

## Sec. 3. BOND SALE EXPENSES

110,000

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

## Sec. 4. BOND SALE AUTHORIZATION

To provide the money appropriated in this act from the trunk highway bond proceeds account in the trunk highway fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$110,110,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amount requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to the trunk highway bond proceeds account in the trunk highway fund.

Sec. 5. **EFFECTIVE DATE.**

Sections 1 to 4 are effective the day following final enactment.

Presented to the governor May 30, 2003

Signed by the governor June 8, 2003, 7:40 p.m.

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**CHAPTER 20—H.F.No. 8**

*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; requiring certain studies and reports; authorizing sale of bonds; appropriating money; amending Laws 2002, chapter 393, section 13, subdivision 8.*

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

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

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

The sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. 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 article are available until the project is completed or abandoned.

**SUMMARY**

UNIVERSITY OF MINNESOTA	\$ 48,708,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	59,716,000
CHILDREN, FAMILIES, AND LEARNING	11,500,000
NATURAL RESOURCES	10,755,000
BOARD OF WATER AND SOIL RESOURCES	6,400,000
AMATEUR SPORTS COMMISSION	5,000,000
ARTS	30,000,000
TRANSPORTATION	26,500,000
METROPOLITAN COUNCIL	1,000,000
HEALTH	775,000
TRADE AND ECONOMIC DEVELOPMENT	29,800,000
MINNESOTA HISTORICAL SOCIETY	500,000
BOND SALE EXPENSES	236,000
<b>TOTAL</b>	<b>\$ 230,890,000</b>
Bond Proceeds Fund (General Fund Debt Service)	183,256,000
Bond Proceeds Fund (User Financed Debt Service)	47,634,000

	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	48,708,000
Subd. 2. 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 Minnesota Statutes, section 16C.31, subdivision 6, paragraph (c), to implement this project.	
(b) 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 Minnesota Statutes, section 16C.31, to implement this project.	
(c) Teaching and Technology Center	3,000,000
To predesign and design a teaching and technology center for the Institute of Technology.	
Subd. 3. Twin Cities - St. Paul	
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.

Subd. 4. 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.

Subd. 5. 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.

Subd. 6. Genomics Building -  
Rochester

400,000

To predesign and design a medical genomics research building at the Mayo Clinic in Rochester, Minnesota, subject to Minnesota Statutes, section 16A.695.

Subd. 7. 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 that, where a nonstate 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. 8. 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.

### 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

59,716,000

Subd. 2. 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.

Subd. 3. 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.

Subd. 4. 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.

Subd. 5. Hennepin Technical College

2,000,000

To design, renovate, furnish, and equip existing space at the Brooklyn Park and Eden Prairie campuses.

Subd. 6. 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 colocate central services, the bookstore, and a new loading dock; upgrade mechanical systems; and provide a welcoming front door and help desk for the campus.

Subd. 7. 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.	
Subd. 8. 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.	
Subd. 9. 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.	
Subd. 10. 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.	
Subd. 11. 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.	



Subd. 12. 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.

Subd. 13. 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.

Subd. 14. 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 area and student center entrance at Red Wing.

Subd. 15. Southwest State University 9,200,000

To renovate and reconfigure, furnish, and equip the library and construct a new entrance.

Subd. 16. 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.

Subd. 17. 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.

Subd. 18. Land Acquisition

10,000,000

To acquire real property near the state college and university campuses.

Subd. 19. 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 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. 20. 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. CHILDREN, FAMILIES, AND LEARNING

Subdivision 1. To the commissioner of children, families, and learning to be known as the commissioner of education as of August 1, 2003, for the purposes specified in this section

11,500,000

Subd. 2. 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.

Subd. 3. Paul and Sheila Wellstone  
Center for Community Building

5,000,000

For a grant to the city of St. Paul to acquire land for and to design, construct, furnish, and equip the Paul and Sheila Wellstone center for community building. The city 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.

Subd. 4. 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 Performing Arts School 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.

Sec. 5. NATURAL RESOURCES

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

10,755,000

Subd. 2. State Park and Recreation Area  
Acquisition

1,000,000

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.

Subd. 3. Metro Regional Park Acquisition  
and Betterment 2,700,000

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.

Subd. 4. State Trail Acquisition  
and Development 475,000

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

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

Subd. 5. 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.

Subd. 6. Dam Improvements 1,050,000

For a grant to the city of Crookston for phases 2 and 3 of the Red Lake River restoration and habitat improvement project.

Subd. 7. Flood Hazard Mitigation Grants 1,405,000

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.

This appropriation includes money for the following projects: Warren and Hay Creek.

To the extent that the cost of the project in Warren 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. 8. Stream Protection  
and Restoration 500,000

For the design and implementation of stream restoration projects that employ natural channel design principles.

Subd. 9. Scientific and Natural Area  
Acquisition and Improvement 2,000,000

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.

Subd. 10. Native Prairie  
Bank Easements 1,000,000

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

Subd. 11. National Eagle Center 500,000

To the commissioner of administration for a grant to the city of Wabasha to construct the National Eagle Center. The city of Wabasha may enter into a lease or management agreement with a nonprofit corporation under Minnesota Statutes, section 16A.695. This appropriation is not available until at least \$1,000,000 has been committed from nonstate sources.

#### Sec. 6. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. To the board of water and soil resources for the purposes specified in this section	6,400,000
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Subd. 2. RIM Conservation Easements	1,000,000
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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.

Subd. 3. Wetland Replacement Due to Public Road Projects	2,700,000
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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.

Subd. 4. Lazarus Creek 1,400,000

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.

Subd. 5. 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.

#### Sec. 7. AMATEUR SPORTS COMMISSION

Subdivision 1. To the amateur sports commission for the purposes specified in this section 5,000,000

Subd. 2. National Sport  
Event Center 5,000,000

To construct, furnish, and equip a national sport event center on the campus of the National Sports Center and for related capital development costs, subject to Minnesota Statutes, section 16A.695. No portion of this appropriation may be used for either the National Youth Golf Course or its clubhouse. Release of this appropriation is subject to approval by the commissioner of finance of a plan for the financing and operation of this facility which describes the relationship between the conference center and the other elements of the National Sports Center and the involvement in this facility of the National Sports Center Foundation.



## Sec. 8. ARTS

Subdivision 1. To the commissioner of administration for the purposes specified in this section. 30,000,000

Subd. 2. 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.

Subd. 3. Minneapolis -  
Guthrie Theater 25,000,000

For a grant to the Minneapolis community development agency or its successor to design, construct, furnish, and equip a new Guthrie Theater in the city of Minneapolis. The Minneapolis community development agency or its successor 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 three times the amount of this appropriation has been committed from nonstate sources.

## Sec. 9. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes specified in this section 26,500,000

Subd. 2. Local Road Improvement Program 20,000,000

To the commissioner of transportation for deposit in the trunk highway corridor projects account in the local road improvement fund under Minnesota Statutes, section 174.52, subdivision 2.

This appropriation is only available for loans. Debt service on the bonds sold to finance this appropriation must be paid by the commissioner of transportation from money in the trunk highway corridor projects account in the manner provided in Minnesota Statutes, section 16A.643.

Subd. 3. Port Development Assistance 2,000,000

For grants under Minnesota Statutes, sections 457A.01 to 457A.06. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 4. Freight Access Improvements 3,500,000

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.

This appropriation 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.

Subd. 5. Greater Minnesota Transit Facilities 1,000,000

For capital assistance for greater Minnesota transit systems to be used for transit capital

facilities under Minnesota Statutes, section 174.24, subdivision 3c. Money from this appropriation may be used to pay up to 80 percent of the nonfederal share of these facilities.

Sec. 10. METROPOLITAN COUNCIL 1,000,000

To the metropolitan council to design the Northwest Busway Corridor.

Sec. 11. 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.

Sec. 12. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of trade and economic development, to be known as the commissioner of employment and economic development as of July 1, 2003, or other named agency for the purposes specified in this section

29,800,000

Subd. 2. Redevelopment Account

1,000,000

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

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.

Subd. 3. Wastewater Infrastructure  
Funding Program

15,000,000

To the public facilities authority for grants to eligible municipalities under the waste-

water 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.

\$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.

Subd. 4. Greater Minnesota Business Development Infrastructure Grant Program	7,500,000
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For grants under Minnesota Statutes, section 116J.431.

Subd. 5. St. Paul - Roy Wilkins Auditorium	2,300,000
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For a grant to the city of St. Paul for asset preservation of the Roy Wilkins Auditorium.

Subd. 6. St. Paul - Phalen Boulevard	4,000,000
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For a grant to the city of St. Paul to acquire land and to complete contamination remediation 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.

## Sec. 13. MINNESOTA HISTORICAL SOCIETY

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

500,000

Subd. 2. 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.

Subd. 3. 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.

## Sec. 14. BOND SALE EXPENSES

236,000

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. 15. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2005, no more than \$673,625,000 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. 16. BOND SALE AUTHORIZATION.**

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 \$230,890,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

**Sec. 17. FOREST ELEMENTARY SCHOOL.**

Subdivision 1. BONDS AUTHORIZED. Independent school district No. 281, Robbinsdale, upon approval of its board and subject to subdivision 4, may issue and sell general obligation bonds under this section to finance the Forest Elementary School project. The bonds must be issued in accord with Minnesota Statutes, chapter 475, except that Minnesota Statutes, sections 475.58 and 475.59, do not apply. The total amount of bonds authorized under this section must not exceed \$11,315,000. The authority to issue bonds under this section is in addition to any bonding authority authorized by other law.

Subd. 2. LEVY AUTHORIZED. Independent school district No. 281, Robbinsdale, may levy the amounts necessary to make payments for the bonds issued under this section.

Subd. 3. NOTICE REQUIRED. Before independent school district No. 281, Robbinsdale, levies under this section, it must publish notice of the intended project, including the total estimated project cost and the estimated property tax impact of the project.

Subd. 4. REVERSE REFERENDUM. A levy tentatively authorized by the board under this section becomes finally authorized unless a petition signed by more than 15 percent of the registered voters of the district is filed with the school board within 30 days of the board's adoption of a resolution stating the board's intention to levy. The percentage is to be determined with reference to the number of registered voters in the district on the last day before the petition is filed with the board. The petition must call for a referendum on the question of whether to levy for the project authorized under this section. The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this section. The referendum must be held on a date set by the board. The ballot must provide a general description of the proposed project and state the estimated total cost of the project, the specific number

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

of years, not to exceed 20, for which the referendum authorization applies, the maximum amount of the levy for each year, and the estimated tax rate as a percentage of net tax capacity for the amount specified for the first year and for the maximum amount specified in the schedule. The ballot must contain a textual portion with the information required in this subdivision and a question stating substantially the following:

“Shall the special facilities levy for the Forest Elementary School project proposed by the board of Independent School District No. 281, Robbinsdale, be approved?”

If approved, the amount stated for each year may be certified for the number of years approved. The district must notify the commissioner of the results of the referendum.

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

Sec. 18. Laws 2002, chapter 393, section 13, subdivision 8, is amended to read:

#### 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 execution 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.

The commissioner of administration may lease surface, air, and utility rights for state-owned property in a parking structure constructed under subdivision 7 and this subdivision for a term up to 50 years, subject to the right of the state to terminate the lease if the parking structure is demolished.

#### Sec. 19. FLOOD HAZARD MITIGATION GRANTS; PARTIAL COMPLETION OF PROJECTS.

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

The commissioner of natural resources may allocate money for the flood hazard mitigation grants from the appropriation in Laws 2002, chapter 393, section 7, subdivision 20, as amended by Laws 2002, First Special Session chapter 1, section 12, and from the appropriations in this act, for partial construction of projects, notwithstanding that the projects will not be completed until an additional appropriation is made, and notwithstanding Minnesota Statutes, section 16B.31, subdivision 2.

**Sec. 20. EFFECTIVE DATE.**

This article is effective the day following final enactment.

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**ARTICLE 2**

**ROSEAU FLOOD APPROPRIATIONS**

**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 article are available until the project is completed or abandoned. If there is a shortage of money for a program or project funded in this article, or in the money available for state and local match under Minnesota Statutes, section 12.221, unused general fund money appropriated for any other program or project in this article may be transferred by an interagency agreement approved by the commissioner of finance to cover the shortfall.

The term "the area included in DR-1419," when used in this article, means the area designated under Presidential Declaration of Major Disaster, DR-1419, whether included in the original declaration or added later by federal government action.

**SUMMARY**

TRADE AND ECONOMIC DEVELOPMENT	\$	1,625,000
NATURAL RESOURCES		3,000,000
TRANSPORTATION		1,400,000
TOTAL	\$	6,025,000
Bond Proceeds Fund		4,625,000
Transportation Fund		1,400,000

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



APPROPRIATIONS  
\$

## Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of trade and economic development, to be known as the commissioner of employment and economic development as of July 1, 2003, for the purposes specified in this section

1,625,000

## Subd. 2. Public Infrastructure

1,125,000

To the public facilities authority for grants to local units of government to assist with the cost of rehabilitation and replacement of publicly owned infrastructure, including storm sewers, wastewater and municipal utility service, drinking water systems, and other infrastructure damaged by flooding in the area included in DR-1419.

For the purposes of this appropriation, criteria, limitations, and repayment requirements in Minnesota Statutes, sections 446A.07, 446A.072, and 446A.081, are waived.

## Subd. 3. Capital Project Grant

500,000

For a grant to the city of Roseau to relocate the flood damaged city hall, auditorium, library, museum, and police department out of the Roseau River floodway as a result of flooding as declared in DR-1419, and in accordance with Minnesota Statutes, section 16A.86.

## Sec. 3. NATURAL RESOURCES

Subdivision 1. To the commissioner of natural resources for the purposes specified in this section	3,000,000
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Subd. 2. Flood Hazard Mitigation Grants	3,000,000
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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.

To the extent that the costs of the 100-year flood protection projects in Roseau exceed 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.

\$1,000,000 is to buy out property substantially damaged by flooding in the area included in DR-1419.

## Sec. 4. TRANSPORTATION

To the commissioner of transportation for the purposes specified in this section	1,400,000
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This appropriation is from the bond proceeds account in the state transportation fund.

\$1,000,000 is from grants to local governments for capital costs related to the rehabilitation, replacement, or reconstruction of roads or bridges damaged or destroyed by flooding or that provide future protection from flood damages in the area included in DR-1419. A grantee must submit to the commissioner of transportation final plans for each project before grant money may be released. The commissioner shall determine project priorities and plans and re-

quire changes to ensure the most prudent use of state resources.

\$400,000 is for a grant to the county of Polk to repair a structure north of Climax on marked state highway 220 damaged by flooding.

For grants under this section, the requirements of Minnesota Statutes, section 174.50, subdivisions 4, 5, 6, 6a, and 7, are waived.

#### Sec. 5. BOND SALE AUTHORIZATION.

Subdivision 1. BOND PROCEEDS FUND. To provide the money appropriated in this article from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$4,625,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. TRANSPORTATION FUND. To provide the money appropriated in this article from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$1,400,000 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 state transportation fund.

#### Sec. 6. EFFECTIVE DATE.

This article is effective the day following final enactment.

Presented to the governor May 30, 2003

Signed by the governor June 12, 2003, 9:41 a.m.

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### CHAPTER 21—H.F.No. 7

*An act relating to the financing and operation of state and local government; providing for job opportunity building zones; providing for a biotechnology and health sciences industry zone; changing income, sales and use, motor vehicle sales, motor vehicle registration, property, cigarette and tobacco, liquor, mortgage registry and deed, and other taxes; updating references to the Internal Revenue Code; changing accelerated sales tax liability provisions and extending the requirements to other taxes; changing or providing property tax and sales tax exemptions; requiring payment of certain lawful gambling taxes; altering the computation and payments of*

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