

this section shall require a legislator to elect retroactive social security coverage.

Subd. 3. **DEDUCTION FROM WAGES.** A legislator who elects social security coverage under this section shall have a deduction taken from wages in an amount equal to the employer and employee contributions required by either subdivision 1 or subdivision 2.

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

ARTICLE 16

MINNEAPOLIS POLICE OPTIONAL ANNUITIES

Section 1. Minnesota Statutes 2000, section 423B.09, subdivision 6, is amended to read:

Subd. 6. **OPTIONAL ANNUITIES.** A member who is retired or disabled on the effective date of Laws 1997, chapter 233, article 4, section 6, may elect an optional retirement annuity within 60 days of the effective date of Laws 1997, chapter 233, article 4, section 6, instead of the normal retirement annuity. A member who retires or becomes disabled after the effective date of Laws 1997, chapter 233, article 4, section 6, may elect an optional retirement annuity prior to the receipt of any benefits. The optional retirement annuity may be a 50 percent, a 75 percent, or a 100 percent joint and survivor annuity without reinstatement in the event of the designated beneficiary predeceasing the member or a 50 percent, a 75 percent, or a 100 percent joint and survivor annuity with reinstatement in the event of the designated beneficiary predeceasing the member. Optional retirement annuity forms must be actuarially equivalent to the service pension and automatic survivor coverage otherwise payable to the retiring member and the member's beneficiaries. A member may only designate the member's spouse as the recipient of a joint and survivor annuity and no benefit or annuity may be paid to a person who does not meet the definition of a surviving spouse member under section 423B.01, subdivision 17. Once selected, the optional annuity is irrevocable.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment and applies to all joint annuity options selected by members of the Minneapolis police relief association.

Presented to the governor May 20, 2002

Signed by the governor May 22, 2002, 1:17 p.m.

CHAPTER 393—H.F.No. 3618

An act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other public improvements of a capital nature with certain conditions;

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

requiring certain studies and reports; authorizing sale of state bonds; canceling earlier appropriations and reducing earlier bond authorizations; making technical corrections and clarifications; making changes to statutes related to administration of the state's capital improvement program; requiring an inventory of state-owned land; clarifying that the commissioner of administration does not have authority over construction plans and specifications at the University of Minnesota; authorizing the design-build method for certain construction projects; establishing the greater Minnesota business development public infrastructure grant program; creating a trunk highway corridor projects account; changing the wastewater infrastructure funding program; authorizing an agreement in connection with the Great River Road project; prohibiting certain actions in connection with the Dan Patch commuter rail line; authorizing a multiagency working group on the DM&E rail project mitigations; providing for the conversion of certain general fund expenditures to bond fund expenditures; establishing a shoreland protection program; requiring a report; appropriating money; amending Minnesota Statutes 2000, sections 16A.11, subdivision 6; 16A.501; 16A.632, subdivision 2; 16A.86, subdivision 3; 16B.31, subdivision 1; 16B.33, by adding a subdivision; 16B.335, subdivision 3; 85.019, subdivisions 4a, 4c; 103F.205, subdivision 1; 134.45, subdivision 5; 135A.046, subdivision 2; 136F.60, subdivision 1; 240A.02, subdivision 1; 446A.07, subdivision 4; 446A.072, subdivisions 1, 3, 6, 7, 8, 9, 11, 12, by adding subdivisions; 446A.12, subdivision 1; Laws 1987, chapter 400, section 8, subdivision 5; Laws 2000, chapter 492, article 1, section 3, subdivision 5; Laws 2000, chapter 492, article 1, section 12, subdivision 7; Laws 2000, chapter 492, article 1, section 15, subdivision 4; Laws 2000, chapter 492, article 1, section 22, subdivision 3, as amended; Laws 2000, chapter 492, article 1, section 22, subdivision 4; Laws 2000, chapter 492, article 1, section 27; Laws 2001, First Special Session chapter 12, section 10; 2002 H.F. No. 3270, article 11, if enacted; proposing coding for new law in Minnesota Statutes, chapters 16B; 16C; 103F; 116J; 174; 383B; repealing Minnesota Statutes 2000, sections 116J.561, 116J.562, 116J.563, 116J.564, 116J.565, 116J.566, 116J.567, 446A.072, subdivisions 2, 4, 5, 10, 13.

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

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. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned. Appropriations for asset preservation not spent or encumbered by June 30, 2004, are canceled July 1, 2004.

SUMMARY

UNIVERSITY OF MINNESOTA	\$ 160,209,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	209,563,000
PERPICH CENTER FOR ARTS EDUCATION	768,000

CHILDREN, FAMILIES, AND LEARNING	34,900,000
MINNESOTA STATE ACADEMIES	1,500,000
NATURAL RESOURCES	101,612,000
POLLUTION CONTROL AGENCY	10,000,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	4,750,000
BOARD OF WATER AND SOIL RESOURCES	8,250,000
AGRICULTURE	15,292,000
ZOOLOGICAL GARDENS	11,184,000
ADMINISTRATION	83,722,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	646,000
AMATEUR SPORTS COMMISSION	8,250,000
ARTS	31,000,000
MILITARY AFFAIRS	4,357,000
TRANSPORTATION	92,500,000
METROPOLITAN COUNCIL	30,500,000
COMMERCE	5,000,000
HEALTH	775,000
HUMAN SERVICES	22,838,000
VETERANS HOMES BOARD	12,898,000
CORRECTIONS	25,870,000
TRADE AND ECONOMIC DEVELOPMENT	84,650,000
IRON RANGE RESOURCES AND REHABILITATION BOARD	1,500,000
HOUSING FINANCE AGENCY	16,200,000
MINNESOTA HISTORICAL SOCIETY	3,967,000
BOND SALE EXPENSES	880,000
CANCELLATIONS	(4,437,000)
TOTAL	\$ 979,144,000

Bond Proceeds Fund (General Fund Debt Service)	836,085,000
Bond Proceeds Fund (User Financed Debt Service)	96,550,000
General Fund	5,946,000
General Fund Cancellations	(2,488,000)
Bond Proceeds Cancellations	(1,949,000)
State Transportation Fund Bond Proceeds Account	45,000,000

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 160,209,000

Subd. 2. Higher Education Asset Preservation and Replacement 35,000,000

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 higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 10 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

The board of regents must report by February 1 each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments, and to the chairs of the house ways and means committee and the senate finance committee, any project savings and reallocations for higher education asset preserva-

tion and replacement.

Subd. 3. Twin Cities - Minneapolis

(a) Jones Hall 8,000,000

To renovate Jones Hall on the Minneapolis campus.

The board of regents may use the single-phase design-build method described in new Minnesota Statutes, section 16C.31, subdivision 6, paragraph (c), to implement this project. * **(The preceding text beginning "(a) Jones Hall" was indicated as vetoed by the governor.)**

(b) Nicholson Hall 24,000,000

To design, renovate, furnish, and equip Nicholson Hall, including complete renovation of the original building and demolition of the 1925 wing and 1946 auditorium.

The board of regents may use the single-phase design-build method described in new Minnesota Statutes, section 16C.31, subdivision 6, paragraph (c), to implement the Nicholson Hall renovation project.

(c) Translational Research Facility 24,700,000

To design, construct, furnish, and equip the Translational Research Facility, an addition to the Lyons Research Lab building on the Minneapolis campus.

This appropriation is not available until the commissioner of finance has determined that at least \$12,300,000 has been committed from nonstate sources.

The board of regents may use the two-phase design-build method described in new Minnesota Statutes, section 16C.31, to implement this project. * **(The preceding text beginning "(c) Translational Re-**

search Facility” was indicated as vetoed by the governor.)

(d) Teaching and Technology Center 3,000,000

To predesign and design a teaching and technology center for the Institute of Technology. * **(The preceding text beginning “(d) Teaching and Technology Center” was indicated as vetoed by the governor.)**

Subd. 4. Twin Cities - St. Paul

(a) Plant Growth Facilities - Phase 2 17,700,000

To complete design, construction, furnishing, and equipping the containment greenhouse, replace the teaching and research greenhouses, demolish the northwest greenhouses on the St. Paul campus, and renovate the remaining greenhouses to meet current code requirements.

(b) Veterinary Diagnostic Laboratory 1,500,000

To renovate and upgrade the veterinary diagnostic laboratory to provide additional laboratory space for a veterinary molecular diagnostic laboratory. The renovation and upgrade must include space for molecular diagnostic testing for paratuberculosis (Johne's disease), porcine reproductive and respiratory syndrome virus in swine, avian pneumovirus in turkeys, bovine mastitis, and emerging and foreign animal diseases. * **(The preceding text beginning “(b) Veterinary Diagnostic Laboratory” was indicated as vetoed by the governor.)**

Subd. 5. Crookston

Replace Bede Hall 7,701,000

To demolish Bede Hall and to design, construct, furnish, and equip a replacement facility.

Subd. 6. Duluth

Laboratory Science Building

25,500,000

To design, construct, furnish, and equip a new laboratory science building to meet the needs of the chemistry and biology programs.

This appropriation is not available until the commissioner of finance has determined that at least \$7,500,000 has been committed from nonstate sources.

Subd. 7. Morris

8,600,000

To design, renovate, furnish, and equip the social science building to correct building code deficiencies, remodel the interior, install new windows, upgrade the building's mechanical and electrical systems, replace the roof, and construct an addition over the existing auditorium wing to create space for faculty offices, and to install fire protection systems in three student housing facilities.

This appropriation is not available until the commissioner of finance has determined that at least \$400,000 has been committed from nonstate sources. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 8. Classroom Improvements

2,000,000

To design, renovate, furnish, and equip classrooms on all four University of Minnesota campuses. Projects will focus on installing basic technology infrastructure, such as video projection and Internet access, improving disability access, and making basic improvements to enhance the classroom learning environment. Priority must be given to high-use undergraduate classrooms.

Subd. 9. Research and Outreach Centers

2,508,000

To acquire land and design, construct, furnish and equip facilities at research and outreach centers. Projects funded by this appropriation include:

(1) research laboratory and office space at the Northwest ROC at Crookston;

(2) an addition to the aspen/larch genetics laboratory at the North Central ROC at Grand Rapids and acquisition of land for the development of two test planting sites to conduct research on fast growing trees;

(3) an addition to the administration building at the Southern ROC at Waseca; and

(4) of this amount, \$70,000 is to construct an environmentally friendly swine farrowing demonstration facility at the West Central ROC, subject to Minnesota Statutes, section 16A.695. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 10. Debt Service

(a) The board of regents shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement, and except that, where a non-state match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. 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.

Subd. 11. Contingencies

The commissioner of finance must combine into one account, under the control of the board of regents, the portion of each appropriation in this section that is attributable to the amount budgeted for contingencies for projects in this section. The board must manage the account to pay for exceptional but necessary costs of projects authorized in this section. Upon substantial completion or abandonment of all projects authorized in this section, the board must use any funds remaining in the contingency account for HEAPR under Minnesota Statutes, section 135A.046. The board of regents must report by February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments, and higher education finance, and to the chairs of the house ways and means committee and the senate finance committee on how the money in the contingency account has been allocated or spent.

Subd. 12. Minnesota Goods and Services

The board of regents of the University of Minnesota shall make a reasonable attempt to give preference to construction contractors who employ Minnesota residents and to purchase products manufactured in Minnesota for use in construction projects undertaken through a design-build process.

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

209,563,000

Subd. 2. Higher Education Asset Preservation and Replacement

60,000,000

(a) 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.

(b) 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 higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 29 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

9,150,000

To construct, furnish, and equip a smart classroom and computer laboratory building, including an auditorium, connected to the college's office education building.

Subd. 4. Bemidji State University

1,000,000

To design the colocation of the emerging technologies and health care programs of Bemidji state university and Northwest technical college. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Century Community and Technical College

2,500,000

To purchase the transition wing of intermediate school district No. 916 and design renovation of space for expansion of the computer center, offices, and smart classrooms.

Subd. 6. Dakota Technical College

500,000

To design the renovation of the west side of the main campus facility to create an information technology and telecommunications center of excellence and an integrated library and library information technology center. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 7. Fergus Falls Community College

760,000

To design, construct, furnish, and equip an expansion of the existing maintenance shop.

To design an addition to link Administration and Fine Arts to provide a one-stop student service shop, smart classrooms, open computer laboratories; design renovation to provide space for technology support next to the library; and design asset preservation work. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 8. Hennepin Technical College

2,000,000

To design, renovate, furnish, and equip existing space at the Brooklyn Park and

Eden Prairie campuses. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 9. Inver Hills Community College 500,000

To design renovation of existing space and construction of an addition to create a one-stop student services shop; enlarge and collocate central services, the bookstore, and a new loading dock; upgrade mechanical systems; and provide a welcoming front door and help desk for the campus. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 10. Lake Superior Community and Technical College 700,000

To design a student center addition to house a consolidated system of student services, smart classrooms, and open laboratories. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 11. Metropolitan State University 17,442,000

To construct, furnish, and equip a library and information access center.

This appropriation is not available until the commissioner of finance has determined that at least \$2,504,000 has been committed from nonstate sources.

Subd. 12. Minneapolis Community and Technical College 9,000,000

To design, renovate, furnish, and equip the former technical college buildings and to provide space to begin to collocate Metropolitan State University classrooms, offices, and student service areas.

Subd. 13. Minnesota State University - Mankato - Phase 3 8,400,000

To renovate, furnish, and equip Otto Arena and adjacent areas to provide a student

fitness facility. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 14. Minnesota West Community and Technical College at Worthington

6,300,000

To design, construct, furnish, and equip a one-stop student services shop and welcome counter addition.

To design, renovate, furnish, and equip two science laboratories and associated preparation, storage, and office spaces.

To design, renovate, furnish, and equip consolidated nursing and allied health department and other classroom spaces. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 15. Minnesota State University - Moorhead

18,955,000

To construct, furnish, and equip a new science laboratory and auditorium addition to Hagen Hall.

Subd. 16. Normandale Community College

9,900,000

To design, renovate, furnish, and equip the vacated science laboratories.

Subd. 17. Northeast Higher Education District - Virginia

5,496,000

To design, renovate, and equip science laboratories, a learning resource center, a student commons, and classrooms, including technology equipped classrooms, and construct new loading dock and driveway. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 18. Northwest Technical College - Moorhead Campus

400,000

To design the renovation of existing facilities and design new facilities for an allied health and applied technology laboratory and support facilities. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 19. Ridgewater Community and Technical College

2,880,000

To design, renovate, furnish, and equip existing chemistry, physics, and biology laboratories and convert a classroom into a geology laboratory on the Willmar campus.

To design, renovate, furnish, and equip interior space to convert obsolete applied laboratory space on the Hutchinson campus into chemistry, physics, and biology laboratories. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 20. South Central Technical College

300,000

To design renovation of teaching laboratories at the North Mankato campus and design asset preservation at the Faribault campus. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 21. Southeast Technical College

580,000

To design, renovate, furnish, and equip a one-stop student services area and workforce center entrance at Winona.

To design the renovation of a one-stop student services areas and student center entrance at Red Wing. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 22. Southwest State University

9,200,000

To renovate and reconfigure, furnish, and equip the library and construct a new entrance. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 23. St. Cloud State University

10,000,000

To design the renovation of Centennial Hall and to renovate, furnish, and equip the renovation of Centennial Hall and its conversion from library to classroom use and to design the code correction and renovation of Riverview Hall. This appropriation may also be used for design of the renovation of Brown Hall and Eastman Hall. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 24. St. Cloud Technical College

700,000

To design the construction of a multistory building connected to the existing facility and the renovation of part of "G" wing. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 25. St. Paul Technical College

The Pipefitters Local 455/JATC may donate money for or build a building for academic purposes of the pipe trades at a site approved by the board of trustees of the Minnesota state colleges and universities on the campus of the St. Paul technical college. If the donor builds the building, before the beginning of construction, (1) the board must grant a temporary construction easement to the donor for the area upon which the building is to be built, along with necessary staging and ingress and egress areas, (2) the board must approve the design, and (3) the donor must agree in a writing approved by the attorney general to donate the building to the state, effective upon the state entering into possession, at which time title to the building passes to the state.

Subd. 26. Winona State University

30,000,000

To design, construct, furnish, and equip a new science building to serve programs in

biology, chemistry, geoscience, physics, nursing, health sciences, engineering, and K-12 science teacher preparation.

Subd. 27. Science Lab Renovations

1,900,000

To design, renovate, furnish, and equip science laboratories at the campuses of Southeast technical college at Winona and Red Wing, Minnesota West at Canby and Worthington, Minneapolis community and technical college, and South Central technical college at Faribault.

Subd. 28. Land Acquisition

1,000,000

To acquire real property near the state college and university campuses from willing sellers. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 29. Debt Service

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement in subdivision 2, and except that, where a non-state match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. After each sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of

finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Subd. 30. Contingencies

The commissioner of finance must combine into one account, under the control of the board of trustees, the portion of each appropriation in this section that is attributable to the amount budgeted for contingencies for projects in this section. The board must manage the account to pay for exceptional but necessary costs of projects authorized in this section. Upon substantial completion or abandonment of all projects authorized in this section, the board must use any funds remaining in the contingency account for HEAPR under Minnesota Statutes, section 135A.046. The board of trustees must report by February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments, and higher education finance, and to the chairs of the house ways and means committee and the senate finance committee on how the money in the contingency account has been allocated or spent.

Sec. 4. PERPICH CENTER FOR ARTS EDUCATION

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

768,000

Subd. 2. Asset Preservation

643,000

For asset preservation capital improvements on the campus, including east wing climate control improvements, ceiling replacements, centerwide asbestos removal, flooring replacements, and water pipe replacement.

Subd. 3. Performance Hall Catwalk

125,000

To design and construct a lighting catwalk along the east wall of the performance hall.

Sec. 5. CHILDREN, FAMILIES, AND LEARNING

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

34,900,000

Subd. 2. Maximum Effort Capital Loans

12,400,000

This appropriation is from the maximum effort school loan fund for a capital loan to independent school district No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, renovate, furnish, and equip school facilities, and for health and safety capital improvements to schools.

Up to \$500,000 of this appropriation is for predesign. Any unused portion of the \$500,000 for predesign may be spent for health and safety capital improvements to the high school and middle school.

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 legis-

lature any reductions to the appropriations in this subdivision by January 10, 2003.

Subd. 3. Southwest Integration Magnet Schools

1,000,000

For a grant in accordance with the metropolitan magnet school grant program under Minnesota Statutes, section 124D.88, to the West Metro Education Program joint powers board to acquire land, prepare a site, predesign, and design a new building for the Southwest Integration Magnet School in St. Louis Park, to serve a population of approximately 500 kindergarten through grade 8 students. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Library Access Grants

1,000,000

For library access grants under Minnesota Statutes, section 134.45, to remove architectural barriers from a library building or site. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Minnesota Planetarium

9,500,000

For a grant to the city of Minneapolis to design, construct, furnish, and equip a new Minnesota planetarium, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. The proportional share of the in-kind contributions for the planetarium of land, parking facilities, skyways, and municipal infrastructure for the planetarium may be counted as part of the match. The proportional share of the costs to the city of constructing mechanical and electrical systems, common areas, service areas, freight elevators, and walls and roofs for the planetarium shared with the Minne-

apolis library and included in the costs of constructing the library may also be counted as part of the match.

The legislature intends not to appropriate additional money to construct the planetarium until at least \$4,000,000 in cash contributions have been committed to the project from other than state or local government funds. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 6. Asian Community Center

1,000,000

For a grant to the city of St. Paul to design, construct, furnish, and equip an Asian community center, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 7. Colin Powell Youth Leadership Center

700,000

For a grant to Hennepin county to acquire land for and to design, construct, furnish, and equip the Colin Powell Youth Leadership center in Minneapolis, subject to Minnesota Statutes, section 16A.695. The center will include a national guard drill area, an education wing, including a computer lab, a multipurpose arts facility, a community education space, a nutrition education and cooking skills work-preparation area, and four new basketball courts.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivi-**

vision was indicated as vetoed by the governor.)

Subd. 8. Neighborhood House/El Rio Vista

1,800,000

For a grant to the city of St. Paul to acquire land for and to design, construct, furnish, and equip an expansion of Neighborhood House/El Rio Vista, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 9. Trollwood Performing Arts School

5,500,000

For a grant to the city of Moorhead to acquire land for and to design, construct, furnish, and equip Trollwood Arts Village in the city of Moorhead, subject to Minnesota Statutes, section 16A.695. Trollwood must be available to regional arts groups.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 10. Early Childhood Learning and Child Protection Facilities

2,000,000

For grants to construct or rehabilitate facilities for programs under Minnesota Statutes, section 119A.45. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 6. MINNESOTA STATE
ACADEMIES

1,500,000

To the commissioner of administration for asset preservation capital improvements on both campuses of the Minnesota state academies for the deaf and the blind, including demolition of the West Cottage.

Sec. 7. NATURAL RESOURCES

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

101,612,000

Subd. 2. Statewide Asset Preservation

2,600,000

For asset preservation improvements and betterments at department of natural resources buildings statewide, including removal of life safety hazards and structural defects; elimination or containment of hazardous materials; code compliance improvements; accessibility improvements; replacement or renovation of roofs, windows, tuckpointing, and structural members; and improvements necessary to preserve the interior and exterior of buildings and other infrastructure. 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. Field Office Renovations

1,000,000

To design, acquire, renovate, construct, furnish, and equip field offices to relieve substandard employee working conditions in existing facilities.

Until June 30, 2006, the commissioner of natural resources must not close offices in Brainerd or Rochester, Minnesota without

first receiving approval from the legislature.

Subd. 4. Office Facility Development

1,500,000

To acquire, design, construct, furnish, and equip a consolidated area office and service facility at Thief River Falls.

Subd. 5. ADA Compliance

500,000

For improvements and betterments 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. 6. State Park Initiative

28,000,000

For building, utility, and natural resource projects within the Minnesota state park system according to the management plan required in Minnesota Statutes, chapter 86A, as follows:

(1) to design, renovate, construct, furnish, and equip state park buildings; and

(2) to design, renovate, furnish, and equip capital facilities at state parks, state recreation areas, and forest recreation areas, including, but not limited to, roads, trails, bridges, campgrounds, and utility systems.

This appropriation must be used to substantially implement the master plan for improvements dated June 23, 1997, for the historic golf course at Fort Ridgely state park.

\$1,600,000 is for improvements and betterments of a capital nature to develop the Big Bog state recreation area, including constructing, furnishing, and equipping a visitors center. * (The preceding text beginning "\$1,600,000 is for improvements" was indicated as vetoed by the governor.)

\$2,900,000 is for improvements and betterments of a capital nature to develop the Red River state recreation area, including construction of a visitor's center. * **(The preceding text beginning "\$2,900,000 is for improvements" was indicated as vetoed by the governor.)**

Subd. 7. State Park and Recreation Area Acquisition

3,000,000

For acquisition of land under Minnesota Statutes, section 86A.05, subdivision 2, from willing sellers of private lands within state park and recreation area boundaries established by law. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 8. Metro Regional Park Acquisition and Betterment

8,700,000

\$6,000,000 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 improvements and betterments of a capital nature, and acquisition 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. 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.

\$2,700,000 is for a grant to the metropolitan council to complete renovation of the

Como Park conservatory under phase 2. The project must include renovation of the fern room and construction of a bonsai collection space, an orchid growing and display house, and a children's activity zone, as well as corridors and connections to the education resource building. * **(The preceding text beginning "\$2,700,000 is for a grant" was indicated as vetoed by the governor.)**

Subd. 9. Regional Parks: Greater Minnesota

4,000,000

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. A greater Minnesota regional parks organization with a project previously funded through the regional parks program, whether with bond funds or other funds, at less than the total eligible amount may reapply for the total eligible amount from this appropriation. If it is awarded, the organization must return the original grant award. Each \$3 of state grants must be matched by \$2 of nonstate funds. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 10. Forest Road and Bridge Projects

1,200,000

For reconstruction, resurfacing, replacement, or construction of other improvements of a capital nature to state forest roads and bridges throughout the state under Minnesota Statutes, section 89.002. The commissioner shall determine project priorities as appropriate based on need.

Subd. 11. Reforestation

1,500,000

For improvements authorized under the Minnesota Constitution, article XI, section 5, clause (f). To increase reforestation activities to meet the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including planting, seeding, site preparation, purchasing tree seeds and seedlings, improving forest stands, and protecting plantations. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 12. State Forest Land Acquisition

500,000

To acquire private lands from willing sellers within established boundaries of state forests throughout the state under Minnesota Statutes, section 86A.05, subdivision 7. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 13. State Trail Acquisition and Development

3,650,000

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

\$725,000 is for the Gitchi-Gami trail. * (The preceding text beginning "\$725,000 is for" was indicated as vetoed by the governor.)

\$450,000 is for the Shooting Star trail. * (The preceding text beginning "\$450,000 is for" was indicated as vetoed by the governor.)

\$300,000 is for the Luce Line trail.

\$300,000 is for the Douglas trail.

\$600,000 is for a grant to the city of Austin to acquire land for the Blazing Star trail. * (The preceding text beginning "\$600,000

is for a grant” was indicated as vetoed by the governor.)

\$475,000 is for the Goodhue Pioneer trail.

***(The preceding text beginning “\$475,000 is for” was indicated as vetoed by the governor.)**

\$300,000 is for the Willard Munger trail.

\$500,000 is to connect the portions of the Paul Bunyan trail in the city of Bemidji, including constructing an underpass. This appropriation is not available until the commissioner has determined that an equal amount has been committed by the city of Bemidji. ***(The preceding text beginning “\$500,000 is to connect” was indicated as vetoed by the governor.)**

Subd. 14. Trail Connections

1,857,000

For matching grants under Minnesota Statutes, section 85.019, subdivision 4c, including a grant to the city of St. Louis Park to design and construct a grade separated pedestrian and regional trail crossing over CSAH No. 25/Trunk Highway 7 at Trunk Highway 100 to connect the Cedar Lake Regional Trail and the Southwest LRT Regional Trail, a grant to the city of New Ulm to connect the city trail to Flandrau state park, and a grant to Stearns county for the Lake Koronis trail.

The commissioner shall determine other project priorities as appropriate based on need. ***(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 15. Metro Greenways and Natural Areas

1,000,000

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. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 16. Well Sealing

600,000

To identify and seal inactive wells on state-owned land under Minnesota Statutes, section 103I.311.

Subd. 17. Lewis and Clark Rural Water System

180,000

This appropriation is from the general fund.

For a grant to the Lewis and Clark joint powers board to acquire land for, and to predesign, design, construct, furnish, and equip, a rural water system to serve southwestern Minnesota. This appropriation is available when matched by \$8 of federal money and \$1 of local money for each \$1 of state money. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 18. Red Rock Rural Water System

125,000

For a grant to the Red Rock rural water system to acquire land, predesign, design, construct, and equip the southwest Minnesota regional water supply project. This appropriation is not available until at least an equal amount of nonstate money has been committed to the project. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 19. Dam Improvements

1,800,000

To renovate or remove publicly owned dams.

Of this amount, up to \$100,000 is for a grant to Blue Earth county for renovation of the Rapidan dam. This grant is not available until at least an equal amount is committed to the project from nonstate sources. * (The preceding text beginning "Of this amount, up to \$100,000" was indicated as vetoed by the governor.)

Up to \$1,050,000 is for a grant to the city of Crookston for phases 2 and 3 of the Red Lake River restoration and habitat improvement project. * (The preceding text beginning "Up to \$1,050,000 is for a grant" was indicated as vetoed by the governor.)

The commissioner shall determine other project priorities as appropriate based on need as provided in Minnesota Statutes, sections 103G.511 and 103G.515.

Subd. 20. Flood Hazard Mitigation Grants

30,000,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

The commissioner shall determine project priorities as appropriate based on need.

This appropriation includes money for the following projects: Warren, East Grand Forks, Agassiz, Montevideo, St. Anthony, Granite Falls, Minneapolis at 27th and Knox Avenue North, St. Louis Park, North Ottawa, Lebanon Hills in Dakota county, Hay Creek, and Two River watershed district Ross No. 7. For any project listed in this paragraph that is not ready to proceed,

the commissioner may allocate that project's money to the next project on the commissioner's priority list and St. Paul.

To the extent that the cost of a project in Warren, East Grand Forks, Montevideo, Breckenridge, Granite Falls, Oakport, or Crookston exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

Subd. 21. Stream Protection and Restoration

1,000,000

For the design and implementation of stream restoration projects that employ natural channel design principles. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 22. Water Access Acquisition and Development

1,500,000

For public water access acquisition, construction, and renovation to capital projects on lakes and rivers, including construction of a fishing pier at Blue Mound state park and other water access through the provision of fishing piers and shoreline access under Minnesota Statutes, section 86A.05, subdivision 9. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 23. Lake Superior Safe Harbor

1,100,000

To complete construction of the public access at McQuade Road on Lake Superior in cooperation with the U.S. Army Corps of Engineers and the joint powers board made up of the city of Duluth, St. Louis county, the town of Duluth, and the town of Lakewood. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 24. Fish Hatchery Improvements 300,000

For improvements of a capital nature to design, construct, renovate, furnish, and equip fish culture facilities under Minnesota Statutes, section 97A.045, subdivision 1. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 25. Fisheries Acquisition and Improvement 500,000

To acquire aquatic management areas and to make public improvements and betterments of a capital nature to fish habitat under Minnesota Statutes, section 86A.05, subdivision 14. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 26. Scientific and Natural Area Acquisition and Improvement 2,500,000

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 under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5.

Up to \$1,500,000 is to acquire and make improvements of a capital nature to restore, and develop the Seminary fen in the Assumption creek watershed in Carver county. The commissioner shall manage the Seminary fen in accordance with Minnesota Statutes, chapter 86A, in part as an aquatic management area, in part as a scientific and natural area, and in part as a wildlife management area. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 27. Natural and Scenic Area Land Acquisition Grants 1,000,000

For matching grants to local units of government to acquire and better local natural and scenic areas under Minnesota Statutes, section 85.019, subdivision 4a. The com-

missioner shall determine project priorities as appropriate based on project significance and need. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 28. RIM Consolidated Wildlife and Critical Habitat Match 1,000,000

To acquire land and interests in land for wildlife management area purposes under Minnesota Statutes, section 97A.145; for improvements of a capital nature to develop, protect, or improve wildlife management areas and other state lands throughout the state under Minnesota Statutes, section 86A.05, subdivision 8; and to provide state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943, for the acquisition or improvement of critical fish, wildlife, and native plant habitats.

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

For acquisition of native prairie bank easements under Minnesota Statutes, section 84.96. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 8. POLLUTION CONTROL AGENCY 10,000,000

To the pollution control agency to design and construct remedial systems and acquire land at landfills throughout the state in accordance with the closed landfill program under Minnesota Statutes, section 115B.39.

Sec. 9. OFFICE OF ENVIRONMENTAL ASSISTANCE

Subdivision 1. To the office of environmental assistance for the purposes specified in this section 4,750,000

Subd. 2. Solid Waste Capital Assistance Grants 3,600,000

To the office of environmental assistance for the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54. Grants from this appropriation must be awarded to applicants whose applications were on file with the office before January 1, 2002. The office must give priority for grants to projects that expand processing capacity. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 3. Fergus Falls - Solid Waste Combustor

1,150,000

For a grant to the city of Fergus Falls to design, construct, and equip the city's municipal solid waste combustor with new air pollution control equipment to meet federal and state environmental guidelines. This grant is in addition to any other state grants previously awarded for this project, including the 1997 grant to the city of Fergus Falls by the office of environmental assistance. This appropriation is not available until the commissioner has determined that at least \$1,150,000 has been committed from nonstate sources.

Sec. 10. BOARD OF WATER AND SOIL RESOURCES

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

8,250,000

Subd. 2. RIM Conservation Easements

2,000,000

This appropriation is 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. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 3. Shoreland Protection Program

750,000

To acquire conservation easements in environmentally sensitive lake and river shoreland areas from private landowners. The board may award grants to local soil and water conservation districts and participating local units of government to accomplish the purposes of this program, in accordance with new Minnesota Statutes, section 103F.225.

\$100,000 of this amount may be used to administer the program. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Wetland Replacement Due to Public Road Projects

2,700,000

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 (1).

The purchase price paid for acquisition of land, fee, or perpetual easement must be the fair market value as determined 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 banking credits with money provided by this appropriation. Acquisition of or the conveyance of land may be in the name of the political subdivision. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Lazarus Creek

1,500,000

For a grant to Area II Minnesota River Basin Projects, Inc. for construction of the LQP-25/Lazarus Creek floodwater retention project. The grant may not exceed 75

percent of the project's cost. The remaining share must be provided by Area II Minnesota River Basin Projects, Inc. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 6. Stillwater - Brown's Creek 1,300,000

For a grant to the city of Stillwater to provide environmental protection capital improvements for Brown's Creek. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 11. AGRICULTURE

Subdivision 1. To the commissioner of administration or another named agency for the purposes specified in this section 15,292,000

Subd. 2. Rural Finance Authority Loan Participation 15,000,000

For purposes as set forth in the Minnesota Constitution, article XI, section 5, clause (h). 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.

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. Expansion of Metro
Greenhouse and Storage Bay

292,000

To design, construct, furnish, and equip an expansion of the greenhouse facility owned by the department of agriculture on the campus of Metropolitan state university in St. Paul. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 12. MINNESOTA ZOOLOGICAL
GARDENS

Subdivision 1. To the Minnesota
Zoological Gardens for the purposes
specified in this section

11,184,000

Subd. 2. Asset Preservation

3,000,000

For capital asset preservation improve-
ments and betterments.

Subd. 3. Phase 1 of Master Plan

8,184,000

To design, construct, furnish, and equip zoo facilities consistent with phase 1 of the facilities and business master plan for the Asia Trail. Up to \$1,000,000 of this appropriation may be used to design other components of phase 1.

This appropriation is not available until the commissioner of finance has determined that additional money at least equal to 25 percent of the appropriated amount has been committed to the project from non-state sources. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 13. ADMINISTRATION

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

83,722,000

Subd. 2. Capital Asset Preservation and Replacement (CAPRA) 14,000,000

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

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 capital asset preservation and replacement. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Subd. 3. Electrical Utility Infrastructure - Phase 6 3,231,000

To complete the upgrade of the high-voltage primary electrical distribution system in the capitol complex, replace the emergency generator in the Capitol, and upgrade the non-high-voltage electrical system in the Capitol building.

Subd. 4. Agency Relocation 1,500,000

This appropriation is from the general fund.

For relocation of state agencies as determined by the commissioner of administration, including, but not limited to, the bureau of criminal apprehension, tenants in the Veterans Services building, and the departments of Trade and Economic Development and Economic Security or their successor.

Subd. 5. Renovate Governor's Residence 4,291,000

To design, renovate, furnish, and equip the Governor's residence in St. Paul. \$45,000 is from the general fund for relocation expenses. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 6. Health and Agriculture
Laboratories

60,000,000

To design, construct, furnish, and equip a joint laboratory facility in St. Paul for the departments of health and agriculture.

Subd. 7. Health, Agriculture, and
Human Services Office Facilities

The commissioner of administration may enter into one or more long-term lease-purchase agreements with the St. Paul port authority or any other governmental entity, for terms of up to 25 years, for the development of office facilities in St. Paul for the departments of health, agriculture, and human services. The commissioner must submit each agreement to the legislative commission on planning and fiscal policy for its recommendation. If the commission does not provide the commissioner with a recommendation within 30 days of receiving the agreement, the recommendation is considered to be positive. A recommendation is advisory only. The lease-purchase agreements are exempt from Minnesota Statutes, sections 15.50, subdivision 2, paragraph (e); and 16B.24, subdivisions 6 and 6a. The lease-purchase agreements must not be terminated except for nonappropriation of money. The lease-purchase agreements must provide the state with a unilateral right to purchase the leased premises at specified times for specified amounts. The office facility for the department of human services must not have more gross square feet of space than the department occupies as of the effective date of this section for offices that will be moved to the new facility.

Subd. 8. State-owned Property

The commissioner may enter into a ground lease for state-owned property in the capitol complex in conjunction with the execu-

tion of a lease-purchase agreement for any improvements constructed on that site. Notwithstanding the requirements of Minnesota Statutes, section 16A.695, subdivision 2, paragraph (b), the ground lease must be for a term equal to the term of the lease-purchase agreement, and must include an option to purchase the land at its then fair market value if the improvements are not purchased by the state at the end of the term of the lease-purchase agreement, or at any earlier time that the lease-purchase agreement is terminated.

Subd. 9. Government Services Center

700,000

To predesign in Olmsted county a government services facility to colocate federal, state, and local government offices, to the extent that the predesign determines their colocation to be feasible and practical. Participating agencies to be evaluated in the predesign must include, but need not be limited to, the city of Rochester; Olmsted county; the state departments of natural resources, commerce, economic security, health, pollution control, revenue, and the board of water and soil resources; and appropriate federal agencies. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 14. CAPITOL AREA
ARCHITECTURAL AND
PLANNING BOARD

646,000

The appropriation in this section may not be spent on any project that affects space under the control of the senate without the approval of the secretary of the senate nor on any project that affects space under the control of the house of representatives without the approval of the chief clerk of the house.

To the commissioner of administration to plaster and repaint public spaces and to

conserve and repair existing artwork on the ground, first, and second floors of the capitol building.

This appropriation is from the general fund.

Sec. 15. AMATEUR SPORTS
COMMISSION

Subdivision 1. To the amateur sports commission for the purposes specified in this section 8,250,000

Subd. 2. Sports Conference Center 5,000,000

To construct, furnish, and equip a sports conference center on the campus of the National Sports Center and for related capital development costs, subject to Minnesota Statutes, section 16A.695. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 3. National Volleyball Center - Phase 2 3,000,000

To design, construct, furnish, and equip Phase 2 of the National Volleyball Center in Rochester. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Mount Itasca Biathlon Training Facility 250,000

To complete construction of the Mount Itasca biathlon training project. This appropriation is not available until at least an equal amount has been committed to the project from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 16. ARTS

Subdivision 1. To the commissioner of administration for the purposes specified in this section 31,000,000

Subd. 2. Bloomington - Bloomington
Center for the Arts

1,000,000

This appropriation is from the general fund.

For a grant to the city of Bloomington to furnish and equip a new multipurpose public arts facility to facilitate the economic development, education, and cultural activities in the city of Bloomington that will serve the southern and southwest metro areas.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 3. Minneapolis - Children's
Theatre Company

5,000,000

For a grant to Hennepin county to design, construct, furnish, and equip an expansion of the Children's Theatre Company's current facility. Hennepin county may enter into a lease or management agreement for operation of the theater, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Minneapolis - Guthrie Theater

24,000,000

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. The Minneapolis community development agency may enter into a

lease or management agreement for the theater, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Rochester - Rochester Art Center 1,000,000

This appropriation is from the general fund.

For a grant to the city of Rochester to design the new Rochester Art Center.

This appropriation is not available until the commissioner has determined that an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 6. St. Paul - Minnesota African-American Performing Arts Center

Notwithstanding Minnesota Statutes, section 16A.642, \$1,250,000 of the appropriation in Laws 1999, chapter 240, article 2, section 12, subdivision 14, is available until July 1, 2003.

Sec. 17. MILITARY AFFAIRS

Subdivision 1. To the adjutant general for the purposes specified in this section 4,357,000

Subd. 2. Asset Preservation 2,500,000

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

Subd. 3. ADA Improvements . 357,000

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

Subd. 4. Facility Life Safety Improvements

1,000,000

For life/safety improvements and betterments of a capital nature at military affairs facilities statewide.

Subd. 5. Camp Ripley Antiterrorism Facility

500,000

For predesign of a joint military/law enforcement antiterrorism training facility at Camp Ripley. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 18. TRANSPORTATION

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

92,500,000

Subd. 2. Local Bridge Replacement and Rehabilitation

45,000,000

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

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

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

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

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

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

Subd. 3. Local Road Improvement Program

20,000,000

Of this appropriation:

(1) \$10,000,000 is for deposit in the trunk highway corridor projects account in the local road improvement fund under new Minnesota Statutes, section 174.52, subdivision 2.

(2) \$10,000,000 is for deposit in the local road account for routes of regional significance in the local road improvement fund under new Minnesota Statutes, section 174.52, subdivision 4. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Town Road Sign Replacement

1,000,000

For grants to political subdivisions to pay the local share of costs of town road sign replacement under the federal highway administration's hazard elimination program. Grants under this subdivision may only be used for the purchase of signs that conform to the commissioner of transportation's uniform manual of traffic control devices, including applicable reflective sheeting requirements, and that have a useful life of at least 20 years. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Duluth Aerial Lift Bridge 1,000,000

For a grant to the city of Duluth for capital restoration of the aerial lift bridge. This appropriation is available when matched by \$1 of money secured or provided by the city of Duluth for each \$1 of state money.

*** (The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 6. Port Development Assistance 3,000,000

For grants under Minnesota Statutes, sections 457A.01 to 457A.06. Any improvements made with the proceeds of these grants must be publicly owned. *** (The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 7. Freight Access Improvements 7,000,000

Each grant is not available until the commissioner has determined that at least an equal amount has been committed from any combination of municipal state-aid money and nonstate sources. The state share may be allocated to any one or more of the project elements, with the nonstate money used to complete any elements not completed with state money.

\$3,500,000 is for a grant to the city of Savage to improve highway access to the ports of Savage. The improvements may include local frontage roads, access consolidations, road closures, new signals, and acceleration and deceleration lanes.

\$3,500,000 is for a grant to the port authority of Winona to construct intermodal improvements at the Winona harbor. The improvements may include commercial harbor dredging, overpass construction, street widening, signal installation, and intersection reconstruction. *** (The preced-**

ing subdivision was indicated as vetoed by the governor.)

Subd. 8. Greater Minnesota Transit Facilities

2,000,000

For capital assistance for greater Minnesota transit systems to be used for transit capital facilities. Money from this appropriation may be used to pay up to 80 percent of the nonfederal share of these facilities. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 9. Radio Communications Statewide System

13,000,000

To design and construct the statewide public safety radio communications system infrastructure, coordinating it with other state and local units of government, and extending it to all of the southeast district of the state patrol, and into the central district of the state patrol, with first priority given to development in Stearns, Sherburne, Benton, and Wright counties, subject to the requirements of Minnesota Statutes, section 16A.695. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 10. DM&E Working Group

500,000

This appropriation is from the general fund and is for the purposes of section 86. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 19. METROPOLITAN COUNCIL

Subdivision 1. To the metropolitan council for the purposes specified in this section

30,500,000

Subd. 2. Northwest Busway

20,000,000

To design and construct a busway in the northwest metropolitan area between downtown Minneapolis and Rogers. This

appropriation is contingent on \$12,000,000 from Hennepin county and \$5,000,000 from the metropolitan council for the project. Total funding from all sources may be used for roadway design, reconstruction, acquisition of land and right-of-way, and to design, construct, furnish, and equip transit stations and park and rides. Design-build under new Minnesota Statutes, sections 383B.158 to 383B.1586, may be used for implementing this project.

Subd. 3. Livable Communities Grant Program

9,000,000

For public infrastructure grants for development and redevelopment projects of the livable communities grant program under Minnesota Statutes, sections 473.25 to 473.255, as applicable.

In development of the project, the council shall:

- (1) take into consideration livable communities principles, including support of housing production and ensuring integration of land use and transportation needs of communities along the route of the busway;
- (2) take advantage of any local funding for the project that may be available; and
- (3) encourage citizen and stakeholder participation in development of the project.

Before soliciting any applications for grants, the council must present its proposed criteria for ranking projects and the proposed application process to the legislative commission on metropolitan government for review and recommendations. Before making any grant awards after receiving applications for funding, the council must present to the legislative commission on metropolitan government for

review and comment, a complete list of applications received by the council by the application deadline, the council's ranking under the adopted criteria, and the proposed funding awards. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Park-and-Ride Facilities

500,000

For land acquisition and construction of park-and-ride facilities in the seven-county metropolitan area outside the transit taxing district defined in Minnesota Statutes, section 473.446, subdivision 2. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 5. Central Corridor Transitway

1,000,000

For predesign, design, final environmental impact statement, and preliminary engineering of the Central Corridor Bus Transitway between St. Paul and the city of Minneapolis. This appropriation must not be used for any work on rail transportation. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 20. COMMERCE

5,000,000

To the commissioner of finance for the energy conservation investment loan program under Minnesota Statutes, section 216C.37.

Sec. 21. HEALTH

775,000

To design and construct a community dental clinic at Lake Superior community college in Duluth and design and renovate the Northwest technical college dental hygiene clinic in Moorhead, subject to Minnesota Statutes, section 16A.695. * **(The preceding section was indicated as vetoed by the governor.)**

Sec. 22. HUMAN SERVICES

Subdivision 1. To the commissioner of administration for the purposes specified in this section 22,838,000

Subd. 2. Systemwide Roof Renovation and Replacement 2,789,000

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

Subd. 3. Systemwide Asset Preservation 4,000,000

For asset preservation improvements and betterments 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. Systemwide - Building and Structure Demolition 2,750,000

To demolish and dispose of hazardous materials from obsolete buildings at state regional treatment centers.

Subd. 5. Brainerd Regional Treatment Center 6,305,000

To design, renovate, furnish, and equip the residential and program areas in building No. 20. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 6. Fergus Falls Regional Treatment Center 3,000,000

To design, renovate, construct, furnish, and equip ancillary support and program facilities, including improvements to basic infrastructure, hazardous materials abatement, and demolition that will facilitate the relocation of the facility's ancillary support,

treatment, and residential programs from the Kirkbride buildings.

Subd. 7. St. Peter Regional Treatment Center

3,619,000

To design and replace the high-pressure steam boilers and convert the system to a low-pressure steam system at the St. Peter regional treatment center.

Subd. 8. People, Inc. North Side Community Support Program

375,000

This appropriation is from the general fund.

For a grant to Minneapolis Community Development Agency to purchase, remodel, and complete accessibility upgrades to an existing building or to acquire land or construct a building to be used by the People, Inc. North Side Community Support Program, which may provide office space for state employees.

This grant is available when matched by at least \$175,000 from nonstate sources. *
(The preceding subdivision was indicated as vetoed by the governor.)

Subd. 9. Designer Selection

Notwithstanding Minnesota Statutes, section 16B.33, the commissioner of administration may select design firms for projects funded in this section that are considered repair, replacement, or asset preservation in nature and are not intended to construct, erect, or remodel a building. For this purpose, remodeling means reconfiguring and upgrading interior space, not replacing building components or equipment.

Sec. 23. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section 12,898,000

Subd. 2. Asset Preservation 2,000,000

For asset preservation improvements and betterments of a capital nature at veterans homes statewide.

Subd. 3. Hastings Veterans Home - Phase 3 8,553,000

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

Subd. 4. Silver Bay Veterans Home 2,345,000

To replace the roof.

Sec. 24. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes specified in this section 25,870,000

Subd. 2. Asset Preservation 17,000,000

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, including, but not limited to, completing the perimeter wall and security improvements at MCF-Stillwater. A portion of this appropriation may be used for wetland mitigation for the Rush City prison.

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. Minnesota Correctional Facility - Lino Lakes 4,160,000

To design, construct, furnish, and equip a new 416-bed unit to house offenders.

This appropriation is not available until the commissioner has determined that at least \$10,179,000 has been committed from federal sources.

Subd. 4. Minnesota Correctional Facility - Shakopee 3,070,000

To design, construct, renovate, furnish, and equip the Independent Living Center (ILC) into a 48-bed general population living unit; increase space in the kitchen, serving, and eating areas; increase space in the visitation area; and modify the staff control station in the segregation unit to provide adequate space for updated technical equipment and more room for staff.

Subd. 5. Minnesota Correctional Facility - Stillwater 90,000

To predesign a new 150-bed segregation unit on the facility grounds. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 6. Bayport Storm Sewer 1,550,000

For a grant to the city of Bayport for the Middle St. Croix River Watershed Management organization to complete construction 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. * (The preceding subdivision was indicated as vetoed by the governor.)

Sec. 25. 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 84,650,000

Subd. 2. Redevelopment Account 4,000,000

For transfer to the redevelopment account created in new Minnesota Statutes, section 116J.571. This appropriation is only available for grants to projects located outside of the seven-county metropolitan area.

\$1,000,000 is for a grant to the city of Little Falls for environmental cleanup of the Hennepin Paper Company property in the city of Little Falls. No match is required for this grant. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 3. State Match for Federal Grants 16,000,000

To the public facilities authority to match federal grants for eligible projects in the water pollution control revolving fund under Minnesota Statutes, section 446A.07, and the drinking water revolving loan fund under Minnesota Statutes, section 446A.081.

Subd. 4. Wastewater Infrastructure Funding Program 30,600,000

\$600,000 of this appropriation is from the general fund to administer the wastewater infrastructure 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 practical extent, the authority should use the grants for projects on the 2002 project priority list 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, 2003.

The pollution control agency shall prepare amendments to Minnesota Rules, part 7077.0115, for ranking wastewater projects on the project priority list that take into account issues such as, but not limited to, the age and condition of existing wastewater treatment systems, issues associated with growth, and the effects on municipalities when a moratorium on new sewer connections is imposed. The agency shall report on its recommended rule amendments to the chairs of the house environment and natural resources finance committee, the house jobs and economic development finance committee, the house capital investment committee, the senate environment and agricultural finance division, the senate jobs, housing and community development committee, and the senate capital investment committee by February 1, 2003.

\$1,500,000 is for grants to the Larsmont portion of the Knife River-Larsmont sanitary district. This appropriation must be used to reduce the amount of the municipality's loan from the water pollution revolving fund that exceeds five percent of the market value of the properties in the project service area. This appropriation is in addition to grants from other appropriations. * (The preceding subdivision was indicated as vetoed by the governor.)

Subd. 5. Fairmont - Winnebago Avenue Sports Complex

500,000

For a grant to the city of Fairmont to acquire land for, renovate, and expand the Winnebago Avenue sports complex, including reconfiguring two ball fields, adding two fields, paving a parking lot, and building other amenities.

This appropriation is not available until the commissioner has determined that at least

an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 6. Greater Minnesota Business Development Infrastructure Grant Program

12,000,000

For grants under new Minnesota Statutes, section 116J.431. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 7. Itasca County - Children's Discovery Museum

300,000

For a grant to Itasca county to design, construct, furnish, and equip the Children's Discovery Museum in Grand Rapids. The county may enter into a lease or management agreement for the center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 8. Minneapolis - Empowerment Zone Projects

3,000,000

For a grant to the city of Minneapolis to acquire land and to design, construct, furnish, and equip public infrastructure improvements in the following empowerment zone projects: the Near Northside redevelopment project; the Chicago/Lake project; and the South East Minneapolis industrial redevelopment project.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 9. Olivia - Minnesota Center for
Agricultural Innovation 1,000,000

For a grant to the city of Olivia to acquire land and to design, construct, furnish, and equip the Minnesota Center for Agricultural Innovation, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 10. St. Cloud - Civic Center
Expansion 3,250,000

For a grant to the city of St. Cloud for asset preservation, land acquisition, and to pre-design, design, construct, furnish, and equip the expansion of the St. Cloud Civic Center.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 11. St. Paul - Roy Wilkins
Auditorium 4,000,000

For a grant to the city of St. Paul for asset preservation of the Roy Wilkins Center.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 12. St. Paul-Phalen Boulevard 8,000,000

For a grant to the city of St. Paul to acquire land and to complete contamination reme-

diation on Phalen Boulevard between I-35E and Johnson Parkway. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 13. St. Paul - 2004 Renaissance Project

2,000,000

For a grant to the city of St. Paul to design and construct river edge improvements and make capital improvements and betterments for a public park on Raspberry Island.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 26. IRON RANGE RESOURCES AND REHABILITATION BOARD

1,500,000

To design, construct, furnish, and equip Mesabi station as the central guest services facility for the Mesabi trail. * **(The preceding section was indicated as vetoed by the governor.)**

Sec. 27. HOUSING FINANCE AGENCY

16,200,000

To the commissioner of the housing finance agency for loans and grants for publicly owned transitional and permanent housing under Minnesota Statutes, section 462A.202, subdivisions 2 and 3a. Notwithstanding Minnesota Statutes, section 462A.202, subdivision 3a, the loans or grants must be used for the development, construction, acquisition, or rehabilitation of transitional or permanent housing to serve veterans and single adults who are

homeless or at risk of becoming homeless. The loans or grants must be used for two housing projects that:

- (1) are located on property owned by the United States Department of Veterans Affairs that is leased by the Department of Veterans Affairs to the owners of the housing projects;
- (2) provide or coordinate health and social services needed by the residents; and
- (3) are a collaborative partnership between community agencies, local units of government, and the federal government.

Sec. 28. MINNESOTA HISTORICAL SOCIETY

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

3,967,000

Subd. 2. Historic Site Asset Preservation

2,442,000

(a) For capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments. The society shall determine project priorities as appropriate based on need.

(b) Of this amount, \$1,000,000 is for asset preservation of the William G. LeDuc house. This appropriation is available only if the historical society enters into an agreement with the city of Hastings, or another public entity, providing for transfer of ownership of the property to the city or the other public entity when the asset preservation work is completed, and providing that the city or other public entity will provide for additional renovation and operation of the site. If an agreement for the transfer of ownership of the LeDuc house

site is not entered into by March 31, 2003, this amount is available for asset preservation under paragraph (a). This appropriation is available until spent, notwithstanding section 1. The city or other public entity may enter into an agreement with a non-profit organization for the operation of the site subject to Minnesota Statutes, section 16A.695.

Subd. 3. County and Local Preservation Grants 300,000

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. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 4. Sibley House Historic Site 300,000

To renovate buildings at the site and design future renovations.

Subd. 5. Fort Snelling Historic Site 500,000

\$400,000 is to design a variety of construction projects needed for a major redevelopment and renewal of historic Fort Snelling.

\$100,000 is to expand restrooms in the current visitor center.

Subd. 6. Fort Belmont 200,000

For a grant to Jackson county to design, construct, furnish, and equip a new site for historic Fort Belmont, subject to Minnesota Statutes, section 16A.695. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 7. New Brighton Caboose and History Center 100,000

This appropriation is from the general fund.

For a grant to the New Brighton area historical society to renovate its caboose and history center in Long Lake Regional Park.

This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Subd. 8. Pipestone County Museum

125,000

For a grant to the city of Pipestone to design and construct an external shaft and hoist way and install an elevator adjacent to the Pipestone County Museum and renovate a third-floor area to be used as a community room and a museum programs room, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed from nonstate sources. * **(The preceding subdivision was indicated as vetoed by the governor.)**

Sec. 29. BOND SALE EXPENSES

880,000

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. 30. 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 \$920,235,000 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.

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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 \$12,400,000 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. 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 shall sell and issue 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.

Sec. 31. CANCELLATIONS.

Subdivision 1. \$500,000 of the appropriation in Laws 1996, chapter 463, section 4, subdivision 2, for youth initiative grants, is canceled. The bond sale authorization in Laws 1996, chapter 463, section 27, subdivision 1, is reduced by \$500,000.

Subd. 2. \$1,449,000 of the appropriation in Laws 1996, chapter 463, section 21, for early childhood learning facilities is canceled. The bond sale authorization in Laws 1996, chapter 463, section 27, subdivision 1, is reduced by \$1,449,000.

Subd. 3. The unobligated balance of the appropriation in Laws 1998, chapter 404, section 7, subdivision 28, for the Sand Dunes state forest center, estimated to be \$113,000, is canceled to the general fund.

Subd. 4. \$100,000 of the appropriation in Laws 1998, chapter 404, section 7, subdivision 30, for the Hartley nature center is canceled to the general fund.

Subd. 5. The \$375,000 appropriation in Laws 1998, chapter 404, section 18, subdivision 4, for the People, Inc. North Side community support program, is canceled to the general fund.

Subd. 6. \$500,000 of the appropriation in Laws 1998, chapter 404, section 23, subdivision 27, for a production facility associated with an educational and training facility, is canceled to the general fund.

Subd. 7. The \$400,000 appropriation in Laws 1998, chapter 404, section 25, subdivision 9, for a treaty site history center, is canceled to the general fund.

Subd. 8. \$1,000,000 of the appropriation in Laws 2000, chapter 492, article 1, section 14, subdivision 3, to the commissioner of administration for a grant to the Minneapolis community development agency, for the Guthrie Theater, vetoed on May 15, 2000, and approved by the legislature overriding the veto on May 17, 2000, is canceled to the general fund.

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

Sec. 32. Minnesota Statutes 2000, section 16A.11, subdivision 6, is amended to read:

Subd. 6. **BUILDING MAINTENANCE AND CAPITAL BETTERMENT.** The detailed operating budget and capital budget must include amounts necessary to maintain and better state buildings. The commissioner of finance, in consultation with the commissioner of administration, the board of trustees of the Minnesota state colleges and universities, and the regents of the University of Minnesota, shall establish budget guidelines for building maintenance and betterment appropriations. Unless otherwise provided by the commissioner of finance, the combined amount to be budgeted each year for building maintenance and betterment in the operating budget and capital budget is two one percent of the replacement cost of the building, adjusted up or down depending on the age and condition of the building.

Sec. 33. Minnesota Statutes 2000, section 16A.501, is amended to read:

16A.501 REPORT ON EXPENDITURE OF BOND PROCEEDS.

The commissioner of finance must report annually to the legislature on the degree to which entities receiving appropriations ~~of bond proceeds~~ for capital projects in previous omnibus capital improvement acts have encumbered or expended that money. The report must be submitted to the chairs of the house of representatives ways and means committee and the senate finance committee by February 1 of each year.

Sec. 34. Minnesota Statutes 2000, section 16A.632, subdivision 2, is amended to read:

Subd. 2. **STANDARDS.** Article XI, section 5, clause (a), of the constitution states general obligation bonds may be issued to finance only the acquisition or betterment of state land, buildings, and improvements of a capital nature. In interpreting this and applying it to the purposes of the program contemplated in this section, the following standards are adopted for the disbursement of money from the capital asset preservation and replacement account:

(a) No new land, buildings, or major new improvements will be acquired. These projects, including all capital expenditures required to permit their effective use for the intended purpose on completion, will be estimated and provided for individually through a direct appropriation for each project.

(b) An expenditure will be made from the account only when it is a capital expenditure on a capital asset previously owned by the state, within the meaning of accepted accounting principles as applied to public expenditures. The commissioner of administration will consult with the commissioner of finance to the extent necessary to ensure this and will furnish the commissioner of finance a list of projects to be financed from the account in order of their priority. The commissioner shall also furnish each revision of the list. The legislature assumes that many provisions for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the constitution and capital expenditures under correct accounting principles, and will be financed more efficiently and economically under the program than by direct appropriations for specific projects. However, the

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purpose of the program is to accumulate data showing how additional costs may be saved by appropriating money from the general fund for preservation measures, the necessity of which is predictable over short periods.

(c) The commissioner of administration will furnish instructions to agencies to apply for funding of capital expenditures for preservation and replacement from the account, will review applications, will make initial allocations among types of eligible projects enumerated below, will determine priorities, and will allocate money in priority order until the available appropriation has been committed.

(d) Categories of projects considered likely to be most needed and appropriate for financing are the following:

(1) unanticipated emergencies of all kinds, for which a relatively small amount should be initially reserved, replaced from money allocated to low-priority projects, if possible, as emergencies occur, and used for stabilization rather than replacement if the cost would exhaust the account and should be specially appropriated;

(2) projects to remove life safety hazards, like replacement of mechanical systems, building code violations, or structural defects, at costs not large enough to require major capital requests to the legislature;

(3) elimination or containment of hazardous substances like asbestos or PCBs;
and

(4) moderate cost replacement and repair of roofs, windows, tuckpointing, and structural members necessary to preserve the exterior and interior of existing buildings;
and

(5) up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 35. Minnesota Statutes 2000, section 16A.86, subdivision 3, is amended to read:

Subd. 3. **EVALUATION.** (a) The commissioner shall evaluate all requests from political subdivisions for state assistance based on the following criteria:

(1) the political subdivision has provided for local, private, and user financing for the project to the maximum extent possible;

(2) the project helps fulfill an important state mission;

(3) the project is of regional or statewide significance;

(4) the project will not require new or any additional state operating subsidies;

(5) the project will not expand the state's role in a new policy area;

(6) state funding for the project will not create significant inequities among local jurisdictions;

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(7) the project will not compete with other facilities in such a manner that they lose a significant number of users to the new project; and

(8) the governing bodies of those political subdivisions primarily benefiting from the project have passed resolutions in support of the project and have established priorities for all projects within their jurisdictions for which bonding appropriations are requested when submitting multiple requests; and

(9) if a predesign that meets the requirements of section 16B.335 has been completed and is available at the time the project request is submitted to the commissioner of finance, the applicant has submitted the project predesign to the commissioner of administration.

(b) The commissioner's evaluation of each request, including whether it meets each of the criteria in paragraph (a), must be submitted to the legislature along with the governor's recommendations under section 16A.11, subdivision 1, whether or not the governor recommends that the request be funded.

Sec. 36. **[16B.245] INVENTORY OF STATE-OWNED LAND.**

Subdivision 1. DEFINITIONS. For the purposes of this section, "state-owned land" means land, with or without improvements upon it, for which the state owns fee title. It does not include:

- (1) land held in trust by the state for political subdivisions of the state;
- (2) permanent school trust fund lands;
- (3) university trust fund lands;
- (4) mineral interests; or
- (5) trunk highway right-of-way.

Subd. 2. INVENTORY. The commissioner of administration must inventory all state-owned land and determine the number of acres owned by the state as of December 31, 2002. The inventory must identify for each parcel the state agency responsible for the parcel, its location, size, and whether it is (1) currently being used for a public purpose, (2) anticipated to be used for a public purpose in the future, or (3) not currently being used or anticipated to be used for a public purpose. The inventory must also identify how much land is included in each classification under section 86A.05. Within two months of completing the inventory, and by January 15 each odd-numbered year thereafter, the commissioner must report on the inventory to the chairs of the house and senate committees with jurisdiction over higher education, capital investment, and natural resources and environment finance, and the chairs of the house committee on ways and means and the senate committee on finance.

Sec. 37. Minnesota Statutes 2000, section 16B.31, subdivision 1, is amended to read:

Subdivision 1. **CONSTRUCTION PLANS AND SPECIFICATIONS.** (a) The commissioner shall (1) have plans and specifications prepared for the construction,

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alteration, or enlargement of all state buildings, structures, and other improvements except highways and bridges, and except for buildings and structures under the control of the board of regents of the university of Minnesota or of the board of trustees of the Minnesota state colleges and universities; (2) approve those plans and specifications; (3) advertise for bids and award all contracts in connection with the improvements; (4) supervise and inspect all work relating to the improvements; (5) approve all lawful changes in plans and specifications after the contract for an improvement is let; and (6) approve estimates for payment. This subdivision does not apply to the construction of the zoological gardens.

(b) Notwithstanding any law to the contrary, the commissioner, the board of regents of the university of Minnesota, and the board of trustees of the Minnesota state colleges and universities may solicit and award a design-build contract for those projects specifically designated by law for design-build using the procedures provided in section 16C.31.

(c) Paragraph (b) expires January 1, 2004.

(d) The commissioner, the board, the board of regents of the university of Minnesota, and the board of trustees of the Minnesota state colleges and universities shall create a panel of representatives, including representatives of the construction industry and the architecture and engineering professions, to evaluate the use of design-build and the procedures for design-builder selection under section 16C.31, and shall report to the legislature on or before January 1, 2004, as to the success of design-build as a method of construction and the need and desirability for any changes in the selection procedure.

Sec. 38. Minnesota Statutes 2000, section 16B.33, is amended by adding a subdivision to read:

Subd. 5. DESIGN-BUILD. (a) The board shall select design-builders under section 16C.31 for all design-build projects with an estimated cost greater than \$750,000. If a project is undertaken with an estimated cost of less than \$750,000, the commissioner or board, in the commissioner's sole discretion, may select the design-builder following the requirements in section 16C.31. If the commissioner elects to make the selection, the commissioner shall perform the duties prescribed for the board in section 16C.31. This paragraph does not apply to projects under the control of the board of regents of the university of Minnesota or the board of trustees of the Minnesota state colleges and universities.

(b) Upon written request by the board of regents of the university of Minnesota or the board of trustees of the Minnesota state colleges and universities, the board shall evaluate and recommend at least three design-builders following the requirements in section 16C.31 for any design-build project under the control of the board of regents or the board of trustees.

(c) The commissioner, the board of regents of the university of Minnesota, or the board of trustees of the Minnesota state colleges and universities shall forward to the board a written report describing each instance in which the performance of a

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design-builder has been less than satisfactory for projects under their supervision.

(d) This subdivision expires January 1, 2004.

Sec. 39. Minnesota Statutes 2000, section 16B.335, subdivision 3, is amended to read:

Subd. 3. **PREDESIGN REQUIREMENT.** The definitions in paragraphs (a) and (b) apply to this section.

(a) "Predesign" means the stage in the development of a project during which the purpose, scope, cost, and schedule of the complete project are defined and instructions to design professionals are produced.

(b) "Design" means the stage in the development of a project during which schematic, design development, and contract documents are produced.

(c) A recipient to whom an appropriation is made for a project subject to review under subdivision 1 or notice under subdivision 2 shall prepare a predesign package and submit it to the commissioner for review and recommendation before proceeding with design activities. The commissioner must complete the review and recommendation within ten working days after receiving it. Failure to review and recommend within the ten days is considered a positive recommendation. The predesign package must be sufficient to define the purpose, scope, cost, and schedule of the project and must demonstrate that the project has been analyzed according to appropriate space needs standards. All predesign, design, and construction projects shall include consideration of the state of Minnesota's correctional industries program, MINNCOR Industries, consistent with section 16B.181, subdivision 2, paragraph (c), in predesign planning and product specifications.

(d) This subdivision does not apply to capital projects for park buildings owned by a local government unit in the metropolitan area defined in section 473.121, subdivision 2.

Sec. 40. **[16C.30] DEFINITIONS.**

Subdivision 1. SCOPE. For purposes of section 16C.31, the terms in this section have the meanings given them, unless the context clearly indicates otherwise.

Subd. 2. BOARD. "Board" means the designer selection board, as described in section 16B.33.

Subd. 3. CLARIFICATIONS. "Clarifications" means a written or oral exchange of information that takes place after the receipt of proposals to ensure conformance with the request for proposals and to address minor, clerical revisions in a proposal.

Subd. 4. COMMISSIONER. "Commissioner" means the commissioner of administration.

Subd. 5. DESIGNER. "Designer" means an architect, landscape architect, or engineer licensed or certified under sections 326.02 to 326.15 or a partnership,

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association, or corporation composed primarily of registered architects, landscape architects, or engineers or of all three.

Subd. 6. OWNER'S REPRESENTATIVE. "Owner's representative" means a qualified professional who may oversee scheduling, cost control, constructability, project management, quality control, life-cycle costing, and building technology.

Subd. 7. PERSON. "Person" means an individual, partnership, corporation, association, or any other legal entity.

Subd. 8. PHASE-ONE SUBMITTAL. "Phase-one submittal" means statements of qualifications from design-builders under section 16C.31, subdivision 5.

Subd. 9. PHASE-TWO PROPOSAL. "Phase-two proposal" means an offer by a design-builder to enter into a design-build contract for a project under section 16C.31, subdivision 6, in response to a request for proposals.

Subd. 10. PROJECT. "Project" means an undertaking to design and construct, erect, or remodel a building by or for the state or an agency under the supervision and control of the commissioner under section 16B.30 or the board of regents of the university of Minnesota or the board of trustees of the Minnesota state colleges and universities.

Subd. 11. EXPIRATION. This section expires January 1, 2004.

Sec. 41. [16C.31] DESIGN-BUILD CONTRACTS.

Subdivision 1. GENERAL AUTHORITY. (a) Notwithstanding section 16C.03, subdivision 3, the commissioner may solicit and award a design-build contract between the commissioner and a design-builder utilizing the competitive acquisition process described in subdivisions 5 through 9 if the commissioner meets the conditions in paragraph (b). A design-build contract may provide the architectural, engineering, and related design services as well as the labor, materials, supplies, equipment, and construction services for a project. A design-build contract may include telecommunications cabling but must not include acquisition of personal property related to the operations of the occupants. The commissioner may make changes to the project without invalidating the design-build contract.

(b) The commissioner shall, for each project for which the commissioner intends to use the design-build method, make a written determination that it is in the best interest of the state to use the design-build method to complete the project. In making this determination, the commissioner shall use the following criteria as the minimum basis for the determination:

(1) the extent to which the project requirements can be adequately defined in a request for proposal before completing the design process;

(2) the suitability of the delivery method with respect to scope, schedule, cost, and quality factors;

(3) the suitability of the delivery method to minimize life-cycle costs to the extent available within the project budget;

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(4) the suitability of the delivery method to efficiently achieve functionality requirements;

(5) the impact of the project schedule on the agency's delivery of services and project cost;

(6) the resources of the department of administration to manage the project through employment of experienced personnel or hiring of consultants;

(7) the resources of the department of administration to oversee the project with persons who are familiar and experienced with the design-build method of project delivery or similar experience; and

(8) other criteria that the commissioner deems relevant and that are included in the written determination.

(c) The authority and duties prescribed for the board, the commissioner, and department of administration under this section are granted to and must be performed by the board of regents of the university of Minnesota and the board of trustees of the Minnesota state colleges and universities on projects under their control.

Subd. 2. LICENSING REQUIREMENTS. (a) Each design-builder shall be, employ, or have as a partner, member, coventurer, or subcontractor, persons duly licensed, certified, or registered to provide the services required to complete the project and do business in this state.

(b) A design-builder may contract with the commissioner to provide professional or construction services that the design-builder is not itself licensed, certified, registered, or qualified to perform, so long as the design-builder provides the services through subcontracts with duly licensed, certified, or registered, or otherwise qualified persons in accordance with this section.

(c) Nothing in this section authorizing design-build contracts is intended to limit or eliminate the responsibility or liability owed by a professional on a design-build project to the state or other third parties under existing law. The design service portion of a design-build contract is considered a service and not a product.

Subd. 3. UNIVERSITY OF MINNESOTA AND MINNESOTA STATE COLLEGES AND UNIVERSITIES SELECTION PROCESS. (a) The board of regents of the university of Minnesota and the board of trustees of the Minnesota state colleges and universities shall select design-builders for all design-build projects under their supervision and control and funded by the state following the procedures and performing the duties prescribed for the board and commissioner in subdivisions 5 through 9. The board of regents and the board of trustees shall either use the board or establish an evaluation team of at least seven persons to evaluate and recommend design-builders under this section to include three persons selected as provided in paragraph (b). The final selection must be made by the board of regents or the board of trustees.

(b) Upon written request from the board of regents or the board of trustees, each of the following three organizations shall nominate one individual whose name and

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qualifications must be submitted to the board of trustees for consideration; the Consulting Engineers Council of Minnesota after consultation with other professional engineering societies in the state; the AIA Minnesota; and the Minnesota chapter of the Associated General Contractors after consultation with other commercial contractor associations in the state. The board of regents or the board of trustees may appoint the three named individuals to the evaluation team or reject a nominated individual and request another nomination. The board of regents or the board of trustees shall determine the term of the appointment. The other members of the evaluation team must be representatives of the university of Minnesota or the Minnesota state colleges and universities. The interviews are public meetings and a video or audio recording of the meetings must be made and is public information. The final recommendations and rankings must be in writing.

Subd. 4. DEVELOPMENT OF DESIGN CRITERIA. (a) Each request for proposals for a design-build contract must contain design criteria prepared by a design criteria professional who holds licenses or certifications under sections 326.02 to 326.15 and is either an employee of the state, the university of Minnesota, or a consultant hired by the commissioner. If the design criteria professional is a consultant hired by the state, the licensure requirement may be met by employing individuals who hold a license or licenses under sections 326.02 to 326.15. The commissioner may elect to designate the board to select the consultant in compliance with section 16B.33.

(b) Design criteria set forth in the request for proposals must specify all information needed to adequately describe the project, including performance-based criteria such as sustainability and life-cycle costing requirements; interior space requirements, including adjacency diagrams; material quality standards; architectural image and building form standards; building air quality requirements; commissioning requirements; building burn-in requirements; cost estimates; design and construction schedules; site development requirements; utility requirements; storm water retention and disposal requirements; and parking requirements. If necessary to adequately describe the project, the design criteria must include a boundary and topographic survey of the site, with the legal description and geotechnical and environmental information concerning the site.

(c) There must be an owner's representative for each design-build project. The owner's representative must be either an employee of the state, university of Minnesota, or a consultant hired by the commissioner. Subject to the minimum requirements of paragraphs (a) and (b), the commissioner, in consultation with the agency, the owner's representative, and the design criteria professional, shall determine the scope and level of detail required for the design criteria to be included in the request for proposals.

Subd. 5. SOLICITATION OF PROPOSALS. (a) The commissioner shall prepare a request for proposals, which must contain, at a minimum, the following elements:

- (1) the identity of the agency that will utilize the completed project;

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(2) the procedures for submitting proposals, the criteria for evaluation of proposals and their relative weight for each phase, how those criteria will be scored, and the procedures for making awards;

(3) the terms and conditions for the design-build contract;

(4) the design criteria;

(5) the qualifications the design builder will be required to have;

(6) a request for a critical path method schedule for commencement and completion of the project;

(7) budget limits for the project;

(8) affirmative action, disadvantaged businesses, small business, or set-aside goals or requirements for the design-build contract;

(9) requirements for insurance, performance and payment bonds, bid bonds, and cash deposits;

(10) a description of the drawings, specifications, or other submittals to be submitted with the phase-two proposal, with guidance as to the form and level of completeness of the drawings, specifications, or submittals that will be acceptable;

(11) the professional and technical services contract to be entered into with the design-builders selected to submit phase-two proposals, including scope of work, use of ideas or information, and compensation; and

(12) identification of any other material information available from the commissioner or board, including, without limitation, surveys, soils reports, drawings or models of existing structures, environmental studies, photographs, or references to public records.

(b) The solicitation of request for proposals does not obligate the commissioner to enter into a design-build contract. In accordance with the stated criteria for evaluating proposals, the commissioner may accept or reject any or all proposals received as a result of the request. The notification of rejection of all proposals must include an explanation for all proposals being rejected. The solicitation for proposals may be canceled at any time in the commissioner's sole discretion if it is considered to be in the state's best interest. If the commissioner rejects all proposals or cancels the solicitation for proposals, the commissioner may resolicit a request for proposals using the same or different requirements or request the board to select a designer under section 16B.33 and proceed with the design-bid-build delivery method.

Subd. 6. QUALIFICATION; PHASE-ONE SUBMITTAL. (a) In phase one, the board and commissioner shall evaluate the design-build qualifications of the design-builders who responded to the request for proposals with phase-one submittals based on each design-builder's experience, technical competence, and capability to perform; the past performance of the design-builder and its employees, quality control organization and system, sustainability, and life-cycle costing methodology; and other appropriate facts submitted by each design-builder in response to the request for

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proposals all in accordance with the weighted criteria that are stated for phase-one evaluations in the request for proposals. The phase-one or phase-two evaluation of the "past performance" or "experience" of a proposer must not include the exercise or assertion of a person's legal rights. The board or commissioner may require clarifications from design-builders.

(b) If the project is within the capitol area, the capitol area architecture and planning board, as defined in section 15.50, shall participate in the evaluation of phase-one submittals.

(c) The board shall select to a short list the most qualified design-builders that have responded with phase-one submittals based on the weighted criteria for phase-one evaluations stated in the request for proposals. For projects involving only renovation, in the discretion of the commissioner, the design-builder may be selected only on the phase-one submissions, or after a phase-two submission. For all other projects, the board shall prepare a list of at least three potential design-builders to submit phase-two proposals. The board shall not proceed to obtain phase-two proposals or make a selection, as applicable, unless it receives phase-one submittals from at least three qualified design-builders. If the board receives fewer than three phase-one submittals from qualified design-builders, the commissioner may cancel the solicitation for proposals, revise the request for proposals, and solicit new proposals or request the board to select a designer under section 16B.33 and proceed with the design-bid-build delivery method.

(d) The commissioner shall enter into the professional and technical services contract included in the request for proposals with each of the design-builders qualified by the board to submit phase-two proposals.

Subd. 7. PHASE-TWO PROPOSALS. (a) The professional and technical services contract with the design-builders selected to submit phase-two proposals provided in the request for proposals must require at least the following:

(1) preliminary plans and specifications, renderings, and models as may be required in the request for proposals in sufficient detail, to describe the character, quality, and scope of the project;

(2) a design and construction schedule;

(3) the all-inclusive fixed price at which the design-builder will complete the project if the phase-two proposal is accepted, including a total development cost budget in detail by building component with all soft costs, allowances, and design fees; and

(4) other materials the board or commissioner determines are necessary to fix the design, schedule, and cost of the project.

(b) Phase-two proposals must be sealed and may not be opened until expiration of the time established for making proposals as set forth in the request for proposals.

(c) Phase-two proposals must identify each person with whom the design-builder proposes to enter into subcontracts for primary design and construction obligations

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under the design-build contract. Persons so identified may not be replaced without the approval of the commissioner, or the award may be revoked.

(d) The design-builder must submit a written statement that the phase-two proposal meets all requirements of the request for proposals.

(e) The commissioner may require each design-builder to submit with its phase-one or phase-two proposal, as applicable, a cash deposit or bid bond in the amount of five percent of the budget for the design-build contract. If the phase-one or phase-two proposal, as applicable, is accepted but the design-builder fails to execute the design-build contract, the deposit or bond is forfeited to the extent allowable under law, including the cost to the state of delays, resolicitation, and other results of the failure of the selected design-builder to enter into the design-build contract.

Subd. 8. STIPULATED FEE. The commissioner may award a stipulated fee not less than two-tenths of one percent of the department's estimated cost of design and construction to each short-listed, responsible proposer who provides a responsive but unsuccessful proposal. If the commissioner does not award a contract, all short-listed proposers may receive the stipulated fee. If the commissioner cancels the contract before reviewing the technical proposals, the commissioner may award each design-builder on the short list a stipulated fee of not less than two-tenths of one percent of the commissioner's estimated cost of design and construction. The commissioner shall pay the stipulated fee, if any, to each proposer within 90 days after the award of the contract or the decision not to award a contract. In consideration for paying the stipulated fee, the commissioner may use any ideas or information contained in the proposals in connection with any contract awarded for the project or in connection with a subsequent procurement, without any obligation to pay any additional compensation to the unsuccessful proposers. Notwithstanding the other provisions of this subdivision, an unsuccessful short-list proposer may elect to waive the stipulated fee. If an unsuccessful short-list proposer elects to waive the stipulated fee, the commissioner may not use ideas and information contained in that proposer's proposal. Upon the request of the commissioner, a proposer who waived a stipulated fee may withdraw the waiver, in which case the commissioner shall pay the stipulated fee, if any, to the proposer and thereafter may use ideas and information in the proposer's proposal.

Subd. 9. DESIGN-BUILDER SELECTION. (a) After obtaining and evaluating proposals from each design-builder according to the criteria and procedures in the request for proposals, the board shall rank the phase-one or phase-two proposals, as applicable, and select the proposal that is rated the highest based on the weighted evaluation criteria in the request for proposal. The board or commissioner may require clarifications from design-builders during the evaluation process. Selection according to this method may result in an award not being made to the lowest cost proposal.

(b) If the project is within the capitol area, the capitol area architectural and planning board shall participate in the evaluation of phase-two proposals.

Subd. 10. AWARD OF DESIGN-BUILD CONTRACT. If the commissioner decides not to reject all proposals, the commissioner shall award and enter into the design-build contract with the design-builder that submitted the phase-one or phase-

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two proposal, as applicable, rated highest based on the weighted evaluation criteria as evaluated under the request for qualifications or request for proposals as applicable.

Subd. 11. EXPIRATION. This section expires January 1, 2004.

Sec. 42. Minnesota Statutes 2000, section 85.019, subdivision 4a, is amended to read:

Subd. 4a. **NATURAL AND SCENIC AREAS.** The commissioner shall administer a program to provide grants to units of government and school districts for the acquisition and betterment of natural and scenic areas such as blufflands, prairies, shorelands, wetlands, and wooded areas. A grant may not exceed 50 percent or \$500,000, whichever is less, of the costs of acquisition and betterment of land acquired under this subdivision. The commissioner shall make payment to a unit of government upon receiving documentation of reimbursable expenditures.

Sec. 43. Minnesota Statutes 2000, section 85.019, subdivision 4c, is amended to read:

Subd. 4c. **LOCAL TRAIL CONNECTIONS.** 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 that connect communities, trails, and parks and thereby increase the effective length of trail experiences. 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. 44. Minnesota Statutes 2000, section 103F.205, subdivision 1, is amended to read:

Subdivision 1. **APPLICABILITY.** The definitions in this section apply to sections 103F.201 to ~~103F.221~~ 103F.225.

Sec. 45. **[103F.225] SHORELAND PROTECTION PROGRAM.**

Subdivision 1. **ESTABLISHMENT.** The board of water and soil resources shall establish a program to acquire conservation easements in environmentally sensitive lake and river shoreland areas from private landowners. The board may award grants to local soil and water conservation districts and participating local units of government to accomplish the purposes of the program. The board shall coordinate the acquisition of lake and river shoreland conservation easements with shoreland protection and enhancement activities of the commissioner of natural resources, the pollution control agency, and other public and private entities.

Subd. 2. **LOCAL ACQUISITION CRITERIA.** A participating soil and water conservation district or local unit of government must establish a working group of interested individuals. The working groups, along with the county board and the soil and water conservation district, must develop criteria for acquisition of lake and river

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shoreland conservation easements and the preservation and enhancement of degraded or eroded shoreland.

Subd. 3. USE OF GRANTS. The board, a participating soil and water conservation district, or local unit of government may use a grant for the acquisition of shoreland conservation easements. The grant may be up to 100 percent of the cost of acquisition of the easement. A conservation easement, as defined in section 84C.01, must be permanent and is subject to applicable provisions relating to easement acquisition in section 103F.515, subdivisions 3 to 6, 8 and 9, except the easement may be held by the board, a local unit of government, or a soil and water conservation district. Section 273.117 applies to conservation easements acquired under this section.

Subd. 4. CONSERVATION PLAN; GRANT PRIORITY. (a) An entity applying for a grant to acquire a shoreland conservation easement under this section, must prepare a conservation plan for the area subject to the easement to provide for the preservation and enhancement of the natural shoreline. The conservation plan shall also include information on identified and committed funding sources to implement the plan.

(b) The board shall give priority for grants based on:

(1) the environmental sensitivity of the shoreland;

(2) the need for preservation and enhancement of the shoreland due to existing degradation and erosion; and

(3) the extent that funding, including in-kind contributions, has been committed to implement the conservation plan.

Subd. 5. EXPIRATION. This section expires June 30, 2004.

Sec. 46. [116J.431] GREATER MINNESOTA BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.

Subdivision 1. GRANT PROGRAM ESTABLISHED. The commissioner shall make grants to cities to provide up to 50 percent of the capital costs of public infrastructure necessary for an eligible economic development project. The city receiving a grant must provide for the remainder of the costs of the project, either in cash or in kind. In-kind contributions may include the value of site preparation other than the public infrastructure needed for the project.

For purposes of this section, "city" means a statutory or home rule charter city located outside the metropolitan area, as defined in section 473.121, subdivision 2.

"Public infrastructure" means publicly owned physical infrastructure necessary to support economic development projects, including, but not limited to, sewers, water supply systems, utility extensions, streets, wastewater treatment systems, stormwater management systems, and facilities for pretreatment of wastewater to remove phosphorus.

The purpose of the grants is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development.

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Subd. 2. ELIGIBLE PROJECTS. An economic development project for which a city may be eligible to receive a grant under this section includes:

- (1) manufacturing;
- (2) technology;
- (3) warehousing and distribution;
- (4) research and development;

(5) agricultural processing, defined as transforming, packaging, sorting, or grading livestock or livestock products into goods that are used for intermediate or final consumption, including goods for nonfood use; or

(6) industrial park development that would be used by any other business listed in this subdivision.

Subd. 3. INELIGIBLE PROJECTS. The following projects are not eligible for a grant under this section:

- (1) retail development; or
- (2) office space development, except as incidental to an eligible purpose.

Subd. 4. APPLICATION. The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a city must include in its application a resolution of the city council certifying that the required local match is available. The commissioner must evaluate complete applications for eligible projects using the following criteria:

- (1) the project is an eligible project as defined under subdivision 2;
- (2) the project will result in substantial public and private capital investment and provide substantial economic benefit to the city in which the project would be located;
- (3) the project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the project cannot be reasonably accommodated within the city in which the business is currently located, or the business would otherwise relocate to another state; and
- (4) the project will create or maintain full-time jobs.

The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the priorities are not subject to judicial review, except for abuse of discretion.

Subd. 5. SET ASIDES. (a) During the first two years of the program, \$2,000,000, must be used only for grants to cities with a population of less than 5,000.

(b) Twenty percent of the amount available must be used only for grants for industrial park developments.

Subd. 6. MAXIMUM GRANT AMOUNT. A city may receive no more than \$1,000,000 in two years for one or more projects.

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Subd. 7. CANCELLATION OF GRANT; RETURN OF GRANT MONEY. If after five years, the commissioner determines that a project has not proceeded in a timely manner and is unlikely to be completed, the commissioner must cancel the grant and require the grantee to return all grant money awarded for that project. For industrial park development projects, if after five years the industrial park is not developed and available for business use, the commissioner must cancel the grant and require the grantee to return all grant money for that project. If the industrial park is developed and available for use within five years, but no businesses have located in the park, the grantee is not required to return any grant money.

Subd. 8. APPROPRIATION. Grant money returned to the commissioner is appropriated to the commissioner to make additional grants under this section.

Sec. 47. [116J.571] CREATION OF ACCOUNTS.

Two greater Minnesota redevelopment accounts are created, one in the general fund and one in the bond proceeds fund. Money in the accounts may be used to make grants as provided in section 116J.575. Money in the bond proceeds fund may only be used for eligible costs for publicly owned property. Money in the general fund may be used to pay for the commissioner's costs in reviewing the applications.

Sec. 48. [116J.572] DEFINITIONS.

Subdivision 1. SCOPE OF APPLICATION. For purposes of sections 116J.571 to 116J.575, the terms in this section have the meanings given.

Subd. 2. DEVELOPMENT AUTHORITY. "Development authority" includes a statutory or home rule charter city, county, housing and redevelopment authority, economic development authority, or port authority located outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. ELIGIBLE COSTS OR COSTS. "Eligible costs" or "costs" means the costs of land acquisition, stabilizing unstable soils, demolition, infrastructure improvements, ponding or other environmental infrastructure; building construction, design and engineering; and adaptive reuse of buildings. Eligible costs do not include project administration and legal fees.

Subd. 4. REDEVELOPMENT. "Redevelopment" means recycling obsolete, abandoned, or underutilized properties for new industrial, commercial, or residential uses.

Sec. 49. [116J.573] CRITERIA FOR ACCOUNTS AND PROJECTS.

Subdivision 1. ACCOUNTS. Criteria for use of the accounts created in section 116J.571 must be consistent with and promote the purposes of sections 116J.571 to 116J.575. They include, but are not limited to:

- (1) creating and preserving living wage jobs in greater Minnesota;
- (2) creating incentives for communities to include a full range of housing opportunities;

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(3) creating incentives for all communities to implement compact, efficient, and mixed-use development; and

(4) creating incentives to assist communities in maintaining a unique sense of place by preserving local, cultural assets.

Subd. 2. PROJECTS. To be eligible for funding by the greater Minnesota redevelopment account, a project must:

(1) interrelate redevelopment with other public investments in transportation, housing, schools, energy, utilities information infrastructure, and other public services;

(2) interrelate affordable housing and employment growth areas;

(3) intensify land use that leads to more compact redevelopment;

(4) involve redevelopment that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities;

(5) involve participation from citizens and the business community in the planning and development of the proposed redevelopment plan;

(6) encourage public infrastructure investments which attract private sector redevelopment investment in commercial, industrial, and residential properties adjacent to public improvements, and provide project area residents with expanded opportunities for private sector employment; or

(7) be sustainable at the local level and reduce the probability of future requests for state development, maintenance, or replacement assistance.

Subd. 3. OTHER FACTORS. The factors listed in subdivisions 1 and 2 are not ranked in order of priority. Rather, the commissioner may weigh each factor depending upon the facts and circumstances as the commissioner considers appropriate. The commissioner may consider other factors including, but not limited to, blight reduction, community stabilization, and property tax base maintenance or improvement.

Subd. 4. PARTNERSHIPS. The commissioner shall give priority to proposals using innovative financial partnerships between government, private for-profit, and nonprofit sectors as well as to proposals that meet current tax increment financing requirements for a redevelopment district and contribute tax increment financing towards the project.

Subd. 5. ANNUAL REPORT. The commissioner shall prepare and submit to the legislature an annual report on the greater Minnesota redevelopment account. The report must include information on the amount of money in the account, the amount distributed, to whom the grants were distributed and for what purposes, and an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the program.

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Sec. 50. **[116J.574] GRANT APPLICATIONS.**

Subdivision 1. **APPLICATION REQUIRED.** To obtain a grant, a development authority shall apply to the commissioner.

Subd. 2. **REQUIRED CONTENT.** The commissioner shall prescribe and provide the application form. The application must include at least the following information:

- (1) identification of the site;
- (2) a detailed budget, including necessary supporting evidence, of the total costs for the site including the total eligible redevelopment costs;
- (3) a complete redevelopment plan, including any specific commitments from third parties to construct improvements on the site;
- (4) a complete financing plan, including the manner in which the development authority uses innovative financial partnerships between government, private for-profit, and nonprofit sectors; and
- (5) any additional information or material that the commissioner prescribes.

Sec. 51. **[116J.575] GRANTS.**

Subdivision 1. **COMMISSIONER DISCRETION.** The commissioner may make a grant for up to 50 percent of the eligible costs of a project. The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section and sections 116J.571 to 116J.574 and available unencumbered money in the greater Minnesota redevelopment account. The commissioner's decisions and application of the priorities under this section are not subject to judicial review, except for abuse of discretion.

Subd. 2. **APPLICATION CYCLES.** In making grants, the commissioner shall establish semiannual application deadlines in which grants will be authorized from all or part of the available money in the account.

Sec. 52. Minnesota Statutes 2000, section 134.45, subdivision 5, is amended to read:

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

Sec. 53. Minnesota Statutes 2000, section 135A.046, subdivision 2, is amended to read:

Subd. 2. **STANDARDS.** Capital budget expenditures for Higher Education Asset Preservation and Replacement (HEAPR) projects must be for one or more of the

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following: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; or building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renewal to support the existing programmatic mission of the campuses. Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 54. Minnesota Statutes 2000, section 136F.60, subdivision 1, is amended to read:

Subdivision 1. **PURCHASE OF NEIGHBORING PROPERTY; STATE UNIVERSITIES.** The board may purchase property adjacent to or in the vicinity of the campuses as necessary for the development of a state college or university. Before taking action, the board shall consult with the chairs of the senate finance committee and the house ways and means committee about the proposed action. The board shall explain the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition. The amount needed may be spent from sums previously appropriated for purposes of the state colleges and universities, including, but not limited to, general fund appropriations for instructional or noninstructional expenditures, general fund appropriations carried forward, or state college and university activity fund appropriations. The board may pay relocation costs, at its discretion, when acquiring property.

Sec. 55. **[174.52] LOCAL ROAD IMPROVEMENT FUND.**

Subdivision 1. **FUND CREATED.** A local road improvement fund is created in the state treasury. The fund consists of money transferred to the fund through appropriation, gift, or grant.

Subd. 2. **TRUNK HIGHWAY CORRIDOR PROJECTS ACCOUNT.** A trunk highway corridor projects account is established in the local road improvement fund. Money in the account is annually appropriated to the commissioner of transportation for expenditure as specified in this section. Money in the account must be used as grants or loans to statutory or home rule charter cities, towns, and counties to assist in paying the local share of trunk highway projects that have local costs that are directly or partially related to the trunk highway improvement and that are not funded or are only partially funded with other state and federal funds. The commissioner shall determine the amount of the local share of costs eligible for assistance from the account.

Subd. 3. **ADVISORY COMMITTEE.** The commissioner shall establish an advisory committee consisting of five members, including:

- (1) one county commissioner;
- (2) one county engineer;
- (3) one city engineer;

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(4) one city council member or city administrator representing a city with a population over 5,000; and

(5) one city council member or city administrator representing a city with a population under 5,000. The advisory committee shall provide recommendations to the commissioner regarding expenditures from the trunk highway corridor projects account.

Subd. 4. LOCAL ROAD ACCOUNT FOR ROUTES OF REGIONAL SIGNIFICANCE. A local road account for routes of regional significance is established in the local road improvement fund. Money in the account is annually appropriated to the commissioner of transportation for expenditure as specified in this section. Money in the account must be used as grants or loans to statutory or home rule charter cities, towns, and counties to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads with statewide or regional significance that has not been fully funded through other state, federal, or local funding sources.

Subd. 5. GRANT PROCEDURES AND CRITERIA. The commissioner shall establish procedures for statutory or home rule charter cities, towns, and counties to apply for grants or loans from the fund and criteria to be used to select projects for funding. The commissioner shall establish these procedures and criteria in consultation with representatives appointed by the association of Minnesota counties, league of Minnesota cities, and Minnesota township officers association. The criteria for determining project priority and the amount of a grant or loan must be based upon consideration of:

- (1) the availability of other state, federal, and local funds;
- (2) the regional significance of the route;
- (3) effectiveness of the proposed project in eliminating a transportation system deficiency;
- (4) the number of persons who will be positively impacted by the project;
- (5) the project's contribution to other local, regional, or state economic development or redevelopment efforts; and
- (6) ability of the local unit of government to adequately provide for the safe operation and maintenance of the facility upon project completion.

Subd. 6. ADMINISTRATIVE COSTS. A sum of 0.25 percent of the total amount in the fund, other than amounts deposited in the fund from the proceeds from the sale of state bonds, is available to be used for administrative costs incurred by the department in carrying out the provisions of this section.

Sec. 56. Minnesota Statutes 2000, section 240A.02, subdivision 1, is amended to read:

Subdivision 1. **MEMBERSHIP; COMPENSATION; CHAIR.** (a) The Minnesota amateur sports commission consists of ~~12~~ 14 voting members, four of whom must

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be experienced in promoting amateur sports. ~~Nine~~ Of the voting members, ~~nine~~ shall be appointed by the governor and two shall be appointed by the commission to three-year terms. Of the total commission membership, including voting and nonvoting members, one member must reside in each of the state's congressional districts. Four legislators, two from each house appointed according to its rules, shall be nonvoting members. One member from each house shall be from the minority caucus. Compensation and removal of members and the filling of membership vacancies are as provided in section 15.0575. A member may be reappointed. The governor shall appoint the chair of the commission after consideration of the commission's recommendation.

(b) The governor, speaker of the house of representatives, and senate majority leader shall each appoint one additional voting member to the commission to a two-year term. The purpose of adding three members to the commission is to ensure gender balance in commission membership. Compensation, removal, and filling of vacancies of members appointed under this paragraph are as provided in section 15.0575. A member appointed under this paragraph may be reappointed.

Sec. 57. **[383B.158] DESIGN-BUILD CONTRACTS.**

Subdivision 1. **DEFINITIONS.** (a) In sections 383B.158 to 383B.1586, the definitions in this subdivision apply.

(b) "Best value" describes a result intended in acquiring design-build services. Best value determination must include price and must measure a responder's qualifications, experience, prior performance, and responses to technical and qualitative criteria.

(c) "County board" means the Hennepin county board of commissioners.

(d) "Designer selection committee" means the designer selection committee appointed by the county to advise the county administrator and county board in preparing and conducting the design-build selection process. At least three members of the committee must be individuals who are not county employees, a minimum of two members must be professionally licensed under chapter 326, and at least one must be or must have been a commercial contractor. No committee member shall have personal financial interest in the project or with any of the design-build proposals.

(e) "Design-build contract" means a single contract between the county and a design-builder to furnish the architectural, engineering, and related design services as well as the labor, materials, supplies, equipment, and construction services for a project.

(f) "Design-build firm" means a proprietorship, partnership, limited liability partnership, joint venture, corporation, or any type of limited liability company, professional corporation, or any legal entity.

(g) "Design-builder" means the design-build firm that proposes to design and build a project governed by the procedures of this section.

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(h) "Design professional" means a person who holds or employs individuals who hold a license under chapter 326 and who is required to be registered under Minnesota law.

(i) "Project" means an undertaking for the county to design, construct, erect, or remodel a building or facility, or to design, construct, or reconstruct a county road, bridge, or other infrastructure relating to a county roadway.

(j) "Proposal" means an offer by a design-builder to enter into a design-build contract for a project in response to a request for proposals, including a phase-one or phase-two proposal.

(k) "Request for proposals" or "RFP" means the document or publication through which the county solicits proposals from prequalified design-builders to design and construct a design-build project.

(l) "Request for qualifications" or "RFQ" means a document to prequalify and short-list potential design-builders for a project.

Subd. 2. AUTHORITY. Notwithstanding section 471.345 or any other law to the contrary, the county board may solicit and award a design-build contract for a project on the basis of a best value selection process as provided in this section.

Subd. 3. RESTRICTION. (a) The authority granted in sections 383B.158 to 383B.1586 shall be to evaluate the effectiveness of the design-build process for a county project.

(b) The board may not enter into a design-build contract under this section unless the county has as employees at least one of each of the following, each of whom must be licensed and registered under state law: an architect, a mechanical engineer, and a civil engineer. In addition, the county must employ a full-time project manager with at least five years of construction management experience.

Subd. 4. PROCEDURES. (a) The county board shall, by resolution, adopt implementation procedures consistent with this section for the award of design-build contracts.

(b) The implementation procedures must, at a minimum, govern:

(1) the establishment of a designer selection committee appointed by the county to advise the county administrator and the county board in preparing and conducting the design-build selection process, including a recommendation for the selection of a design-build proposal it considers to be of best value to the public;

(2) preparing requests for proposals, including procedures for determining the appropriate content for each request for proposal;

(3) standards to be used to qualify or prequalify design-builders;

(4) preparing and submitting proposals;

(5) establishing procedures for evaluating proposals in as objective a manner as possible;

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(6) establishing safeguards to preserve confidential information and proprietary information supplied by those submitting proposals including, but not limited to, an offeror's price, technical solutions, innovative or unique technology, and innovative or unique use of commercially available items; and

(7) awarding and executing design-build contracts.

Subd. 5. LICENSING REQUIREMENTS. (a) A design-builder must be licensed and registered to provide the services required to complete the project and do business in this state.

(b) A design-builder may enter into a contract with the county to provide professional or construction services that the design-builder is not licensed, registered, or qualified to perform, so long as the design-builder provides the services through subcontracts with licensed, registered, or otherwise qualified persons in accordance with this section.

(c) This section does not intend to limit or eliminate the responsibility or liability owed by a professional on a design-build project to the county or other parties under other law.

Sec. 58. [383B.1581] DESIGN-BUILD PROCESS.

Subdivision 1. TWO-PHASE PROCEDURE. If the county board determines that the design-build best value method of project delivery is appropriate for a project, the county board shall establish a two-phase procedure for awarding the design-build contract.

Subd. 2. CONTENTS. The county, after considering recommendations from the designer selection committee, shall prepare or have prepared an RFQ. The RFQ must include the following:

- (1) the minimum qualifications of design-builders necessary to meet the requirements for acceptance;
- (2) a scope of work statement and schedule;
- (3) documents defining the project requirements;
- (4) the form of contract to be awarded;
- (5) the weighted selection criteria for compiling a short list and the number of firms to be included in the short list, which must be at least two but not more than five;
- (6) a description of the request for proposals (RFP) requirements;
- (7) the maximum time allowed for design and construction;
- (8) the county board's estimated cost range of design and construction;
- (9) requirements for construction experience, design experience, financial, personnel, and equipment resources available from potential design-builders for the project and experience in other design-build projects or similar projects, provided that these requirements may not unduly restrict competition; and

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(10) a statement that "past performance" or "experience" does not include the exercise or assertion of a person's legal rights.

Subd. 3. EVALUATION. (a) The county shall solicit and evaluate proposals and select a design-builder in two phases.

(b) In phase one, the county board, after considering the recommendations from the designer selection committee, shall adopt a short list of at least two but no more than five of the most highly qualified firms in accordance with qualifications criteria described in the RFQ. Prior to adoption of the short list, the designer selection committee or the county board may require clarification from the design-builders to ensure conformance of proposals to the RFQ. The county must not consider cost-related or price-related evaluation factors in phase one.

(c) In phase two, the designer selection committee and the county shall use the evaluation criteria in the RFP to determine the design-build proposal to be the most advantageous and the best value to the public. Prior to award of a contract, the designer selection committee and, if necessary, the county board may require clarification from the design-builders to ensure conformance of proposals to the RFP.

Sec. 59. [383B.1582] RFP FOR DESIGN-BUILD.

During phase two, the county shall issue an RFP to the design-builders on the short list. The request must include:

(1) the scope of work, including (i) performance and technical requirements, (ii) conceptual design, (iii) minimum specifications, and (iv) functional and operational elements for the delivery of the completed project, which must be prepared by a design professional qualified to prepare the necessary documents;

(2) a description of the qualifications required of the design-builder;

(3) a description of the selection criteria, including the weighting of each criterion;

(4) copies of the contract documents that the successful proposer will be expected to sign;

(5) the maximum time allowable for design and construction;

(6) the county's estimated range of cost for design and construction;

(7) the requirement that a submitted proposal be segmented into two parts, a technical proposal and a price proposal;

(8) the requirement that each proposal be in a separately sealed, clearly identified package and include the date and time of the submittal deadline;

(9) the requirement that the technical proposal include a critical path method, bar schedule of the work to be performed, or similar schematic; design plans and specifications; technical reports; calculations; permit requirements; applicable development fees; and other data requested in the RFP;

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(10) the requirement that the price proposal contain all design, construction, engineering, inspection, and construction-related costs, and all other costs of any kind of the proposed project;

(11) the date, time, and location of the public opening of the sealed price proposals;

(12) a statement that "past performance" or "experience" does not include the exercise or assertion of a person's legal rights; and

(13) other information relevant to the project.

Sec. 60. [383B.1583] REPLACING TEAM MEMBERS.

An individual or a design-build firm identified in a response to an RFQ or RFP may not be replaced without the written approval of the county board. The county board may revoke an awarded contract if an individual or a design-build firm identified in a response to an RFQ or RFP is replaced without the county board's written approval. To qualify for the approval, the written request must document that the proposed replacement individual or design-build firm will be equal to or better than that described in the response to the RFQ or RFP. The county board shall use the criteria specified in the RFQ or RFP to evaluate the request.

Sec. 61. [383B.1584] DESIGN-BUILD AWARD.

The county board, after considering the recommendations of the designer selection committee, shall award the design-build contract to the proposer with the highest scored proposal based on the evaluation criteria in the RFP. The rationale for the selection of the proposal must be stated at the time of the contract award. The county board may reject any or all proposals, but must not do so to evade the other provisions and policies of this section. If the county board rejects all proposals, it may then solicit new proposals after making appropriate modifications to performance criteria, budget constraints, or qualifications.

Sec. 62. [383B.1585] STIPULATED FEE.

The county board, depending on the project's complexity and scope and at the board's discretion for each project, may determine that a stipulated fee be paid to each short-listed responsible proposer who provides a responsive but unsuccessful proposal. If a stipulated fee is to be paid, it must be clearly identified in the RFQ or RFP. If the county board does not award a contract, all short-listed proposers must receive the stipulated fee. If the county board cancels the contract before reviewing the technical proposals, the county board shall award each design-builder on the short list a stipulated minimum fee as set out in the RFP. The county board shall pay the stipulated fee to each proposer within 90 days after the award of the contract or the decision not to award a contract. In consideration for paying the stipulated fee, the county board may use any ideas or information contained in the proposals in connection with any contract awarded for the project or in connection with a subsequent procurement, without any obligation to pay any additional compensation to the unsuccessful proposers. Notwithstanding the other provisions of this subdivision, an unsuccessful

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short-list proposer may elect to waive the stipulated fee. If an unsuccessful short-list proposer elects to waive the stipulated fee, the county may not use ideas and information contained in that proposer's proposal. Upon the request of the county, a proposer who waived a stipulated fee may withdraw the waiver, in which case the county board shall pay the stipulated fee to the proposer and thereafter may use ideas and information in the proposer's proposal.

Sec. 63. [383B.1586] EXPIRATION.

Sections 383B.158 to 383B.1586 expire December 31, 2007, and apply only to design-build contracts entered into on or before January 1, 2008, for the Northwest busway and the Lowry Avenue bridge.

Sec. 64. Minnesota Statutes 2000, section 446A.07, subdivision 4, is amended to read:

Subd. 4. **INTENDED USE PLAN.** (a) The pollution control agency public facilities authority shall annually prepare and submit to the United States Environmental Protection Agency an intended use plan. The plan must identify the intended uses of the amounts available to the water pollution control revolving fund, including a list of wastewater treatment and storm water projects and all other eligible activities to be funded during the fiscal year. Information regarding eligible activities must be submitted to the pollution control agency by the appropriate state agency or department within 30 days of written notification by the pollution control agency.

(b) To be eligible for placement on the intended use plan:

- (1) a project must be listed on the pollution control agency's project priority list;
- (2) the applicant must submit a written request to the public facilities authority, including a brief description of the project, a project cost estimate and the requested loan amount, and a proposed project schedule; and
- (3) for a construction loan, the project must have a facility plan approved by the pollution control agency.

(c) The pollution control agency shall annually provide to the public facilities authority its project priority list of wastewater and storm water projects to be considered for funding. The pollution control agency public facilities authority may not submit the plan until it has received the review and comment of the authority pollution control agency or until 30 days have elapsed since the plan was submitted to the authority pollution control agency, whichever occurs first. In addition, the public facilities authority shall offer municipalities seeking placement on the intended use plan an opportunity to review and comment on the plan before it is adopted. The plan may be amended to add additional projects for consideration for funding as it determines funds are available and additional projects are able to proceed.

Sec. 65. Minnesota Statutes 2000, section 446A.072, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT OF PROGRAM.** The authority will establish a wastewater infrastructure funding program to provide supplemental assistance to

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municipalities ~~applying for receiving funding under~~ through the water pollution control revolving loan program or the United States Department of Agriculture Rural Economic and Community Development's (USDA/RECD) Water and Waste Disposal Loans and Grants program for the design and planning, improvements to, and construction of municipal wastewater treatment systems. The purpose of the program is to assist municipalities demonstrating financial need in building cost-efficient projects to address existing environmental or public health problems. To implement the program, the authority shall establish a wastewater infrastructure fund to provide grants and loans for the purposes authorized under title VI of the Federal Water Pollution Control Act. The fund shall be credited with all investment income from the fund and all repayments of loans, grants, and penalties.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 66. Minnesota Statutes 2000, section 446A.072, subdivision 3, is amended to read:

Subd. 3. **PROGRAM ADMINISTRATION.** (a) The authority shall provide supplemental assistance, as provided in subdivision 2, ~~5a~~ to municipalities ~~demonstrating financial need, as provided in subdivision 4, whose projects have been certified to the authority by the commissioner of the agency. The authority shall reserve supplemental assistance for projects in order of their priority ranking established by the agency:~~

- (1) whose projects are listed on the agency's project priority list;
 - (2) that demonstrate their projects are a cost-effective solution to an existing environmental or public health problem; and
 - (3) whose projects are approved by the USDA/RECD or certified by the commissioner of the agency.
- (b) For a municipality receiving grant funding from the USDA/RECD, applications must be made to the USDA/RECD with additional information submitted to the authority as required by the authority. Eligible project costs and affordability criteria shall be determined by the USDA/RECD.
- (c) For a municipality not receiving grant funding from the USDA/RECD, application must be made to the authority on forms prescribed by the authority for the water pollution control revolving fund program with additional information as required by the authority. In accordance with section 116.182, the agency shall:
- (1) calculate the essential project component percentage which must be multiplied by the total project cost to determine the eligible project cost; and
 - (2) review and certify approved projects to the authority.
- (d) At the time funds are appropriated under this section, the authority shall reserve supplemental assistance for projects in order of their rankings on the agency's project priority list and in an amount based on their most recent cost estimates

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submitted to the authority or the as-bid costs, whichever is less.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 67. Minnesota Statutes 2000, section 446A.072, is amended by adding a subdivision to read:

Subd. 5a. TYPE AND AMOUNT OF ASSISTANCE. (a) For a municipality receiving grant funding from the USDA/RECD, the authority shall provide assistance in the form of a grant of up to one-half of the eligible grant amount determined by USDA/RECD. A municipality may not receive a grant under this paragraph for more than \$4,000,000 or \$15,000 per existing connection, whichever is less, unless specifically approved by law. In the case of a sanitary district or other multijurisdictional project for which the USDA/RECD 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 additional municipality participating up to a maximum of \$8,000,000 or \$15,000 per existing connection, whichever is less, but not to exceed the maximum grant level determined by the USDA/RECD as needed to keep the project affordable.

(b) For a municipality not receiving grant funding from the USDA/RECD, the authority shall provide assistance in the form of a loan for the eligible project costs that exceed five percent of the market value of properties in the project service area. A municipality may not receive a loan under this paragraph for more than \$4,000,000 or \$15,000 per existing connection, whichever is less, unless specifically approved by law. In the case of a sanitary district or other multijurisdictional project, the authority may provide a loan under this paragraph for up to an additional \$1,000,000 for each additional municipality participating up to a maximum of \$8,000,000 or \$15,000 per existing connection, whichever is less, unless specifically approved by law. A loan under this paragraph must bear no interest, must be repaid as provided in subdivision 7, and must only be provided in conjunction with a loan from the water pollution control revolving fund under section 446A.07.

(c) Notwithstanding the limits in paragraphs (a) and (b), for a municipality receiving supplemental assistance under this section after January 1, 2002, if the authority determines that the municipality's construction and installation costs are significantly increased due to geological conditions of crystalline bedrock or karst areas and discharge limits that are more stringent than secondary treatment, the authority shall provide assistance in the form of half grant and half loan. Assistance from the authority may not be more than \$25,000 per existing connection. Any additional grant amount received for the same project must be used to reduce the amount of the municipality's loan from the water pollution control revolving fund that exceeds five percent of the market value of properties in the project service area.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 68. Minnesota Statutes 2000, section 446A.072, is amended by adding a subdivision to read:

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Subd. 5b. SPECIAL ASSESSMENT DEFERRAL. A municipality receiving a loan under subdivision 5a that levies special assessments to repay the loan under subdivision 5a or section 446A.07 may defer payment of such assessments under the provisions of sections 435.193 to 435.195.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 69. Minnesota Statutes 2000, section 446A.072, subdivision 6, is amended to read:

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

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 70. Minnesota Statutes 2000, section 446A.072, subdivision 7, is amended to read:

Subd. 7. LOAN REPAYMENTS. All loan repayments received by the authority under subdivision 2 must be used to provide additional assistance under this section. A municipality receiving a loan under this section shall repay the loan in semiannual payment amounts determined by the authority. The payment amount must be based on the average payments on the municipality's water pollution control revolving fund loan or, if greater, the minimum amount required to fully repay the loan by the maturity date. Payments must begin within one year of the date of the municipality's final payment on the water pollution control revolving fund loan. The maturity date of the loan must be no later than 20 years from the date of the first payment.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 71. Minnesota Statutes 2000, section 446A.072, subdivision 8, is amended to read:

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

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 72. Minnesota Statutes 2000, section 446A.072, subdivision 9, is amended to read:

Subd. 9. LOAN LIMITATION. Supplemental assistance may not be used to reduce the sewer service charges of a significant wastewater contributor, or a single user that has caused the need for the project or whose current or projected flow and

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load exceed one-half of the current wastewater treatment plant's capacity, unless the applicant can demonstrate to the authority that the significant wastewater contributor cannot pay its fair share. Funding will not be provided for projects that are not qualified for assistance or that would violate the state's constitution or laws regarding the use of funds appropriated for the program.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 73. Minnesota Statutes 2000, section 446A.072, subdivision 11, is amended to read:

Subd. 11. **REPORT ON NEEDS.** By ~~October 15~~ February 1 of each ~~odd-numbered~~ even-numbered year, the authority, in conjunction with the pollution control agency, shall prepare a report to the finance division of the senate environment and natural resources committee and the house environment and natural resources finance committee on wastewater funding assistance needs of municipalities under this section.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 74. Minnesota Statutes 2000, section 446A.072, subdivision 12, is amended to read:

Subd. 12. **SYSTEM REPLACEMENT FUND.** Each recipient of assistance municipality receiving a loan under this section shall establish a system replacement fund setting aside and shall annually deposit a minimum of \$-10 \$.50 per 1,000 gallons of flow for major rehabilitation, expansion, or replacement of the treatment plant system at the end of its useful life. Money must remain in the account, for the life of the loan associated with the supplemental assistance under this section, unless use of the fund is approved in writing by the authority for major rehabilitation, expansion, or replacement of the treatment plant. Failure to maintain the fund will cancel the loan forgiveness provided under subdivision 2 system. By March 1 each year during the life of the loan, each municipality shall submit a report to the authority regarding the amount deposited and the fund balance for the prior calendar year. Failure to comply with the requirements of this subdivision shall result in the authority assessing a penalty fee to the municipality equal to one percent of the outstanding loan balance for each year of noncompliance. Failure to make the required deposit or pay the penalty fee as required constitutes a default on the loan.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 75. Minnesota Statutes 2000, section 446A.072, is amended by adding a subdivision to read:

Subd. 14. **CONSISTENCY WITH LAND USE PLANS.** A municipality applying for a project in an unsewered area shall include in its application to the authority a certification from the county in which the project is located that:

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(1) the project is consistent with the county comprehensive land use plan, if the county has adopted one;

(2) the project is consistent with the county water plan, if the county has adopted one; and

(3) the county has adopted specific land use ordinances or controls so as to meet or exceed the requirements of Minnesota Rules, part 7080.0305.

EFFECTIVE DATE. This section is effective for funds appropriated after January 1, 2002.

Sec. 76. Minnesota Statutes 2000, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. **BONDING AUTHORITY.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed \$850,000,000 \$1,000,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Sec. 77. Laws 1987, chapter 400, section 8, subdivision 5, is amended to read:

Subd. 5. Great River Road Project	3,000,000
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This appropriation is for a grant to the Minneapolis park and recreation board for land acquisition for the Great River Road project in the central Mississippi regional park along the central waterfront area in downtown Minneapolis, provided that the city of Minneapolis issues \$3,000,000 in bonds to be used to acquire land for the same project by January 1, 1988. The Minneapolis park and recreation board may enter into an agreement to operate the property known as the Fuji Ya restaurant property, as a restaurant or entertainment facility, subject to Minnesota Statutes, section 16A.695. An agreement entered into by the Minneapolis park and recreation board to operate the property known as the

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Fuji Ya restaurant property as a restaurant or entertainment facility would benefit the Great River Road project, further public efforts to reclaim the Mississippi Riverfront in Minneapolis, and be a program that furthers the governmental purpose of the Great River Road project.

Sec. 78. Laws 2000, chapter 492, article 1, section 3, subdivision 5, is amended to read:

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. In addition to the appropriation in this subdivision, up to \$1,000,000 in nonstate money may be added to this project.

(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 predesign of phase II.

Sec. 79. Laws 2000, chapter 492, article 1, section 12, subdivision 7, is amended to read:

Subd. 7. World War II Veterans
Memorial

150,000

This appropriation is from the general fund.

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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. The commissioner may accept donations from nonstate sources for purposes stated in this subdivision.

Sec. 80. Laws 2000, chapter 492, article 1, section 15, subdivision 4, is amended to read:

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, furnish, and equip, including permanent display cases, 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.

Sec. 81. Laws 2000, chapter 492, article 1, section 22, subdivision 3, as amended by Laws 2000, chapter 499, section 15, which amendment was reenacted in Laws 2001, First Special Session chapter 12, section 15, is amended to read:

Subd. 3. Wastewater Infrastructure Funding Program

18,319,000

~~\$6,309,000~~ \$4,309,000 of this appropriation is from the general fund of which \$319,000 is to administer the wastewater infrastructure fund program.

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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

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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.

Sec. 82. Laws 2000, chapter 492, article 1, section 22, subdivision 4, is amended to read:

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. This appropriation is from the general fund.

Sec. 83. Laws 2000, chapter 492, article 1, section 27, is amended to read:

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 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 463, 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.

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(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~~ 1999, chapter 404 240, article 2, section ~~22~~ 11, for the Battle Point cultural education center is canceled. The bond sale authorization in Laws ~~1998~~ 1999, chapter 404 240, article 2, section ~~27~~ 16, subdivision 1, is reduced by \$1,700,000.

(m) The balance of the appropriation in Laws ~~1998~~ 1999, chapter 404 240, article 2, section ~~23~~ 12, subdivision ~~4~~ 5, 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~~ 1999, chapter 404 240, article 2, section ~~27~~ 16, 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~~ 1999, chapter 404 240, article 2, section ~~23~~ 12, subdivision ~~24~~ 14, for the Minnesota African-American Performing Arts Center is canceled. The bond sale authorization in Laws ~~1998~~ 1999, chapter 404 240, article 2, section ~~27~~ 16, 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.

EFFECTIVE DATE. This section is effective retroactively to May 16, 2000.

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

Sec. 84. Laws 2001, First Special Session chapter 12, section 10, is amended to read:

Sec. 10. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2003, no more than ~~\$629,739,000~~ \$622,260,000 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. 85. DAN PATCH COMMUTER RAIL LINE; PROHIBITIONS.

Subdivision 1. DEFINITION. For purposes of this section, "Dan Patch commuter rail line" means the commuter rail line between Northfield and Minneapolis identified in the metropolitan council's transit 2020 master plan as the Dan Patch line.

Subd. 2. METROPOLITAN COUNCIL; PROHIBITIONS. The metropolitan council must not take any action or spend any money for study, planning, preliminary engineering, final design, or construction for the Dan Patch commuter rail line. The council must remove all references, other than references for historical purposes, to the Dan Patch commuter rail line from any future revisions to the council's transportation development guide and the council's regional transit master plan.

Subd. 3. COMMISSIONER OF TRANSPORTATION. The commissioner of transportation must not expend any money for study, planning, preliminary engineering, final design, or construction for the Dan Patch commuter rail line. The commissioner must remove all references, other than references for historical pur-

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poses, to the Dan Patch commuter rail line from any future revisions to the state transportation plan and the commissioner's commuter rail system plan.

Subd. 4. REGIONAL RAIL AUTHORITIES. No regional rail authority may expend any money for study, planning, preliminary engineering, final design, or construction for the Dan Patch commuter rail line.

Sec. 86. DM&E; WORKING GROUP.

Subdivision 1. MEMBERSHIP. The commissioner of transportation or the commissioner's designee shall convene a multiagency working group on DM&E rail project mitigation, consisting of the commissioners of public safety, the pollution control agency, trade and economic development, and transportation; and director of Minnesota planning; or their designees. The director of Minnesota planning or the director's designee shall serve as chair of the working group.

Subd. 2. TASKS. The working group shall:

(1) evaluate the economic effects of the DM&E rail expansion project in southern Minnesota on each local unit of government impacted by the project, including costs related to noise mitigation costs, right-of-way acquisition, and rail-highway grade crossing protection and upgrade;

(2) determine the availability of federal assistance and other resources available to such local units of government for mitigation costs, including the timing of the assistance and resources;

(3) involve local units of government in issues discussed by the working group; and

(4) determine what direct and indirect costs are likely to accrue to private property owners as a result of the project including, but not limited to, costs for mitigation, right-of-way acquisitions, and crossing safety.

Subd. 3. REPORTS. The working group shall present an interim report to the legislature by January 15, 2003, and a final report to the legislature no later than January 15, 2004.

Sec. 87. EXEMPTION FROM MORATORIUM.

Notwithstanding Laws 2002, chapter 220, article 10, section 37, projects authorized in this act, Laws 2001, First Special Session chapter 12, Laws 2000, chapter 492, and Laws 1999, chapter 240, are exempt from any moratorium on professional or technical contracts, as defined in Minnesota Statutes, section 16C.08, subdivision 1.

Sec. 88. STATE BUILDING SALE TO COUNTY.

Subdivision 1. AUTHORIZED. (a) Notwithstanding Minnesota Statutes, section 16A.695 and chapter 94 or other law, administrative rule, or commissioner's order to the contrary, the state of Minnesota by and through its department of administration, shall at the request of the St. Louis county board of commissioners, sell and convey to St. Louis county by July 31, 2002, for a consideration in the amount of \$3,052,700

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certain real property known as the government services center and parking ramp legally described as: lots 50, 52, 54, 56, 58, 60, 62, 64, Duluth proper first division, West Second Street.

(b) The conveyance must be in a form approved by the attorney general.

(c) \$450,000 of the proceeds from the sale must be deposited in the department of administration's asset preservation account to reimburse the department of administration for costs related to the recent installation of a chiller at the Duluth Government Services Center. A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other related expenses incurred by the commissioner of administration or other state official rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account. The remaining balance from the proceeds of the sale must be deposited in the general fund.

Subd. 2. RIGHTS, OBLIGATIONS. The existing leases between the state of Minnesota and St. Louis county of the real property described in subdivision 1 are merged into the fee ownership with this conveyance. All other leases with their current terms and conditions concerning the real property must be assigned to St. Louis county.

Subd. 3. STATE LEASES. (a) For a period of at least ten years following sale of the real property described in subdivision 1, St. Louis county must allow the state of Minnesota to lease the space occupied by the state of Minnesota at the time of the sale at the state's current lease rate with annual adjustments for operational cost increases, which cost must not include any capital improvement costs.

(b) The lease must be in a form approved by the attorney general.

Sec. 89. REPORT TO LEGISLATURE.

Hennepin county must report to the legislature after the completion of the Northwest busway but no later than June 1, 2007, on its evaluation of the effectiveness of the design-build process.

Sec. 90. CORRECTION. 2002 H.F. No. 3270, article 11, if enacted, is amended to read:

ARTICLE 11

GENERAL FUND CONVERSION TO BOND FUNDS

Section 1. INTENT.

This article intends to return to the unreserved general fund \$75,043,000 by changing the fund source of the projects listed in this article in the amounts shown in sections 2 to 14, by decreasing the appropriation from the general fund and by appropriating an equal amount from the aggregate of the bond proceeds fund and the transportation fund. This action changes the designation of the fund sources made under the cumulative effect of Laws 1998, chapter 404; Laws 1999, chapter 250; and

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Laws 2000, chapters 479 and 492. This article also makes a new appropriation of \$77,000 from the bond proceeds fund for bond sale expenses in connection with the bonds authorized in this article.

Sec. 2. CAPITAL IMPROVEMENT APPROPRIATIONS.

The sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund or other named fund to the state agencies or officials indicated, to be spent for public purposes, including to acquire and to better public land and buildings and other public improvements of a capital nature, as specified in this article.

SUMMARY

UNIVERSITY OF MINNESOTA	\$	500,000
CHILDREN, FAMILIES, AND LEARNING		500,000
		<u>300,000</u>
NATURAL RESOURCES		6,973,000
WATER AND SOIL RESOURCES BOARD		300,000
ADMINISTRATION		43,350,000
		<u>45,550,000</u>
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD		250,000
AMATEUR SPORTS COMMISSION		690,000
TRANSPORTATION		13,590,000
HUMAN SERVICES		1,500,000
CORRECTIONS		250,000
TRADE AND ECONOMIC DEVELOPMENT		5,590,000
		<u>3,590,000</u>
MINNESOTA HISTORICAL SOCIETY		1,550,000
BOND SALE EXPENSES		77,000
TOTAL	\$	75,120,000
Bond Proceeds Fund		61,530,000
Transportation Fund		13,590,000

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

	APPROPRIATIONS
	\$
Sec. 3. UNIVERSITY OF MINNESOTA	500,000
To the board of regents of the University of Minnesota for 1998 Higher Education Asset Preservation and Replacement.	
Sec. 4. CHILDREN, FAMILIES, AND LEARNING	500,000
	<u>300,000</u>
To the commissioner of children, families, and learning for 1998 Early Childhood Learning Facilities.	
Sec. 5. NATURAL RESOURCES	
Subdivision 1. To the commissioner of natural resources for the purposes specified in this section	6,973,000
Subd. 2. 1998 Park Building Rehabilitation	500,000
Subd. 3. 1998 Park Betterment and Rehabilitation	500,000
Subd. 4. 1998 Forest Roads and Bridges	750,000
Subd. 5. 1998 Metro Greenways Acquisition	2,000,000
Subd. 6. Safe Harbors Program	3,223,000
Sec. 6. BOARD OF WATER AND SOIL RESOURCES	300,000
To the board of water and soil resources for local road replacement.	
Sec. 7. ADMINISTRATION	
Subdivision 1. To the commissioner of administration for the purposes specified in this section	45,350,000
	<u>45,550,000</u>
Subd. 2. 2000 Asset Preservation	350,000
Subd. 3. 2000 Bureau of Criminal Apprehension Facility	40,000,000
	<u>42,700,000</u>

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Subd. 4. 2000 Property Acquisition	450,000
Subd. 5. 1998 Asset Preservation	1,250,000
	<u>750,000</u>
Subd. 6. 1998 Real Property Acquisition	1,000,000
Subd. 7. 1998 BCA Land Acquisition	300,000
Sec. 8. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	250,000
To the commissioner of administration for the HHH Memorial.	
Sec. 9. AMATEUR SPORTS COMMISSION	690,000
To the amateur sports commission for the Giants Ridge Facility.	
Sec. 10. TRANSPORTATION	
Subdivision 1. To the commissioner of transportation for the purposes specified in this section	13,590,000
This appropriation is from the transportation fund.	
Subd. 2. 2000 County and Local Bridges	13,000,000
Subd. 3. 1998 CSAH Highway 90	590,000
Sec. 11. HUMAN SERVICES	1,500,000
To the commissioner of administration for 1998 Asset Preservation.	
Sec. 12. CORRECTIONS	250,000
To the commissioner of administration for 1998 Asset Preservation.	
Sec. 13. TRADE AND ECONOMIC DEVELOPMENT	5,590,000
	<u>3,590,000</u>

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

To the commissioner of trade and economic development for 2000 Wastewater Infrastructure.

Sec. 14. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota historical society for the purposes specified in this section	1,550,000
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Subd. 2. 1998 Historic Site Preservation and Repair	850,000
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Subd. 3. Split Rock Lighthouse	700,000
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Sec. 15. BOND SALE EXPENSES	77,000
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To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Sec. 16. IDENTICAL PROJECTS.

The purpose and use of appropriations in this article are for the same purpose and use and for identical projects as authorized in Laws 1998, chapter 404; Laws 1999, chapter 250; and Laws 2000, chapters 479 and 492. Except for the fund source of unspent parts of the appropriations listed in this article, this article does not change or limit the purpose and use of the appropriations and related requirements in Laws 1998, chapter 404; Laws 1999, chapter 250; and Laws 2000, chapters 479 and 492.

Sec. 17. 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 shall sell and issue bonds of the state in an amount up to \$61,530,000 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 shall sell and issue bonds of the state in an amount up to \$13,590,000 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. 18. CANCELLATION TO GENERAL FUND.

Money appropriated from the general fund pursuant to 1998, 1999, and 2000 acts and not yet spent for the projects listed in this article is canceled to the general fund in the amount shown for each project.

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

Sec. 19. EFFECTIVE DATE.

This article is effective the day following final enactment.

Sec. 91. REPEALER.

Minnesota Statutes 2000, sections 116J.561, 116J.562, 116J.563, 116J.564, 116J.565, 116J.566, 116J.567, and 446A.072, subdivisions 2, 4, 5, 10, and 13, are repealed.

Sec. 92. EFFECTIVE DATE; LOCAL APPROVAL.

New Minnesota Statutes, sections 383B.158 to 383B.1586 are effective the day after the governing body of Hennepin county and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 93. EFFECTIVE DATE.

Except as otherwise provided in this act, this act is effective the day following final enactment.

Presented to the governor May 20, 2002

Signed by the governor May 22, 2002, 4:15 p.m.

CHAPTER 394—H.F.No. 2886

An act relating to elections; providing additional identification procedures; amending Minnesota Statutes 2000, section 201.061, subdivision 3.

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

Section 1. Minnesota Statutes 2000, section 201.061, subdivision 3, is amended to read:

Subd. 3. **ELECTION DAY REGISTRATION.** An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration card, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

- (1) showing a driver's license or Minnesota identification card issued pursuant to section 171.07;
- (2) showing any document approved by the secretary of state as proper identification;
- (3) showing one of the following:

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