

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE **S.F. No. 1164**

(SENATE AUTHORS: ROSEN, Harrington, Magnus and Scheid)

DATE	D-PG	OFFICIAL STATUS
04/11/2011	1266	Introduction and first reading Referred to Local Government and Elections See HF2958

A bill for an act

1.1 relating to stadiums; providing for a new National Football League stadium
1.2 in Minnesota; establishing a site selection process; providing for a Minnesota
1.3 Stadium Authority; abolishing the Metropolitan Sports Facilities Commission;
1.4 authorizing the imposition of certain taxes; authorizing the sale and issuance
1.5 of revenue bonds; appropriating money; amending Minnesota Statutes 2010,
1.6 sections 3.971, subdivision 6; 3.9741, by adding a subdivision; 10A.01,
1.7 subdivision 35; 13.55, subdivision 1; 297A.61, subdivisions 3, 27; 297A.71, by
1.8 adding a subdivision; 340A.404, subdivision 1; 352.01, subdivision 2a; 473.121,
1.9 subdivision 5a; 473.164; 473.565, subdivision 1; proposing coding for new law
1.10 in Minnesota Statutes, chapter 295; proposing coding for new law as Minnesota
1.11 Statutes, chapter 473J; repealing Minnesota Statutes 2010, sections 137.50,
1.12 subdivision 5; 473.551; 473.552; 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9,
1.13 10, 11, 12, 13; 473.556, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16,
1.14 17; 473.561; 473.564, subdivisions 2, 3; 473.572; 473.581; 473.592, subdivision
1.15 1; 473.595; 473.5955; 473.596; 473.598; 473.599; 473.5995; 473.76.
1.16

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

ARTICLE 1

MINNESOTA STADIUM AUTHORITY

1.20 Section 1. Minnesota Statutes 2010, section 3.971, subdivision 6, is amended to read:

1.21 Subd. 6. **Financial audits.** The legislative auditor shall audit the financial
1.22 statements of the state of Minnesota required by section 16A.50 and, as resources permit,
1.23 shall audit Minnesota State Colleges and Universities, the University of Minnesota, state
1.24 agencies, departments, boards, commissions, courts, and other state organizations subject
1.25 to audit by the legislative auditor, including the State Agricultural Society, Agricultural
1.26 Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical
1.27 Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco,
1.28 Metropolitan Sports Facilities Commission, Minnesota Stadium Authority, Metropolitan

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

2.1 Airports Commission, and Metropolitan Mosquito Control District. Financial audits
2.2 must be conducted according to generally accepted government auditing standards. The
2.3 legislative auditor shall see that all provisions of law respecting the appropriate and
2.4 economic use of public funds are complied with and may, as part of a financial audit or
2.5 separately, investigate allegations of noncompliance.

2.6 Sec. 2. Minnesota Statutes 2010, section 3.9741, is amended by adding a subdivision
2.7 to read:

2.8 Subd. 4. **Minnesota Stadium Authority.** Upon the audit of the financial accounts
2.9 and affairs of the Minnesota Stadium Authority, the authority is liable to the state for the
2.10 total cost and expenses of the audit, including the salaries paid to the examiners while
2.11 actually engaged in making the examination. The legislative auditor may bill the authority
2.12 either monthly or at the completion of the audit. All collections received for the audits
2.13 must be deposited in the general fund.

2.14 Sec. 3. Minnesota Statutes 2010, section 10A.01, subdivision 35, is amended to read:

2.15 Subd. 35. **Public official.** "Public official" means any:

2.16 (1) member of the legislature;

2.17 (2) individual employed by the legislature as secretary of the senate, legislative
2.18 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
2.19 legislative analyst, or attorney in the Office of Senate Counsel and Research or House
2.20 Research;

2.21 (3) constitutional officer in the executive branch and the officer's chief administrative
2.22 deputy;

2.23 (4) solicitor general or deputy, assistant, or special assistant attorney general;

2.24 (5) commissioner, deputy commissioner, or assistant commissioner of any state
2.25 department or agency as listed in section 15.01 or 15.06, or the state chief information
2.26 officer;

2.27 (6) member, chief administrative officer, or deputy chief administrative officer of a
2.28 state board or commission that has either the power to adopt, amend, or repeal rules under
2.29 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

2.30 (7) individual employed in the executive branch who is authorized to adopt, amend,
2.31 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

2.32 (8) executive director of the State Board of Investment;

2.33 (9) deputy of any official listed in clauses (7) and (8);

2.34 (10) judge of the Workers' Compensation Court of Appeals;

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

3.1 (11) administrative law judge or compensation judge in the State Office of
3.2 Administrative Hearings or unemployment law judge in the Department of Employment
3.3 and Economic Development;

3.4 (12) member, regional administrator, division director, general counsel, or operations
3.5 manager of the Metropolitan Council;

3.6 (13) member or chief administrator of a metropolitan agency;

3.7 (14) director of the Division of Alcohol and Gambling Enforcement in the
3.8 Department of Public Safety;

3.9 (15) member or executive director of the Higher Education Facilities Authority;

3.10 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;

3.11 (17) member of the board of directors or executive director of the Minnesota State
3.12 High School League;

3.13 (18) member of the Minnesota Ballpark Authority established in section 473.755;

3.14 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;

3.15 (20) manager of a watershed district, or member of a watershed management
3.16 organization as defined under section 103B.205, subdivision 13;

3.17 (21) supervisor of a soil and water conservation district;

3.18 (22) director of Explore Minnesota Tourism; ~~or~~

3.19 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established
3.20 in section 97A.056; or

3.21 (24) member or chief executive of the Minnesota Stadium Authority established
3.22 in section 473J.07.

3.23 **Sec. 4. [295.61] SPORTS MEMORABILIA GROSS RECEIPTS TAX.**

3.24 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
3.25 have the meanings given, unless the context clearly indicates otherwise.

3.26 (b) "Commissioner" means the commissioner of revenue.

3.27 (c) "Sale" means a transfer of title or possession of tangible personal property,
3.28 whether absolutely or conditionally.

3.29 (d) "Sports memorabilia" means items available for sale to the public that are sold
3.30 under a license granted by any professional sports league or a team that is a franchise of a
3.31 professional sports league, or an affiliate or subsidiary of a league or a team, including:

3.32 (1) one-of-a-kind items related to sports figures, teams, or events;

3.33 (2) trading cards;

3.34 (3) photographs;

3.35 (4) clothing;

4.1 (5) sports event licensed items;

4.2 (6) sports equipment; and

4.3 (7) similar items.

4.4 (e) "Wholesale" or "sale at wholesale" means a sale to a retailer, as defined in section
4.5 297A.61, subdivision 9, for the purpose of reselling the property to a third party.

4.6 (f) "Wholesaler" means any person making wholesale sales of sports memorabilia
4.7 to purchasers in the state.

4.8 Subd. 2. **Imposition.** A tax is imposed on each sale at wholesale of sports
4.9 memorabilia equal to ten percent of the gross revenues from the sale.

4.10 Subd. 3. **Estimated payments; annual return.** (a) Each wholesaler must make
4.11 estimated payments of the tax for the calendar year to the commissioner in quarterly
4.12 installments by April 15, July 15, October 15, and January 15 of the following calendar
4.13 year. Estimated tax payments are not required if the tax for the calendar year is less than
4.14 \$500. An underpayment of estimated installments bears interest at the rate specified in
4.15 section 270C.40, from the due date of the payment until paid or until the due date of the
4.16 annual return at the rate specified in section 270C.40. An underpayment of an estimated
4.17 installment is the difference between the amount paid and the lesser of (1) 90 percent of
4.18 one-quarter of the tax for the calendar year, or (2) the tax for the actual gross revenues
4.19 received during the quarter.

4.20 (b) A taxpayer with an aggregate tax liability of \$10,000 or more during a fiscal
4.21 year ending June 30, must remit all liabilities by funds transfer as defined in section
4.22 336.4A-104, paragraph (a), in the next calendar year. The funds-transfer payment date,
4.23 as defined in section 336.4A-401, is on or before the first funds-transfer business day
4.24 after the date the tax is due.

4.25 (c) The taxpayer must file an annual return reconciling the estimated payments by
4.26 March 15 of the following calendar year.

4.27 (d) The estimated payments and annual return must contain the information and be
4.28 in the form prescribed by the commissioner.

4.29 Subd. 4. **Compensating use tax.** If the tax is not paid under subdivision 2, a
4.30 compensating tax is imposed on possession for sale or use of sports memorabilia in the
4.31 state. The rate of tax equals the rate under subdivision 2 and must be paid by the possessor
4.32 of the items.

4.33 Subd. 5. **Administrative provisions.** Unless specifically provided otherwise by this
4.34 section, the audit, assessment, refund, penalty, interest, enforcement, collection remedies,
4.35 appeal, and administrative provisions of chapters 270C and 289A that apply to taxes
4.36 imposed under chapter 297A apply to taxes imposed under this section.

5.1 Subd. 6. Disposition of revenues. The commissioner shall deposit the revenues
5.2 from the tax in the general fund.

5.3 EFFECTIVE DATE. This section is effective for sales and purchases made after
5.4 June 30, 2011.

5.5 Sec. 5. Minnesota Statutes 2010, section 297A.61, subdivision 3, is amended to read:

5.6 Subd. 3. **Sale and purchase.** (a) "Sale" and "purchase" include, but are not limited
5.7 to, each of the transactions listed in this subdivision.

5.8 (b) Sale and purchase include:

5.9 (1) any transfer of title or possession, or both, of tangible personal property, whether
5.10 absolutely or conditionally, for a consideration in money or by exchange or barter; and

5.11 (2) the leasing of or the granting of a license to use or consume, for a consideration
5.12 in money or by exchange or barter, tangible personal property, other than a manufactured
5.13 home used for residential purposes for a continuous period of 30 days or more.

5.14 (c) Sale and purchase include the production, fabrication, printing, or processing of
5.15 tangible personal property for a consideration for consumers who furnish either directly or
5.16 indirectly the materials used in the production, fabrication, printing, or processing.

5.17 (d) Sale and purchase include the preparing for a consideration of food.

5.18 Notwithstanding section 297A.67, subdivision 2, taxable food includes, but is not limited
5.19 to, the following:

5.20 (1) prepared food sold by the retailer;

5.21 (2) soft drinks;

5.22 (3) candy;

5.23 (4) dietary supplements; and

5.24 (5) all food sold through vending machines.

5.25 (e) A sale and a purchase includes the furnishing for a consideration of electricity,
5.26 gas, water, or steam for use or consumption within this state.

5.27 (f) A sale and a purchase includes the transfer for a consideration of prewritten
5.28 computer software whether delivered electronically, by load and leave, or otherwise.

5.29 (g) A sale and a purchase includes the furnishing for a consideration of the following
5.30 services:

5.31 (1) the privilege of admission to places of amusement, recreational areas, product
5.32 exhibition and selling events, or athletic events, including the rental of box seats, suites,
5.33 sky boxes, and similar in the stadium constructed under chapter 473J, and the making
5.34 available of amusement devices, tanning facilities, reducing salons, steam baths, Turkish
5.35 baths, health clubs, and spas or athletic facilities;

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

6.1 (2) lodging and related services by a hotel, rooming house, resort, campground,
6.2 motel, or trailer camp, including furnishing the guest of the facility with access to
6.3 telecommunication services, and the granting of any similar license to use real property
6.4 in a specific facility, other than the renting or leasing of it for a continuous period of
6.5 30 days or more under an enforceable written agreement that may not be terminated
6.6 without prior notice;

6.7 (3) nonresidential parking services, whether on a contractual, hourly, or other
6.8 periodic basis, except for parking at a meter;

6.9 (4) the granting of membership in a club, association, or other organization if:

6.10 (i) the club, association, or other organization makes available for the use of its
6.11 members sports and athletic facilities, without regard to whether a separate charge is
6.12 assessed for use of the facilities; and

6.13 (ii) use of the sports and athletic facility is not made available to the general public
6.14 on the same basis as it is made available to members.

6.15 Granting of membership means both onetime initiation fees and periodic membership
6.16 dues. Sports and athletic facilities include golf courses; tennis, racquetball, handball, and
6.17 squash courts; basketball and volleyball facilities; running tracks; exercise equipment;
6.18 swimming pools; and other similar athletic or sports facilities;

6.19 (5) delivery of aggregate materials by a third party, excluding delivery of aggregate
6.20 material used in road construction, and delivery of concrete block by a third party if
6.21 the delivery would be subject to the sales tax if provided by the seller of the concrete
6.22 block; and

6.23 (6) services as provided in this clause:

6.24 (i) laundry and dry cleaning services including cleaning, pressing, repairing, altering,
6.25 and storing clothes, linen services and supply, cleaning and blocking hats, and carpet,
6.26 drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not
6.27 include services provided by coin operated facilities operated by the customer;

6.28 (ii) motor vehicle washing, waxing, and cleaning services, including services
6.29 provided by coin operated facilities operated by the customer, and rustproofing,
6.30 undercoating, and towing of motor vehicles;

6.31 (iii) building and residential cleaning, maintenance, and disinfecting services and
6.32 pest control and exterminating services;

6.33 (iv) detective, security, burglar, fire alarm, and armored car services; but not
6.34 including services performed within the jurisdiction they serve by off-duty licensed peace
6.35 officers as defined in section 626.84, subdivision 1, or services provided by a nonprofit
6.36 organization for monitoring and electronic surveillance of persons placed on in-home

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

7.1 detention pursuant to court order or under the direction of the Minnesota Department
7.2 of Corrections;

7.3 (v) pet grooming services;

7.4 (vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting
7.5 and maintenance; tree, bush, and shrub pruning, bracing, spraying, and surgery; indoor
7.6 plant care; tree, bush, shrub, and stump removal, except when performed as part of a land
7.7 clearing contract as defined in section 297A.68, subdivision 40; and tree trimming for
7.8 public utility lines. Services performed under a construction contract for the installation of
7.9 shrubbery, plants, sod, trees, bushes, and similar items are not taxable;

7.10 (vii) massages, except when provided by a licensed health care facility or
7.11 professional or upon written referral from a licensed health care facility or professional for
7.12 treatment of illness, injury, or disease; and

7.13 (viii) the furnishing of lodging, board, and care services for animals in kennels and
7.14 other similar arrangements, but excluding veterinary and horse boarding services.

7.15 In applying the provisions of this chapter, the terms "tangible personal property"
7.16 and "retail sale" include taxable services listed in clause (6), items (i) to (vi) and (viii),
7.17 and the provision of these taxable services, unless specifically provided otherwise.

7.18 Services performed by an employee for an employer are not taxable. Services performed
7.19 by a partnership or association for another partnership or association are not taxable if
7.20 one of the entities owns or controls more than 80 percent of the voting power of the
7.21 equity interest in the other entity. Services performed between members of an affiliated
7.22 group of corporations are not taxable. For purposes of the preceding sentence, "affiliated
7.23 group of corporations" means those entities that would be classified as members of an
7.24 affiliated group as defined under United States Code, title 26, section 1504, disregarding
7.25 the exclusions in section 1504(b).

7.26 For purposes of clause (5), "road construction" means construction of (1) public
7.27 roads, (2) cartways, and (3) private roads in townships located outside of the seven-county
7.28 metropolitan area up to the point of the emergency response location sign.

7.29 (h) A sale and a purchase includes the furnishing for a consideration of tangible
7.30 personal property or taxable services by the United States or any of its agencies or
7.31 instrumentalities, or the state of Minnesota, its agencies, instrumentalities, or political
7.32 subdivisions.

7.33 (i) A sale and a purchase includes the furnishing for a consideration of
7.34 telecommunications services, ancillary services associated with telecommunication
7.35 services, cable television services, direct satellite services, and ring tones.
7.36 Telecommunication services include, but are not limited to, the following services,

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

8.1 as defined in section 297A.669: air-to-ground radiotelephone service, mobile
8.2 telecommunication service, postpaid calling service, prepaid calling service, prepaid
8.3 wireless calling service, and private communication services. The services in this
8.4 paragraph are taxed to the extent allowed under federal law.

8.5 (j) A sale and a purchase includes the furnishing for a consideration of installation if
8.6 the installation charges would be subject to the sales tax if the installation were provided
8.7 by the seller of the item being installed.

8.8 (k) A sale and a purchase includes the rental of a vehicle by a motor vehicle dealer
8.9 to a customer when (1) the vehicle is rented by the customer for a consideration, or (2)
8.10 the motor vehicle dealer is reimbursed pursuant to a service contract as defined in section
8.11 59B.02, subdivision 11.

8.12 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
8.13 June 30, 2011.

8.14 Sec. 6. Minnesota Statutes 2010, section 297A.61, subdivision 27, is amended to read:

8.15 Subd. 27. **Direct satellite service.** "Direct satellite service" means programming
8.16 and programming services, including digital video recording services, and the subscriber
8.17 interaction, if any, required for the selection of service transmitted or broadcast by satellite
8.18 directly to the subscriber's premises without the use of ground receiving or distribution
8.19 equipment, except at the subscriber's premises or in the uplink process to the satellite.

8.20 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
8.21 June 30, 2011.

8.22 Sec. 7. Minnesota Statutes 2010, section 297A.71, is amended by adding a subdivision
8.23 to read:

8.24 Subd. 43. **Building materials, football stadium.** Materials and supplies used or
8.25 consumed in, and equipment incorporated into, the construction or improvement of the
8.26 football stadium and public infrastructure constructed pursuant to this act are exempt. This
8.27 subdivision expires one year after the date that the first national football league game is
8.28 played in the stadium for materials, supplies, and equipment used in the stadium, and five
8.29 years after the issuance of the first bonds under section 473J.15 for materials, supplies,
8.30 and equipment used in the public infrastructure.

8.31 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
8.32 June 30, 2011.

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

9.1 Sec. 8. Minnesota Statutes 2010, section 340A.404, subdivision 1, is amended to read:

9.2 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to
9.3 the following establishments located within its jurisdiction:

9.4 (1) hotels;

9.5 (2) restaurants;

9.6 (3) bowling centers;

9.7 (4) clubs or congressionally chartered veterans organizations with the approval of
9.8 the commissioner, provided that the organization has been in existence for at least three
9.9 years and liquor sales will only be to members and bona fide guests, except that a club
9.10 may permit the general public to participate in a wine tasting conducted at the club under
9.11 section 340A.419;

9.12 (5) sports facilities located on land owned or leased by the Minnesota Stadium
9.13 Authority;

9.14 ~~(5)~~ (6) sports facilities located on land owned by the Metropolitan Sports
9.15 Commission; and

9.16 ~~(6)~~ (7) exclusive liquor stores.

9.17 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
9.18 or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
9.19 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
9.20 all days of the week to persons attending events at the theater.

9.21 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
9.22 or an on-sale malt liquor license to a convention center within the city, notwithstanding
9.23 any law, local ordinance, or charter provision. A license issued under this paragraph
9.24 authorizes sales on all days of the week to persons attending events at the convention
9.25 center. This paragraph does not apply to convention centers located in the seven-county
9.26 metropolitan area.

9.27 Sec. 9. Minnesota Statutes 2010, section 352.01, subdivision 2a, is amended to read:

9.28 Subd. 2a. **Included employees.** (a) "State employee" includes:

9.29 (1) employees of the Minnesota Historical Society;

9.30 (2) employees of the State Horticultural Society;

9.31 (3) employees of the Minnesota Crop Improvement Association;

9.32 (4) employees of the adjutant general whose salaries are paid from federal funds and
9.33 who are not covered by any federal civilian employees retirement system;

9.34 (5) employees of the Minnesota State Colleges and Universities who are employed
9.35 under the university or college activities program;

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

10.1 (6) currently contributing employees covered by the system who are temporarily
10.2 employed by the legislature during a legislative session or any currently contributing
10.3 employee employed for any special service as defined in subdivision 2b, clause (8);

10.4 (7) employees of the legislature who are appointed without a limit on the duration
10.5 of their employment and persons employed or designated by the legislature or by a
10.6 legislative committee or commission or other competent authority to conduct a special
10.7 inquiry, investigation, examination, or installation;

10.8 (8) trainees who are employed on a full-time established training program
10.9 performing the duties of the classified position for which they will be eligible to receive
10.10 immediate appointment at the completion of the training period;

10.11 (9) employees of the Minnesota Safety Council;

10.12 (10) any employees who are on authorized leave of absence from the Transit
10.13 Operating Division of the former Metropolitan Transit Commission and who are employed
10.14 by the labor organization which is the exclusive bargaining agent representing employees
10.15 of the Transit Operating Division;

10.16 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
10.17 Commission, Metropolitan Sports Facilities Commission, or Metropolitan Mosquito
10.18 Control Commission unless excluded under subdivision 2b or are covered by another
10.19 public pension fund or plan under section 473.415, subdivision 3;

10.20 (12) judges of the Tax Court;

10.21 (13) personnel who were employed on June 30, 1992, by the University of
10.22 Minnesota in the management, operation, or maintenance of its heating plant facilities,
10.23 whose employment transfers to an employer assuming operation of the heating plant
10.24 facilities, so long as the person is employed at the University of Minnesota heating plant
10.25 by that employer or by its successor organization;

10.26 (14) personnel who are employed as seasonal employees in the classified or
10.27 unclassified service;

10.28 (15) persons who are employed by the Department of Commerce as a peace officer
10.29 in the Insurance Fraud Prevention Division under section 45.0135 who have attained the
10.30 mandatory retirement age specified in section 43A.34, subdivision 4;

10.31 (16) employees of the University of Minnesota unless excluded under subdivision
10.32 2b, clause (3);

10.33 (17) employees of the Middle Management Association whose employment began
10.34 after July 1, 2007, and to whom section 352.029 does not apply; ~~and~~

10.35 (18) employees of the Minnesota Government Engineers Council to whom section
10.36 352.029 does not apply; and

11.1 (19) employees of the Minnesota Stadium Authority.

11.2 (b) Employees specified in paragraph (a), clause (13), are included employees under
11.3 paragraph (a) if employer and employee contributions are made in a timely manner in the
11.4 amounts required by section 352.04. Employee contributions must be deducted from
11.5 salary. Employer contributions are the sole obligation of the employer assuming operation
11.6 of the University of Minnesota heating plant facilities or any successor organizations to
11.7 that employer.

11.8 Sec. 10. **[473J.01] PURPOSE.**

11.9 The purpose of this chapter is to provide for the construction, financing, and
11.10 long-term use of a stadium primarily as a venue for professional football. The legislature
11.11 finds and declares that the expenditure of public money for this purpose is necessary and
11.12 serves a public purpose, and that property acquired by the Minnesota Stadium Authority
11.13 for the construction of the stadium and related public infrastructure is acquired for a public
11.14 use or public purpose under chapter 117. The legislature further finds and declares that
11.15 any provision in a lease or use agreement with a professional football team that requires
11.16 the team to play all of its home games in a publicly funded stadium, with the occasional
11.17 exception of a game played elsewhere for marketing purposes, for the duration of the
11.18 lease or use agreement serves a unique public purpose for which the remedies of specific
11.19 performance and injunctive relief are essential to its enforcement. The legislature further
11.20 finds and declares that government assistance to facilitate the presence of professional
11.21 football provides to the state of Minnesota and its citizens highly valued intangible
11.22 benefits that are virtually impossible to quantify and, therefore, not recoverable even if
11.23 the government receives monetary damages in the event of a team's breach of contract.
11.24 Minnesota courts are, therefore, charged with protecting those benefits through the use
11.25 of specific performance and injunctive relief as provided in this chapter and in the lease
11.26 and use agreements.

11.27 Sec. 11. **[473J.03] DEFINITIONS.**

11.28 Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in
11.29 this section have the meanings given them, except as otherwise expressly provided or
11.30 indicated by the context.

11.31 Subd. 2. **Authority.** "Authority" means the Minnesota Stadium Authority
11.32 established under section 473J.07.

11.33 Subd. 3. **City.** "City" means the city in which the stadium is located.

11.34 Subd. 4. **County.** "County" means the county in which the stadium is located.

12.1 Subd. 5. **Development area.** "Development area" means the stadium site and
12.2 adjacent area, as specified by the city or county in the final agreement with the authority.

12.3 Subd. 6. **Stadium.** "Stadium" means the stadium suitable for professional football
12.4 to be designed, constructed, and financed under this chapter. A stadium must have a roof
12.5 that covers the stadium.

12.6 Subd. 7. **Stadium costs.** "Stadium costs" means the costs of acquiring land, the
12.7 costs of on-site infrastructure, and of designing, constructing, and equipping a stadium
12.8 suitable for professional football.

12.9 Subd. 8. **Public infrastructure.** "Public infrastructure" means all property,
12.10 facilities, and improvements determined by the authority to facilitate the development and
12.11 use of the stadium, including but not limited to property and improvements for drainage,
12.12 environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges,
12.13 bicycle paths, and transit improvements to facilitate public access to the stadium, lighting,
12.14 landscaping, utilities, streets, and streetscapes.

12.15 Subd. 9. **Streetscape.** "Streetscape" means improvements to streets and sidewalks
12.16 or other public rights-of-way for the purpose of enhancing the movement, safety,
12.17 convenience, or enjoyment of stadium patrons and other pedestrians, including decorative
12.18 lighting and surfaces, plantings, display and exhibit space, adornments, seating, and
12.19 transit and bus shelters.

12.20 Subd. 10. **Team.** "Team" means the owner and operator of the professional football
12.21 team known as of the effective date of this chapter as the Minnesota Vikings or any team
12.22 owned and operated by someone who purchases or otherwise takes ownership or control
12.23 of or reconstitutes the professional football team known as the Minnesota Vikings.

12.24 **Sec. 12. [473J.07] MINNESOTA STADIUM AUTHORITY.**

12.25 Subdivision 1. **Established.** The Minnesota Stadium Authority is established as a
12.26 public body, corporate and politic, and political subdivision of the state.

12.27 Subd. 2. **Membership during site selection process.** (a) The Minnesota Stadium
12.28 Authority consists of five members, all appointed by and serving at the pleasure of the
12.29 governor. One must be a resident of Hennepin County, one must be a resident of Ramsey
12.30 County, and three must reside outside of Hennepin and Ramsey counties. Section 15.0597
12.31 applies to the appointments. The governor shall select one of the five members to serve as
12.32 chair. Members must not be elected or appointed officials of any political subdivision.

12.33 (b) During the site selection process, the Metropolitan Sports Facilities Commission
12.34 shall provide staff, meeting space, and administrative support for the authority and
12.35 compensate members of the authority as provided in section 15.0575, subdivision 3.

13.1 (c) This subdivision expires upon selection of a site.

13.2 Subd. 3. **Membership upon selection of a site.** (a) Upon selection of a site, the
13.3 authority shall consist of seven members.

13.4 (b) The chair and two members shall be appointed by the governor from among the
13.5 members of the authority established under subdivision 2. One member appointed by the
13.6 governor shall serve until December 31 of the third year following appointment and the
13.7 other shall serve until December 31 of the sixth year following appointment. Thereafter,
13.8 members appointed by the governor shall serve six-year terms, beginning January 1.
13.9 Each member serves until a successor is appointed and takes office. The chair serves at
13.10 the pleasure of the governor. All members appointed by the governor must reside outside
13.11 the political subdivision in which the stadium is located and must not be appointed or
13.12 elected officials of any political subdivision.

13.13 (c) The governing body of the political subdivision in which the stadium is located
13.14 shall appoint four members to the authority. Two members appointed by the governing
13.15 body of the political subdivision in which the stadium is located shall serve until
13.16 December 31 of the third year following appointment and two members shall serve until
13.17 December 31 of the sixth year following appointment. Thereafter, members appointed
13.18 under this paragraph shall serve six-year terms beginning January 1. Each member serves
13.19 until a successor is appointed and takes office. Members appointed under this paragraph
13.20 may reside within the political subdivision in which the stadium is located but must not be
13.21 appointed or elected officials of any political subdivision.

13.22 Subd. 4. **Compensation.** The authority may compensate its members as provided
13.23 in section 15.0575.

13.24 Subd. 5. **Chair.** The chair presides at all meetings of the authority, if present, and
13.25 performs all other assigned duties and functions. The authority may appoint from among
13.26 its members a vice-chair to act for the chair during the temporary absence or disability of
13.27 the chair.

13.28 Subd. 6. **Removal.** A member, other than the chair, may be removed by the
13.29 appointing authority only for misfeasance, malfeasance, or nonfeasance in office, upon
13.30 written charges and after an opportunity to be heard in defense of the charges.

13.31 Subd. 7. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure,
13.32 the powers and duties of its officers, and other matters relating to the governance of the
13.33 authority and the exercise of its powers. Except as provided in this section, the bylaws
13.34 adopted under this subdivision must be similar in form and substance to bylaws adopted
13.35 by the Metropolitan Sports Facilities Commission pursuant to Minnesota Statutes 2010,
13.36 section 473.553.

14.1 Subd. 8. **Audit.** The legislative auditor shall audit the books and accounts of the
14.2 authority once each year or as often as the legislative auditor's funds and personnel permit.
14.3 The authority shall pay the total cost of the audit pursuant to section 3.9741.

14.4 Subd. 9. **Executive director; employees.** Within 30 days of the first meeting of the
14.5 members, the authority shall appoint an executive director to serve as the chief executive
14.6 officer of the authority. The executive director serves at the pleasure of the authority and
14.7 receives compensation as determined by it. The executive director is responsible for the
14.8 operation, management, and promotion of activities of the authority, as prescribed by the
14.9 authority. The executive director has the powers necessarily incident to the performance
14.10 of duties required and powers granted by the authority, but does not have authority
14.11 to incur liability or make expenditures on behalf of the authority without general or
14.12 specific directions by the authority, as shown by the bylaws or minutes of a meeting of the
14.13 authority. The executive director is responsible for hiring, supervision, and dismissal of all
14.14 other employees of the authority.

14.15 Subd. 10. **Web site.** The authority shall establish a Web site for purposes of
14.16 providing information to the public concerning all actions taken by the authority. At a
14.17 minimum, the Web site must contain a current version of the authority's bylaws, notices
14.18 of upcoming meetings, minutes of the authority's meetings, and contact telephone and
14.19 facsimile numbers for public comments.

14.20 Sec. 13. **[473J.075] SITE SELECTION.**

14.21 Subdivision 1. **Duties.** The authority shall solicit and evaluate proposals for locating
14.22 a new stadium. The authority shall also make the final selection of a new stadium site.
14.23 The authority shall complete site selection by February 15, 2012. The governor may by
14.24 proclamation extend this deadline for a period not to exceed 90 days.

14.25 Subd. 2. **Compensation, expenses; staff.** The authority shall provide staff, meeting
14.26 space, and administrative support for the site selection process.

14.27 Subd. 3. **Proposals solicited.** The authority shall issue a request for proposals for
14.28 political subdivisions to be selected to finance and construct a stadium for the team. This
14.29 request must be published in the State Register and contain, at a minimum, the following
14.30 requirements:

14.31 (1) a requirement that all proposals specify a location for the new stadium or a
14.32 process for selecting a site in an expeditious fashion;

14.33 (2) a list of taxes, fees, and expenditures that will form the commitment of the
14.34 political subdivision or subdivisions to the financing of the stadium; and

15.1 (3) a list of amenities, infrastructure, and other improvements that will be offered
15.2 to the team and the Minnesota Stadium Authority created under this act, as part of the
15.3 proposal for location of the new stadium.

15.4 Subd. 4. **Evaluation of proposals.** The authority shall receive all proposals and
15.5 upon receipt shall promptly publish their contents. The authority shall select a winning
15.6 proposal after consultation with the team and shall negotiate all necessary agreements with
15.7 the selected political subdivisions necessary to begin the process of constructing a stadium.

15.8 Subd. 5. **Open meetings; data practices.** Except as otherwise provided in this
15.9 section, chapters 13 and 13D apply to the committee.

15.10 Subd. 6. **Bids; state contribution.** The following revenues generated under this act
15.11 must be used as the state share of each proposal:

15.12 (1) a pro sports memorabilia gross receipts tax; a player income tax surcharge; a
15.13 state tax on luxury boxes at the stadium; a sales tax on direct satellite services; a sales
15.14 tax exemption for stadium construction; a property tax exemption on the stadium; and
15.15 revenues from a dedicated sports theme lottery game;

15.16 (2) the state of Minnesota is not required to provide additional funding or resources
15.17 not explicitly required or allowed under this act and no bid will include such revenues; and

15.18 (3) all provisions of this chapter must be reflected in any proposal, but a specific
15.19 modification of a provision of this chapter may be proposed as a part of a proposal.

15.20 Subd. 7. **Bids; local share.** A political subdivision submitting a proposal to finance
15.21 and construct a stadium must include in its proposal a resolution adopted by its governing
15.22 body in support of the proposal. The proposal may, at the discretion of the bidding
15.23 political subdivision, contain the following provisions:

15.24 (1) use of a local sales tax at a rate not to exceed 0.5 percent;

15.25 (2) use of liquor taxes at a rate not to exceed 3 percent;

15.26 (3) use of a lodging tax at a rate not to exceed 3 percent;

15.27 (4) use of an entertainment tax at a rate not to exceed 3 percent;

15.28 (5) use of admissions taxes at an amount not to exceed \$1 per ticket;

15.29 (6) use of a food and beverage tax at a rate not to exceed 3 percent; and

15.30 (7) use of any other locally generated taxes, revenues, or contributions not contained
15.31 within this act, provided that all such must either be currently in use or are subject to
15.32 later approval by subsequent legislation.

15.33 Subd. 8. **Bids; special allowances.** The following specific provisions may be
15.34 included in a bid as specified:

15.35 (1) for a bid from a jurisdiction within Hennepin County, with county approval,
15.36 excess funds from the sales tax used to finance the Minnesota Twins stadium in Laws

16.1 2006, chapter 257, section 12, subdivision 10, may be redirected towards construction of a
16.2 stadium under this act, and the sales tax revenues generated after all debt for the Twins
16.3 stadium may be redirected to a stadium under this act;

16.4 (2) for a bid from the city of Minneapolis, tax revenues generated for repayment of
16.5 the convention center bonds, as allowed under Laws 1986, chapter 396, section 4, may be
16.6 used for construction of a stadium under this act;

16.7 (3) for a bid involving more than one political subdivision, up to 60 percent of
16.8 local taxes levied under this act in political subdivisions where the stadium will not be
16.9 located may be reserved by those political subdivisions for the express purpose of funding
16.10 repair, rehabilitation, or operation of publicly owned facilities of regional or statewide
16.11 significance; and

16.12 (4) a bid may call for sale of municipal bonds by the city or county, or for use of the
16.13 Metropolitan Council for sale of bonds.

16.14 **EFFECTIVE DATE.** This section is effective the day following final enactment
16.15 and expires 30 days after the selection of a winning bid for a stadium site, or on February
16.16 15, 2012, whichever is earlier. The governor may extend this section by proclamation for
16.17 a period not to exceed 90 days.

16.18 Sec. 14. **[473J.09] POWERS, DUTIES OF THE AUTHORITY.**

16.19 Subdivision 1. **Actions.** The authority may sue and be sued. The authority is a
16.20 public body and the stadium and public infrastructure are public improvements within the
16.21 meaning of chapter 562. The authority is a municipality within the meaning of chapter 466.

16.22 Subd. 2. **Acquisition of property.** The authority may acquire from any public or
16.23 private entity by lease, purchase, gift, or devise all necessary right, title, and interest in
16.24 and to real property, air rights, and personal property deemed necessary to the purposes
16.25 contemplated by this chapter.

16.26 Subd. 3. **Disposition of property.** The authority may sell, lease, or otherwise
16.27 dispose of any real or personal property acquired by the authority that is no longer required
16.28 for accomplishment of the authority's purposes. The property may be sold in accordance
16.29 with the procedures provided by section 469.065, except subdivisions 6 and 7, to the
16.30 extent the authority deems it to be practical and consistent with this chapter. Title to the
16.31 stadium must not be transferred or sold prior to the effective date of enactment of any
16.32 legislation approving such transfer or sale.

16.33 Subd. 4. **Data practices; open meetings.** Except as otherwise provided in this
16.34 chapter, the authority is subject to chapters 13 and 13D.

17.1 Subd. 5. **Facility operation.** The authority may equip, improve, operate, manage,
17.2 maintain, and control the stadium and related facilities constructed, remodeled, or acquired
17.3 under this chapter, subject to the rights and obligations transferred to and assumed by the
17.4 team or other user under the terms of a lease or use agreement, but in no case may a lease
17.5 or use agreement permit smoking in the stadium.

17.6 Subd. 6. **Employees; contracts for services.** The authority may employ persons
17.7 and contract for services necessary to carry out its functions, including the utilization of
17.8 employees and consultants retained by other governmental entities. The authority shall
17.9 enter into an agreement with the city and county regarding traffic control for the stadium.

17.10 Subd. 7. **Gifts, grants.** The authority may accept monetary contributions, property,
17.11 services, and grants or loans of money or other property from the United States, the state,
17.12 any subdivision of the state, any agency of those entities, or any person for any of its
17.13 purposes, and may enter into any agreement required in connection with the gifts, grants,
17.14 or loans. The authority shall hold, use, and dispose of the money, property, or services
17.15 according to the terms of the monetary contributions, grant, loan, or agreement.

17.16 Subd. 8. **Use agreements.** The authority may lease, license, or enter into use
17.17 agreements and may fix, alter, charge, and collect rentals, fees, and charges for the use,
17.18 occupation, and availability of part or all of any premises, property, or facilities under
17.19 its ownership, operation, or control for purposes that will provide athletic, educational,
17.20 cultural, commercial, or other entertainment, instruction, or activity for the citizens of
17.21 Minnesota and visitors. The use agreement may provide that the other contracting party
17.22 has exclusive use of the premises at the times agreed upon, as well as the right to retain
17.23 some or all revenues from ticket sales, suite licenses, concessions, advertising, naming
17.24 rights, and other revenues derived from the stadium. The lease or use agreement with a
17.25 team must provide for the payment by the team of an agreed upon portion of operating
17.26 and maintenance costs and expenses and provide other terms in which the authority and
17.27 team agree.

17.28 Subd. 9. **Research.** The authority may conduct research studies and programs;
17.29 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all
17.30 necessary hearings and investigations in connection with its functions.

17.31 Subd. 10. **Insurance.** The authority may require any employee to obtain and file
17.32 with the authority an individual bond or fidelity insurance policy. The authority may
17.33 procure insurance in the amounts the authority considers necessary against liability of the
17.34 authority or its officers and employees for personal injury or death and property damage or
17.35 destruction, consistent with chapter 466, and against risks of damage to or destruction of
17.36 any of its facilities, equipment, or other property.

18.1 Subd. 11. Exemption from Metropolitan Council review, Business Subsidy Act.

18.2 The acquisition and betterment of a stadium by the authority must be conducted pursuant
18.3 to this chapter and are not subject to sections 473.165 and 473.173. Section 116J.994
18.4 does not apply to any transactions of the authority or other governmental entity related
18.5 to the stadium or public infrastructure or to any tenant or other users of the stadium or
18.6 public infrastructure.

18.7 Subd. 12. Contracts. (a) The authority may enter into a development agreement
18.8 with the team and any other entity relating to the construction, financing, and use of the
18.9 stadium and related facilities and public infrastructure. The authority may contract for
18.10 materials, supplies, and equipment in accordance with section 471.345, except that the
18.11 authority may employ or contract with persons, firms, or corporations to perform one or
18.12 more or all of the functions of architect, engineer, or construction manager with respect
18.13 to all or any part of the stadium and public infrastructure. The construction manager
18.14 may enter into contracts with contractors for labor, materials, supplies, and equipment
18.15 for the construction of the stadium and related public infrastructure through the process
18.16 of public bidding, except that the construction manager may, with the consent of the
18.17 authority or the team:

18.18 (1) narrow the listing of eligible bidders to those which the construction manager
18.19 determines to possess sufficient expertise to perform the intended functions;

18.20 (2) award contracts to the contractors that the construction manager determines
18.21 provide the best value under a request for proposals as described in section 16C.28,
18.22 subdivision 1, paragraphs (a), clause (2), and (c), which are not required to be the lowest
18.23 responsible bidder; and

18.24 (3) for work the construction manager determines to be critical to the completion
18.25 schedule, award contracts on the basis of competitive proposals, or perform work with
18.26 its own forces without soliciting competitive bids if the construction manager provides
18.27 evidence of competitive pricing.

18.28 (b) The authority shall require that the construction manager certify, before the
18.29 contract is signed, a fixed and stipulated construction price and completion date to the
18.30 authority and post a performance bond in an amount at least equal to 100 percent of the
18.31 certified price, to cover any costs which may be incurred in excess of the certified price,
18.32 including but not limited to costs incurred by the authority or loss of revenues resulting
18.33 from incomplete construction on the completion date. The authority may secure surety
18.34 bonds as provided in section 574.26, securing payment of just claims in connection
18.35 with all public work undertaken by it. Persons entitled to the protection of the bonds
18.36 may enforce them as provided in sections 574.28 to 574.32, and are not entitled to a

19.1 lien on any property of the authority under the provisions of sections 514.01 to 514.16.
19.2 Contracts for construction and operation of the stadium must include programs, including
19.3 Youthbuild, to provide for participation by small local businesses and businesses owned
19.4 by people of color, and the inclusion of women and people of color in the workforces of
19.5 contractors and stadium operators. The construction of the stadium is a project as that
19.6 term is defined in section 177.42, subdivision 2, and is subject to the prevailing wage law
19.7 under sections 177.41 to 177.43.

19.8 Subd. 13. **Incidental powers.** In addition to the powers expressly granted in this
19.9 chapter, the authority has all powers necessary or incidental thereto.

19.10 Sec. 15. **[473J.13] CRITERIA AND CONDITIONS.**

19.11 Subdivision 1. **Binding and enforceable.** In developing the stadium and entering
19.12 into related contracts, the Minnesota Stadium Authority, and all bids submitted must
19.13 follow and enforce the criteria and conditions in this section, provided that a determination
19.14 by the authority that those criteria or conditions have been met under any agreement
19.15 or otherwise shall be conclusive.

19.16 Subd. 2. **Team contribution.** The team contribution must be made in cash during
19.17 the design, site preparation and construction period in the amount of at least \$1 for every
19.18 \$2 of state and local money. In addition to any other team contribution, the team must
19.19 agree to assume and pay when due all cost overruns for the stadium project.

19.20 Subd. 3. **Reserve for capital improvements.** The Minnesota Stadium Authority
19.21 shall establish a reserve account for capital improvements to the stadium. The reserve
19.22 account must be funded with an amount to be determined. The team's share of those
19.23 payments must be as determined by agreement of the team and authority. The annual
19.24 payments shall increase according to an inflation index determined by the authority,
19.25 provided that any portion of the team's contribution that has already been reduced to
19.26 present value shall not increase according to an inflation index. The authority may accept
19.27 contributions from any other source for the portion of the funding not required to be
19.28 provided by the team.

19.29 Subd. 4. **Lease or use agreements; 40-year term.** The authority must enter into a
19.30 long-term lease or use agreement with the team for the team's use of the stadium. The team
19.31 must agree to play all regularly scheduled and postseason home games at the stadium, with
19.32 the occasional exception of a game played elsewhere for marketing purposes. Preseason
19.33 games may also be scheduled and played at the stadium. Training facilities must remain in
19.34 Minnesota during the term of the lease. The lease or use agreement must be for a term of
19.35 at least 40 years from the date of stadium completion. The lease or use agreement must

20.1 include terms for default, termination, and breach of the agreement. Recognizing that the
20.2 presence of professional football provides to the state of Minnesota and its citizens highly
20.3 valued, intangible benefits that are virtually impossible to quantify and, therefore, not
20.4 recoverable in the event of a team owner's breach of contract, the lease and use agreements
20.5 must provide for specific performance and injunctive relief to enforce provisions relating
20.6 to use of the stadium for professional football and must not include escape clauses or
20.7 buyout provisions. The team must not enter into or accept any agreement or requirement
20.8 with or from the National Football League or any other entity that is inconsistent with
20.9 the team's binding commitment to the 40-year term of the lease or use agreement or
20.10 that would in any manner dilute, interfere with, or negate the provisions of the lease or
20.11 use agreement, or of any grant agreement under section 473J.15 that includes a specific
20.12 performance clause, providing for specific performance or injunctive relief. The legislature
20.13 conclusively determines, as a matter of public policy, that the lease or use agreement, and
20.14 any grant agreement under this chapter that includes a specific performance clause:

- 20.15 (1) explicitly authorize specific performance as a remedy for breach;
20.16 (2) are made for adequate consideration and upon terms which are otherwise fair
20.17 and reasonable;
20.18 (3) have not been included through sharp practice, misrepresentation, or mistake;
20.19 (4) if specifically enforced, do not cause unreasonable or disproportionate hardship
20.20 or loss to the team or to third parties; and
20.21 (5) involve performance in a manner and the rendering of services of a nature and
20.22 under circumstances that the beneficiary cannot be adequately compensated in damages.

20.23 Subd. 5. **Lease or use agreements; revenues, payments.** The authority must
20.24 provide in the lease or use agreements with the team that the team pay for use of the
20.25 stadium as follows: (1) an amount negotiated with the authority in the first year, (2)
20.26 then an amount each year thereafter equal to the previous year's lease payment plus an
20.27 increase to cover actual and projected costs of stadium operation. A lease may include
20.28 rent and other fees and expenses to be paid by the team. The authority may agree to
20.29 provide for the team to receive all game-day revenues and suite revenues. The agreement
20.30 may provide for the authority to receive all general ticket revenues from nonprofessional
20.31 football games or events.

20.32 Subd. 6. **Notice of breach or default.** Until 40 years from the date of stadium
20.33 completion, the team must provide written notice to the authority not less than 180
20.34 days prior to any action, including any action imposed upon the team by the National
20.35 Football League, which would result in a breach or default of provisions of the lease
20.36 or use agreements required to be included under subdivision 4. If this notice provision

21.1 is violated and the team has already breached or been in default under the required
21.2 provisions, the authority or the state of Minnesota may specifically enforce the lease or use
21.3 agreement and Minnesota courts shall fashion equitable remedies so that the team fulfills
21.4 the conditions of the lease and use agreements, including, but not limited to, remedies
21.5 against the National Football League.

21.6 Subd. 7. **Enforceable financial commitments.** The authority must determine
21.7 before stadium construction begins that all public and private funding sources for
21.8 construction of the stadium are included in written agreements. The committed funds must
21.9 be adequate to design, construct, furnish, and equip the stadium.

21.10 Subd. 8. **Environmental requirements.** The authority must comply with all
21.11 environmental requirements imposed by regulatory agencies for the stadium, site, and
21.12 structure, except as provided by section 473J.15.

21.13 Subd. 9. **Public share on sale of team.** The lease or use agreement must provide
21.14 that, if the team is sold or an interest in the team is sold after the effective date of this
21.15 chapter, a portion of the sale price must be paid to the authority and deposited in a reserve
21.16 fund for improvements to the stadium or expended as the authority may otherwise direct.
21.17 The portion required to be so paid to the authority is at least 18 percent of the gross
21.18 sale price, declining to zero ten years after commencement of stadium construction in
21.19 increments of 1.8 percent each year. The agreement must provide exceptions for sales
21.20 to members of the owner's family and entities and trusts beneficially owned by family
21.21 members, sales to employees of equity interests aggregating up to ten percent, and sales
21.22 related to capital infusions not distributed to the owners.

21.23 Subd. 10. **Authority's access to team financial information.** The lease or use
21.24 agreement must provide the authority access to annual audited financial statements of
21.25 the team and other financial books and records that the authority deems necessary to
21.26 determine compliance by the team with this chapter, and to enforce the terms of any lease
21.27 or use agreements entered into under this chapter. Any financial information obtained by
21.28 the authority under this subdivision is nonpublic data under section 13.02, subdivision 9.

21.29 Subd. 11. **No strikes, lockouts.** The authority must negotiate a public sector project
21.30 labor agreement or other agreement to prevent strikes and lockouts that would halt, delay,
21.31 or impede construction of the stadium and related facilities.

21.32 Subd. 12. **Team name retained.** The lease or use agreement must provide that the
21.33 team and National Football League will transfer to the state of Minnesota the Minnesota
21.34 Vikings' heritage and records, including the name, logo, colors, history, playing records,
21.35 trophies, and memorabilia in the event of any dissolution or relocation of the Vikings
21.36 franchise.

22.1 Subd. 13. **Stadium design.** (a) The authority will strive to build a stadium that
22.2 is environmentally and energy efficient and will make an effort to build a stadium that
22.3 is eligible to receive the Leadership in Energy and Environmental Design (LEED)
22.4 certification for environmental design, and to the extent practicable, will strive to make the
22.5 stadium design architecturally significant.

22.6 (b) The stadium design must, to the extent feasible, follow sustainable building
22.7 guidelines established under section 16B.325.

22.8 (c) The authority must ensure that the stadium be, to the greatest extent practicable,
22.9 constructed of American-made steel.

22.10 Subd. 14. **Necessary approvals.** The authority and the team must jointly seek
22.11 and shall secure any necessary approvals to the terms of the lease and the design and
22.12 construction plans for the stadium, including prior approval of the National Football
22.13 League.

22.14 Subd. 15. **Resolution of labor dispute.** A lease under this section may not be
22.15 completed and signed until all ongoing labor disputes are resolved. The chair of the
22.16 authority shall certify the existence of a satisfactory resolution prior to executing a lease.

22.17 Sec. 16. **[473J.135] NAMING RIGHTS.**

22.18 (a) The authority shall issue a request for bids to sell naming rights for the stadium,
22.19 and shall publish this request in the State Register. The authority shall choose the bid that
22.20 combines the best financial and nonfinancial advantages in the operation of the stadium.
22.21 The authority may hold a closed meeting to discuss bids for naming rights.

22.22 (b) Funds from naming rights sold under this section are appropriated to the
22.23 authority for the purposes of paying debt on the stadium, and for the repair, upkeep,
22.24 and rehabilitation of the stadium.

22.25 Sec. 17. **[473J.14] TAXES; AUTHORITY.**

22.26 Subdivision 1. **Authority to impose surcharge.** (a) Notwithstanding section
22.27 477A.06, to provide financing for the acquisition, construction, improvement, and
22.28 operation of the stadium, a tax is imposed on the taxable net income of a qualified
22.29 employee of a sports organization at the rate of five percent of taxable net income for the
22.30 taxable year. The tax only applies to a qualified employee who is subject to tax under
22.31 chapter 290 for the taxable year.

22.32 (b) For purposes of this subdivision, the following terms have the meanings given
22.33 them:

23.1 (1) A "qualified employee" is an employee who derives wages, salaries or other
23.2 compensation for the performance of personal services of at least \$250,000 from a sports
23.3 organization for the taxable year and has one or more duty days, as defined in section
23.4 290.17, subdivision 2, consisting of services performed in the stadium.

23.5 (2) A "sports organization" includes the team and any other franchisee of the national
23.6 football league that plays a game in the stadium during the taxable year.

23.7 Subd. 2. **Administration.** The commissioner of revenue shall administer and
23.8 collect the tax imposed under this subdivision. For purposes of chapter 270B, 270C,
23.9 289, and 290, the tax is deemed to be imposed under section 290.06 and all the relevant
23.10 provisions of those chapters apply to the tax as if it were imposed by section 290.06,
23.11 except as otherwise provided in this subdivision.

23.12 Subd. 3. **Disposition of revenues.** The commissioner of revenue shall deposit the
23.13 proceeds of the tax imposed under this section in the general fund.

23.14 **EFFECTIVE DATE.** This section is effective January 1, 2012.

23.15 Sec. 18. **[473J.15] MUNICIPAL ACTIVITIES; BONDS; TAXES.**

23.16 Subdivision 1. **Definitions.** For purposes of this section, "municipality" and
23.17 "municipal" mean and refer to the city or county or both, as designated in the site selection
23.18 agreement by the authority.

23.19 Subd. 2. **Stadium grants.** The municipality may authorize, by resolution, and
23.20 make one or more grants to the authority for stadium development and construction,
23.21 public infrastructure, reserves for capital improvements, and other purposes related to the
23.22 stadium on the terms and conditions agreed to by the municipality and the authority.

23.23 Subd. 3. **Property acquisition and disposition.** The municipality may acquire
23.24 land, air rights, and other property interests within the development area for the stadium
23.25 site and public infrastructure and convey it to the authority with or without consideration,
23.26 prepare a site for development as a stadium, and acquire and construct any related public
23.27 infrastructure. The public infrastructure may include the construction and operation of
23.28 parking facilities notwithstanding any law imposing limits on county parking facilities
23.29 in the city of Minneapolis. To the extent property parcels or interests acquired are more
23.30 extensive than the public infrastructure requirements, the municipality may sell or
23.31 otherwise dispose of the excess. The proceeds from sales of excess property must be
23.32 deposited in the debt service reserve fund.

23.33 Subd. 4. **Grant agreement.** The municipality may review and approve stadium
23.34 designs, plans, and specifications to the extent provided in a grant agreement and in order
23.35 to ensure that the public purposes of the grant are carried out. The governing body of the

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

24.1 municipality may delegate responsibility for implementing the terms of an approved grant
24.2 agreement to a designated officer. The municipality may enforce the provisions of any
24.3 grant agreement by specific performance. Except to require compliance with the conditions
24.4 of the grant or as may be mutually agreed to by the municipality and the authority, the
24.5 municipality has no interest in or claim to any assets or revenues of the authority.

24.6 Subd. 5. **Environmental; planning and zoning.** (a) The municipality is the
24.7 responsible governmental unit for an environmental impact statement for the stadium
24.8 prepared under section 116D.04, if an environmental impact statement is necessary.
24.9 Notwithstanding section 116D.04, subdivision 2b, and implementing rules: (1) the
24.10 environmental impact statement shall not be required to consider alternative stadium
24.11 sites; and (2) the environmental impact statement must be determined to be adequate
24.12 before commencing work on the foundation of the stadium, but the stadium and public
24.13 infrastructure may otherwise be started and all preliminary and final government decisions
24.14 and actions may be made and taken, including but not limited to acquiring land; obtaining
24.15 financing; imposing the tax under section 473J.15; granting permits or other land use
24.16 approvals; entering into grant, lease, or use agreements; or preparing the site or related
24.17 public infrastructure prior to a determination of the adequacy of the environmental impact
24.18 statement.

24.19 (b) In order to accomplish the objectives of this chapter within the required time
24.20 frame, it is necessary to establish an alternative process for municipal land use and
24.21 development review. It is hereby found and declared that the construction of a stadium
24.22 within the development area is consistent with the municipality's adopted comprehensive
24.23 plan, is the preferred stadium location, and is a permitted land use. This paragraph
24.24 establishes a procedure for all land use and development reviews and approvals by the
24.25 municipality for the stadium and related public infrastructure and supersedes all land use
24.26 and development rules and restrictions and procedures imposed by other law, charter,
24.27 or ordinance, including without limitation section 15.99. No later than 30 days after
24.28 enactment, the municipality shall establish a stadium implementation committee to make
24.29 recommendations on the design plans submitted for the stadium, public infrastructure,
24.30 and related improvements, including but not limited to street vacation, parking,
24.31 roadways, walkways, skyways, pedestrian bridges, bicycle paths, transit improvements
24.32 to facilitate public street access to the stadium and integration into the transportation
24.33 plan for the municipality and the region, lighting, landscaping, utilities, streets, drainage,
24.34 environmental remediation, and land acquired and prepared for private redevelopment
24.35 in a manner related to the use of the stadium. The implementation committee must take
24.36 action to issue its recommendations within the time frames established in the planning

25.1 and construction timetable issued by the municipality which shall provide for no less
25.2 than 60 days for the committee's review. The recommendations of the implementation
25.3 committee shall be forwarded to the municipality's planning commission for an advisory
25.4 recommendation and then to the municipality's governing body for final action in a single
25.5 resolution, which final action must be taken within 45 days of the submission of the
25.6 recommendations to the planning commission. The governing body of the municipality
25.7 shall not impose any unnecessary or unreasonable conditions on the recommendations
25.8 of the implementation committee, nor take any action or impose any conditions that will
25.9 result in delay from the time frames established in the planning and construction timetable
25.10 or in additional overall costs. Failure of the governing body to act within the 45-day
25.11 period is deemed to be approval. The district court or any appellate court shall expedite
25.12 review of any case brought relating to the stadium to the maximum extent possible and
25.13 timely issue relief, orders, or opinions as necessary to give effect to the provisions and
25.14 objectives in this chapter.

25.15 Subd. 6. **Local government expenditure.** The municipality may make expenditures
25.16 or grants for other costs incidental and necessary to further the purposes of this chapter,
25.17 and may by agreement, reimburse in whole or in part, any entity that has granted,
25.18 loaned, or advanced funds to the municipality to further the purposes of this chapter.
25.19 The municipality shall reimburse a local governmental entity within its jurisdiction or
25.20 make a grant to such a governmental unit for site acquisition, preparation of the site
25.21 for stadium development, and public infrastructure. Amounts expended by a local
25.22 governmental unit with the proceeds of a grant or under an agreement that provides for
25.23 reimbursement by the municipality is not deemed an expenditure or other use of local
25.24 governmental resources by the governmental unit within the meaning of any law or charter
25.25 limitation. Notwithstanding any ordinance or charter provision to the contrary, exercise
25.26 by the municipality of its powers under this section does not affect the amounts that the
25.27 municipality may otherwise spend, borrow, tax, or receive under any law.

25.28 Subd. 7. **Municipal authority.** The legislature intends that, except as expressly
25.29 limited herein, the municipality may acquire and develop a site for the stadium and
25.30 public infrastructure, to enter into contracts with the authority and other governmental or
25.31 nongovernmental entities, to appropriate funds, and to make employees, consultants, and
25.32 other revenues available for those purposes.

25.33 Subd. 8. **Municipal revenue bonds.** The municipality may, by resolution,
25.34 authorize, sell, and issue revenue bonds to provide funds to make a grant or grants to the
25.35 authority and to finance all or a portion of the costs of site acquisition, site improvements,
25.36 and other activities necessary to prepare a site for development of a stadium, to construct,

26.1 improve, and maintain the stadium and to establish and fund any capital improvement
26.2 reserves, and to acquire and construct any related parking facilities and other public
26.3 infrastructure and for other costs incidental and necessary to further the purposes of this
26.4 chapter. The municipality may also, by resolution, issue bonds to refund the bonds issued
26.5 under this section. The bonds must be limited obligations, payable solely from or secured
26.6 by taxes designated under subdivision 9, and any other revenues available under this
26.7 act, and no entity, other than the municipality, is responsible for paying the bonds. The
26.8 bonds may be issued in one or more series and sold without an election. The bonds must
26.9 be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be
26.10 executed in the manner, be payable in the manner, mature, and be subject to the defaults,
26.11 redemptions, repurchases, tender options, or other terms, as the municipality determines.
26.12 The municipality may enter into and perform all contracts deemed necessary or desirable
26.13 by it to issue and secure the bonds, including an indenture of trust with a trustee within or
26.14 without the state. The debt represented by the bonds is not to be included in computing
26.15 any debt limitation applicable to the municipality. Subject to this subdivision, the bonds
26.16 must be issued and sold in the manner provided in chapter 475. Notwithstanding section
26.17 475.54, the bonds may mature at not later than 30 years from the date of the issue, or the
26.18 useful life of the asset, whichever is more. The bonds must recite that they are issued
26.19 under this chapter, and the recital is conclusive as to the validity of the bonds and the
26.20 imposition and pledge of the taxes levied for their payment. In anticipation of the
26.21 issuance of the bonds authorized under this subdivision and the collection of taxes under
26.22 subdivision 9, the municipality may provide funds for the purposes authorized by this
26.23 chapter, through temporary interfund loans from other available funds of the municipality
26.24 which must be repaid with interest.

26.25 Subd. 9. **Taxes and other revenues.** (a) In addition to the grant provided by the
26.26 authority under the agreement under subdivision 4, the municipality may impose taxes
26.27 as required under the stadium proposal accepted by the authority as provided under
26.28 paragraphs (b) and (c). The municipality or a participating county or city under paragraph
26.29 (c) may impose these taxes notwithstanding the restrictions in sections 297A.99,
26.30 subdivision 3, and 477A.016. The taxes must be imposed by ordinance.

26.31 (b) The municipality may include one or more of the following taxes in its proposal:

26.32 (1) a general sales tax at a rate of up to 0.5 percent under section 297A.99, except
26.33 the requirements of subdivision 3 do not apply;

26.34 (2) a tax on gross receipts subject to the tax under section 469.190 for lodging at
26.35 facilities located in the municipality at a rate not to exceed 3 percent;

27.1 (3) a tax on gross receipts from the retail sales of liquor at a rate not to exceed 3
27.2 percent, as defined under section 295.75, at locations in the municipality;

27.3 (4) a tax at a rate not to exceed 3 percent on the gross receipts from one or more of
27.4 the following:

27.5 (i) admission to events and places where entertainment is provided, provided that
27.6 this tax may not exceed \$1 per ticket;

27.7 (ii) use of amusement devices and games; and

27.8 (iii) food, drinks and merchandise sold during live performances; and

27.9 (5) a tax on food and beverages sold at locations in the municipality at a rate not
27.10 to exceed 3 percent.

27.11 (c) In addition, the proposal may provide that one or more additional counties or
27.12 home rule charter cities that does not contain the proposed site for the stadium has agreed
27.13 to participate in funding the proposal by imposing local taxes. A participating city or
27.14 county may impose one or more of the taxes authorized under paragraph (b) on the taxable
27.15 transactions within its jurisdiction, without compliance with 297A.99, subdivision 3, if it
27.16 contributes a minimum of 40 percent of the revenues from the taxes to pay for the cost of
27.17 stadium development and construction, the city or county may use the remainder of the
27.18 revenues for publicly owned facilities of regional or statewide significance.

27.19 Subd. 10. **Uses of tax and other revenues.** (a) Revenues received from the taxes
27.20 and surcharges designated or imposed under subdivision 9, paragraph (b), and designated
27.21 for stadium purposes under paragraph (c), may be used:

27.22 (1) to pay costs of collection;

27.23 (2) to pay or reimburse or secure the payment of any principal of, premium, or
27.24 interest on bonds issued under this chapter;

27.25 (3) to pay costs and make expenditures and grants described in this section, including
27.26 financing costs related to them;

27.27 (4) to maintain reserves for the foregoing purposes deemed reasonable and
27.28 appropriate by the municipality;

27.29 (5) to pay for operating costs of the authority and for costs of operating or
27.30 maintaining the stadium; and

27.31 (6) for no other purpose.

27.32 (b) Revenues from the tax designated for use under paragraph (a), clause (5), must
27.33 be deposited in the operating fund of the authority.

27.34 (c) The taxes imposed under subdivision 9, paragraphs (b) and (c) must only be
27.35 collected for the duration of bonds sold to pay for the stadium, and must be ended within

28.1 six months of that date. Excess revenues from these taxes may only be used for the
28.2 purposes allowed under this act.

28.3 Sec. 19. **[473J.17] PROPERTY TAX EXEMPTION; SPECIAL ASSESSMENTS.**

28.4 Any real or personal property acquired, owned, leased, controlled, used, or occupied
28.5 by the authority for any of the purposes of this chapter, is acquired, owned, leased,
28.6 controlled, used, and occupied for public, governmental, and municipal purposes, and is
28.7 exempt from ad valorem taxation by the state or any political subdivision of the state;
28.8 provided that the properties are subject to special assessments levied by a political
28.9 subdivision for a local improvement in amounts proportionate to and not exceeding the
28.10 special benefit received by the properties from the improvement. No possible use of
28.11 any of the properties in any manner different from their use under this chapter may be
28.12 considered in determining the special benefit received by the properties. Notwithstanding
28.13 section 272.01, subdivision 2, or 273.19, real or personal property subject to a lease or
28.14 use agreement between the authority and another person for uses related to the purposes
28.15 of this chapter, including the operation of the stadium and related parking facilities,
28.16 is exempt from taxation regardless of the length of the lease or use agreement of the
28.17 characteristics of the entity leasing or using the property. This section, insofar as it
28.18 provides an exemption or special treatment, does not apply to any real property that is
28.19 leased for residential, business, or commercial development or other purposes different
28.20 from those contemplated in this chapter.

28.21 Sec. 20. **[473J.19] CITY REQUIREMENTS.**

28.22 Subdivision 1. **Liquor licenses.** At the request of the authority, the city shall
28.23 issue intoxicating liquor licenses that are reasonably requested for the premises of the
28.24 stadium. These licenses are in addition to the number authorized by law. All provisions
28.25 of chapter 340A not inconsistent with this section apply to the licenses authorized under
28.26 this subdivision.

28.27 Sec. 21. **[473J.21] LOCAL SALES TAXES.**

28.28 No local sales or use tax may be imposed on sales at the stadium site, except a
28.29 general sales tax permitted under section 297A.99 or as provided by section 473J.15.

28.30 Sec. 22. **[473J.23] METROPOLITAN SPORTS FACILITIES COMMISSION**
28.31 **ASSETS; LIABILITIES TO AUTHORITY.**

29.1 Subdivision 1. **Transfer; may sell property.** All assets, liabilities, and obligations
29.2 of the Metropolitan Sports Facilities Commission are transferred to the authority, effective
29.3 January 1, 2012. The authority may sell the property at public sale for fair market value.
29.4 If the authority sells the Metrodome property, it must pay up to \$5,000,000 to Hennepin
29.5 County, for demonstrated uncompensated costs due to the construction of a ballpark
29.6 for the Minnesota Twins.

29.7 Subd. 2. **Metropolitan Sports Facilities Commission abolished.** Upon transfer to
29.8 the authority of all assets, liabilities, and obligations of the Metropolitan Sports Facilities
29.9 Commission, the Metropolitan Sports Facilities Commission is abolished.

29.10 Sec. 23. **[473J.50] FOOTBALL STADIUM; METROPOLITAN COUNCIL DEBT**
29.11 **OBLIGATIONS.**

29.12 Subdivision 1. **Use of bond proceeds.** The Metropolitan Council may by resolution
29.13 authorize the sale and issuance of its bonds for any or all of the following purposes:

29.14 (1) to provide funds for the acquisition or betterment of a football stadium by the
29.15 local government pursuant to chapter 473J;

29.16 (2) to refund bonds issued under this section; and

29.17 (3) to fund judgments entered by any court against the local government or against
29.18 the Metropolitan Council in matters relating to the local government functions related
29.19 to the football stadium.

29.20 Subd. 2. **Amount; procedure.** The Metropolitan Council may sell and issue bonds
29.21 in an amount to be determined by the council. The bonds shall be sold, issued, and secured
29.22 in the manner provided in chapter 475 for bonds payable solely from revenues and the
29.23 council shall have the same powers and duties as a municipality and its governing body in
29.24 issuing bonds under chapter 475. The bonds may be sold at any price and at public or
29.25 private sale as determined by the council. The bonds shall not be a general obligation or
29.26 debt of the council or of the commission, and shall not be included in the net debt of any
29.27 city, county, or other subdivision of the state for the purpose of any net debt limitation.
29.28 No election is required.

29.29 Subd. 3. **Prerequisite.** The council must not sell and issue bonds under this section
29.30 until the council determines that the criteria and conditions in this chapter have been met.

29.31 Subd. 4. **Security; maturity.** The Metropolitan Council may pledge to the payment
29.32 of the bonds money in the escrow account and money pledged by the local government
29.33 under this chapter, money appropriated to the Minnesota Stadium Authority in this act,
29.34 and any other revenues from leases, rents, or other sources available to the council for
29.35 debt service. Notwithstanding section 475.54, the bonds may mature at not later than

30.1 30 years from the date of issue, or the useful life of the asset, whichever is more. The
30.2 bonds must recite that they are issued under this section and this chapter, and the recital is
30.3 conclusive as to the validity of the bonds and the imposition and pledge of the revenues
30.4 for their payment.

30.5 Subd. 5. **Review.** For the duration of the bonds issued under this section, the
30.6 Metropolitan Council shall annually review the budget of the Minnesota Stadium
30.7 Authority, revenues dedicated to a stadium under this act, and all information deemed
30.8 necessary to ensure due diligence, and shall report on these matters to the legislature.

30.9 Sec. 24. **LOTTERY STADIUM GAME.**

30.10 The Minnesota Lottery shall conduct an annual game based on stadium themes
30.11 or professional football themes. Revenues from this game are to be deposited into the
30.12 stadium account. An amount raised from the conduct of the annual sports themed game, at
30.13 a minimum equal to \$2,100,000 per year, from the lottery's annual contributions to the state
30.14 general fund is appropriated each year for the duration of bonds sold to pay for the stadium.

30.15 Sec. 25. **APPROPRIATION.**

30.16 (a) Funds deposited to the general fund under this act are appropriated to the
30.17 Minnesota Stadium Authority, for use in the stadium provisions allowed in this act.

30.18 (b) If a stadium bid is not accepted by February 15, 2012, and a stadium lease is
30.19 not signed, these funds may be used by the authority for expenses associated with the
30.20 operation of the Metrodome.

30.21 (c) Funds in excess of those needed to cover debt requirements in this act may be
30.22 used to retire bonds, or may be retained by the authority for repair and upkeep of the
30.23 stadium.

30.24 Sec. 26. **REPEALER.**

30.25 Minnesota Statutes 2010, sections 137.50, subdivision 5; 473.551; 473.552;
30.26 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; 473.556, subdivisions
30.27 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, and 17; 473.561; 473.564, subdivisions 2
30.28 and 3; 473.572; 473.581; 473.592, subdivision 1; 473.595; 473.5955; 473.596; 473.598;
30.29 473.599; 473.5995; and 473.76, are repealed.

30.30 **EFFECTIVE DATE.** This section is effective January 1, 2012.

30.31 Sec. 27. **EFFECTIVE DATE.**

31.1 Except as otherwise provided, this article is effective the day following final
31.2 enactment.

31.3 **ARTICLE 2**

31.4 **CONFORMING CHANGES**

31.5 Section 1. Minnesota Statutes 2010, section 3.971, subdivision 6, is amended to read:

31.6 Subd. 6. **Financial audits.** The legislative auditor shall audit the financial
31.7 statements of the state of Minnesota required by section 16A.50 and, as resources permit,
31.8 shall audit Minnesota State Colleges and Universities, the University of Minnesota, state
31.9 agencies, departments, boards, commissions, courts, and other state organizations subject
31.10 to audit by the legislative auditor, including the State Agricultural Society, Agricultural
31.11 Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical
31.12 Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco,
31.13 ~~Metropolitan Sports Facilities Commission~~, Metropolitan Airports Commission, and
31.14 Metropolitan Mosquito Control District. Financial audits must be conducted according to
31.15 generally accepted government auditing standards. The legislative auditor shall see that
31.16 all provisions of law respecting the appropriate and economic use of public funds are
31.17 complied with and may, as part of a financial audit or separately, investigate allegations
31.18 of noncompliance.

31.19 **EFFECTIVE DATE.** This section is effective January 1, 2012.

31.20 Sec. 2. Minnesota Statutes 2010, section 13.55, subdivision 1, is amended to read:

31.21 Subdivision 1. **Not public classification.** The following data received, created, or
31.22 maintained by or for publicly owned and operated convention facilities, civic center
31.23 authorities, ~~or the Metropolitan Sports Facilities Commission~~ are classified as nonpublic
31.24 data pursuant to section 13.02, subdivision 9; or private data on individuals pursuant
31.25 to section 13.02, subdivision 12:

- 31.26 (a) a letter or other documentation from any person who makes inquiry to or who is
31.27 contacted by the facility regarding the availability of the facility for staging events;
31.28 (b) identity of firms and corporations which contact the facility;
31.29 (c) type of event which they wish to stage in the facility;
31.30 (d) suggested terms of rentals; and
31.31 (e) responses of authority staff to these inquiries.

31.32 **EFFECTIVE DATE.** This section is effective January 1, 2012.

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

32.1 Sec. 3. Minnesota Statutes 2010, section 340A.404, subdivision 1, is amended to read:

32.2 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to
32.3 the following establishments located within its jurisdiction:

32.4 (1) hotels;

32.5 (2) restaurants;

32.6 (3) bowling centers;

32.7 (4) clubs or congressionally chartered veterans organizations with the approval of
32.8 the commissioner, provided that the organization has been in existence for at least three
32.9 years and liquor sales will only be to members and bona fide guests, except that a club
32.10 may permit the general public to participate in a wine tasting conducted at the club under
32.11 section 340A.419; and

32.12 ~~(5) sports facilities located on land owned by the Metropolitan Sports Commission;~~
32.13 ~~and~~

32.14 ~~(6) exclusive liquor stores.~~

32.15 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
32.16 or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
32.17 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
32.18 all days of the week to persons attending events at the theater.

32.19 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
32.20 or an on-sale malt liquor license to a convention center within the city, notwithstanding
32.21 any law, local ordinance, or charter provision. A license issued under this paragraph
32.22 authorizes sales on all days of the week to persons attending events at the convention
32.23 center. This paragraph does not apply to convention centers located in the seven-county
32.24 metropolitan area.

32.25 **EFFECTIVE DATE.** This section is effective January 1, 2012.

32.26 Sec. 4. Minnesota Statutes 2010, section 352.01, subdivision 2a, is amended to read:

32.27 Subd. 2a. **Included employees.** (a) "State employee" includes:

32.28 (1) employees of the Minnesota Historical Society;

32.29 (2) employees of the State Horticultural Society;

32.30 (3) employees of the Minnesota Crop Improvement Association;

32.31 (4) employees of the adjutant general whose salaries are paid from federal funds and
32.32 who are not covered by any federal civilian employees retirement system;

32.33 (5) employees of the Minnesota State Colleges and Universities who are employed
32.34 under the university or college activities program;

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

33.1 (6) currently contributing employees covered by the system who are temporarily
33.2 employed by the legislature during a legislative session or any currently contributing
33.3 employee employed for any special service as defined in subdivision 2b, clause (8);

33.4 (7) employees of the legislature who are appointed without a limit on the duration
33.5 of their employment and persons employed or designated by the legislature or by a
33.6 legislative committee or commission or other competent authority to conduct a special
33.7 inquiry, investigation, examination, or installation;

33.8 (8) trainees who are employed on a full-time established training program
33.9 performing the duties of the classified position for which they will be eligible to receive
33.10 immediate appointment at the completion of the training period;

33.11 (9) employees of the Minnesota Safety Council;

33.12 (10) any employees who are on authorized leave of absence from the Transit
33.13 Operating Division of the former Metropolitan Transit Commission and who are employed
33.14 by the labor organization which is the exclusive bargaining agent representing employees
33.15 of the Transit Operating Division;

33.16 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
33.17 Commission, ~~Metropolitan Sports Facilities Commission~~, or Metropolitan Mosquito
33.18 Control Commission unless excluded under subdivision 2b or are covered by another
33.19 public pension fund or plan under section 473.415, subdivision 3;

33.20 (12) judges of the Tax Court;

33.21 (13) personnel who were employed on June 30, 1992, by the University of
33.22 Minnesota in the management, operation, or maintenance of its heating plant facilities,
33.23 whose employment transfers to an employer assuming operation of the heating plant
33.24 facilities, so long as the person is employed at the University of Minnesota heating plant
33.25 by that employer or by its successor organization;

33.26 (14) personnel who are employed as seasonal employees in the classified or
33.27 unclassified service;

33.28 (15) persons who are employed by the Department of Commerce as a peace officer
33.29 in the Insurance Fraud Prevention Division under section 45.0135 who have attained the
33.30 mandatory retirement age specified in section 43A.34, subdivision 4;

33.31 (16) employees of the University of Minnesota unless excluded under subdivision
33.32 2b, clause (3);

33.33 (17) employees of the Middle Management Association whose employment began
33.34 after July 1, 2007, and to whom section 352.029 does not apply; and

33.35 (18) employees of the Minnesota Government Engineers Council to whom section
33.36 352.029 does not apply.

34.1 (b) Employees specified in paragraph (a), clause (13), are included employees under
34.2 paragraph (a) if employer and employee contributions are made in a timely manner in the
34.3 amounts required by section 352.04. Employee contributions must be deducted from
34.4 salary. Employer contributions are the sole obligation of the employer assuming operation
34.5 of the University of Minnesota heating plant facilities or any successor organizations to
34.6 that employer.

34.7 **EFFECTIVE DATE.** This section is effective January 1, 2012.

34.8 Sec. 5. Minnesota Statutes 2010, section 473.121, subdivision 5a, is amended to read:

34.9 Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan
34.10 Parks and Open Space Commission, ~~and the Metropolitan Airports Commission, and~~
34.11 ~~Metropolitan Sports Facilities Commission.~~

34.12 **EFFECTIVE DATE.** This section is effective January 1, 2012.

34.13 Sec. 6. Minnesota Statutes 2010, section 473.164, is amended to read:

34.14 **473.164 SPORTS, AIRPORT COMMISSIONS TO PAY COUNCIL COSTS.**

34.15 Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities~~
34.16 ~~Commission and the Metropolitan Airports Commission~~ shall annually reimburse the
34.17 council for costs incurred by the council in the discharge of its responsibilities relating to
34.18 the commission. The costs may be charged against any revenue sources of the commission
34.19 as determined by the commission.

34.20 Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council
34.21 shall transmit to ~~each~~ the commission an estimate of the costs which the council will
34.22 incur in the discharge of its responsibilities related to the commission in the next budget
34.23 year including, without limitation, costs in connection with the preparation, review,
34.24 implementation and defense of plans, programs and budgets of the commission. ~~Each~~ The
34.25 commission shall include the estimates in its budget for the next budget year and may
34.26 transmit its comments concerning the estimated amount to the council during the budget
34.27 review process. Prior to December 15 of each year, the amount budgeted by ~~each~~ the
34.28 commission for the next budget year may be changed following approval by the council.
34.29 During each budget year, the commission shall transfer budgeted funds to the council in
34.30 advance when requested by the council.

34.31 Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in
34.32 cooperation with ~~each~~ the commission, shall adopt a final statement of costs incurred by the
34.33 council for ~~each~~ the commission. Where costs incurred in the budget year have exceeded

S.F. No. 1164, as introduced - 87th Legislative Session (2011-2012) [11-2882]

35.1 the amount budgeted, ~~each~~ the commission shall transfer to the council the additional
35.2 moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall
35.3 include a sum in its next budget. Any excess of budgeted costs over actual costs may be
35.4 retained by the council and applied to the payment of budgeted costs in the next year.

35.5 **EFFECTIVE DATE.** This section is effective January 1, 2012.

35.6 Sec. 7. Minnesota Statutes 2010, section 473.565, subdivision 1, is amended to read:

35.7 Subdivision 1. **In MSRS; exceptions.** All employees of the former commission
35.8 shall be members of the Minnesota State Retirement System with respect to service
35.9 rendered on or after May 17, 1977, except as provided in this section.

APPENDIX
Article locations in 11-2882

ARTICLE 1 MINNESOTA STADIUM AUTHORITY Page.Ln 1.18
ARTICLE 2 CONFORMING CHANGES Page.Ln 31.3