aggregate principal amount at any time may not exceeding \$40,000,000, subject to the resolutions authorizing its outstanding revenue bonds exceed \$100,000,000, and payable from the revenue appropriated to the fund established by section 136F.94, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures or portions thereof to be used for dormitory, residence hall, student union, food service, and related parking purposes at the state universities. Before issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house ways

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and means committee and the senate finance committee about the facilities to be financed by the bonds.

Sec. 57. Minnesota Statutes 1998, section 193.143, is amended to read:

193.143 STATE ARMORY BUILDING COMMISSION, POWERS.

Such corporation, subject to the conditions and limitations prescribed in sections 193.141 to 193.149, shall possess all the powers of a body corporate necessary and convenient to accomplish the objectives and perform the duties prescribed by sections 193.141 to 193.149, including the following, which shall not be construed as a limitation upon the general powers hereby conferred:

(1) To acquire by lease, purchase, gift, or condemnation proceedings all necessary right, title, and interest in and to the lands required for a site for a new armory and all other real or personal property required for the purposes contemplated by the Military Code and to hold and dispose of the same, subject to the conditions and limitations herein prescribed; provided that any such real or personal property or interest therein may be so acquired or accepted subject to any condition which may be imposed thereon by the grantor or donor and agreed to by such corporation not inconsistent with the proper use of such property by the state for armory or military purposes as herein provided.

(2) To exercise the right of eminent domain in the manner provided by chapter 117, for the purpose of acquiring any property which such corporation is herein authorized to acquire by condemnation; provided, that the corporation may take possession of any such property so to be acquired at any time after the filing of the petition describing the same in condemnation proceedings; provided further, that this shall not preclude the corporation from abandoning the condemnation of any such property in any case where possession thereof has not been taken.

(3) To construct and equip new armories as authorized herein; to pay therefor out of the funds obtained as hereinafter provided and to hold, manage, and dispose of such armory, equipment, and site as hereinafter provided. The total amount of bonds issued on account of such armories shall not exceed the amount of the cost thereof; provided also, that the total bonded indebtedness of the commission shall not at any time exceed the aggregate sum of \$7,000,000 \$15,000,000.

(4) To provide partnerships with federal and state governments and to match federal and local funds, when available.

(5) To sue and be sued.

(5) (6) To contract and be contracted with in any matter connected with any purpose or activity within the powers of such corporations as herein specified; provided, that no officer or member of such corporation shall be personally interested, directly or indirectly, in any contract in which such corporation is interested.

(6) (7) To employ any and all professional and nonprofessional services and all agents, employees, workers, and servants necessary and proper for the purposes and activities of such corporation as authorized or contemplated herein and to pay for the

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same out of any portion of the income of the corporation available for such purposes or activities. The officers and members of such corporation shall not receive any compensation therefrom, but may receive their reasonable and necessary expenses incurred in connection with the performance of their duties; provided however, that whenever the duties of any member of the commission require full time and attention the commission may compensate the member therefor at such rates as it may determine.

(7) (8) To borrow money and issue bonds for the purposes and in the manner and within the limitations herein specified, and to pledge any and all property and income of such corporation acquired or received as herein provided to secure the payment of such bonds, subject to the provisions and limitations herein prescribed, and to redeem any such bonds if so provided therein or in the mortgage or trust deed accompanying the same.

(8) (9) To use for the following purposes any available money received by such corporation from any source as herein provided in excess of those required for the payment of the cost of such armory and for the payment of any bonds issued by the corporation and interest thereon according to the terms of such bonds or of any mortgage or trust deed accompanying the same:

(a) To pay the necessary incidental expenses of carrying on the business and activities of the corporation as herein authorized;

(b) To pay the cost of operating, maintaining, repairing, and improving such new armories;

(c) If any further excess moneys remain, to purchase upon the open market at or above or below the face or par value thereof any bonds issued by the corporation as herein authorized; provided, that any bonds so purchased shall thereupon be canceled.

(9) (10) To adopt and use a corporate seal.

(10) (11) To adopt all needful bylaws and rules for the conduct of business and affairs of such corporation and for the management and use of all armories while under the ownership and control of such corporation as herein provided, not inconsistent with the use of such armory for armory or military purposes.

(11) (12) Such corporation shall issue no stock.

(12) (13) No officer or member of such corporation shall have any personal share or interest in any funds or property of the corporation or be subject to any personal liability by reason of any liability of the corporation.

(13) (14) The Minnesota state armory building commission created under section 193.142 shall keep all money and credits received by it as a single fund, to be designated as the "Minnesota state armory building commission fund," with separate accounts for each armory; and the commission may make transfers of money from funds appertaining to any armory under its control for use for any other such armory; provided such transfers shall be made only from money on hand, from time to time, in excess of the amounts required to meet payments of interest or principal on bonds or

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other obligations appertaining to the armory to which such funds pertain and only when necessary to pay expenses of construction, operation, maintenance, and debt service of such other armory; provided further, no such transfer of any money paid for the support of any armory by the municipality in which such armory is situated shall be made by the commission.

(14) (15) The corporation created under section 193.142 may designate one or more state or national banks as depositories of its funds, and may provide, upon such conditions as the corporation may determine, that the treasurer of the corporation shall be exempt from personal liability for loss of funds deposited in any such depository due to the insolvency or other acts or omissions of such depository.

(15) (16) The governor is empowered to apply for grants of money, equipment, and materials which may be made available to the states by the federal government for leasing, building, and equipping armories for the use of the military forces of the state which are reserve components of the armed forces of the United States, whenever the governor is satisfied that the conditions under which such grants are offered by the federal government, are for the best interests of the state and are not inconsistent with the laws of the state relating to armories, and to accept such grants in the name of the state. The Minnesota state armory building commission is designated as the agency of the state to receive such grants and to use them for armory purposes as prescribed in this chapter, and by federal laws, and regulations not inconsistent therewith.

Sec. 58, Minnesota Statutes 1998, section 246.18, subdivision 7, is amended to read:

Subd. 7. **USE OF CERTAIN REIMBURSEMENT FUNDS.** Except as provided in subdivisions 2, 5, and 6, and unless otherwise required by federal law, during any period in which bonds are issued and outstanding under section 16A.67, all money received from the federal government or other nonstate source for payment or reimbursement of health care costs incurred at regional treatment centers, state nursing homes, and other state facilities as defined in section 246.50, subdivision 3, must be credited to the special revenue fund created in section 16A.67, subdivision 3. Money credited to the special revenue fund must be transferred to the debt service fund established in section 16A.67, subdivision 4, at the times and in the amounts determined by order of the commissioner of finance to be necessary to provide for the payment and security of bonds issued pursuant to section 16A.67. On or before the tenth day of each month, any money in the special revenue fund not required to be transferred to the debt service fund must be transferred to the general fund. Except as provided in subdivisions 2, 5, and 6, and unless otherwise required by federal law, if bonds are not issued and outstanding under section 16A.67, all money received from the federal government or other nonstate source for payment or reimbursement of health care costs incurred at regional treatment centers, state nursing homes, and other state facilities as defined in section 246.50, subdivision 3, must be credited to the general fund.

Sec. 59, Minnesota Statutes 1998, section 349A.10, subdivision 5, is amended to read:

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Subd. 5. **DEPOSIT OF NET PROCEEDS.** Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources trust fund, and during any period in which bonds are issued and outstanding under section 16A.67, the remainder must be credited to the special revenue fund created in section 16A.67, subdivision 3, provided that if bonds are not issued and outstanding under section 16A.67, such remainder must be credited to the general fund. Money credited to the special revenue fund must be transferred to the debt service fund established in section 16A.67, subdivision 4, at the times and in the amounts determined by the commissioner of finance to be necessary to provide for the payment and security of bonds issued pursuant to section 16A.67. On or before the tenth day of each month, any money in the special revenue fund not required to be transferred to the debt service fund must be transferred to the general fund.

Sec. 60. Minnesota Statutes 1999 Supplement, section 446A.072, subdivision 4, is amended to read:

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) Except as provided in paragraph (c), a municipality may not receive more than \$4,000,000, or \$15,000 per existing connection, whichever is less, under this section unless specifically approved by law. If a project would be eligible for more than \$4,000,000 under paragraph (e), the authority shall include a description of the project and the financing plan in its report on needs in subdivision 11.

(c) A sanitary district or multijurisdictional wastewater treatment district may receive an additional \$1,000,000 for each municipality participating up to a maximum grant of \$8,000,000, unless a higher amount is specifically approved by law. If a project would be eligible for more than \$8,000,000 under paragraph (e), the authority shall include a description of the project and the financing plan in its report on needs in subdivision 11.

(d) The authority shall provide supplemental assistance for up to one-half of the eligible grant funding level determined by the United States Department of Agriculture Rural Development funding for projects listed on the agency's project priority list, in priority order. In the case of multijurisdictional projects when the United States Department of Agriculture Rural Development is unable to fully fund up to one-half of the eligible grant amount, the authority may provide up to an additional \$1,000,000 for each municipality participating up to the limits under paragraph (c) but not to exceed the maximum grant level determined by the United States Department of Agriculture Rural Development as needed to keep the project affordable. For municipalities that are not eligible for United States Department of Agriculture Rural Development funding for wastewater, the authority shall provide supplemental assistance for: (1) essential project component costs calculated by first determining the amount needed to reduce

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a municipality's annual residential sewer costs to 1.4 percent of the municipality's median household income or \$25 per month per household, whichever is greater, and then multiplying that amount by 80 percent to determine the actual award amount to supplement loans under section 446A.07; and (2) up to 50 percent of the incremental costs specifically identified by the agency as being attributable to more stringent wastewater standards required to protect outstanding resource value waters or outstanding international resource value waters.

(e) Notwithstanding paragraph (b), in the event that a municipality's monthly residential sewer service charges average above \$50, the authority will provide 90 percent of the grant amount needed to reduce the average monthly sewer service charge to \$50, provided the project is ranked in the top 50 percentile of the agency's intended use plan.

(f) 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

(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.

Sec. 61. Minnesota Statutes 1998, section 462A.202, subdivision 2, is amended to read:

Subd. 2. **TRANSITIONAL HOUSING.** The agency may make loans with or without interest to cities and counties to finance the acquisition, improvement, and rehabilitation of existing housing properties or the acquisition, site improvement, and development of new properties for the purposes of providing transitional housing, upon terms and conditions the agency determines. For purposes of this section, "transitional housing" means housing that is provided for a limited duration not exceeding 24 months, except that up to one-third of the residents may live in the housing for up to 36 months. Preference must be given to cities that propose to acquire properties being sold by the resolution trust corporation or the department of housing and urban development. Loans under this subdivision are subject to the restrictions in subdivision 7.

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Sec. 62. Laws 1984, chapter 597, section 22, is amended to read:

Sec. 22. TRANSPORTATION BONDS.

To provide the money appropriated in this act from the state transportation fund the commissioner of finance ~~upon request of the governor~~ shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 174.50, 174.51, and by the Constitution, article XI, sections 4 to 7.

Sec. 63. Laws 1987, chapter 400, section 25, subdivision 1, is amended to read:

Subdivision 1. **BUILDING FUND.** To provide the money appropriated in this act from the state building fund the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$370,972,200 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 64. Laws 1987, chapter 400, section 25, subdivision 5, is amended to read:

Subd. 5. **WATER POLLUTION CONTROL FUND.** To provide the money appropriated in this act from the water pollution control fund the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$66,747,000 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 water pollution control fund.

Sec. 65. Laws 1989, chapter 300, article 1, section 23, subdivision 1, is amended to read:

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

Sec. 66. Laws 1990, chapter 610, article 1, section 30, is amended to read:

Sec. 30. BOND SALE.

Subdivision 1. **BOND PROCEEDS FUND.** To provide the money appropriated in this act from the state 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 \$109,525,000 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. **INFRASTRUCTURE DEVELOPMENT FUND.** To provide the money appropriated in this act from the infrastructure development fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$243,665,000 in the manner, upon the terms, and with the

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effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 3. **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 bonds of the state in an amount up to \$11,200,000 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. 67. Laws 1991, chapter 354, article 11, section 2, subdivision 1, is amended to read:

Subdivision 1. (a) To provide the money appropriated from the bond proceeds fund in 1991 S.F. No. 1533, the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$16,000,000 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.

(b) To provide the money appropriated from the bond proceeds fund in this act, the commissioner of finance ~~on request of the governor~~ shall sell and issue bonds of the state in an amount up to \$12,000,000 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.

Sec. 68. Laws 1992, chapter 558, section 28, is amended to read:

Sec. 28. **BOND SALE.**

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 \$231,695,000 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. **MAXIMUM EFFORT SCHOOL LOAN FUND.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$12,130,000 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 maximum effort school loan fund.

Subd. 3. **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 bonds of the state in an amount up to \$17,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes,

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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. 69. Laws 1994, chapter 639, article 3, section 5, is amended to read:

Sec. 5. BOND SALE.

(a) To provide the money appropriated in this act from the state 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 \$90,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, the Minnesota Constitution, article XI, sections 4 to 7, and paragraph (b).

(b) Bonds may not be issued under this section in total amounts exceeding the following:

- (1) by June 30, 1996, \$10,000,000;
- (2) by June 30, 1998, \$35,000,000;
- (3) by June 30, 2000, \$55,000,000; and
- (4) by June 30, 2002, \$75,000,000.

Sec. 70. Laws 1994, chapter 643, section 31, is amended to read:

Sec. 31. BOND SALE AUTHORIZATION.

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 \$573,385,000 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 \$45,000,000 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.

Subd. 3. MAXIMUM EFFORT SCHOOL LOAN FUND. To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$2,970,000 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

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proceeds account in the maximum effort school loan fund.

Sec. 71. Laws 1995, First Special Session chapter 2, article 1, section 14, is amended to read:

Sec. 14. BOND SALE AUTHORIZATION.

Subdivision 1. **BOND PROCEEDS FUND.** To provide the money appropriated in this article 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 \$5,630,000 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 article 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 \$4,500,000 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.

Subd. 3. **MAXIMUM EFFORT SCHOOL LOAN FUND.** To provide the money appropriated by this article from the maximum effort school loan fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$23,670,000 in the manner, on 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 maximum effort school loan fund.

Sec. 72. Laws 1996, chapter 463, section 27, is amended to read:

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.

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Sec. 73. Laws 1997, chapter 246, section 10, is amended to read:

Sec. 10. 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 \$86,625,000 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 \$3,000,000 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. 74. Laws 1998, chapter 404, section 3, subdivision 24, is amended to read:

Subd. 24. St. Cloud Technical College 1,000,000

To design and construct an addition and remodeling of graphic arts and dental space, including classrooms, and ~~design~~ pre-design remodeling of most of the remaining space.

Sec. 75. Laws 1998, chapter 404, section 5, subdivision 11, as amended by Laws 1999, chapter 26, section 1, is amended to read:

Subd. 11. McLeod West School District No. 2887 500,000

For a grant to the McLeod West school district No. 2887, to ~~design and acquire land for a new grade 7 through 12~~ remodel an educational facility.

Sec. 76. Laws 1998, chapter 404, section 7, subdivision 23, as amended by Laws 1999, chapter 231, section 194, and Laws 1999, chapter 240, article 1, section 20, is amended to read:

Subd. 23. Metro Regional Trails 5,000,000

For grants to the metropolitan council for acquisition and development of a capital

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nature of trail connections in the metropolitan area as specified in this subdivision. The purpose of the grants is to improve trails in the metropolitan park and open space system and connect them with existing state and regional trails. Priority shall be given to matching funds for an ISTEAA grant.

The funds shall be allocated by the council as follows:

(1) \$1,050,000 is allocated to Ramsey county as follows:

(i) \$400,000 to complete six miles of trails between the Burlington Northern Regional Trail and Bald Eagle-Otter Lake Regional Park;

(ii) \$150,000 to complete a one-mile connection between Birch Lake and the Lake Tamarack segment of Bald Eagle-Otter Lake Regional Park;

(iii) \$500,000 to acquire real property and design and construct or renovate recreation facilities along the Mississippi River in cooperation with the city of St. Paul;

(2) \$1,050,000 is allocated to the city of St. Paul as follows:

(i) \$250,000 to construct a bridge over Lexington Parkway in Como Regional Park; and

(ii) \$800,000 to enhance amenities for the trailhead at the Lilydale-Harriet Island Regional Park pavilion;

(3) \$1,400,000 is allocated to Anoka county to construct:

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(i) a pedestrian tunnel under Highway 65 on the Rice Creek West Regional Trail in the city of Fridley; and

(ii) restrooms, trailhead, signs, and amenities at the trailhead to the Rice Creek West Regional Trail; and

(iii) a pedestrian bridge on the Mississippi River Regional Trail crossing over Mississippi Street in the city of Fridley; and

(4) \$1,500,000 is allocated to the suburban Hennepin regional park district as follows:

(i) \$1,000,000 to connect North Hennepin Regional Trail to Luce Line State Trail and Medicine Lake; and

(ii) \$500,000 is for the cost of development and acquisition of the Southwest regional trail in the city of St. Louis Park. The trail must connect the Minneapolis regional trail system at Cedar Lake park to the Hennepin parks regional trail system at the Hopkins trail head.

Sec. 77. Laws 1998, chapter 404, section 23, subdivision 13, is amended to read:

Subd. 13. Hutchinson Community Civic Center	1,000,000
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For a grant of up to \$1,000,000 to the city of Hutchinson to ~~design, construct, furnish, and equip~~ acquire and remodel facilities for a community civic center, subject to the requirements of Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources.

Sec. 78. Laws 1998, chapter 404, section 27, is amended to read:

Sec. 27. BOND SALE AUTHORIZATIONS.

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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 \$463,795,000 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 transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$34,000,000 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. 79. Laws 1999, chapter 223, article 1, section 2, subdivision 2, is amended to read:

Subd. 2. Business and Community Development		38,488,000	28,186,000
	Summary by Fund		
General	25,338,000	15,486,000	
TANF	1,500,000	1,500,000	
Environmental Fund	700,000	700,000	
Workforce Development Fund	10,950,000	10,500,000	

\$5,017,000 the first year and \$4,017,000 the second year are for Minnesota investment fund grants. Of this amount, \$1,000,000 in the first year is a one-time appropriation and is not added to the agency's budget base.

\$400,000 the first year is for a one-time grant to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. The commissioner may release the funds only upon:

- (1) certification that matching funds from each participating organization are available; and
- (2) review and approval by the commissioner of the proposed operations plan of

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Advantage Minnesota, Inc. for the biennium.

\$14,067,000 the first year and \$14,073,000 the second year are for the job skills partnership program. If the appropriation for either year is insufficient, the appropriation for the other year is available. Of this appropriation, \$10,000,000 in each year is a one-time appropriation from the workforce development fund. It is the intention of the legislature that this program base funding be \$5,931,000 per year in the 2002-2003 biennium. This appropriation does not cancel.

\$500,000 the first year and \$500,000 the second year are one-time appropriations from the workforce development fund for the pathways program.

\$1,500,000 the first year and \$1,500,000 the second year are appropriated from the state's federal TANF block grant under Title I of Public Law Number 104-193 to the commissioner of human services, to be transferred to the commissioner of trade and economic development for the pathways program under Minnesota Statutes, section 116L.04, subdivision 1a. It is the intention of the legislature that the general fund base funding to the pathways program be \$1,500,000 per year in the 2002-2003 biennium.

\$500,000 the first year is for a one-time grant to the city of Fridley for costs of the design and construction of infrastructure improvements required by a large business campus development in the Moore lakes area of the city.

\$551,000 the first year and \$565,000 the second year are from fees collected under Minnesota Statutes, section 446A.04, sub-

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division 5, to administer the programs of the public facilities authority.

\$500,000 in the first year is for a one-time grant to the community resources program under Minnesota Statutes, chapter 466A.

\$200,000 the first year is for a one-time grant to the board of the rural policy and development center for operation of the center. This appropriation is available as matched in cash on a dollar-for-dollar basis from nonstate sources.

\$155,000 the first year and \$155,000 the second year are for grants to the metropolitan economic development association. This is a one-time appropriation and is not added to the agency's budget base.

\$265,000 the first year and \$265,000 the second year are for grants to WomenVenture. WomenVenture must implement a program to encourage and assist women to enter nontraditional careers in the trades and technical occupations. The program shall consist of outreach to women and girls and training, job placement, and job retention support that meet women's specific needs. The program must be accessible to low-income working mothers, including MFIP recipients.

\$450,000 the first year is for a one-time grant to the St. Paul rehabilitation center for its current programs, including those related to developing job-seeking skills and workplace orientation, intensive job development, functional work English, and on-site job coaching. This appropriation is from the workforce development fund.

\$250,000 is for a grant to the city of Windom to provide loans to assist an expanding business. This is a one-time appro-

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priation and is not added to the agency's budget base.

\$350,000 is for the biennium ending June 30, 2001, for a grant to the Camp Heartland center. The grant may be used for phase II capital expenditures including, without limitation, a septic system upgrade and bath/shower house construction, construction of a family lodge, renovation of a medical facility, construction of staff housing and offices, or expansion and upgrade of the dining room and kitchen. This is a one-time appropriation and is not added to the agency's budget base.

\$4,800,000 the first year and \$2,800,000 the second year are for purposes of the contamination cleanup and development grant program under Minnesota Statutes, sections 116J.551 to 116J.558. Of this appropriation, \$2,000,000 is a one-time appropriation and is not added to the agency's budget base.

\$75,000 is for a grant to the city of Lake Benton for planning and construction costs associated with a new visitor center and railroad depot building. The appropriation is available until June 30, 2001. This is a one-time appropriation and is not added to the agency's budget base.

\$220,000 the first year and \$220,000 the second year are for microenterprise technical assistance under Minnesota Statutes, section 116J.8745. This is a one-time appropriation and is not added to the agency's budget base.

\$50,000 in 2000 is for a grant to the Chatfield brass band music lending library. The money must be used for computer hardware and software to catalog the music collection and create a Web site. This is a

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one-time appropriation and must not be added to the agency's budget base.

\$50,000 in fiscal year 2000 is for a one-time grant to the Duluth Economic Development Authority for the purchase and installation of railroad ties to improve the Lake Superior Mississippi Railroad scenic railway along the St. Louis Bay in Duluth.

\$100,000 is appropriated for a grant to the city of Lanesboro for predevelopment costs for the Root River Regional Arts Center. This is a one-time appropriation and is not added to the agency's budget base.

\$50,000 the first year is for a one-time grant to county and district agricultural societies and associations that are eligible to receive aid under Minnesota Statutes, section 38.02. The commissioner shall administer this appropriation pursuant to a need-based competitive grant process.

\$216,000 in the first year is for one-time rural job creation grants under Minnesota Statutes, section 469.309.

\$450,000 is for a grant to the city of Duluth to support the development of the Duluth Technology Village. The grant shall be used to establish international partnerships, attract software businesses, recruit and train workers for the software industry, and support a software business incubator facility. This is a one-time appropriation and is not part of the agency base budget. This appropriation is not available unless matched by nonstate money.

\$150,000 the first year is for a grant to the suburban Hennepin regional park district for restoration of the Grimm farmstead.

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\$150,000 in the first year is for a one-time grant to the city of Ely for rehabilitation of the Ely technical building.

\$50,000 in the first year is for a one-time grant to the Highland Park district council for the enhancement of the West Seventh Street/Gateway area, which serves as a major transportation and commercial corridor for visitors from the Minneapolis-St. Paul International Airport, Mall of America, and other destinations. The appropriation may be used to make improvements to the public right-of-way including, but not limited to, landscaping, lighting, signage, and roadway improvements. This appropriation must be matched one-for-one by nonstate funds.

\$3,000,000 in the first year is for the redevelopment account under Minnesota Statutes, sections 116J.561 to 116J.567. The appropriation is available for the biennium ending June 30, 2001. This is a one-time appropriation and is not added to the agency's budget base.

\$75,000 in the first year is for a one-time grant to Perham Business Technology Center to equip the training center with interactive television and for program funds to implement the business plan.

Sec. 80. Laws 1999, chapter 240, article 1, section 8, subdivision 2, is amended to read:

Subd. 2. Capital Asset Preservation and Replacement (CAPRA)

3,000,000

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

None of this appropriation may be used for renovation of the Minnesota Veterans Home - Luverne campus.

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Of this amount, \$190,000 is for capital repair and betterment of roofs on buildings 1, 2, and 4, at the Hastings Veterans Home. This amount is available when the commissioner of finance determines that the Veterans Home Board is in compliance with Minnesota Statutes, sections 16A.695 and 198.31, with respect to the Hastings Veterans Home.

Sec. 81. Laws 1999, chapter 240, article 1, section 12, is amended to read:

Sec. 12. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2001, no more than ~~\$590,663,000~~ \$570,513,000 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. 82. Laws 1999, chapter 240, article 1, section 13, is amended to read:

Sec. 13. BOND SALE AUTHORIZATIONS.

Subdivision 1. **BOND PROCEEDS FUND.** To provide the money appropriated in this article 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 \$139,510,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes,

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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 article from the transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$10,440,000 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. 83. Laws 1999, chapter 240, article 2, section 16, is amended to read:

Sec. 16. BOND SALE AUTHORIZATIONS.

Subdivision 1. **BOND PROCEEDS FUND.** To provide the money appropriated in this article 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 \$372,400,000 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 article from the transportation fund, the commissioner of finance, ~~on request of the governor,~~ shall sell and issue bonds of the state in an amount up to \$28,000,000 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. 84. INFRASTRUCTURE REPORTING STANDARDS.

The commissioner of finance must implement the infrastructure reporting requirements of the Governmental Accounting Standards Board statement 34 as follows:

(1) following completion of the comprehensive annual financial report for fiscal year 2001 in the current format, an unaudited restatement of the financial statements must be prepared following statement 34; and

(2) the comprehensive annual financial report for fiscal year 2002 must implement all of the requirements of statement 34, including the retroactive reporting of infrastructure assets.

Sec. 85. REPORT ON WASTEWATER TREATMENT SYSTEM EVALUATION PROCESS.

By January 15, 2001, the public facilities authority, in conjunction with other interested state agencies, shall recommend and report to the chairs of the legislative

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

committees with jurisdiction over environmental policy and finance issues which agency, if any, should be responsible for: evaluating wastewater treatment alternatives in unsewered areas, including regional alternatives to assure cost-effective alternatives have been evaluated; when in the process should the evaluation and recommendation be made; and to what extent state grant funding should be used as an incentive and/or disincentive, for municipalities seeking financial assistance. The report must recommend the factors to be considered in the evaluation of alternatives, level of technical assistance that should be provided, and must include a cost estimate for performing the tasks.

Sec. 86. CONVEYANCE OF STATE LAND TO CITY OF ST. PAUL.

(a) Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of administration shall convey by quit claim deed the real property described in paragraph (b) from the state of Minnesota to the city of St. Paul for no consideration other than the agreement of the city to relocate the building to an alternative site to preserve it.

(b) The land to be conveyed is recorded as follows: Lots 6-10, Block 55, Rice and Irvines Addition, according to the plat thereof on file and of record in the office of the county recorder in and for Ramsey county, Minnesota.

(c) The conveyance must be in a form approved by the attorney general. The attorney general may require a survey, at the expense of the city of St. Paul. The legal description set forth in the instrument of conveyance may vary from the description set forth in paragraph (b) as reasonably necessary to correct errors, deficiencies, or ambiguities in the description.

Sec. 87. RENAMING VISITORS' CENTER; LAKE BRONSON STATE PARK.

The visitors' center at Lake Bronson state park is renamed the Victor Johnson visitors' center.

Sec. 88. REPEALER.

Minnesota Statutes 1999 Supplement, section 16C.065, is repealed.

Sec. 89. EFFECTIVE DATE; APPLICATION.

(a) This article is effective the day after its final enactment.

(b) Section 42 applies only to new permit applications submitted on and after its effective date.

(c) Section 44 applies only to projects placed on the intended use plan prepared by the public facilities authority on and after its effective date.

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ARTICLE 2

METROPOLITAN COUNCIL TRANSIT

Section 1. METROPOLITAN COUNCIL TRANSIT APPROPRIATION.

(a) \$25,000,000 in fiscal year 2001 and \$19,000,000 in fiscal year 2002 is appropriated from the general fund to the metropolitan council for public improvements of a capital nature for engineering, design, and construction of an exclusive bus transitway including, but not limited to, acquisition of land and right-of-way.

(b) None of the money appropriated in this section may be spent for light rail transit or commuter rail purposes. The appropriation in paragraph (a), split between the two fiscal years, is nonrecurring, for one-time only, and does not commit the state to make any additional appropriations for the activities described in paragraph (a).

(c) The money necessary to complete the project described in paragraph (a) must come from nonstate sources. A property tax levied by or for the metropolitan council must not be one of those nonstate sources.

Presented to the governor May 11, 2000

Signed by the governor May 15, 2000, 6:45 p.m.

CHAPTER 493—S.F.No. 3730

An act relating to public finance; authorizing certain investments by joint powers investment trusts; exempting certain airport obligations from the public sale requirement; providing for state payment of certain county debt obligations upon potential default and authorizing means for repayment by the county; extending sunset for self-executing special service district laws; authorizing special assessments for communications facilities; modifying authority to issue variable rate bonds; providing for replacement heating systems and related energy conservation measures in cities discontinuing district heating systems; making technical changes to description of area served by nonmetropolitan county economic development authorities; increasing authority for debt obligations for the financing of the metropolitan council's transit capital improvement program; altering qualifications for residential rental bonds; providing that the Uniform Commercial Code does not apply to certain government security interests; allowing certain cities to be eligible for replacement transit service; regulating 800 megahertz radio contract requirements; eliminating a limitation on the amount of certain grants; funding administration of Laws 2000, chapter 490, articles 4, 5, and 10; appropriating money and extending the availability of an appropriation; amending Minnesota Statutes 1998, sections 118A.05, subdivision 4; 360.036, subdivision 2; 428A.101; 429.021, subdivision 1; 474A.047, subdivision 1; and 475.78; Minnesota Statutes 1999 Supplement, sections 473.39, subdivision 1g; and 475.56; Laws 2000, chapter 484, article 1, section 4, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapters 373; and 451; repealing Minnesota Statutes 1998, section 473.857, subdivision 4.

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

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