

STATE OF MINNESOTA

Journal of the Senate

EIGHTY-SECOND LEGISLATURE

SIXTY-SEVENTH DAY

St. Paul, Minnesota, Friday, February 15, 2002

The Senate met at 11:45 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Betzold imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by Senator Dean E. Johnson.

The roll was called, and the following Senators answered to their names:

Anderson	Johnson, Dean	Lesewski	Ourada	Samuelson
Bachmann	Johnson, Debbie	Lessard	Pappas	Scheevel
Berg	Johnson, Doug	Limmer	Pariseau	Scheid
Betzold	Kelley, S.P.	Lourey	Pogemiller	Schwab
Chaudhary	Kierlin	Marty	Price	Solon, Y.P.
Cohen	Kinkel	Metzen	Ranum	Stumpf
Dille	Kiscaden	Moe, R.D.	Reiter	Terwilliger
Foley	Kleis	Moua	Rest	Tomassoni
Fowler	Knutson	Murphy	Ring	Vickerman
Higgins	Krentz	Neuville	Robertson	Wiener
Hottinger	Langseth	Oliver	Robling	Wiger
Johnson, Dave	Larson	Olson	Sabo	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Senators Berglin, Day, Frederickson, Orfield and Sams were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

September 28, 1999

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

BOARD OF TEACHING

Douglas Frisk, 1656 18th Avenue Northwest, New Brighton, MN 55112, in the county of Ramsey, effective July 5, 1999, for a four-year term expiring on January 6, 2003.

Vega Francesca, 7374 Dawn Avenue, Inver Grove Heights, Minnesota 55076, in the county of Dakota, effective July 5, 1999, for a four-year term expiring on January 6, 2003.

Walter Roberts, 303 Crestwood Court, North Mankato, Minnesota 56003, in the county of Blue Earth, effective July 5, 1999, for a four-year term expiring on January 6, 2003.

Rhoda Miller-Stroud, 301 East 48th Avenue, Minneapolis, Minnesota 55409, in the county of Hennepin, effective July 5, 1999, for a four-year term expiring on January 6, 2003.

(Referred to the Committee on Education.)

February 22, 2000

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

BOARD OF TEACHING

Betty Aune, 505 Southview Drive, Marshall, MN 56258, in the county of Lyon, effective February 14, 2000, for a term expiring on January 5, 2004.

Jane Leonard, 1457 Ashland Avenue, St. Paul, MN 55104, in the county of Ramsey, effective February 14, 2000, for a term expiring on January 5, 2004.

(Referred to the Committee on Education.)

Sincerely,
Jesse Ventura, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 58: A bill for an act relating to health; instructing the revisor of statutes to change a phrase concerning mental illness.

Senate File No. 58 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 14, 2002

Senator Foley moved that S.F. No. 58 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 351:

H.F. No. 351: A bill for an act relating to the operation of state government; crime prevention

and judiciary finance; appropriating money for the judicial branch, public defense, human rights, corrections, public safety, crime victims, and related purposes; establishing and expanding grant programs, task forces, and pilot projects; requiring reports and studies; transferring, modifying, and expanding responsibility for various governmental responsibilities; providing procedures and policies for integrated criminal justice information systems; adopting various provisions relating to corrections; imposing, clarifying, and expanding certain criminal and civil provisions and penalties; regulating dangerous dogs; providing for protection of public safety in bail determinations; making certain changes related to sex offenders and sex offender registration; providing for state funding of certain programs and personnel; abolishing the office of the ombudsman for corrections; eliminating the Camp Ripley weekend camp program; increasing certain fees and modifying the allocation of certain fees; establishing a theft prevention advisory board; establishing a felony-level penalty for driving while impaired; modifying certain policies and procedures relating to domestic violence; making technical changes to the driving while impaired laws; reforming and recodifying the law relating to marriage dissolution, child custody, child support, maintenance, and property division; clarifying certain medical support bonus incentive provisions; making style and form changes; amending Minnesota Statutes 2000, sections 2.724, subdivision 3; 8.16, subdivision 1; 13.87, by adding a subdivision; 15A.083, subdivision 4; 169A.03, subdivision 12, by adding subdivisions; 169A.20, subdivision 3; 169A.25; 169A.26; 169A.27; 169A.275, subdivisions 3, 5; 169A.277, subdivision 2; 169A.28, subdivision 2; 169A.283, subdivision 1; 169A.37, subdivision 1; 169A.40, subdivision 3; 169A.41, subdivision 2; 169A.51, subdivision 7; 169A.54, subdivision 6; 169A.60, subdivisions 1, 13, 14; 169A.63, subdivision 1; 171.09; 171.186, by adding a subdivision; 171.29, subdivision 2; 171.30, subdivision 1; 241.272, subdivision 6; 242.192; 243.166, subdivisions 1, 3, 4a, 6; 243.167, subdivision 1; 243.51, subdivisions 1, 3; 256.9791; 299A.75, subdivision 1, by adding subdivisions; 299C.10, subdivision 1; 299C.11; 299C.147, subdivision 2; 299C.65, subdivisions 1, 2; 299F.058, subdivision 2; 343.20, by adding subdivisions; 343.21, subdivisions 9, 10; 518.002; 518.003, subdivisions 1, 3; 518.005; 518.01; 518.02; 518.03; 518.04; 518.05; 518.055; 518.06; 518.07; 518.09; 518.10; 518.11; 518.12; 518.13; 518.131; 518.14, subdivision 1; 518.148; 518.155; 518.156; 518.157, subdivisions 1, 2, 3, 5, 6; 518.158, subdivisions 2, 4; 518.165; 518.166; 518.167, subdivisions 3, 4, 5; 518.168; 518.1705, subdivision 6; 518.175, subdivisions 1, 1a, 2, 3, 5, 6, 7, 8; 518.1751, subdivisions 1b, 2, 2a, 2b, 2c, 3; 518.176; 518.177; 518.178; 518.179, subdivision 1; 518.18; 518.24; 518.25; 518.54, subdivisions 1, 5, 6, 7, 8; 518.55; 518.552; 518.58; 518.581; 518.582; 518.612; 518.619; 518.62; 518.64, subdivisions 1, 2; 518.641; 518.642; 518.646; 518.65; 518B.01, subdivisions 2, 3, 6, 14; 609.02, by adding a subdivision; 609.035, subdivision 2; 609.117; 609.224, subdivisions 2, 4; 609.2242, subdivisions 2, 4; 609.343, subdivision 2; 609.487, subdivision 4; 609.495, subdivisions 1, 3; 609.521; 609.748, subdivisions 6, 8; 609.749, subdivisions 4, 5; 611.23; 611.272; 611A.201, subdivision 2; 611A.32, by adding a subdivision; 611A.74, subdivisions 1, 1a; 617.247, subdivisions 3, 4; 626.55, subdivision 1; 629.471, subdivision 2; 629.72; Laws 1996, chapter 408, article 2, section 16; proposing coding for new law in Minnesota Statutes, chapters 8; 169A; 299A; 299C; 347; 518; 518B; 609; 626; proposing coding for new law as Minnesota Statutes, chapters 517A; 517B; 517C; repealing Minnesota Statutes 2000, sections 169A.275, subdivision 4; 241.41; 241.42; 241.43; 241.44; 241.441; 241.45; 243.166, subdivision 10; 518.111; 518.17; 518.171; 518.185; 518.255; 518.54, subdivisions 2, 4a, 13, 14; 518.551; 518.5513; 518.553; 518.57; 518.575; 518.585; 518.5851; 518.5852; 518.5853; 518.61; 518.6111; 518.614; 518.615; 518.616; 518.617; 518.618; 518.6195; 518.64, subdivisions 4, 4a, 5; 518.66; 609.2244, subdivision 4; 626.55, subdivision 2.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Stanek, Goodno, Seagren, Krinkie and Bakk have been appointed as such committee on the part of the House.

House File No. 351 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 14, 2002

Senator Johnson, Doug moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 351, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2783.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 14, 2002

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 2783: A bill for an act relating to insurance; no-fault auto; regulating residual liability coverage; amending Minnesota Statutes 2000, section 65B.49, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2671, now on General Orders.

REPORTS OF COMMITTEES

Senator Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Anderson from the Committee on Jobs, Housing and Community Development, to which was referred

S.F. No. 2976: A bill for an act relating to energy; requiring prevailing wage to be paid on certain energy projects; proposing coding for new law in Minnesota Statutes, chapter 177.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce, to which was referred

S.F. No. 3015: A bill for an act relating to commerce; establishing a division of insurance fraud prevention within the department of commerce to investigate and prosecute insurance fraud; providing new grounds for revocation of a chiropractic license for the employment of runners, cappers, or steerers; requiring chiropractors to disclose their financial interest before referrals to any health care provider; establishing removal from arbitration for allegations of fraud; appropriating money; prescribing criminal penalties; amending Minnesota Statutes 2000, sections 60A.951, subdivisions 1, 2, by adding subdivisions; 60A.952, subdivisions 1, 2, by adding subdivisions; 60A.953; 65B.525, by adding a subdivision; 168A.40, subdivisions 3, 4; Minnesota Statutes 2001 Supplement, section 148.10, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 45; 60A; 609; repealing Minnesota Statutes 2000, sections 175.16, subdivision 2; 299A.75.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 20, delete "60A.657" and insert "60A.656"

Page 6, line 12, delete "60A.957" and insert "60A.956"

Page 6, delete section 5

Page 8, delete sections 11 and 12

Page 10, lines 34 and 36, delete "60A.657" and insert "60A.656"

Page 11, line 2, delete "60A.657" and insert "60A.656"

Pages 11 to 19, delete sections 19 to 21

Pages 20 and 21, delete section 24

Page 21, line 30, after the second comma, insert "subdivision 2,"

Page 22, line 5, delete "sections" and insert "section"

Page 22, line 6, after "and" insert "Minnesota Statutes 2001 Supplement, section"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to commerce; establishing a division of insurance fraud prevention within the department of commerce to investigate and prosecute insurance fraud; appropriating money; amending Minnesota Statutes 2000, sections 60A.951, subdivisions 1, 2, by adding subdivisions; 60A.952, subdivisions 1, 2, by adding subdivisions; 60A.953; 168A.40, subdivisions 3, 4; proposing coding for new law in Minnesota Statutes, chapters 45; 60A; repealing Minnesota Statutes 2000, section 175.16, subdivision 2; Minnesota Statutes 2001 Supplement, section 299A.75."

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations. Amendments adopted. Report adopted.

Senator Scheid from the Committee on Commerce, to which was referred

S.F. No. 2970: A bill for an act relating to motor vehicles; requiring motor vehicle collision repair to include air bag repair or replacement; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, delete "A" and insert "If a person has actual knowledge that a motor vehicle's air bag has deployed or is missing, the"

Page 1, line 23, delete "a" and insert "that" and delete "damaged or"

Page 1, line 24, after "deployed" insert "or missing" and delete "fully repaired or" and after "replaced" insert "with an air bag designed for the make, model, and year of the vehicle"

Page 2, line 1, delete everything after "that" and insert "is a model year more than seven years prior to the year that the repair is performed."

Page 2, delete lines 2 to 8

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Scheid from the Committee on Commerce, to which was referred

S.F. No. 2953: A bill for an act relating to insurance; prohibiting issuing or requiring excess insurance on property; regulating real estate appraisals; amending Minnesota Statutes 2000, section 65A.09.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "buildings" insert "and any other covered improvements"

Page 1, line 22, delete "a penalty of" and insert "penalties available under chapter 45."

Page 1, delete lines 23 to 25

Page 2, delete lines 1 to 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Jobs, Housing and Community Development, to which was re-referred

S.F. No. 1: A bill for an act relating to employment; increasing the minimum wage; amending Minnesota Statutes 2000, section 177.24, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 177.24, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, every large employer must pay each employee wages at a rate of at least \$5.15 an hour beginning September 1, 1997, at a rate of at least \$6.15 an hour beginning July 1, 2002, and at a rate of at least \$7 an hour beginning January 1, 2003. Every small employer must pay each employee at a rate of at least \$4.90 an hour beginning January 1, 1998, at a rate of at least \$5.90 an hour beginning July 1, 2002, and at a rate of at least \$6.75 an hour beginning January 1, 2003. On January 1, 2004, and annually on January 1 thereafter, the minimum wage required to be paid under this paragraph shall be increased by the percentage increase for the 12-month period ending June 30 of the previous calendar year in the Consumer Price Index for all urban consumers for the St. Paul-Minneapolis area prepared by the United States Department of Labor. The increase shall be rounded up to the nearest cent.

(c) Notwithstanding paragraph (b), during the first 90 consecutive days of employment, an employer may pay an employee under the age of 20 years a wage of \$4.25 an hour. No employer may take any action to displace any employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 2002."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 1072: A bill for an act relating to state government; designating the photograph "Grace" as the state picture; proposing coding for new law in Minnesota Statutes, chapter 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "PICTURE" and insert "PHOTOGRAPH"

Page 1, line 10, delete "picture" and insert "photograph"

Amend the title as follows:

Page 1, line 3, delete "picture" and insert "photograph"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Pappas from the Committee on Education, to which was referred

S.F. No. 2827: A bill for an act relating to higher education; providing for registration of agents of student athletes; defining terms; providing penalties and remedies; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 81A.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Commerce. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 2516: A bill for an act relating to agriculture; clarifying the definition of pastures for the purpose of animal feedlot regulation; amending Minnesota Statutes 2000, section 116.07, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 116.07, subdivision 7, is amended to read:

Subd. 7. [COUNTIES; PROCESSING OF APPLICATIONS FOR ANIMAL LOT PERMITS.] Any Minnesota county board may, by resolution, with approval of the pollution control agency, assume responsibility for processing applications for permits required by the pollution control agency under this section for livestock feedlots, poultry lots, or other animal lots. The responsibility for permit application processing, if assumed by a county, may be delegated by the county board to any appropriate county officer or employee.

(a) For the purposes of this subdivision, the term "processing" includes:

(1) the distribution to applicants of forms provided by the pollution control agency;

(2) the receipt and examination of completed application forms, and the certification, in writing, to the pollution control agency either that the animal lot facility for which a permit is sought by an applicant will comply with applicable rules and standards, or, if the facility will not comply, the respects in which a variance would be required for the issuance of a permit; and

(3) rendering to applicants, upon request, assistance necessary for the proper completion of an application.

(b) For the purposes of this subdivision, the term "processing" may include, at the option of the county board, issuing, denying, modifying, imposing conditions upon, or revoking permits pursuant to the provisions of this section or rules promulgated pursuant to it, subject to review, suspension, and reversal by the pollution control agency. The pollution control agency shall, after written notification, have 15 days to review, suspend, modify, or reverse the issuance of the permit. After this period, the action of the county board is final, subject to appeal as provided in chapter 14. For permit applications filed after October 1, 2001, section 15.99 applies to feedlot permits issued by the agency or a county pursuant to this subdivision.

(c) For the purpose of administration of rules adopted under this subdivision, the commissioner and the agency may provide exceptions for cases where the owner of a feedlot has specific written plans to close the feedlot within five years. These exceptions include waiving requirements for major capital improvements.

(d) For purposes of this subdivision, a discharge caused by an extraordinary natural event such as a precipitation event of greater magnitude than the 25-year, 24-hour event, tornado, or flood in excess of the 100-year flood is not a "direct discharge of pollutants."

(e) In adopting and enforcing rules under this subdivision, the commissioner shall cooperate closely with other governmental agencies.

(f) The pollution control agency shall work with the Minnesota extension service, the department of agriculture, the board of water and soil resources, producer groups, local units of government, as well as with appropriate federal agencies such as the Natural Resources Conservation Service and the Farm Service Agency, to notify and educate producers of rules under this subdivision at the time the rules are being developed and adopted and at least every two years thereafter.

(g) The pollution control agency shall adopt rules governing the issuance and denial of permits for livestock feedlots, poultry lots, or other animal lots pursuant to this section. Pastures are exempt from the rules authorized under this paragraph. A feedlot permit is not required for livestock feedlots with more than ten but less than 50 animal units; provided they are not in shoreland areas. A livestock feedlot permit does not become required solely because of a change in the ownership of the buildings, grounds, or feedlot. These rules apply both to permits issued by counties and to permits issued by the pollution control agency directly.

(h) The pollution control agency shall exercise supervising authority with respect to the processing of animal lot permit applications by a county.

(i) Any new rules or amendments to existing rules proposed under the authority granted in this subdivision, or to implement new fees on animal feedlots, must be submitted to the members of legislative policy and finance committees with jurisdiction over agriculture and the environment prior to final adoption. The rules must not become effective until 90 days after the proposed rules are submitted to the members.

(j) Until new rules are adopted that provide for plans for manure storage structures, any plans for a liquid manure storage structure must be prepared or approved by a registered professional engineer or a United States Department of Agriculture, Natural Resources Conservation Service employee.

(k) A county may adopt by ordinance standards for animal feedlots that are more stringent than standards in pollution control agency rules.

(l) After January 1, 2001, a county that has not accepted delegation of the feedlot permit program must hold a public meeting prior to the agency issuing a feedlot permit for a feedlot facility with 300 or more animal units, unless another public meeting has been held with regard to the feedlot facility to be permitted.

(m) After the proposed rules published in the State Register, volume 24, number 25, are finally adopted, the agency may not impose additional conditions as a part of a feedlot permit, unless specifically required by law or agreed to by the feedlot operator.

(n) For the purposes of feedlot permitting, a discharge from land-applied manure or a manure stockpile that is managed according to agency rule must not be subject to a fine for a discharge violation.

(o) For the purposes of feedlot permitting, manure that is land applied, or a manure stockpile that is managed according to agency rule, must not be considered a discharge into waters of the state, unless the discharge is to waters of the state, as defined by section 103G.005, subdivision 17, except type 1 or type 2 wetlands, as defined in section 103G.005, subdivision 17b, and does not meet discharge standards established for feedlots under agency rule.

(p) Unless the upgrade is needed to correct an immediate public health threat under section 145A.04, subdivision 8, or the facility is designated as a concentrated animal feeding operation under the Code of Federal Regulations, title 40, section 122.23, in effect on January 1, 2002, the agency may not require a feedlot operator:

(1) to spend more than \$3,000 to upgrade an existing feedlot with less than 300 animal units unless cost-share money is available to the feedlot operator for 75 percent of the cost of the upgrade; or

(2) to spend more than \$10,000 to upgrade an existing feedlot with between 300 and 500 animal units, unless cost-share money is available to the feedlot operator for 75 percent of the cost of the upgrade or \$50,000, whichever is less.

(q) For the purposes of this section, "pastures" means areas where grass or other growing plants are used for grazing and where the concentration of animals is such that a vegetation cover is maintained during the growing season, except that vegetation cover is not required:

(1) in the immediate vicinity of supplemental feeding or watering devices;

(2) in associated corrals and chutes where livestock are gathered for the purpose of sorting, veterinary services, loading and unloading trucks and trailers, and other necessary activities related to good animal husbandry practices; and

(3) in associated livestock access lanes used to convey livestock to and from areas of the pasture.

Sec. 2. [PASTURE CLARIFICATION REPORT.]

By January 15, 2003, the commissioner of the pollution control agency shall report to the senate and house of representatives committees with jurisdiction over agriculture and environment policy on options and recommendations for clarifying the pasture exemption to the feedlot permit program under Minnesota Statutes, section 116.07, subdivision 7. The commissioner shall work with interested individuals and organizations in developing the options and recommendations. The report must include, but is not limited to:

(1) specific criteria for winter feeding areas that are considered pasture under Laws 2000, chapter 435, section 10, paragraph (b), clause (1); and

(2) criteria to better define "immediate vicinity" for the purpose of the pasture definition in section 1."

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 2923: A bill for an act relating to veterans; creating two new special license plates; amending Minnesota Statutes 2000, section 168.123, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 2915: A bill for an act relating to veterans; eliminating the sunset date for the purchase of military service credit; amending Laws 2000, chapter 461, article 4, section 4.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on State and Local Government Operations. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 2711: A bill for an act relating to metropolitan government; making changes to the livable community provisions; amending Minnesota Statutes 2000, sections 473.253, subdivision 2; 473.254, subdivisions 1, 6; 473.255, subdivisions 1, 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 2656: A bill for an act relating to state government; providing a process for community ownership of the Minnesota Twins; proposing coding for new law as Minnesota Statutes, chapter 4B.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 2966: A bill for an act relating to state government; department of administration; clarifying ethical provisions in state procurement law; authorizing the commissioner of administration to adopt rules relating to state archaeology; repealing obsolete technology authority; repealing statutory authority for the citizens council on Voyageurs National Park; amending Minnesota Statutes 2000, sections 16C.04, subdivisions 1, 2; 138.31, by adding a subdivision; 138.36, by adding a subdivision; 138.38; 138.39; 138.41, subdivision 1; repealing Minnesota Statutes 2000, sections 13.6401, subdivision 3; 16B.415; 84B.11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 31, after the semicolon, insert "and"

Page 3, line 32, delete "; and 84B.11" and after the period, insert "Minnesota Statutes 2000, section 84B.11, is repealed effective July 1, 2003."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 2539: A bill for an act relating to baseball; providing for a contribution by the city of St. Paul to the construction of a major league baseball park; authorizing a liquor and food tax to be levied by the city of St. Paul; establishing a ticket tax at a new baseball park in St. Paul; authorizing the issuance of state bonds for the construction of a major league baseball park; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 8, delete "section 2" and insert "sections 3 and 4"

Page 4, after line 4, insert:

"Subd. 4. [NAMING RIGHTS; REVENUE.] The city of St. Paul shall retain the naming rights, along with all revenue associated with those rights, to the baseball park authorized in section 2. All revenue generated by an agreement entered into with the city of St. Paul for the sale, lease, or transfer of naming rights to the baseball park shall be paid to the commissioner of finance for payment of principal and interest on the bonds issued under sections 3 and 4."

Page 4, line 5, delete "4" and insert "5"

Page 4, line 6, delete "section 2" and insert "sections 3 and 4"

And when so amended the bill be re-referred to the Committee on Taxes without recommendation. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 2881: A bill for an act relating to housing; specifying certain discretionary municipal subdivision authority; amending Minnesota Statutes 2000, section 462.358, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2000, section 462.358, is amended by adding a subdivision to read:

Subd. 11. [AFFORDABLE HOUSING.] For the purposes of this subdivision, a "development application" means subdivision, planned unit development, site plan, or other similar type action. A municipality, in approving a development application that provides all or a portion of the units for persons and families of low and moderate income, may, subject to agreement by the applicant with respect to housing for persons of low and moderate income:

(1) establish sales prices or rents for housing affordable to low- and moderate-income households;

(2) establish maximum income limits for initial and subsequent purchasers or renters of the affordable units; and

(3) establish means, including, but not limited to, land trusts, equity sharing, or similar activities, to maintain the long-term affordability of the affordable units."

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Housing and Community Development. Amendments adopted. Report adopted.

Senator Krentz from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2675: A bill for an act relating to the environment; modifying the application of recyclable material container requirements for public entities; amending Minnesota Statutes 2000, section 115A.151.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, delete "another" and insert "a"

Page 1, line 25, delete "other"

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations. Amendments adopted. Report adopted.

Senator Krentz from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2875: A bill for an act relating to the environment; establishing an environmental sustainability policy; developing green standards for state product purchasing; establishing the Minnesota green government council; proposing coding for new law in Minnesota Statutes, chapter 115A.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on State and Local Government Operations. Report adopted.

Senator Krentz from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2933: A bill for an act relating to pollution; allowing installation of certain individual sewage treatment systems; amending Minnesota Statutes 2000, section 115.55, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, delete "in the"

Page 1, line 22, delete "state"

Amend the title as follows:

Page 1, line 3, after "systems;" insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Jobs, Housing and Community Development, to which was referred

S.F. No. 2756: A bill for an act relating to tax data; authorizing the exchange of certain information relating to employees and employers between the department of labor and industry and the department of revenue; amending Minnesota Statutes 2000, section 270B.14, subdivision 8.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

Senator Johnson, Doug from the Committee on Finance, to which was referred

H.F. No. 980: A bill for an act relating to public construction and remodeling projects; increasing the construction cost limits under which capital projects are exempt from legislative notification and review; amending Minnesota Statutes 2000, section 16B.335, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CAPITAL IMPROVEMENT APPROPRIATIONS.]

The sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota

Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned. Appropriations for asset preservation are available until June 30, 2004.

SUMMARY

UNIVERSITY OF MINNESOTA	\$219,101,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	266,563,000
PERPICH CENTER FOR ARTS EDUCATION	3,155,000
CHILDREN, FAMILIES, AND LEARNING	65,955,000
MINNESOTA STATE ACADEMIES	4,896,000
NATURAL RESOURCES	117,172,000
POLLUTION CONTROL AGENCY	11,500,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	3,450,000
BOARD OF WATER AND SOIL RESOURCES	14,800,000
AGRICULTURE	15,292,000
ZOOLOGICAL GARDENS	10,184,000
ADMINISTRATION	104,467,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	2,879,000
AMATEUR SPORTS COMMISSION	6,250,000
ARTS	36,500,000
MILITARY AFFAIRS	4,857,000
TRANSPORTATION	67,546,000
METROPOLITAN COUNCIL	28,000,000
COMMERCE	5,000,000
HEALTH	775,000
HUMAN SERVICES	24,838,000
VETERANS HOMES BOARD	17,344,000
CORRECTIONS	31,943,000
TRADE AND ECONOMIC DEVELOPMENT	116,375,000
IRON RANGE RESOURCES AND REHABILITATION	1,800,000
HOUSING FINANCE AGENCY	10,000,000
MINNESOTA HISTORICAL SOCIETY	9,143,000
BOND SALE EXPENSES	1,066,000
CANCELLATIONS	(2,388,000)
TOTAL	\$1,198,463,000
Bond Proceeds Fund (General Fund Debt Service)	1,076,078,000
Bond Proceeds Fund (User Financed Debt Service)	120,127,000

General Fund	4,646,000
General Fund Cancellations	(2,388,000)

APPROPRIATIONS
\$

Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. To the board of regents of the University of Minnesota for the purposes specified in this section	219,101,000
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Subd. 2. Higher Education Asset Preservation and Replacement	80,000,000
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To be spent in accordance with Minnesota Statutes, section 135A.046.

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

The board of regents may use the design-build method for implementing the Jones Hall project and is exempt from the requirements of the state designer selection board under Minnesota Statutes, section 16B.33, for this project.

Subd. 3. Twin Cities - Minneapolis

(a) Nicholson Hall	24,000,000
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To design, renovate, furnish, and equip Nicholson Hall, including complete renovation of the original building and demolition of the 1925 wing and 1946 auditorium.

(b) Mineral Resources Research Center	16,400,000
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To design, renovate, furnish, and equip the Mineral Resources Research Center.

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

The board of regents may use the design-build method for implementing this project and is exempt from the requirements of the state designer selection board under Minnesota Statutes, section 16B.33, for this project.

(c) Translational Research Facility	24,700,000
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To design, construct, furnish, and equip the Translational Research Facility, an addition to the Lyons Research Lab building on the Minneapolis campus.

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

The board of regents may use the design-build method for implementing this project and is exempt from the requirements of the state designer selection board under Minnesota Statutes, section 16B.33, for this project.

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

To predesign and design a teaching and technology center for the Institute of Technology.

(e) Northrup Auditorium Renovation 2,000,000

To design the renovation of Northrup Memorial Auditorium.

Subd. 4. Twin Cities - St. Paul

(a) Plant Growth Facilities - Phase 2 18,700,000

To complete the containment greenhouse, replace the teaching and research greenhouses, demolish the northwest greenhouses, and renovate the remaining greenhouses to meet current code requirements.

(b) Veterinary Diagnostic Laboratory 1,500,000

To renovate and upgrade the veterinary diagnostic laboratory to provide additional laboratory space for a veterinary molecular diagnostic laboratory. The renovation and upgrade must include space for molecular diagnostic testing for paratuberculosis (Johne's disease), porcine reproductive and respiratory syndrome virus in swine, avian pneumovirus in turkeys, bovine mastitis, and emerging and foreign animal diseases.

Subd. 5. Crookston

Replace Bede Hall 7,701,000

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

Subd. 6. Duluth

Laboratory Science Building 25,500,000

To design, construct, furnish, and equip a new

laboratory science building to meet the needs of the chemistry and biology programs.

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

Subd. 7. Morris

(a) Social Science Building Renovation

8,000,000

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

(b) Fire Protection Systems

600,000

To install fire protection systems in three student housing facilities.

This appropriation is not available until the commissioner of finance has determined that at least \$400,000 has been committed from nonstate sources.

Subd. 8. Classroom Improvements

4,000,000

To design, renovate, furnish, and equip approximately 45 classrooms on all four University of Minnesota campuses. Projects will focus on installing basic technology infrastructure, such as video projection and Internet access, improving disability access, and making basic improvements to enhance the classroom learning environment. Priority must be given to high-use undergraduate classrooms.

Subd. 9. Research and Outreach

Centers

3,000,000

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

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

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

(3) construction of a building at the North Central ROC at Grand Rapids to accommodate the farm machinery repair, maintenance, and carpentry shops; and

(4) construction of an addition to the administration building at the Southern ROC at Waseca.

Subd. 10. Debt Service

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

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

Subd. 11. Minnesota Goods and Services

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

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

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

266,563,000

Subd. 2. Higher Education Asset Preservation and Replacement 35,885,000

This appropriation is for the purposes specified in Minnesota Statutes, section 135A.046, including safety and statutory compliance, envelope integrity, mechanical systems, and space restoration.

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

Subd. 3. Roof Replacement 33,264,000

To replace roofs in accordance with Minnesota Statutes, section 135A.046.

Subd. 4. Mechanical, Electrical, and Infrastructure Systems 30,851,000

To replace major mechanical, electrical, and infrastructure systems in accordance with Minnesota Statutes, section 135A.046.

Subd. 5. Alexandria Technical College 9,150,000

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

Subd. 6. Bemidji State University 1,000,000

To design the colocation of the emerging technologies and health care programs of Bemidji state university and Northwest technical college.

Subd. 7. Century Community and Technical College 1,500,000

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

Subd. 8. Dakota Technical College 500,000

To design the renovation of the west side of the main campus facility to create an information technology and telecommunications center of excellence and an integrated library and library information technology center.

Subd. 9. Fergus Falls Community College	760,000
To design, construct, furnish, and equip an expansion of the existing maintenance shop.	
To design an addition to link Administration and Fine Arts to provide a one-stop student service shop, smart classrooms, open computer laboratories; design renovation to provide space for technology support next to the library; and design asset preservation work.	
Subd. 10. Hennepin Technical College	3,500,000
To design, renovate, furnish, and equip existing space at the Brooklyn Park and Eden Prairie campuses and realign the driveway at Brooklyn Park.	
Subd. 11. Inver Hills Community College	500,000
To design renovation of existing space and construction of an addition to create a one-stop student services shop; enlarge and colocate central services, the bookstore, and a new loading dock; upgrade mechanical systems; and provide a welcoming front door and help desk for the campus.	
Subd. 12. Lake Superior Community and Technical College	700,000
To design a student center addition to house a consolidated system of student services, smart classrooms, and open laboratories.	
Subd. 13. Metropolitan State University	17,442,000
To construct, furnish, and equip a library and information access center.	
This appropriation is not available until the commissioner of finance has determined that at least \$2,504,000 has been committed from nonstate sources.	
Subd. 14. Minneapolis Community and Technical College	19,000,000
To design, renovate, furnish, and equip the former technical and community college buildings and to provide space to begin to colocate Metropolitan State University classrooms, offices, and student service areas and to purchase adjacent property that would also meet the expansion and colocation needs of MCTC and Metropolitan State University.	
Subd. 15. Minnesota State University - Mankato - Phase 3	8,400,000

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

Subd. 16. Minnesota West Community and Technical College at Worthington

6,300,000

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

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

To design, renovate, furnish, and equip consolidated nursing and allied health department and other classroom spaces.

Subd. 17. Minnesota State University - Moorhead

18,955,000

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

Subd. 18. Normandale Community College

9,900,000

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

Subd. 19. Northeast Higher Education District - Virginia

5,496,000

To design, renovate, and equip science laboratories, a learning resource center, a student commons, and classrooms, including technology equipped classrooms, and construct new loading dock and driveway.

Subd. 20. Northwest Technical College - Moorhead Campus

5,400,000

To design, renovate, furnish, and equip existing facilities and design, construct, furnish, and equip an allied health and applied technology laboratory and support facilities.

Subd. 21. Ridgewater Community and Technical College

2,880,000

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

To design, renovate, furnish, and equip interior space to convert obsolete applied laboratory space on the Hutchinson campus into chemistry, physics, and biology laboratories.

Subd. 22. South Central Technical College

300,000

To design renovation of teaching laboratories at the North Mankato campus and design asset preservation at the Faribault campus.

Subd. 23. Southeast Technical College 580,000

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

To design the renovation of a one-stop student services areas and student center entrance at Red Wing.

Subd. 24. Southwest State University

(a) Library 9,200,000

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

(b) Fire Damage 500,000

To replace and repair facilities at Southwest state university that were destroyed or damaged by a fire on January 2, 2002. The appropriation must be used to augment insurance settlements to design, construct, furnish, and equip a food service building at Southwest state university in Marshall, Minnesota, and for repairs of other campus facilities damaged by the fire.

Notwithstanding Minnesota Statutes, section 16B.33, or any other law, the board may use a design-build method of project development and construction for this project. The board may award a design-build contract on the basis of requests for proposals or a two-step request for qualifications followed by request for proposals without taking bids.

Subd. 25. St. Cloud State University 10,000,000

To design the renovation of Centennial Hall and to renovate, furnish, and equip phase 1 of the renovation of Centennial Hall and its conversion from library to classroom use and to design the code correction and renovation of Riverview Hall.

Subd. 26. St. Cloud Technical College 700,000

To design the construction of a multistory building connected to the existing facility and the renovation of part of "G" wing.

Subd. 27. Winona State University 30,000,000

To design, construct, furnish, and equip a new science building to serve programs in biology, chemistry, geoscience, physics, nursing, health sciences, engineering, and K-12 science teacher preparation.

Subd. 28. Science Lab Renovations

1,900,000

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

Subd. 29. Land Acquisition

2,000,000

To acquire real property adjacent to or near the state college and university campuses from willing sellers.

Subd. 30. Debt Service

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement in subdivisions 2, 3, and 4, and except that, where a nonstate match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. After each sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

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

Sec. 4. PERPICH CENTER FOR ARTS EDUCATION

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

3,155,000

Subd. 2. Asset Preservation

643,000

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

Subd. 3. Performance Hall Catwalk 125,000

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

Subd. 4. Renovate Food Service Kitchen 570,000

To remove and upgrade kitchen equipment, including cooking equipment, counters, freezers, coolers, dishwashers, plumbing, heating, ventilating, air conditioning, fire protection, electrical power distribution, and lighting and to create more room for the food service line and expand the type of services offered.

Subd. 5. Repair and Maintenance Building 1,817,000

To demolish the existing storage facilities and predesign, design, construct, furnish, and equip a new maintenance building.

Sec. 5. CHILDREN, FAMILIES, AND LEARNING

Subdivision 1. To the commissioner of children, families, and learning for the purposes specified in this section 65,955,000

Subd. 2. Maximum Effort Capital Loans

This appropriation is from the maximum effort school loan fund for capital loans to school districts as provided in Minnesota Statutes, sections 126C.60 to 126C.72. Capital loans to the recipient school districts are approved in the following amounts:

Independent School District No. 38, Red Lake 20,255,000

To design, construct, renovate, furnish, and equip school facilities, and for health and safety capital improvements to schools.

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

The commissioner shall review the proposed plan and budget of the project and may reduce the amount of the loan to ensure that the project will be economical. The commissioner may

recover the cost incurred by the commissioner for any professional services associated with the final review and construction by reducing the proceeds of the loan paid by the district. The commissioner shall report to the legislature any reductions to the appropriations in this subdivision by January 10, 2003.

Subd. 3. Metropolitan Magnet Schools

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

Southwest Integration Magnet School

4,000,000

For a grant to the West Metro Education Program joint powers board to acquire land, prepare a site, predesign, and design a new building for the Southwest Integration Magnet School in St. Louis Park, to serve a population of approximately 500 kindergarten through grade 8 students.

Subd. 4. Mighty Books

Grant Program

1,000,000

For the Mighty Books grant program under new Minnesota Statutes, section 134.51.

Subd. 5. Minnesota

Planetarium

20,000,000

For a grant to the city of Minneapolis to construct, furnish, and equip a new Minnesota planetarium.

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

Subd. 6. Community Centers

(a) Asian Community Center

2,500,000

For a grant to the city of St. Paul to design, construct, furnish, and equip an Asian community center.

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

(b) Colin Powell Youth
Leadership Center

700,000

For a grant to Hennepin county to acquire land for and to design, construct, furnish, and equip the Colin Powell Youth Leadership center in Minneapolis. The center will include a national

guard drill area, an education wing, including a computer lab, a multipurpose arts facility, a community education space, a nutrition education and cooking skills work-preparation area, and four new basketball courts.

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

(c) Neighborhood House/
El Rio Vista

2,500,000

For a grant to the city of St. Paul to acquire land for and to design, construct, furnish, and equip an expansion of Neighborhood House/El Rio Vista.

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

Subd. 7. Trollwood
Performing Arts School

5,500,000

For a grant to the city of Moorhead to acquire land for and to design, construct, furnish, and equip Trollwood Arts Village in the city of Moorhead.

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

Subd. 8. Youth Enrichment
Grants

3,000,000

For grants to local government units to design, furnish, equip, renovate, replace, or construct parks and recreation facilities and school facilities, including soccer fields, to provide youth, with preference for youth in grades 4 through 8, with regular enrichment activities during nonschool hours, including after school, evenings, weekends, and school vacation periods, and that will provide equal access and programming for all children. Provided there are sufficient applications, 50 percent of this appropriation may only be spent in accordance with the recommendations of the Minnesota amateur sports commission. The buildings or facilities may be leased to nonprofit community organizations, subject to Minnesota Statutes, section 16A.695, for the same purposes. Enrichment programs include academic enrichment, homework assistance, computer and

technology use, arts and cultural activities, clubs, school-to-work and workforce development, athletic, and recreational activities. Grants must be used to expand the number of children participating in enrichment programs or improve the quality or range of program offerings. The facilities must be fully available for programming sponsored by nonprofit and community groups serving youth, or school, county, or city programs, for maximum hours after school, evenings, weekends, summers, and other school vacation periods. Priority must be given to proposals that demonstrate collaborations among political subdivisions, private, nonprofit, and public agencies, including regional entities dealing with at-risk youth, and community and parent organizations in arranging for programming, staffing, transportation, and equipment. All proposals must include an inventory of existing facilities and an assessment of programming needs in the community. In awarding these grants, the commissioner shall consider the regional distributions required in Laws 1996, chapter 463, section 4, subdivision 2. Priority must be given to school attendance areas with high concentrations of children eligible for free or reduced school lunch and to government units demonstrating a commitment to collaborative youth efforts.

Subd. 9. Early Childhood Learning
and Child Protection Facilities 5,000,000

For grants to construct or rehabilitate facilities for programs under Minnesota Statutes, section 119A.45.

Subd. 10. Agriculture and
Food Sciences Academy 1,000,000

To prepare a site for and to design the agriculture and food science academy in Ramsey county.

Subd. 11. Library for the Blind
Renovation 500,000

To design the renovation and expansion of the Minnesota library for the blind and physically handicapped.

Sec. 6. MINNESOTA STATE ACADEMIES

Subdivision 1. To the commissioner
of administration for the purposes
specified in this section 4,896,000

Subd. 2. Asset Preservation 2,000,000

For asset preservation capital improvements on

both campuses of the Minnesota state academies for the deaf and the blind, including, but not limited to, general asset preservation, roof replacement, improvements to heating and ventilation systems, purchase of an emergency generator, and demolition of West Cottage.

Subd. 3. West Wing Noyes Hall -
Phase 2

2,896,000

To design, renovate, furnish, and equip the middle section of the building that connects the east and west wings.

Sec. 7. NATURAL RESOURCES

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

117,172,000

Subd. 2. Statewide Asset Preservation

2,900,000

For asset preservation improvements and betterments at department of natural resources buildings statewide, including removal of life safety hazards and structural defects; elimination or containment of hazardous materials; code compliance improvements; accessibility improvements; replacement or renovation of roofs, windows, tuckpointing, and structural members; and improvements necessary to preserve the interior and exterior of buildings and other infrastructure. The commissioner shall determine project priorities as appropriate based upon need.

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

Subd. 3. Field Office Renovations

4,000,000

To design, acquire, renovate, construct, furnish, and equip field offices to relieve substandard employee working conditions in existing facilities. Field offices to be improved include: Warroad regional headquarters, metro regional headquarters, Talcot Lake wildlife management area, Little Fork forestry, Hill City forestry, and Montrose fisheries.

Subd. 4. Office Facility Development

4,600,000

To acquire, design, construct, furnish, and equip consolidated area offices and service facilities at Grand Marais and Thief River Falls.

Subd. 5. ADA Compliance

1,000,000

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

Subd. 6. State Park Initiative

32,500,000

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

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

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

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

\$1,600,000 is to develop the Big Bog state recreation area, including constructing, furnishing, and equipping a visitors center.

\$2,900,000 is to develop the Red River state recreation area.

Subd. 7. State Park and Recreation Area Acquisition

4,000,000

For acquisition of land under Minnesota Statutes, section 86A.05, subdivision 2, from willing sellers of private lands within state park and recreation area boundaries established by law.

Subd. 8. Metro Regional Park Acquisition and Betterment

10,000,000

This appropriation is for a grant to the metropolitan council. The commissioner shall pay the amount on a reimbursement basis to the metropolitan council upon receipt of a certified copy of a council resolution requesting payment. The appropriation must be used to pay the cost of rehabilitation, acquisition, and development by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.315. This appropriation must not be used for research, planning, administration, or tax equivalency

payments. This appropriation may be used for the purchase of homes only if the purchases are included in the work program required by law and they are expressly approved by the legislative commission on Minnesota resources.

Subd. 9. St. Cloud Regional
Parks and Trails

1,000,000

For a grant to the St. Cloud regional parks and trails coordinating board for capital improvements to sites under its jurisdiction.

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

Money from this appropriation must comply with the central Minnesota regional parks and trails plan created under Minnesota Statutes, section 85.50.

Subd. 10. Como Park Conservatory

2,700,000

For a grant to the metropolitan council to complete restoration of the Como Park conservatory. The project must include restoration of the fern room and construction of a bonsai collection space, an orchid growing and display house, and a children's activity zone, as well as corridors and connections to the education resource building.

Subd. 11. Forest Road and Bridge
Projects

1,200,000

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

Subd. 12. Reforestation

1,500,000

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

Subd. 13. State Forest Land Acquisition

500,000

To acquire private lands from willing sellers within established boundaries of state forests throughout the state under Minnesota Statutes, section 86A.05, subdivision 7.

Subd. 14. State Trail Acquisition
and Development

3,800,000

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

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

\$725,000 is for the Gitchi-Gami trail.

\$450,000 is for the Shooting Star trail.

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

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

\$300,000 is for the Douglas trail.

\$750,000 is for a grant to the city of Austin to acquire land for the Blazing Star trail.

\$500,000 is to connect the portions of the Paul Bunyan trail in the city of Bemidji, including constructing an underpass. This appropriation is not available until the commissioner has determined that an equal amount has been committed by the city of Bemidji.

Subd. 15. Regional Trail Grants

450,000

For a grant to Wabasha county under Minnesota Statutes, section 85.019, subdivision 4b, to acquire and develop the Great River Ridge trail.

Subd. 16. Trail Connections

1,492,000

For matching grants to local units of government to acquire and better public land and improvements needed for trails that connect communities, trails, and parks and thereby increase the effective length of trail experiences under Minnesota Statutes, section 85.019, subdivision 4c.

\$500,000 is for a grant to the city of New Ulm to connect the city to Flandrau state park.

\$492,000 is for a grant to the city of St. Louis Park to design and construct a grade separated pedestrian and trail crossing over Hennepin CSAH No. 25 at Belt Line Boulevard in St. Louis Park.

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

Subd. 17. Metro Greenways and Natural
Areas

2,000,000

To provide grants to local units of government for acquisition or betterment of greenways and natural areas in the metro region and to acquire greenways and natural areas in the metro region through the purchase of conservation easements

or fee titles. The commissioner shall determine the project priorities and shall consult with representatives of local units of government, nonprofit organizations, and other interested parties.

Subd. 18. Well Sealing

600,000

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

Subd. 19. Lewis and Clark
Rural Water System

180,000

This appropriation is from the general fund.

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

Subd. 20. Dam Improvements

1,700,000

To renovate or remove publicly owned dams.

\$1,050,000 is for a grant to the city of Crookston for phases 2 and 3 of the Red Lake River restoration and habitat improvement project.

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

Subd. 21. Flood Hazard Mitigation Grants

28,500,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161, for Warren, East Grand Forks, Montevideo, Breckenridge, St. Anthony, St. Louis Park, Granite Falls, Agassiz, Minneapolis, Oakport, Hay Creek, North Ottawa, Ross No. 7, and Crookston. To the extent that the cost of a project in Warren, East Grand Forks, Montevideo, Breckenridge, Granite Falls, Oakport, or Crookston exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

If the commissioner would otherwise fund a project in the city of Minneapolis from this appropriation, the commissioner shall provide a grant of \$1,000,000 to prevent and alleviate flood damage at Lake of the Isles.

Subd. 22. Stream Protection
and Restoration

1,000,000

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

Subd. 23. Water Access
Acquisition and Development

1,500,000

For public water access acquisition, construction, and renovation to capital projects on lakes and rivers, including water access through the provision of fishing piers and shoreline access under Minnesota Statutes, section 86A.05, subdivision 9.

Subd. 24. Lake Superior
Safe Harbors

1,750,000

\$1,100,000 is to complete construction of the public access at McQuade Road on Lake Superior in cooperation with the U.S. Army Corps of Engineers and the joint powers board made up of the city of Duluth, St. Louis county, the town of Duluth, and the town of Lakewood.

\$250,000 is to acquire the dockage, buildings, and other capital improvements at the Knife River marina in Lake county.

\$400,000 is to increase the number of slips at the Silver Bay harbor and marina from 68 to at least 100.

Subd. 25. Fish Hatchery
Improvements

300,000

For improvements of a capital nature to design, construct, renovate, furnish, and equip fish culture facilities under Minnesota Statutes, section 97A.045, subdivision 1.

Subd. 26. Fisheries Acquisition
and Improvement

500,000

To acquire aquatic management areas and to make public improvements and betterments of a capital nature to fish habitat under Minnesota Statutes, section 86A.05, subdivision 14.

Subd. 27. Scientific and Natural Area
Acquisition and Improvement

2,500,000

To acquire land for scientific and natural areas and for development, protection, or improvements of a capital nature to scientific and natural areas throughout the state under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5.

\$1,500,000 is to acquire, restore, and develop the

Seminary fen in the Assumption creek watershed in Carver county. The commissioner shall manage the Seminary fen in accordance with Minnesota Statutes, chapter 86A, in part as an aquatic management area, in part as a scientific and natural area, and in part as a wildlife management area.

Subd. 28. Natural and Scenic Area
Land Acquisition Grants

1,000,000

For matching grants to local units of government to acquire and better local natural and scenic areas under Minnesota Statutes, section 85.019, subdivision 4a. The commissioner shall determine project priorities as appropriate based on project significance and need.

Subd. 29. RIM Consolidated
Wildlife and Critical Habitat Match

3,000,000

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

Subd. 30. Native Prairie
Bank Easements

1,000,000

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

Subd. 31. Work Program

The commissioner must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by subdivisions 6 to 9, 14 to 17, 22, 26, 27, 29, and 30. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Sec. 8. POLLUTION CONTROL AGENCY

Subdivision 1. To the pollution control agency for the purposes specified in this section

11,500,000

Subd. 2. Closed Landfill Cleanup Program

10,000,000

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

Subd. 3. Brownfield to Green Space Grant Program

1,500,000

For grants to assess and clean up underutilized property that is contaminated. The property must be developed and owned as public open space, parks, natural areas, and other similar community amenities.

Sec. 9. OFFICE OF ENVIRONMENTAL ASSISTANCE

Subdivision 1. To the office of environmental assistance for the purposes specified in this section

3,450,000

Subd. 2. Solid Waste Capital Assistance Grants

2,300,000

To the office of environmental assistance for the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54. Grants from this appropriation must be awarded to applicants whose applications were on file with the office before January 1, 2002.

Subd. 3. Fergus Falls - Solid Waste Combuster

1,150,000

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

Sec. 10. BOARD OF WATER AND SOIL RESOURCES

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

14,800,000

Subd. 2. RIM and PWP Conservation Easements

7,000,000

This appropriation is for the following purposes:

(1) to acquire conservation easements from

landowners on marginal lands to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, section 103F.515;

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

(3) \$640,000 of this amount may be used to administer the program.

Subd. 3. Streambank and Lakeshore Protection and Restoration Program

2,000,000

To acquire conservation easements in environmentally sensitive lake and river shoreland areas from private landowners and to provide for the restoration of degraded or eroded shoreland where a public interest in the form of a conservation easement exists. The board may award grants to local soil and water conservation districts and participating local units of government to accomplish the purposes of this program, in accordance with new Minnesota Statutes, section 103F.225.

\$200,000 of this amount may be used to administer the program.

Subd. 4. Wetland Replacement Due to Public Road Projects

3,000,000

To acquire land for wetlands or restore wetlands to be used to replace wetlands drained or filled as a result of the repair, maintenance, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraph (m).

\$400,000 of this amount may be used to administer the program.

The purchase price paid for acquisition of land, fee, or perpetual easement must be the amount deemed reasonable by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, and nonprofit organizations or fee owners to acquire land and restore and create wetlands and to acquire existing wetland banking credits with money provided by this appropriation. Acquisition of or the conveyance of land may be in the name of the political subdivision.

Subd. 5. Lazarus Creek

1,500,000

For a grant to Area II Minnesota River Basin Projects, Inc. for construction of the LQP-25/Lazarus Creek floodwater retention project. The grant may not exceed 75 percent of the project's cost. The remaining share must be provided by Area II Minnesota River Basin Projects, Inc.

Subd. 6. Stillwater -
Brown's Creek

1,300,000

For a grant to the city of Stillwater to provide environmental protection capital improvements for Brown's Creek.

Subd. 7. Work Program

The board must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by subdivision 3. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Sec. 11. AGRICULTURE

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

15,292,000

Subd. 2. Rural Finance Authority
Loan Participation

15,000,000

For purposes as set forth in the Minnesota Constitution, article XI, section 5, clause (h). To the rural finance authority to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is for the beginning farmer program under Minnesota Statutes, section 41B.039, the loan restructuring program under Minnesota Statutes, section 41B.04, the seller-sponsored program under Minnesota Statutes, section 41B.042, the agricultural improvement loan program under Minnesota Statutes, section 41B.043, and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the rural finance authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to

provide full interest and principal coverage and a reserve for potential losses.

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

Subd. 3. Expansion of Metro Greenhouse and Storage Bay 292,000

To design, construct, furnish, and equip an expansion of the greenhouse facility owned by the department of agriculture on the campus of Metropolitan state university in St. Paul.

Sec. 12. MINNESOTA ZOOLOGICAL GARDENS

Subdivision 1. To the Minnesota Zoological Gardens for the purposes specified in this section 10,184,000

Subd. 2. Asset Preservation 3,000,000

For capital asset preservation improvements and betterments.

Subd. 3. Phase 1 of Master Plan 7,184,000

To design, construct, furnish, and equip zoo facilities consistent with phase 1 of the facilities and business master plan.

This appropriation is not available until the commissioner of finance has determined that additional money at least equal to 25 percent of the appropriated amount has been committed to the project from nonstate sources.

Sec. 13. ADMINISTRATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section 104,467,000

Subd. 2. Capital Asset Preservation and Replacement (CAPRA) 17,000,000

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

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

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

Subd. 4. Agency Relocation 1,500,000

This appropriation is from the general fund.

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

Subd. 5. Renovate Governor's Residence

4,291,000

To design, renovate, furnish and equip the Governor's residence in St. Paul.

\$45,000 is from the general fund for relocation expenses.

Subd. 6. Health and Agriculture Laboratories

76,245,000

Debt service on \$15,717,000 of the principal amount of bonds sold to finance this project must be paid by the commissioner of administration under Minnesota Statutes, section 16A.643, from parking revenue collected under Minnesota Statutes, section 16B.58.

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

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

Notwithstanding Minnesota Statutes, sections 15.50, subdivision 2, paragraph (e), and 16B.24, subdivision 6, paragraphs (a) and (b), the commissioner of administration is authorized to enter into a long-term lease-purchase agreement for up to 25 years for the development of office facilities for the departments of health, agriculture, and human services and related parking for the department of human services office facility.

Subd. 8. Olmsted County - Government Services Center

700,000

To predesign the Olmsted county government services center, a facility to colocate federal, state, and local government offices, to the extent that the predesign determines their colocation to be feasible and practical. Participating agencies to be evaluated in the predesign must include, but need not be limited to, the city of Rochester; Olmsted county; the state departments of agriculture, commerce, economic security, health, human services, labor and industry,

natural resources, public safety, revenue, and transportation, and the board of water and soil resources; and appropriate federal agencies.

Subd. 9. Land Acquisition 1,500,000

To acquire land to support existing needs or to be used for future state development and consolidation.

Sec. 14. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD 2,879,000

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

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

Subd. 2. Capitol Building Restoration 1,659,000

To design, construct, and renovate elevators in the Capitol building.

\$646,000 is from the general fund to plaster and repaint public spaces and to conserve and repair existing artwork on the ground, first, and second floors.

Subd. 3. Capitol Building Signage 300,000

To design, fabricate, and install comprehensive signage in the Capitol complex.

Subd. 4. Capitol Interior Design 920,000

To complete schematic design for the interior renovation, restoration, and future maintenance of the capitol building.

Sec. 15. AMATEUR SPORTS COMMISSION

Subdivision 1. To the amateur sports commission for the purposes specified in this section 6,250,000

Subd. 2. Sports Conference Center 5,150,000

To construct, furnish, and equip a sports conference center on the campus of the National Sports Center and for related capital development costs.

Subd. 3. Spirit Mountain Ski Area 1,000,000

For a grant to the city of Duluth to renovate the snowmaking system at the Spirit Mountain ski area.

Subd. 4. National Volleyball
Center - Phase 2

100,000

To design phase 2 of the National Volleyball
Center in Rochester.

Sec. 16. ARTS

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

36,500,000

Subd. 2. Bloomington -
Bloomington Center for the Arts

1,000,000

This appropriation is from the general fund.

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

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

Subd. 3. Minneapolis -
Children's Theatre Company

5,000,000

For a grant to Hennepin county to design,
construct, furnish, and equip an expansion of the
Children's Theatre Company's current facility.

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

Subd. 4. Minneapolis -
Guthrie Theater

30,000,000

For a grant to the Minneapolis community
development agency to acquire and prepare a site
for and to design, construct, furnish, and equip a
new Guthrie Theater in the city of Minneapolis.
The Minneapolis community development
agency may enter into a lease or management
agreement for the theater, subject to Minnesota
Statutes, section 16A.695.

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

Subd. 5. Rochester -
Rochester Art Center

500,000

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

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

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

Notwithstanding Minnesota Statutes, section 16A.642, \$1,250,000 of the appropriation in Laws 1999, chapter 240, article 2, section 12, subdivision 14, is available until July 1, 2004.

Sec. 17. MILITARY AFFAIRS

Subdivision 1. To the adjutant
general for the purposes specified
in this section

4,857,000

Subd. 2. Asset Preservation

2,500,000

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

Subd. 3. ADA Improvements

857,000

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

Subd. 4. Facility Life Safety
Improvements

1,000,000

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

Subd. 5. Indoor Firing Range Renovation

500,000

To renovate indoor firing ranges at training and community centers statewide and convert them to storage or classroom use.

Sec. 18. TRANSPORTATION

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

67,546,000

Subd. 2. Local Bridge
Replacement and Rehabilitation

40,000,000

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

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

- (1) matching federal-aid grants to construct or reconstruct key bridges;
- (2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;
- (3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and
- (4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more cost efficient than the replacement of the existing bridge.

Subd. 3. Duluth - Aerial Lift Bridge Repainting	1,000,000
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For a grant to the city of Duluth for capital repair and restoration of the aerial lift bridge. This appropriation is available when matched by \$1 of money secured or provided by the city of Duluth for each \$1 of state money.

Subd. 4 Port Development Assistance	4,000,000
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For grants under Minnesota Statutes, sections 457A.01 to 457A.06. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 5. Rail Service Improvement	4,000,000
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For the purposes defined under the rail service improvement program under Minnesota Statutes, sections 222.46 to 222.63.

Subd. 6. Freight Access Improvements	8,496,000
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Each grant is not available until the commissioner has determined that an equal amount has been committed from any combination of municipal state-aid money and nonstate sources. The state share may be allocated to any one or more of the project elements, with the nonstate money used to complete any elements not completed with state money.

\$796,000 is for a grant to the city of Minnetonka to acquire land and to design and construct a new

railroad switching yard facility in the city of Glencoe, to be owned by the McLeod county rail authority.

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

\$4,250,000 is for a grant to the port authority of Winona to construct intermodal improvements at the Winona harbor. The improvements may include commercial harbor dredging, overpass construction, street widening, signal installation, and intersection reconstruction.

Subd. 7. Northstar Corridor Rail Project 8,000,000

For a commuter rail system from Rice to Minneapolis, including a multimodal connection to the Hiawatha light rail line in downtown Minneapolis.

This appropriation must be spent for purposes as set forth in the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public lands and buildings and other improvements of a capital nature, and for purposes as set forth in the Minnesota Constitution, article XI, section 5, clause (i), to improve and rehabilitate railroad rights-of-way and other rail facilities whether public or private.

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

Subd. 8. Greater Minnesota Transit Facilities 2,000,000

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

Sec. 19. METROPOLITAN COUNCIL

Subdivision 1. To the metropolitan council for the purposes specified in this section 28,000,000

Subd. 2. Northwest Metro Busway 5,000,000

To design and construct a busway in the northwest metropolitan area between downtown Minneapolis and Rogers. This appropriation is not available until the commissioner of finance has determined that Hennepin county has committed at least \$.,,000,000 from other sources and the metropolitan council has

committed at least \$.,000,000 from other sources. Money from any source may be used for roadway design, reconstruction, acquisition of land and right-of-way, and to design, construct, furnish, and equip transit stations and park and rides, and to purchase buses.

In development of the project, the council shall:

(1) take into consideration livable communities principles, including support of housing production and ensuring integration of land use and transportation needs of communities along the route of the busway; and

(2) encourage citizen and stakeholder participation in development of the project.

Subd. 3. Livable Communities Grant Program

10,000,000

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

In development of the project, the council shall:

(1) take into consideration livable communities principles, including support of housing production and ensuring integration of land use and transportation needs of communities along the route of the busway;

(2) take advantage of any local funding for the project that may be available; and

(3) encourage citizen and stakeholder participation in development of the project.

Subd. 4. Snelling Bus Garage

10,000,000

To construct a replacement bus garage for metro transit buses at the current Snelling Avenue garage site in St. Paul. The metropolitan council must work with the surrounding community to ensure the garage accommodates the larger development plans for the site. This appropriation is in addition to the appropriation in Laws 2000, chapter 479, article 1, section 3, subdivision 2.

Subd. 5. Central Corridor Transitway

3,000,000

For planning, final environmental impact statement, and preliminary engineering of the Central Corridor Transitway between St. Paul and the city of Minneapolis.

Sec. 20. COMMERCE

5,000,000

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

Sec. 21. HEALTH 775,000

To design and construct a community dental clinic at Lake Superior community college in Duluth and design and renovate the Northwest technical college dental hygiene clinic in Moorhead.

Sec. 22. HUMAN SERVICES

Subdivision 1. To the commissioner of administration for the purposes specified in this section 24,838,000

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

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

Subd. 3. Systemwide Asset Preservation 6,500,000

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

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

Subd. 4. Systemwide - Building and Structure Demolition 2,250,000

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

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

To design, renovate, furnish, and equip the residential and program areas in building No. 20.

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

To design, renovate, construct, furnish, and equip facilities for the psychiatric treatment program.

Subd. 7. St. Peter Regional Treatment Center 3,619,000

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

Subd. 8. People, Inc. North Side Community Support Program 375,000

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

This appropriation is from the general fund.

Sec. 23. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section 17,344,000

Subd. 2. Asset Preservation 4,690,000

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

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

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

Subd. 4. Luverne Veterans Home 766,000

To design, construct, furnish, and equip a building addition for Alzheimer's and dementia programming space at the Luverne veterans home.

Subd. 5. Minneapolis Veterans Home 990,000

To design, renovate, furnish, and equip building No. 4 to provide adult day care services to veterans in the surrounding communities.

This appropriation represents 35 percent of the estimated cost of the renovation project.

The Minnesota veterans homes board must apply for the federal money needed to complete this project. The commissioner of administration shall receive the federal money and use the money to complete the project. The total appropriation may be spent for this renovation project before the federal money for the project is received.

Subd. 6. Silver Bay Veterans Home 2,345,000

To replace the roof.

Sec. 24. CORRECTIONS

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

31,943,000

Subd. 2. Asset Preservation

23,100,000

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, including, but not limited to, completing the perimeter wall and security improvements at MCF-Stillwater.

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

Subd. 3. Minnesota Correctional Facility - Lino Lakes

4,160,000

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

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

Subd. 4. Minnesota Correctional Facility - Shakopee

3,070,000

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

Subd. 5. Minnesota Correctional Facility - Stillwater

90,000

To predesign a new 150-bed segregation unit on the facility grounds.

Subd. 6. Minnesota Correctional Facility - Willow River/Moose Lake

1,523,000

To demolish the activities building at Willow River and design, construct, furnish, and equip a new activities building for physical training as required for the challenge incarceration program under Minnesota Statutes, sections 244.17 to 244.173.

Sec. 25. TRADE AND ECONOMIC DEVELOPMENT

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

116,375,000

Subd. 2. Redevelopment Account

11,000,000

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

\$1,000,000 is for a grant to the city of Little Falls for environmental cleanup of the Hennepin Paper Company property in the city of Little Falls.

Subd. 3. State Match for Federal Grants

16,000,000

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

Subd. 4. Wastewater Infrastructure Funding Program

40,800,000

\$800,000 of this appropriation is from the general fund to administer the wastewater infrastructure program.

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

To the greatest extent practical, the authority should use the grants for projects on the 2002 project priority list in priority order to qualified applicants that submit plans and specifications to the pollution control agency or receive a funding commitment from USDA rural development before December 1, 2003.

\$1,550,000 is for a grant to the city of Bayport for the Middle St. Croix River Watershed Management organization to complete construction of the sewer system extending from Minnesota department of natural resources pond 82-310P (the prison pond) in Bayport through the Stillwater prison grounds to the St. Croix river.

\$7,800,000 is for grants to North Shore sanitary districts to predesign, design, construct, furnish, and equip wastewater treatment facilities within the North Shore management zone and that

border the outstanding resource value waters of Lake Superior.

Subd. 5. Fairmont -
Winnebago Avenue Sports Complex 500,000

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

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

Subd. 6. Greater Minnesota
Business Development Infrastructure
Grant Program 15,000,000

For grants under new Minnesota Statutes, section 116J.431.

Subd. 7. Itasca County -
Children's Discovery Museum 300,000

For a grant to Itasca county to design, construct, furnish, and equip the Children's Discovery Museum in Grand Rapids. The county may enter into a lease or management agreement for the center, subject to Minnesota Statutes, section 16A.695.

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

Subd. 8. Minneapolis -
Empowerment Zone Projects 8,000,000

For a grant to the city of Minneapolis for public infrastructure improvements in the following empowerment zone projects: the Near Northside redevelopment project; the Chicago/Lake project; and the South East Minneapolis industrial redevelopment project.

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

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

For a grant to the city of Olivia to acquire land and to design, construct, furnish, and equip the Minnesota Center for Agricultural Innovation.

This appropriation is not available until the

commissioner has determined that an equal amount has been committed from nonstate sources.

Subd. 10. Red Lake
Economic Development Facility

1,400,000

For the commissioner of administration to plan, design, construct, furnish, and equip an economic development facility on the Red Lake Indian reservation.

The facility must be constructed on land leased to the state by the Red Lake Band of Chippewa Indians. The ground lease must be executed by the commissioner of administration under Minnesota Statutes, section 16B.24, subdivision 6, except that the initial term of the ground lease must be at least 20 years and the total term must be at least 40 years, including renewal options.

Construction of the facility is not subject to the competitive bidding requirements of Minnesota Statutes, chapter 16C. The commissioner may contract directly with the Red Lake Tribal Council to complete the facility.

The commissioner must enter into an agreement with the Red Lake Tribal Council under Minnesota Statutes, section 16A.695, to operate the facility on behalf of the state to carry out the state program of economic development during the term of the ground lease and any renewal options.

Subd. 11. St. Cloud -
Civic Center Expansion

1,000,000

For a grant to the city of St. Cloud to predesign and design the expansion of the St. Cloud civic center.

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

Subd. 12. St. Paul -
Roy Wilkins Auditorium

5,000,000

For a grant to the city of St. Paul to design a new Roy Wilkins Center.

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

Subd. 13. St. Paul -
Phalen Boulevard Contamination Remediation

8,000,000

For a grant to the city of St. Paul to acquire land and to complete contamination remediation on Phalen Boulevard between I-35E and Johnson Parkway.

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

Subd. 14. St. Paul -
2004 Renaissance Project 8,375,000

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

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

Sec. 26. IRON RANGE RESOURCES AND
REHABILITATION BOARD 1,800,000

To design, construct, furnish, and equip Mesabi station as the central guest services facility for the Mesabi trail.

Sec. 27. HOUSING FINANCE AGENCY 10,000,000

To the commissioner of the housing finance agency to rehabilitate and construct transitional and supportive housing for veterans and single adults on land owned by the U.S. Department of Veterans Affairs (VA) Medical Center campus in Minneapolis.

Sec. 28. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota
Historical Society for the purposes
specified in this section 9,143,000

Subd. 2. Historic Site Asset
Preservation 5,000,000

For capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments. Up to \$250,000 of this appropriation may be used to predesign and design major construction and redevelopment projects at historic Fort Snelling. The society shall determine project priorities as appropriate based on need.

Subd. 3. County and Local
Preservation Grants 1,500,000

To be allocated to county and local jurisdictions as matching money for historic preservation

projects of a capital nature. Grant recipients must be public entities and must match state funds on at least an equal basis. The facilities must be publicly owned.

Subd. 4. Sibley House Historic Site 542,000

To renovate buildings at the site and design future renovations.

Subd. 5. Kelley Farm Land Acquisition 655,000

To acquire land or interests in land adjacent to the Oliver Kelley Farm historic site.

Subd. 6. Fort Snelling Historic Site 500,000

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

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

Subd. 7. Heritage Trails 384,000

To design and construct a trail at Fort Ridgely state historic site.

Subd. 8. Fort Belmont 200,000

For a grant to Jackson county to design, construct, furnish, and equip a new site for historic Fort Belmont.

Subd. 9. New Brighton
Caboose and History Center 100,000

This appropriation is from the general fund.

For a grant to the New Brighton area historical society to renovate its caboose and history center.

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

Subd. 10. Pipestone County Museum 125,000

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

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

Subd. 11. Gibbs Museum
of Pioneer and Dakotah Life 137,000

For a grant to Ramsey county to predesign, design, construct, furnish, and equip a new interpretive center for the Gibbs Museum.

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

Sec. 29. BOND SALE EXPENSES

1,066,000

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

Sec. 30. [BOND SALE AUTHORIZATION.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$1,135,950,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [MAXIMUM EFFORT SCHOOL LOAN FUND.] To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$20,255,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Subd. 3. [TRANSPORTATION FUND.] To provide the money appropriated in this act from the transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$40,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 31. [CANCELLATIONS AND TRANSFERS.]

Subdivision 1. The unobligated balance of the appropriation in Laws 1998, chapter 404, section 7, subdivision 28, for the Sand Dunes state forest center, estimated to be \$113,000, is canceled to the general fund.

Subd. 2. \$500,000 of the appropriation in Laws 1998, chapter 404, section 23, subdivision 27, for a production facility associated with an educational and training facility, is canceled to the general fund.

Subd. 3. The \$400,000 appropriation in Laws 1998, chapter 404, section 25, subdivision 9, for a treaty site history center, is canceled to the general fund.

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

Subd. 5. \$1,000,000 of the appropriation in Laws 2000, chapter 492, article 1, section 14, subdivision 3, to the commissioner of administration for a grant to the Minneapolis community development agency, for the Guthrie Theater, vetoed on May 15, 2000, and approved by the legislature overriding the veto on May 17, 2000, is canceled to the general fund.

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

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

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

16A.501 [REPORT ON EXPENDITURE OF BOND PROCEEDS.]

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(8) the governing bodies of those political subdivisions primarily benefiting from the project have passed resolutions in support of the project and have established priorities for their projects when submitting multiple requests; and

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

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

Sec. 36. Minnesota Statutes 2000, section 16B.335, subdivision 3, is amended to read:

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

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

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

(c) A recipient to whom an appropriation is made for a project subject to review under subdivision 1 or notice under subdivision 2 shall prepare a predesign package and submit it to the commissioner for review and recommendation before proceeding with design activities. The

commissioner must complete the review and recommendation within ten working days after receiving it. Failure to review and recommend within the ten days is considered a positive recommendation. The predesign package must be sufficient to define the purpose, scope, cost, and schedule of the project and must demonstrate that the project has been analyzed according to appropriate space needs standards.

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

Sec. 37. Minnesota Statutes 2000, section 85.019, subdivision 4a, is amended to read:

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

Sec. 38. Minnesota Statutes 2000, section 85.019, subdivision 4c, is amended to read:

Subd. 4c. [~~LOCAL TRAIL CONNECTIONS.~~] The commissioner shall administer a program to provide grants to units of government for ~~up to 50 percent of the costs of~~ acquisition and betterment of public land and improvements needed for trails that connect communities, trails, and parks and thereby increase the effective length of trail experiences. Recipients must provide a nonstate cash match of at least one-half of total eligible project costs. If land used for the trails is not in full public ownership, then the recipients must prove it is dedicated to the purposes of the grants for at least 20 years. The commissioner shall make payment to a unit of government upon receiving documentation of reimbursable expenditures. A unit of government may enter into a lease or management agreement for the trail, subject to section 16A.695.

Sec. 39. Minnesota Statutes 2000, section 103F.205, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 103F.201 to ~~103F.224~~ 103F.225.

Sec. 40. [103F.225] [SHORELAND PROTECTION PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The board of water and soil resources shall establish a program to acquire conservation easements in environmentally sensitive lake and river shoreland areas from private landowners and to provide for the restoration of degraded or eroded shoreland where a public interest in the form of a conservation easement exists. The board may award grants to local soil and water conservation districts and participating local units of government to accomplish the purposes of the program.

Subd. 2. [CRITERIA.] A participating soil and water conservation district must establish a working group of interested individuals. The working groups, along with the county board and the soil and water conservation district, must develop criteria for acquisition of lake and river shoreland conservation easements and restoration of degraded or eroded shoreland.

Subd. 3. [USE OF GRANTS.] The board, a participating soil and water conservation district, or local unit of government may use a grant to acquire shoreland conservation easements, and to restore degraded or eroded shoreland. The grant may be up to 100 percent of the cost of acquisition of the easement and up to 75 percent of the cost of restoration. A conservation easement, as defined in section 84C.01, must be permanent and is subject to section 103F.515, subdivisions 3 to 6, 8 and 9. Section 273.117 applies to conservation easements granted under this program.

Sec. 41. [116J.431] [GREATER MINNESOTA BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.]

Subdivision 1. [GRANT PROGRAM ESTABLISHED.] The commissioner shall make grants

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

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

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

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

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

- (1) manufacturing;
- (2) technology;
- (3) warehousing and distribution;
- (4) research and development;
- (5) agricultural operations; or
- (6) industrial park development that would be used by any other business listed in this subdivision.

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

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

Subd. 4. [APPLICATION.] The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a city must include in its application a resolution of the city council certifying that the required local match is available. The commissioner must award grants for complete applications for eligible projects on a first-come, first-served basis.

Subd. 5. [SET ASIDES.] (a) During the first two years of the program, 20 percent of the amount available, up to \$3,000,000, must be used only for grants to cities of the fourth class.

(b) Twenty percent of the amount available, up to \$3,000,000, must be used only for grants for industrial park developments.

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

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

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

Sec. 42. [116J.571] [CREATION OF ACCOUNTS.]

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

Sec. 43. [116J.572] [DEFINITIONS.]

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

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

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

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

Sec. 44. [116J.573] [CRITERIA FOR ACCOUNTS AND PROJECTS.]

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

- (1) creating and preserving living wage jobs in greater Minnesota;
- (2) creating incentives for communities to include a full range of housing opportunities;
- (3) creating incentives for all communities to implement compact, efficient, and mixed-use development; and
- (4) creating incentives to assist communities in maintaining a unique sense of place by preserving local, cultural assets.

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

- (1) interrelate redevelopment with other public investments in transportation, housing, schools, energy, utilities information infrastructure, and other public services;
- (2) interrelate affordable housing and employment growth areas;
- (3) intensify land use that leads to more compact redevelopment;
- (4) involve redevelopment that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities;
- (5) involve participation from citizens and the business community in the planning and development of the proposed redevelopment plan;

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

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

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

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

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

Sec. 45. [116J.574] [GRANT APPLICATIONS.]

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

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

(1) identification of the site;

(2) a detailed budget, including necessary supporting evidence, of the total costs for the site including the total eligible redevelopment costs;

(3) a complete redevelopment plan, including any specific commitments from third parties to construct improvements on the site;

(4) a complete financing plan, including the manner in which the development authority uses innovative financial partnerships between government, private for-profit, and nonprofit sectors; and

(5) any additional information or material that the commissioner prescribes.

Sec. 46. [116J.575] [GRANTS.]

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

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

Sec. 47. [134.51] [MIGHTY BOOKS GRANTS.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of children, families, and learning shall award grants for the mighty books program to assist Minnesota communities to construct new, expand, or renovate libraries.

Subd. 2. [ELIGIBILITY; DEFINITION.] Public library jurisdictions may apply for grants to construct new, expand, or renovate existing library facilities. For purposes of this section, "public library jurisdictions" means regional public library systems, regional library districts, cities, and counties operating libraries under Minnesota Statutes, chapter 134, that are members of regional public library systems.

Subd. 3. [APPLICATION.] The commissioner shall develop guidelines and a process for grant application; prepare application forms; and establish application dates.

Subd. 4. [QUALIFICATIONS.] A public library jurisdiction may apply for a grant in an amount up to \$250,000 or 50 percent of the approved costs, whichever is less. The public library jurisdiction must provide a one-to-one match of nonstate money.

Subd. 5. [APPROVAL BY COMMISSIONER.] The commissioner of children, families, and learning, in consultation with the state council on disability, shall examine and consider all applications for grants and may approve or disapprove applications. If a public library jurisdiction is found not qualified, the commissioner shall promptly notify it. The grant money must be used to renovate or expand an existing building for use as a library; to construct a new library building; or to remove architectural barriers from a building or a site. First priority shall be given to applications for removing architectural barriers from a building.

Subd. 6. [AWARD OF GRANTS.] The commissioners shall prioritize grants on the following basis: the degree of collaboration with other public or private agencies; the public library jurisdiction tax burden; the long-term feasibility of the project; and the suitability of and need for the project. If the total amount of the applications exceeds the amount that is or can be made available, the commissioner shall award grants according to the commissioner's judgment and discretion and based upon a ranking of the projects according to the factors listed in this subdivision. The commissioner shall promptly certify to each public library jurisdiction the amount, if any, of the grant awarded to it.

Sec. 48. Minnesota Statutes 2000, section 135A.046, subdivision 2, is amended to read:

Subd. 2. [STANDARDS.] Capital budget expenditures for Higher Education Asset Preservation and Replacement (HEAPR) projects must be for one or more of the following: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; or building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renewal to support the existing programmatic mission of the campuses. Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 49. Minnesota Statutes 2000, section 136F.16, subdivision 3, is amended to read:

Subd. 3. [OFF-CAMPUS SITES.] The board shall not establish off-campus centers or other permanent sites to provide academic programs, courses, or student services without authorizing legislation. ~~For the purposes of this subdivision, the campus of Metropolitan State University is the seven-county metropolitan area.~~ This section does not apply to sites set up specifically for the delivery of courses and programs through telecommunications.

Sec. 50. Minnesota Statutes 2000, section 136F.60, subdivision 1, is amended to read:

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

university activity fund appropriations. The board may pay relocation costs, at its discretion, when acquiring property.

Sec. 51. Minnesota Statutes 2000, section 446A.072, subdivision 4, is amended to read:

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

(b) Except as provided in paragraph (c), a municipality may not receive more than \$4,000,000, or \$15,000 per existing connection, whichever is less, under this section unless specifically approved by law. If a project would be eligible for more than \$4,000,000 under paragraph (e), the authority shall include a description of the project and the financing plan in its report on needs in subdivision 11. For a municipality receiving grant funding after January 1, 2002, the authority shall provide assistance in the form of a grant of up to \$30,000 per existing connection if the authority determines that the municipality's construction and installation costs are significantly increased due to geological conditions and more stringent discharge limits.

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

(d) The authority shall provide supplemental assistance for up to one-half of the eligible grant funding level determined by the United States Department of Agriculture Rural Development funding for projects listed on the agency's project priority list, in priority order. In the case of multijurisdictional projects when the United States Department of Agriculture Rural Development is unable to fully fund up to one-half of the eligible grant amount, the authority may provide up to an additional \$1,000,000 for each municipality participating up to the limits under paragraph (c) but not to exceed the maximum grant level determined by the United States Department of Agriculture Rural Development as needed to keep the project affordable. For municipalities that are not eligible for United States Department of Agriculture Rural Development funding for wastewater, the authority shall provide supplemental assistance for: (1) essential project component costs calculated by first determining the amount needed to reduce a municipality's annual residential sewer costs to 1.4 percent of the municipality's median household income or \$25 per month per household, whichever is greater, and then multiplying that amount by 80 percent to determine the actual award amount to supplement loans under section 446A.07; and (2) up to 50 percent of the incremental costs specifically identified by the agency as being attributable to more stringent wastewater standards required to protect outstanding resource value waters or outstanding international resource value waters.

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

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

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

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

The amount of supplemental assistance under this paragraph must be sufficient to reduce debt service payments under section 446A.07 to an extent equivalent to a zero percent loan in an amount up to the other governmental unit's project costs necessary for connection. Eligibility for

supplemental assistance under this paragraph ends three years after the agency certifies that the connection has met the operational performance standards established by the agency.

Sec. 52. Laws 2000, chapter 492, article 1, section 15, subdivision 4, is amended to read:

Subd. 4. Minnesota

Military Museum at Camp Ripley

125,000

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

Sec. 53. Laws 2000, chapter 492, article 1, section 22, subdivision 3, as amended by Laws 2000, chapter 499, section 15, which amendment was reenacted in Laws 2001, First Special Session chapter 12, section 15, is amended to read:

Subd. 3. Wastewater Infrastructure

Funding Program

18,319,000

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

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

To the greatest extent practical, the authority should use the grants for projects on the 2000 intended use plan in priority order to qualified applicants that submit plans and specifications to the pollution control agency or receive a funding commitment from USDA rural development before December 1, 2001. In determining whether the penalty factor under Minnesota Rules, part 7077.0196, should be applied to a project, the pollution control agency shall, beginning with the 2001 Intended Use Plan and Project Priority list, first assess the impact of the new or expanded discharge compared to the impact of the preexisting conditions and to the impact of alternative discharge locations. If the agency determines that the new or expanded discharge is to a less environmentally sensitive area or that it is the preferable location for the discharge compared to the alternatives, the agency shall not apply the penalty factor to the project. The pollution control agency shall include as a factor in prioritizing projects

whether a project is a multijurisdictional project connecting areas with failing onsite treatment systems with an existing or regional wastewater treatment system.

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

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

Sec. 54. Laws 2000, chapter 492, article 1, section 22, subdivision 4, is amended to read:

Subd. 4. Clean Water Partnership 2,000,000

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

Sec. 55. Laws 2000, chapter 492, article 1, section 27, is amended to read:

Sec. 27. [CANCELLATIONS AND TRANSFERS.]

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

(b) The \$1,100,000 appropriation in Laws 1994, chapter 643, section 19, subdivision 9, as amended by Laws 1995, chapter 224, section 124, and Laws 1997, chapter 183, article 3, section 30, for the American Indian history center at Bemidji state university is canceled. The bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, is reduced by \$1,100,000.

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

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

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

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

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

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

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

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

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

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

(m) The balance of the appropriation in Laws ~~1998~~ 1999, chapter ~~404~~ 240, article ~~2~~ 2, section ~~23~~ 12, subdivision ~~4~~ 5, for the St. Cloud community events center is transferred to the board of trustees of the Minnesota state colleges and universities to construct a new athletic facility on the south side of the existing St. Cloud State University campus. The balance of the bond sale authorization in Laws ~~1998~~ 1999, chapter ~~404~~ 240, article ~~2~~ 2, section ~~27~~ 16, subdivision 1, attributable to the events center project is to provide the money for the athletic facility project.

(n) \$1,000,000 of the appropriation in Laws ~~1998~~ 1999, chapter ~~404~~ 240, article ~~2~~ 2, section ~~23~~ 12, subdivision ~~24~~ 14, for the Minnesota African-American Performing Arts Center is canceled. The bond sale authorization in Laws ~~1998~~ 1999, chapter ~~404~~ 240, article ~~2~~ 2, section ~~27~~ 16, subdivision 1, is reduced by \$1,000,000.

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

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

Sec. 56. Laws 2001, First Special Session chapter 12, section 10, is amended to read:
Sec. 10. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2003, no more than ~~\$629,739,000~~ \$617,839,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the

amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 57. [DULUTH GOVERNMENT SERVICES CENTER SALE.]

Notwithstanding Minnesota Statutes, sections 16A.695 and 94.09, or other law, administrative rule, or commissioner's order to the contrary, the state of Minnesota by and through its department of administration, shall at the request of the St. Louis county board of commissioners, sell and convey to St. Louis county by December 31, 2002, for a consideration in the amount of \$2,300,000, certain real property known as the government services center and parking ramp legally described as:

lots 50, 52, 54, 56, 58, 60, 62, 64, Duluth proper first division, West Second Street.

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

All rights, obligations, and remedies under existing leases of said real property are merged with this conveyance. Current leasehold rights and obligations must be assigned to St. Louis county.

St. Louis county shall, for a period of at least ten years following sale of the above-described property, continue to allow the state of Minnesota to lease the space occupied by the state of Minnesota at the time of the sale at the current lease rate with adjustment for operational costs.

Sec. 58. [REPEALER.]

Minnesota Statutes 2000, sections 116J.561; 116J.562; 116J.563; 116J.564; 116J.565; 116J.566; 116J.567; 134.45; and 136F.13, are repealed.

Sec. 59. [EFFECTIVE DATE.]

This act is effective the day following final enactment, except that section 55 is effective retroactively to May 16, 2000."

Delete the title and insert:

"A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing spending to improve and rehabilitate railroad rights-of-way and other rail facilities whether public or private; requiring certain studies and reports; authorizing sale of state bonds; appropriating money; amending Minnesota Statutes 2000, sections 16A.11, subdivision 6; 16A.501; 16A.632, subdivision 2; 16A.86, subdivision 3; 16B.335, subdivision 3; 85.019, subdivisions 4a, 4c; 103F.205, subdivision 1; 135A.046, subdivision 2; 136F.16, subdivision 3; 136F.60, subdivision 1; 446A.072, subdivision 4; Laws 2000, chapter 492, article 1, section 15, subdivision 4; Laws 2000, chapter 492, article 1, section 22, subdivision 3, as amended; Laws 2000, chapter 492, article 1, section 22, subdivision 4; Laws 2000, chapter 492, article 1, section 27; Laws 2001, First Special Session chapter 12, section 10; proposing coding for new law in Minnesota Statutes, chapters 103F; 116J; 134; repealing Minnesota Statutes 2000, sections 116J.561; 116J.562; 116J.563; 116J.564; 116J.565; 116J.566; 116J.567; 134.45; and 136F.13."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2976, 2970, 2953, 1, 1072, 2711, 2656 and 2966 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 980 was read the second time.

MOTIONS AND RESOLUTIONS

Senator Chaudhary moved that the name of Senator Ring be added as a co-author to S.F. No. 2698. The motion prevailed.

Senator Krentz moved that the name of Senator Marty be added as a co-author to S.F. No. 2882. The motion prevailed.

Senator Fowler moved that the name of Senator Schwab be added as a co-author to S.F. No. 2887. The motion prevailed.

Senator Sabo moved that the names of Senators Orfield and Anderson be added as co-authors to S.F. No. 2889. The motion prevailed.

Senator Orfield moved that the name of Senator Rest be added as a co-author to S.F. No. 3147. The motion prevailed.

Senator Betzold moved that the name of Senator Limmer be added as a co-author to S.F. No. 3164. The motion prevailed.

Senator Knutson moved that the name of Senator Wiger be added as a co-author to S.F. No. 3173. The motion prevailed.

Senator Pappas moved that the names of Senators Stumpf and Pogemiller be added as co-authors to S.F. No. 3187. The motion prevailed.

Senator Lesewski moved that the names of Senators Vickerman, Murphy and Belanger be added as co-authors to S.F. No. 3190. The motion prevailed.

Senator Johnson, Dean moved that S.F. No. 2911 be withdrawn from the Committee on State and Local Government Operations and re-referred to the Committee on Transportation. The motion prevailed.

Senator Scheid moved that S.F. No. 3048 be withdrawn from the Committee on Education and re-referred to the Committee on Rules and Administration. The motion prevailed.

Senator Kinkel introduced--

Senate Resolution No. 174: A Senate resolution honoring Walter "Bud" Johannsen on 40 years of service to the Lake George Volunteer Fire Department.

Referred to the Committee on Rules and Administration.

Senator Kiscaden moved that S.F. No. 2463, on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion did not prevail.

Senator Kleis moved that S.F. No. 2460 be withdrawn from the Committee on Crime Prevention and re-referred to the Committee on Judiciary. The motion prevailed.

Senator Kleis moved that S.F. No. 2762 be withdrawn from the Committee on Crime Prevention and re-referred to the Committee on Finance. The motion prevailed.

Senator Limmer moved that S.F. No. 3074 be withdrawn from the Committee on Health and Family Security and re-referred to the Committee on Judiciary. The motion prevailed.

RECESS

Senator Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Senator Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 351: Senators Johnson, Doug; Hottinger; Pogemiller; Berglin and Frederickson.

Senator Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Senators Sams, Tomassoni and Dille introduced--

S.F. No. 3209: A bill for an act relating to state lands; modifying provisions for certain lands withdrawn from sale; amending Minnesota Statutes 2000, section 282.018, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Senators Schwab; Reiter; Johnson, Debbie; Kleis and Stevens introduced--

S.F. No. 3210: A bill for an act relating to game and fish; repealing senior angling fee increase; repealing Laws 2001, First Special Session chapter 2, section 114.

Referred to the Committee on Environment and Natural Resources.

Senator Kiscaden introduced--

S.F. No. 3211: A bill for an act relating to human services; developing a pilot project to deliver services to deaf-blind adults, children, and families.

Referred to the Committee on Health and Family Security.

Senator Kiscaden introduced--

S.F. No. 3212: A bill for an act relating to health; distributing funds for medical education; amending Minnesota Statutes 2000, section 62J.692, subdivision 4; Minnesota Statutes 2001 Supplement, section 62J.694, subdivision 2a.

Referred to the Committee on Health and Family Security.

Senator Lessard introduced--

S.F. No. 3213: A bill for an act relating to gambling; lawful gambling and gambling devices;

making technical, clarifying, and conforming changes; deleting obsolete language; amending Minnesota Statutes 2000, sections 349.162, subdivision 2; 349.163, subdivisions 1, 3, 5; 349.165, subdivision 2; 349.167, subdivision 7; 349.168, subdivision 5; 349.19, subdivision 5; 349.191, subdivisions 1a, 1b; Minnesota Statutes 2001 Supplement, section 349.168, subdivision 1; repealing Minnesota Statutes 2000, sections 349.12, subdivision 14; 349.163, subdivision 6a; 349.17, subdivision 2a; 349.174.

Referred to the Committee on State and Local Government Operations.

Senators Lessard; Stevens; Johnson, Doug and Berg introduced--

S.F. No. 3214: A bill for an act relating to game and fish; modifying ammunition provisions for taking big game; amending Minnesota Statutes 2000, section 97B.031, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Senator Foley introduced--

S.F. No. 3215: A bill for an act relating to capital improvements; authorizing issuance of state general obligation bonds for reconstruction of interchange of marked trunk highway No. 10 and Hanson Boulevard in Coon Rapids; appropriating money.

Referred to the Committee on Finance.

Senators Hottinger, Ranum, Pappas and Anderson introduced--

S.F. No. 3216: A bill for an act relating to drivers' licenses; requiring study of documentation requirements and impacts for immigrants to obtain drivers' licenses; requiring report to legislature.

Referred to the Committee on Transportation.

Senator Anderson introduced--

S.F. No. 3217: A bill for an act relating to child protection; clarifying the child's rights and status as a party in child protection proceedings; amending Minnesota Statutes 2000, section 260C.163, by adding a subdivision.

Referred to the Committee on Judiciary.

Senators Higgins, Knutson, Terwilliger and Moua introduced--

S.F. No. 3218: A bill for an act relating to juvenile court; requiring placement with relatives when a child in need of protection has been removed from the home; amending Minnesota Statutes 2000, sections 260C.175, subdivision 2; 260C.176, subdivision 1, by adding a subdivision; 260C.181, subdivision 2.

Referred to the Committee on Judiciary.

Senator Murphy introduced--

S.F. No. 3219: A bill for an act relating to agriculture; changing certain pesticide provisions; amending Minnesota Statutes 2000, section 18B.315, subdivision 3; Minnesota Statutes 2001 Supplement, section 18B.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 18D.

Referred to the Committee on Agriculture, General Legislation and Veterans Affairs.

Senator Berglin introduced--

S.F. No. 3220: A bill for an act relating to human services; modifying provisions related to long-term care reform; amending Minnesota Statutes 2000, sections 144A.04, subdivision 7; 256B.47, subdivision 2; Minnesota Statutes 2001 Supplement, sections 144A.071, subdivision 1a; 144A.36, subdivision 1; 144A.74; 256B.431, subdivision 34; 256B.437, subdivision 3; 256B.438, subdivision 1.

Referred to the Committee on Health and Family Security.

Senator Day introduced--

S.F. No. 3221: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for the Northeast Park Community Recreational Facility in Waseca.

Referred to the Committee on Finance.

Senators Stumpf and Moe, R.D. introduced--

S.F. No. 3222: A bill for an act relating to telecommunications; enacting Minnesota Broadband Access Availability Act; appropriating money; amending Minnesota Statutes 2000, section 237.461, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 238A.

Referred to the Committee on Telecommunications, Energy and Utilities.

Senator Bachmann introduced--

S.F. No. 3223: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for flood hazard mitigation to the city of Stillwater.

Referred to the Committee on Finance.

Senator Bachmann introduced--

S.F. No. 3224: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for a water pollution revolving fund loan to the city of Stillwater to protect the environment.

Referred to the Committee on Finance.

Senators Johnson, Doug and Solon, Y.P. introduced--

S.F. No. 3225: A bill for an act relating to education finance; adjusting the referendum transfer for independent school district No. 709, Duluth.

Referred to the Committee on Education.

Senators Price, Metzen, Stumpf and Krentz introduced--

S.F. No. 3226: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for a pilot project to install indoor real time air quality monitors in 50 schools.

Referred to the Committee on Finance.

Senators Price and Dille introduced--

S.F. No. 3227: A bill for an act relating to agriculture; clarifying language concerning

agricultural fund revolving accounts; amending Minnesota Statutes 2001 Supplement, section 17.117, subdivision 5a.

Referred to the Committee on Finance.

Senators Pariseau, Sams, Stevens and Bachmann introduced--

S.F. No. 3228: A bill for an act relating to health occupations; prohibiting unauthorized firms from engaging in the practice of chiropractic; specifying what conduct constitutes fee splitting by a chiropractor; providing criminal penalties; amending Minnesota Statutes 2001 Supplement, section 148.10, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health and Family Security.

Senators Belanger and Terwilliger introduced--

S.F. No. 3229: A bill for an act relating to railroads; prohibiting the metropolitan council from further activities relating to the Dan Patch commuter rail line; amending Minnesota Statutes 2000, section 473.399, by adding a subdivision.

Referred to the Committee on Transportation.

Senators Rest, Sabo and Moua introduced--

S.F. No. 3230: A bill for an act relating to education; establishing a task force to examine and make recommendations about eliminating violence, discrimination, intimidation, and harassment against Minnesota youth.

Referred to the Committee on Education.

Senator Betzold introduced--

S.F. No. 3231: A bill for an act relating to data privacy; providing that nondesignated addresses on license applications are not public data; amending Minnesota Statutes 2000, section 13.41, subdivision 5.

Referred to the Committee on Judiciary.

Senators Pogemiller and Higgins introduced--

S.F. No. 3232: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for Phase I of the Lowry Avenue corridor in Minneapolis.

Referred to the Committee on Finance.

Senators Murphy, Chaudhary, Sabo and Belanger introduced--

S.F. No. 3233: A bill for an act relating to public safety; modifying vehicle registration provisions; regulating certain motor vehicle dealer transactions; allowing certain transactions with department of public safety to be conducted electronically; modifying bicycle registration provisions; modifying, clarifying, and reorganizing motor carrier fuel tax provisions; modifying certain license plate display requirements; modifying commercial driver's license exemption for snowplow drivers; providing for a driver's license to be issued to legally emancipated minor; modifying commercial driver's license disqualification and violation provisions to conform to federal law; authorizing rules; making technical and clarifying changes; amending Minnesota Statutes 2000, sections 168.011, subdivision 4; 168.013, subdivision 3; 168.09, subdivisions 1, 3; 168.10, subdivision 1c; 168.187, subdivision 26; 168.27, as amended; 168.31, subdivision 4; 168.33, subdivision 6, by adding a subdivision; 168A.01, subdivisions 2, 24, by adding a

subdivision; 168A.04, subdivision 5; 168A.05, subdivision 5a; 168A.09, subdivision 1; 168A.11, subdivision 2; 168A.12, subdivisions 1, 2; 168A.154; 168A.18; 168A.19, subdivision 2; 168A.20, subdivisions 2, 3, 4; 168A.24, subdivision 1; 168C.02, subdivisions 1, 5; 168C.03; 168C.04, subdivision 1; 168C.05; 168C.06; 168C.07; 168C.08; 168C.09; 168C.11; 168C.12; 168C.13, subdivision 1; 171.02, subdivisions 1, 5; 171.04, subdivision 1; 171.05, subdivision 2; 171.055, subdivision 1; 171.06, subdivisions 1, 3; 171.07, subdivision 3; 171.13, subdivision 2; 171.165; 296A.23, subdivision 7; Minnesota Statutes 2001 Supplement, sections 168.012, subdivision 1; 169.79, subdivisions 3, 8, by adding a subdivision; 171.07, subdivision 1; 221.221, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 168D; repealing Minnesota Statutes 2000, sections 171.30, subdivision 3; 296A.27; 296A.28.

Referred to the Committee on Transportation.

Senator Johnson, Dean introduced--

S.F. No. 3234: A bill for an act relating to highways; authorizing issuance of \$1,000,000 in state bonds for a grant program for replacement of official traffic control signs on town roads; appropriating money.

Referred to the Committee on Finance.

Senator Berg introduced--

S.F. No. 3235: A bill for an act relating to human services; providing subsidized supplemental coverage for certain inpatient hospital costs under the MinnesotaCare program; proposing coding for new law in Minnesota Statutes, chapter 256L.

Referred to the Committee on Health and Family Security.

Senator Berg introduced--

S.F. No. 3236: A bill for an act relating to capital improvements; providing a grant to the city of Dawson for infrastructure work and flood prevention; authorizing issuance of bonds; appropriating money.

Referred to the Committee on Finance.

Senator Larson introduced--

S.F. No. 3237: A bill for an act relating to local government aid; increasing the city aid base for certain cities; amending Minnesota Statutes 2001 Supplement, section 477A.011, subdivision 36.

Referred to the Committee on Taxes.

Senator Ranum introduced--

S.F. No. 3238: A bill for an act relating to nonprofit corporations; neighborhood organizations; providing options regarding the election of directors, voting rights, and meeting notice requirements; amending Minnesota Statutes 2000, sections 317A.435, by adding a subdivision; 317A.437, by adding a subdivision; 317A.439, by adding a subdivision; 317A.441.

Referred to the Committee on Judiciary.

Senator Pappas introduced--

S.F. No. 3239: A bill for an act relating to retirement; public employees police and fire plan; authorizing a certain retiree to rescind a retirement annuity application and to apply for a disability benefit.

Referred to the Committee on State and Local Government Operations.

Senators Price, Marty, Anderson and Kinkel introduced--

S.F. No. 3240: A bill for an act relating to game and fish; modifying bear season provisions; amending Minnesota Statutes 2000, section 97B.411.

Referred to the Committee on Environment and Natural Resources.

ADJOURNMENT

Senator Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Monday, February 18, 2002. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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