

STATE OF MINNESOTA

Journal of the Senate

EIGHTY-THIRD LEGISLATURE

ONE HUNDRED THIRD DAY

St. Paul, Minnesota, Thursday, May 6, 2004

The Senate met at 9:30 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 the Chaplain, Sister Margaret Belanger.

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

Anderson	Gaither	Langseth	Olson	Scheid
Bachmann	Hann	Larson	Ortman	Senjem
Bakk	Higgins	LeClair	Ourada	Skoe
Belanger	Hottinger	Limmer	Pappas	Skoglund
Berglin	Johnson, D.E.	Lourey	Pariseau	Solon
Betzold	Johnson, D.J.	Marko	Pogemiller	Sparks
Chaudhary	Jungbauer	Marty	Ranum	Stumpf
Cohen	Kelley	McGinn	Reiter	Tomassoni
Day	Kierlin	Metzen	Rest	Vickerman
Dibble	Kiscaden	Michel	Robling	Wergin
Dille	Kleis	Moua	Rosen	Wiger
Fischbach	Knutson	Murphy	Ruud	
Foley	Koering	Neuville	Sams	
Frederickson	Kubly	Nienow	Saxhaug	

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1671, 2365, 2387 and 1716.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 2004

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. 1946: A bill for an act relating to employment; directing the commissioner of employment and economic development to conduct an extended employment pilot project.

Senate File No. 1946 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 2004

CONCURRENCE AND REPASSAGE

Senator Stumpf moved that the Senate concur in the amendments by the House to S.F. No. 1946 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1946 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Langseth	Olson	Saxhaug
Bachmann	Gaither	Larson	Ortman	Scheid
Bakk	Higgins	LeClair	Ourada	Senjem
Belanger	Hottinger	Limmer	Pappas	Skoe
Berglin	Johnson, D.E.	Lourey	Pariseau	Skoglund
Betzold	Johnson, D.J.	Marko	Pogemiller	Solon
Chaudhary	Jungbauer	Marty	Ranum	Sparks
Cohen	Kelley	McGinn	Reiter	Stumpf
Day	Kierlin	Metzen	Rest	Tomassoni
Dibble	Kleis	Michel	Robling	Vickerman
Dille	Knutson	Moua	Rosen	Wergin
Fischbach	Koering	Murphy	Ruud	Wiger
Foley	Kubly	Nienow	Sams	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

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. 2453: A bill for an act relating to motor fuels; regulating oxygenated gasoline; abolishing a fee and certain requirements and powers of Department of Commerce relating to utility measuring equipment; amending Minnesota Statutes 2002, section 239.791, subdivision 12, by adding a subdivision; repealing Minnesota Statutes 2002, sections 239.12; 239.25.

Senate File No. 2453 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 2004

CONCURRENCE AND REPASSAGE

Senator Lourey moved that the Senate concur in the amendments by the House to S.F. No. 2453 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2453 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Langseth	Ourada	Senjem
Bachmann	Frederickson	Larson	Pappas	Skoe
Bakk	Gaither	Lourey	Pariseau	Skoglund
Belanger	Higgins	Marko	Pogemiller	Solon
Berglin	Hottinger	Marty	Ranum	Sparks
Betzold	Johnson, D.E.	McGinn	Rest	Stumpf
Chaudhary	Jungbauer	Michel	Robling	Tomassoni
Cohen	Kelley	Moua	Rosen	Vickerman
Day	Kierlin	Murphy	Ruud	Wergin
Dibble	Knutson	Nienow	Sams	Wiger
Dille	Koering	Olson	Saxhaug	
Fischbach	Kubly	Ortman	Scheid	

Those who voted in the negative were:

Johnson, D.J.	Kleis	LeClair	Limmer	Reiter
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So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2246, 2763, 2832, 2436, 2166, 2799, 2175, 2258 and 2444.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 5, 2004

FIRST READING OF HOUSE BILLS

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

H.F. No. 2246: A bill for an act relating to health; modifying the nursing facility survey process; establishing a quality improvement program; requiring annual quality improvement reports; requiring the commissioner of health to seek federal waivers and approvals; amending Minnesota Statutes 2002, sections 144A.10, subdivision 1a, by adding a subdivision; 256.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2103, now on General Orders.

H.F. No. 2763: A bill for an act relating to civil actions; clarifying that civil liability for receiving motor fuel without paying does not bar criminal liability; amending Minnesota Statutes 2002, section 604.15, by adding a subdivision.

Referred to the Committee on Crime Prevention and Public Safety.

H.F. No. 2832: A bill for an act relating to education; requiring school and library computers with Internet access available for student use to be equipped with software filtering or blocking technology; imposing a financial penalty; amending Minnesota Statutes 2002, sections 125B.15; 134.50.

Referred to the Committee on Education.

H.F. No. 2436: A bill for an act relating to health; providing for public health emergencies; amending Minnesota Statutes 2002, sections 12.03, subdivision 4d; 12.39, subdivision 2; 144.419, subdivision 1; 144.4195, subdivisions 1, 2, 3, 5; Minnesota Statutes 2003 Supplement, section 13.37, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 12; 144; repealing Laws 2002, chapter 402, section 21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2512.

H.F. No. 2166: A bill for an act relating to veterans; changing administration and procedures for certain benefit programs; amending Minnesota Statutes 2002, sections 197.03; 197.06; 197.75, subdivision 3; Minnesota Statutes 2003 Supplement, sections 197.05; 197.75, subdivision 1; 197.78, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 197; repealing Minnesota Statutes 2002, sections 124D.97; 197.23, subdivision 2; 197.236, subdivision 4; 197.59.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2260, now on General Orders.

H.F. No. 2799: A bill for an act relating to employment; modifying state dislocated worker program provisions; amending Minnesota Statutes 2002, sections 116L.01, subdivision 1; 116L.05, subdivision 4; 116L.17, subdivisions 1, 4, 5, 6; Minnesota Statutes 2003 Supplement, section 116L.17, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 2002, sections 116L.04, subdivision 4; 116L.17, subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2646, now on General Orders.

H.F. No. 2175: A bill for an act relating to health; modifying requirements for various public health occupations; prescribing authority of speech-language pathology assistants; modifying requirements for physician assistants, acupuncture practitioners, licensed professional counselors, alcohol and drug counselors, dentists, dental hygienists, dental assistants, and podiatrists; modifying provisions for designating essential community providers; modifying certain immunization provisions; appropriating money; amending Minnesota Statutes 2002, sections 12.03, subdivision 4d; 12.39, subdivision 2; 144.419, subdivision 1; 144.4195, subdivisions 1, 2, 3, 5; 147A.02; 147A.20; 147B.01, by adding a subdivision; 147B.06, subdivision 4; 148.211, subdivision 1; 148.284; 148.512, subdivisions 9, 19, by adding a subdivision; 148.6402, by adding a subdivision; 148.6403, subdivision 5; 148.6405; 148.6428; 148.6443, subdivisions 1, 5; 150A.06, as amended; 150A.08, subdivision 1; 150A.09, subdivision 4; 153.01, subdivision 2; 153.16, subdivisions 1, 2; 153.19, subdivision 1; 153.24, subdivision 4; 153.25, subdivision 1; 192.502; Minnesota Statutes 2003 Supplement, sections 13.37, subdivision 3; 62Q.19, subdivision 2; 121A.15, subdivisions 3a, 12; 147A.09, subdivision 2; 148.212, subdivision 1; 148.511; 148.512, subdivisions 12, 13; 148.513, subdivisions 1, 2; 148.5161, subdivisions 1, 4, 6; 148.5175; 148.518; 148.5193, subdivisions 1, 6a; 148.5195, subdivision 3; 148.5196, subdivision 3; 148B.52; 148B.53, subdivisions 1, 3; 148B.54; 148B.55; 148B.59; 148C.04, subdivision 6; 148C.075, subdivision 2, by adding a subdivision; 148C.11, subdivision 6, by adding a subdivision; 148C.12, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapters 12; 144; 148; 148B; 197; repealing Minnesota Statutes 2002, sections 147B.02, subdivision 5; Laws 2002, chapter 402, section 21; Minnesota Rules, parts 6900.0020, subparts 3, 3A, 9, 10; 6900.0400.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2351, now on General Orders.

H.F. No. 2258: A bill for an act relating to commerce; establishing risk-based capital requirements for health organizations; establishing the minimum standard of valuation for health insurance; enacting model regulations of the National Association of Insurance Commissioners; regulating loss revenue certifications; changing other health plan requirements; making various securities regulation technical changes; amending Minnesota Statutes 2002, sections 45.027, subdivision 7a; 60A.03, subdivision 9; 60A.031, subdivision 4; 60A.129, subdivision 2; 62A.02, subdivision 2; 62C.09, by adding a subdivision; 62D.04, subdivision 1; 62D.041, subdivision 2;

62D.042, subdivisions 1, 2; 62N.25, subdivision 6; 62N.27, subdivision 1; 62N.29; 72A.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 60A; 62Q; repealing Minnesota Statutes 2002, sections 62C.09, subdivisions 3, 4; 62D.042, subdivisions 5, 6, 7; 62D.043; Minnesota Rules, part 4685.0600.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2587, now on General Orders.

H.F. No. 2444: A bill for an act relating to civil actions; regulating limitation periods of certain actions; enacting a uniform conflict of laws-limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1976, now on General Orders.

MOTIONS AND RESOLUTIONS

Pursuant to Rule 26, Senator Johnson, D.E., Chair of the Committee on Rules and Administration, designated S.F. No. 676 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 676: A bill for an act relating to retirement; statewide and major local public pension plans; making various changes of an administrative nature; setting various limitations and requirements for public employees police and fire retirement plan disability benefit applications; resolving one person and small group pension problems; reducing the early retirement age for the judges retirement plan; authorizing a shorter vesting schedule for the Marine on St. Croix Volunteer Firefighters Relief Association; revising the salary maximum for the executive secretary of the Minneapolis Firefighters Relief Association; permitting single Teachers Retirement Association members to make survivor benefit designations; authorizing retirement coverage discontinuation by an elected county official; revising the manner in which actuarial services to the Legislative Commission on Pensions and Retirement are provided; continuing retirement coverage by the general employees retirement plan of the Public Employees Retirement Association for Anoka County Achieve Program and the Government Training Services; including in privatized public employee retirement coverage employees of the Fair Oaks Lodge, Wadena, and RenVilla Nursing Home, and the St. Peter Community Healthcare Center; extending the expiration date on certain prior military service credit purchases; temporarily exempting Metropolitan Airports Commission police from reemployed annuitant earnings limitation; ratifying certain Bellingham volunteer firefighter relief association annuity purchases; including the Lake Johanna fire department employees in Public Employees Retirement Association coverage; limiting the covered salary of school district superintendents and administrators for pension purposes; excluding certain employees from limits on covered salary for pension purposes; requiring audits and reports on preretirement salaries of certain school district administrators; expanding the health care savings plan; modifying the department of transportation pilots retirement plan; creating a statewide volunteer firefighter retirement plan study task force; authorizing shorter vesting periods for defined contribution volunteer firefighter relief associations; modifying Minneapolis Police Relief Association provisions; providing additional benefits to certain teachers employed during or before the 1968-1969 school year; providing an increase in and school district levy authority for the level benefit formula for the Teachers Retirement Association; consolidating the Minneapolis Teachers Retirement Fund into the Teachers Retirement Association; authorizing the sale of revenue bonds by Special School District No. 1, Minneapolis; appropriating money; amending Minnesota Statutes 2002, sections 3A.03, subdivision 2; 69.77, subdivision 4; 352.01, subdivision 13; 352.03, subdivision 6; 352.113, subdivisions 4, 6, 8, by adding a subdivision; 352.12, subdivisions 1, 6; 352.22, subdivisions 2, 3; 352.27; 352.275, subdivision 1; 352.86, subdivision 1; 352.91, subdivision 3g; 352.95, subdivisions 1, 2, 4; 352.98; 352B.01, subdivisions 3a, 11, by adding a subdivision; 352B.02, subdivision 1e; 352B.10, subdivisions 1, 2, 3, 4, 5; 352B.105; 352B.11, subdivisions 1, 2, by

adding subdivisions; 352D.065, subdivision 2; 352D.075, subdivisions 2, 3, by adding a subdivision; 353.01, subdivisions 2b, 10, 12a, 12b, 16, 16a; 353.03, subdivision 3a; 353.33, subdivisions 4, 6, 6b, 7, by adding a subdivision; 353.37, subdivision 3, by adding a subdivision; 353.64, by adding a subdivision; 353.656, subdivision 5, by adding subdivisions; 354.05, subdivisions 2, 13, 22, 35; 354.06, subdivision 2a; 354.07, subdivision 9; 354.091; 354.096, subdivision 1; 354.42, subdivisions 2, 3, 7; 354.44, subdivisions 4, 5, 6; 354.46, subdivisions 2, 2b, 5, by adding a subdivision; 354.48, subdivisions 2, 4, 6, 6a, 10; 354.51, subdivision 5; 354.52, subdivisions 4a, 6, by adding a subdivision; 354.53; 354.533, subdivision 1; 354.66, subdivision 2; 354A.011, subdivision 24; 354A.021, subdivision 7; 354A.093; 354A.094, subdivision 3; 354A.097, subdivision 1; 354A.36, subdivisions 4, 6; 354B.20, subdivisions 4, 6; 354B.23, subdivision 1; 354B.32; 354C.11, subdivision 2; 356.215, subdivisions 2, 18; 356.216; 356.302, subdivision 3; 356.441; 356.611, subdivisions 1, 2, by adding subdivisions; 422A.06, subdivision 2; 422A.18, subdivisions 1, 4; 423B.01, subdivision 12; 423B.09, subdivisions 1, 4, by adding a subdivision; 423B.10, subdivision 1; 423B.15, subdivision 3; 423C.05, subdivisions 4, 5, 6, by adding a subdivision; 424A.02, subdivisions 2, 7; 490.121, subdivision 10, by adding a subdivision; 490.124, subdivision 12; Minnesota Statutes 2003 Supplement, sections 353.01, subdivision 6; 353F.02, subdivision 4; 354A.12, subdivision 3b; 423C.03, subdivision 3; Laws 1999, chapter 222, article 16, section 16, as amended; Laws 2000, chapter 461, article 4, section 4, as amended; proposing coding for new law in Minnesota Statutes, chapters 126C; 128D; 352F; 353F; 354; 356; 423B; repealing Minnesota Statutes 2002, sections 3.85, subdivisions 11, 12; 352D.02, subdivision 5; 353.33, subdivision 5b; 354A.107; 354A.28; 356.217; 490.11.

Senator Betzold moved that S.F. No. 676 be laid on the table. The motion prevailed.

Senator Johnson, D.E. moved that H.F. No. 2991 be taken from the table. The motion prevailed.

H.F. No. 2991: 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; making adjustments to previous bond authorizations; authorizing sale of state bonds; canceling an earlier appropriation and appropriating money; amending Minnesota Statutes 2002, sections 16A.661, by adding a subdivision; 16A.662, by adding a subdivision; 16A.671, subdivision 3; 16A.695, subdivision 3; 41B.03, subdivision 3; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b, by adding a subdivision; 41B.045, subdivision 2; 41B.046, subdivision 5; 41C.02, subdivision 12; 116J.571; 116J.572, subdivision 2; 116J.573, subdivisions 1, 2, 4, 5; 116J.575, subdivision 1; 116P.08, subdivision 2; 136F.60, by adding a subdivision; 446A.12, subdivision 1; 446A.14; 446A.17; 446A.19; Laws 1998, chapter 404, section 23, subdivision 17, as amended; Laws 2002, chapter 393, section 19, subdivision 2; Laws 2003, First Special Session chapter 20, article 1, section 15; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 2002, section 16B.325.

Senator Langseth moved to amend H.F. No. 2991 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2991, and insert the language after the enacting clause, and the title, of S.F. No. 3057, the first engrossment.

The motion prevailed. So the amendment was adopted.

Senator Langseth then moved to amend H.F. No. 2991, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 3057.)

Page 12, line 20, before the period, insert ", or may allocate up to \$180,000 to the project in Cannon Falls"

The motion prevailed. So the amendment was adopted.

Senator Tomassoni moved to amend H.F. No. 2991, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 3057.)

Page 30, after line 43, insert:

"\$..... is for a grant to the city of Aurora to reconstruct its wastewater treatment plant, damaged in an explosion May 5, 2004."

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Senator Reiter imposed a call of the Senate for the balance of the proceedings on H.F. No. 2991. The Sergeant at Arms was instructed to bring in the absent members.

Senator Larson moved to amend H.F. No. 2991, as amended by the Senate May 6, 2004, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS AND RELATED LANGUAGE

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 the Minnesota Constitution, 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 subject to Minnesota Statutes, section 16A.642.

SUMMARY

UNIVERSITY OF MINNESOTA	\$78,267,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	125,177,000
PERPICH CENTER FOR ARTS EDUCATION	1,829,000
EDUCATION	1,054,000
MINNESOTA STATE ACADEMIES	4,255,000
NATURAL RESOURCES	71,706,000
POLLUTION CONTROL AGENCY	14,000,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	4,000,000
BOARD OF WATER AND SOIL RESOURCES	27,362,000
AGRICULTURE	18,570,000
ZOOLOGICAL GARDEN	25,000,000
ADMINISTRATION	32,627,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	1,870,000
MILITARY AFFAIRS	5,000,000
TRANSPORTATION	97,929,000
METROPOLITAN COUNCIL	20,750,000

HUMAN SERVICES	14,164,000
VETERANS HOMES BOARD	9,659,000
VETERANS AFFAIRS	500,000
CORRECTIONS	90,542,000
EMPLOYMENT AND ECONOMIC DEVELOPMENT	71,480,000
HOUSING FINANCE AGENCY	20,000,000
MINNESOTA HISTORICAL SOCIETY	9,846,000
GRANTS TO POLITICAL SUBDIVISIONS	30,979,000
AMATEUR SPORTS COMMISSION	5,000,000
BOND SALE EXPENSES	735,000
TOTAL	\$ 782,301,000
Bond Proceeds Fund (General Fund Debt Service)	671,127,000
Bond Proceeds Fund (User Financed Debt Service)	45,030,000
State Transportation Fund Bond Proceeds Account	28,000,000
General Fund	12,644,000
Trunk Highway Fund	6,800,000
Trunk Highway Bond Proceeds Account	18,700,000
	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 78,267,000

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR) 38,000,000

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

Subd. 3. Duluth Life Science Building 9,300,000

To design, renovate, furnish, and equip the Life Science Building for the pharmacy program and other academic programs on the Duluth campus. The renovation may include, but is not limited to, improvements to correct air quality problems, life safety and accessibility code deficiencies, asbestos, and fireproofing of the facility.

Subd. 4. Twin Cities Campus - Minneapolis

(a) Kolthoff Hall 16,000,000

To design, renovate, furnish, and equip Kolthoff

Hall to correct air quality problems in the facility that may include, but is not limited to, repair or replacement of the mechanical, electrical, and HVAC systems.

(b) Education Sciences 13,300,000

To design, renovate, furnish, and equip the Education Sciences Building.

(c) Carlson School Expansion 1,667,000

To design a new instructional facility adjacent to the existing Carlson School of Management, to include undergraduate classrooms for the Carlson School and the College of Liberal Arts, undergraduate computer laboratories, and offices for the Carlson School's undergraduate student support services programs.

Subd. 5. University Bonds

The Board of Regents shall issue bonds for remaining costs associated with projects authorized by subdivisions 3 and 4.

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

125,177,000

Subd. 2. Higher Education Asset Preservation and Replacement

49,000,000

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

Subd. 3. Winona State University

10,235,000

To design, renovate, furnish, and equip Pasteur Hall for classrooms, science laboratories, and related offices.

Subd. 4. Minnesota State University - Moorhead

9,645,000

To renovate, furnish, and equip Hagen Hall for classrooms, science laboratories, and related offices.

Subd. 5. Century Community and Technical College

4,500,000

To remodel, furnish, and equip recently purchased space into a computer center, offices, and smart classrooms.

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Subd. 6. St. Cloud State University		2,900,000
To remodel, furnish, and equip Centennial Hall to convert it from a library to classroom and office space.		
Subd. 7. St. Cloud Technical College		980,000
To renovate classroom space into science space, including two science laboratories and a faculty office.		
Subd. 8. South Central Technical College		4,747,000
To remodel, furnish, and equip teaching laboratories at the North Mankato campus and for asset preservation at the Faribault campus.		
Subd. 9. Inver Hills Community College		4,500,000
To construct, furnish, and equip an addition to and remodel space in the College Center Building.		
Subd. 10. Dakota Technical College		6,800,000
To remodel, furnish, and equip an information technology and telecommunications center of excellence, as well as improve and expand the library and academic support center. This includes \$2,500,000 for deferred maintenance projects.		
This appropriation is not available until the commissioner of finance has determined that at least \$200,000 has been committed from nonstate sources.		
Subd. 11. Minnesota State College - Southeast Technical College		3,500,000
To remodel, furnish, and equip a one-stop student services center, a bookstore, technology-enhanced classrooms, a library and learning resource center, a nursing department, and a collegiate entry and information center.		
Subd. 12. Rochester Community and Technical College		11,745,000
To construct, furnish, and equip the renovation of the vacant Rockenbach gymnasium and adjacent site improvements, selected areas of the Heintz Center, and portions of the University Center Rochester main campus buildings all for use as a health sciences center for Rochester Community and Technical College.		
Subd. 13. Bemidji State University - Northwest Technical College		10,000,000

To remodel, furnish, and equip phase 2 of the Emerging Technology Addition project, including remodeling Bridgeman Hall at Bemidji State University and construction of an addition at Northwest Technical College.

Subd. 14. Systemwide Science Lab Renovations

3,000,000

To design, renovate, furnish, and equip science laboratories at campuses statewide.

Subd. 15. Systemwide Workforce Training Classrooms

2,000,000

To design, renovate, furnish, and equip classroom space at campuses statewide into space designed to address emerging workforce training needs.

Subd. 16. Systemwide Demolition Initiative

1,625,000

To demolish obsolete buildings on ten campuses.

Subd. 17. Debt Service

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement in subdivision 2. 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	1,829,000
Subd. 2. Campus Asset Preservation	558,000
For asset preservation capital improvements on the campus including, but not limited to, construction or repair of perimeter fencing, sidewalks, roads, sewers, the addition of an air conditioning chiller, and mold abatement.	
Subd. 3. Beta Building Demolition	525,000
To demolish the Beta Building on the Perpich Center Campus, dispose of any hazardous materials, and fill the site.	
Subd. 4. Alpha Building Renovation	746,000
To renovate and remodel the Alpha Building on the Perpich Center Campus for use as a storage facility.	
Sec. 5. EDUCATION	1,054,000
For a grant to Joint Powers District 6067, East Metro Integration District, to complete land acquisition of the Crosswinds Arts and Science Middle School site based on a mediated settlement.	
Sec. 6. MINNESOTA STATE ACADEMIES	4,255,000
To the commissioner of administration for asset preservation capital improvements on both campuses of the Minnesota State Academies for the Deaf and the Blind.	
Sec. 7. NATURAL RESOURCES	
Subdivision 1. To the commissioner of natural resources for the purposes specified in this section	71,706,000
Subd. 2. Flood Hazard Mitigation Grants	20,000,000
For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161, including \$250,000 for the Little McDonald Lake Project.	
To the extent that the cost of the projects in Montevideo, Breckenridge, East Grand Forks, Ada, Roseau, Oakport Township, Granite Falls, and Dawson exceed two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.	

Subd. 3. Dam Renovation and Removal	1,000,000
To renovate or remove publicly owned dams. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515.	
Subd. 4. Rush Creek Restoration	200,000
For restoration of Rush Creek within the city of Rush City.	
Subd. 5. Fletcher Creek	400,000
For the Fletcher Creek channel bank stabilization project.	
Subd. 6. RIM - Critical Habitat Match	4,000,000
To provide the state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943, for the acquisition or improvements of a capital nature for critical fish, wildlife, and native plant habitats.	
Subd. 7. RIM - Wildlife Area Land Acquisition	12,000,000
To acquire land for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8.	
Subd. 8. Fisheries Acquisition and Improvement	1,050,000
To acquire land and interests in land for aquatic management areas and to make public improvements and betterments of a capital nature to aquatic management areas established under Minnesota Statutes, section 86A.05, subdivision 14.	
Subd. 9. Water Access Acquisition, Betterment, and Fishing Piers	3,500,000
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. 10. Stream Protection and Restoration	500,000
For the design and construction of trout stream restoration projects.	
Subd. 11. Reforestation	3,000,000
To increase reforestation activities to meet the	

reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including planting, seeding, site preparation, and purchasing tree seeds and seedlings.

Subd. 12. Metro Greenways and Natural Areas

1,000,000

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

Subd. 13. Native Prairie Bank Easements and Development

1,000,000

For acquisition of native prairie bank easements under Minnesota Statutes, section 84.96, and for betterment of prairie bank lands.

Subd. 14. Scientific and Natural Area Acquisition and Development

300,000

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

Subd. 15. State Trail Development and Acquisition

5,106,000

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

(a) \$4,500,000 is for accelerated state trail development. Of this amount: (1) \$2,400,000 is for the Paul Bunyan Trail: \$1,500,000 is for an extension across Excelsior Road in the city of Baxter to connect with the Oberstar Tunnel; \$500,000 is to construct an underpass under State Highway 197 in the city of Bemidji and is not available until the commissioner has determined that an equal amount has been committed by the city of Bemidji; and \$400,000 is to install riprap along the southeast shore of Lake Bemidji; (2) \$200,000 is for a segment of the Blufflands Trail, from Chester Woods County Park to the city of Eyota in Olmsted County, primarily for nonmotorized riding and hiking; (3) \$330,000 is to provide the state's match of the cost for the Soo Line Multiuse Recreational Bridge Project over marked trunk

highway 169 in Mille Lacs County; (4) \$435,000 is for a segment of the Bluffland Trail from Preston to Forestville; and (5) \$1,000,000 is for acquisition and development of the Mill Towns State Trail between the existing Cannon Valley Trail and the Sakatah Singing Hills State Trail.

(b) \$365,000 is for a grant to Stearns County under Minnesota Statutes, section 85.019, subdivision 4c, for land acquisition, engineering, and construction of trail connections on the Lake Koronis Trail.

Subd. 16. County Forest Land
Reforestation

1,000,000

To provide matching grants to counties for reforestation of county-administered lands. The commissioner shall determine project priorities based on need and level of county matching funds. The state matching grants are available to counties for site preparation, tree planting, tree seeding, and are to supplement, not supplant, county funding for timber development described under Minnesota Statutes, section 282.08, clause (5)(i).

These grants are not available until the commissioner has determined that at least an equal amount has been committed from the recipient county.

Subd. 17. Fish Hatchery Improvements

1,750,000

For improvements of a capital nature to renovate fish culture facilities.

Subd. 18. RIM - Wildlife Management
Area Development

600,000

For improvements of a capital nature to develop, protect, or improve habitat and facilities on wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8.

Subd. 19. State Forest Land Acquisition

1,000,000

To acquire private lands from willing sellers within established boundaries of state forests established under Minnesota Statutes, section 89.021.

Subd. 20. Forest Road and Bridge Projects

1,000,000

For reconstruction, resurfacing, replacement, and construction of state forest roads and bridges throughout the state under Minnesota Statutes, section 89.002.

Subd. 21. State Park and Recreation Area
Acquisition

3,000,000

For acquisition of land under Minnesota Statutes, section 86A.05, subdivisions 2 and 3, from willing sellers of private lands within state park and recreation area boundaries established by law, including \$1,000,000 for land acquisition for Greenleaf State Park.

Subd. 22. State Park and Recreation Area
Building Development and Rehabilitation and
Infrastructure Improvements

3,000,000

For construction, rehabilitation, and infrastructure improvements within Minnesota state parks and state recreation areas according to the management plan required in Minnesota Statutes, chapter 86A.

Subd. 23. Lake Superior Safe Harbor

2,000,000

For design, construction, and capital improvements to public accesses and small craft harbors on Lake Superior in cooperation with the United States Army Corps of Engineers, and to purchase buildings, piers, and capital equipment from Lake County.

Subd. 24. Statewide Asset Preservation

2,000,000

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.

Subd. 25. Field Office Renovation and
Improvement

1,000,000

To design, acquire, renovate, construct, furnish, and equip field offices.

Subd. 26. Office Facility Development

2,300,000

To design, construct, furnish, and equip colocated facilities.

Sec. 8. POLLUTION CONTROL AGENCY

14,000,000

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

Sec. 9. OFFICE OF ENVIRONMENTAL ASSISTANCE

4,000,000

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 September 13, 2003.

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 27,362,000

Subd. 2. RIM and CREP Conservation Easements 22,000,000

This appropriation is to acquire conservation easements from landowners on marginal lands to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, section 103F.515.

\$2,000,000 of this amount is appropriated from the general fund to implement the program.

Subd. 3. Wetland Replacement Due to Public Road Projects 4,362,000

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, paragraphs (k) and (l).

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

Subd. 4. Area II Minnesota River Basin Grant-in-Aid Program 1,000,000

For grants to assist local governments in Area II of the Minnesota River Basin to acquire, design, and construct floodwater retention systems.

The grants are not available until the board determines that \$1 has been committed to the project from nonstate sources for every \$3 of state grant.

Sec. 11. AGRICULTURE

Subdivision 1. To the commissioner of agriculture or other named agencies for the purposes specified in this section 18,570,000

Subd. 2. Rural Finance Authority
Loan Participation 18,000,000

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.

Subd. 3. Agriculture Water Management
Research Partnership 570,000

To the Board of Regents of the University of Minnesota to establish or expand agricultural water management projects at the Crookston, Morris, Lamberton, and Waseca Research and Outreach Centers in partnership with the Department of Agriculture.

Sec. 12. MINNESOTA ZOOLOGICAL GARDEN

Subdivision 1. To the Minnesota Zoological Garden for the purposes specified in this section 25,000,000

Subd. 2. Phase 1 of Master Plan 19,000,000

To design, construct, furnish, and equip zoo facilities consistent with the current Master Plan for the Gateway to the North exhibit.

Subd. 3. Asset Preservation 6,000,000

For capital asset preservation improvements and betterments to roofs, mechanical and utility systems, roads and pathways, building envelopes, storm water systems, exhibits, and safety and code compliance upgrades.

Sec. 13. ADMINISTRATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section 32,627,000

Subd. 2. Exterior Repair of Transportation Building 8,683,000

To repair and renovate the exterior of the Department of Transportation Building at 395 John Ireland Boulevard in St. Paul.

This appropriation is from the trunk highway bond proceeds account.

Subd. 3. Capital Asset Preservation and Replacement Account (CAPRA) 4,000,000

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

Subd. 4. Agency Relocation 10,444,000

For relocation of state agencies as determined by the commissioner of administration, including, but not limited to, the Departments of Agriculture, Health, and Human Services and tenants of the Veterans Services and Administration Buildings.

This appropriation is from the general fund.

Subd. 5. Asset Preservation 6,600,000

For asset preservation projects in properties managed by the Department of Administration.

Subd. 6. Ford Building Demolition 1,176,000

For demolition and hazardous material abatement of the Ford Building located at 117 University Avenue in St. Paul and subsequent parking lot improvements, including tunnel access, on the vacated area.

Subd. 7. Parking 1,724,000

(a) Of this amount, \$1,638,000 is for renovation of the Central Park parking ramp, located east and adjacent to the Centennial Office Building in St. Paul, to accommodate additional parking stalls and for capital costs to expand Capitol Parking Lot Q, located at Cedar Street and Sherburne Avenue in St. Paul, to accommodate additional parking stalls.

(b) Of this amount, \$86,000 is to remove deficient retaining walls and stairs and to regrade portions of Cass Gilbert Park, located east and adjacent to Lot Q.

(c) The bond debt in paragraph (a) will be user

financed from parking fees collected and deposited into the state parking account.

Sec. 14. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD 1,870,000

To the commissioner of administration, for repair and restoration of the public corridors, walls, and ceilings of the third floor and the dome of the Capitol Building in St. Paul.

Sec. 15. MILITARY AFFAIRS

Subdivision 1. To the adjutant general for the purposes specified in this section 5,000,000

Subd. 2. Asset Preservation 4,000,000

For asset preservation improvements, Americans With Disabilities Act upgrades, and betterments of a capital nature at military affairs facilities statewide.

Subd. 3. Facility Life Safety Improvements 1,000,000

For life/safety improvements, Americans With Disabilities Act upgrades, and betterments of a capital nature at military affairs facilities statewide.

Sec. 16. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes specified in this section 97,929,000

Subd. 2. Analog to Digital Conversion 3,000,000

To continue the conversion of the existing analog microwave backbone equipment to digital equipment.

This appropriation is from the trunk highway fund.

Subd. 3. Local Bridge Replacement and Rehabilitation 28,000,000

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

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

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

(2) paying the costs of preliminary engineering

and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

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

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

Subd. 4. Mankato Headquarters Building

10,000,000

To design, construct, furnish, and equip a new headquarters facility in Mankato. The commissioner shall sell the existing site at fair market value. Any proceeds from the sale are appropriated to the commissioner to pay for costs associated with the sale and to supplement the appropriation for the new facility.

This appropriation is from the trunk highway bond proceeds account.

Subd. 5. Local Road Improvement Program

10,000,000

For construction, reconstruction, or reconditioning of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, that are directly associated with development of major state road projects.

Subd. 6. Small Capital Projects

3,800,000

To design, construct, furnish, and equip statewide building projects, consisting of truck stations, salt storage facilities, cold storage facilities, and Mankato headquarters site work.

This appropriation is from the trunk highway fund.

Subd. 7. Northstar Commuter Rail

37,500,000

For final design and project management of a commuter rail line serving Big Lake to downtown Minneapolis; to acquire land for stations, maintenance facilities, and park and ride lots; and for final design and project management of an extension of the Hiawatha Light Rail Transit line from its terminus in downtown Minneapolis to a new terminus near Fifth Avenue North adjacent to the proposed downtown Minneapolis commuter rail station.

This appropriation is not available until \$37,500,000 has been committed by local governments and approval to proceed to final design has been authorized by the Federal Transit Administration.

Up to \$10,000,000 of this appropriation may be used for final design and project management.

After a full-funding grant agreement has been executed with the Federal Transit Administration for the Northstar Commuter Rail project, the remaining balance of this appropriation not committed for final design and project management or committed to acquire land shall be available to construct, furnish, and equip the Northstar Commuter Rail line and to construct, furnish, and equip the extension of the Light Rail Transit line.

Subd. 8. Port Development Assistance 3,500,000

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

Subd. 9. Soo Line Corridor 129,000

For a park-and-ride lot for the Soo Line Corridor in Morrison County.

Subd. 10. Osseo Project 2,000,000

For a grant to the city of Osseo for completion of the Central Avenue and Jefferson Highway Project in the city.

Sec. 17. METROPOLITAN COUNCIL

Subdivision 1. To the Metropolitan Council for the purposes specified in this section 20,750,000

Subd. 2. Cedar Avenue Bus Rapid Transit (BRT) 10,000,000

To conduct environmental and preliminary engineering studies for the Cedar Avenue Bus Rapid Transit, to improve highway shoulders for bus use within the corridor, to add or improve park and ride facilities along the corridor, and to match \$1,000,000 in federal funds.

Subd. 3. Metropolitan Regional Parks Capital Improvements 7,000,000

This appropriation must be used to pay the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the

council's policy plan as provided in Minnesota Statutes, section 473.147. Priority should be given to park rehabilitation and land acquisition projects.

Subd. 4. Park Land Banking

3,750,000

(a) For five grants of \$750,000 to regional park implementing agencies to acquire certain land for land banking only. The grants may only be used to acquire land within the Metropolitan Council approved regional park master plan boundaries.

(b) The appropriation is not available until the commissioner determines that \$3,000,000 has been committed to the project from the Metropolitan Council and \$750,000 from regional park implementing agencies or other nonstate and non-Metropolitan Council sources.

(c) Implementing agencies using the land banking funding mechanism will be required to wait a minimum of two years before the land is eligible for Metropolitan Council CIP funds and before operation and maintenance funding can be allotted. Implementing agencies would not be eligible for reimbursement for early development undertaken prior to the end of the two-year waiting period. Funding for natural resource protection and land stewardship is allowable for land acquired under this program.

(d) Any new parks would have to go through the master planning process and public hearing process to amend the Regional Recreation Open Space Policy Plan as required by Minnesota Statutes, section 473.147.

(e) The grants from this appropriation are only to be used when the regional park implementing agency has used up its regional park land acquisition capital grants.

(f) The grants must be made on a first-come, first-served basis for qualifying projects until the funds are expended.

Sec. 18. HUMAN SERVICES

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

14,164,000

Subd. 2. St. Peter Regional Treatment Center Sex Offender Facility

3,000,000

To design new facilities for up to 150 beds for the treatment of sex offenders in the Minnesota

Sexual Offender Program at the St. Peter Regional Treatment Center.

Subd. 3. Systemwide - Campus
Redevelopment/Reuse/Demolition

6,150,000

To demolish or improve surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses statewide.

Subd. 4. Systemwide Roof
Renovation and Replacement

1,014,000

For renovation and replacement of roofs at Department of Human Services facilities statewide.

Subd. 5. Systemwide Asset
Preservation

4,000,000

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

Sec. 19. VETERANS HOMES BOARD

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

9,659,000

Subd. 2. Minneapolis Veterans Home -
Waste Piping Replacement

1,077,000

For design, renovation, and related costs of replacing the sanitary waste piping in Building 17 at the Minneapolis Veterans Home.

Subd. 3. Asset Preservation

6,000,000

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

Subd. 4. Fergus Falls Special
Care Unit

2,300,000

For the state's share of the project to construct a 22-bed special care unit.

Subd. 5. Luverne
Veterans Home

282,000

For the state's portion for a structural building addition to the nursing care facility to be used as an Alzheimer's/dementia wander area.

Sec. 20. VETERANS AFFAIRS

500,000

To the commissioner of administration to complete construction of the World War II veterans' memorial on the Capitol mall. This is the final state appropriation for the project and is contingent on sufficient nonstate funds being

received and deposited into a segregated account for perpetual maintenance of the memorial.

Sec. 21. CORRECTIONS

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

90,542,000

Subd. 2. Minnesota Correctional Facility - Faribault

60,000,000

To design, construct, furnish, and equip a bed expansion at the Minnesota Correctional Facility - Faribault, to include, but not be limited to, three new 416-bed, double-bunked wet cell lockable living units, a new kitchen and dining area, an expanded health services area, additional programming space, an upgrade to the existing heating plant, and demolition of several buildings and a utility tunnel.

Subd. 3. Asset Preservation

11,000,000

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, including, but not limited to, emergency lighting projects, roof and window replacement, tuckpointing, and asbestos abatement.

Subd. 4. Minnesota Correctional Facility - Stillwater

19,192,000

To design, construct, furnish, and equip a new 150-bed high security segregation unit to improve staff safety and accommodate increased inmate population, including the remodeling of the discipline and psychology/psychiatry unit, the demolition of the former health services building, and the removal of walls dividing Cell Hall A/West and Cell Hall A/Segregation.

Subd. 5. Minnesota Correctional Facility - Willow River

350,000

To purchase, furnish, equip, and prepare foundation and utilities for a new 24-bed prefabricated building.

Sec. 22. EMPLOYMENT AND ECONOMIC DEVELOPMENT

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

71,480,000

Subd. 2. State Match for Federal Grants

16,280,000

(a) To the public facilities authority:

(1) to match federal grants to the water pollution control revolving fund under Minnesota Statutes, section 446A.07; and

(2) to match federal grants to the drinking water revolving fund under Minnesota Statutes, section 446A.081.

(b) The expenditure and allocation of state matching money between funds described in paragraph (a), clauses (1) and (2), must be based on the amount of federal money appropriated to the funds.

(c) This appropriation must be used for qualified capital projects.

Subd. 3. Minnesota Redevelopment
Account

25,000,000

For transfer to the Minnesota redevelopment account created in Minnesota Statutes, section 116J.571. Of this appropriation, \$15,000,000 must be directed toward eligible projects within the biotechnology and health science zone designated pursuant to Minnesota Statutes, section 469.334. The remaining \$10,000,000 must be divided equally between redevelopment of previously developed land and new development.

Subd. 4. Wastewater Infrastructure
Funding Program

10,200,000

To the Public Facilities Authority for the purposes specified in this subdivision. \$10,000,000 of this appropriation is for grants to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072.

To the greatest practical extent, the authority must use the funds for projects on the 2004 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, 2005.

\$200,000 of this appropriation is from the general fund for administration of the wastewater infrastructure program.

Subd. 5. University of Minnesota -
Mayo Clinic Biotechnology Research Facility

20,000,000

To the Board of Regents of the University of Minnesota to purchase three floors in the Stabile Building on the Mayo Clinic campus in Rochester. The floors are to be used for scientific

research beneficial to collaborative research efforts between the University of Minnesota and the Mayo Clinic. The three floors will be owned by the University of Minnesota and operated by the Mayo Clinic through a use agreement approved by the commissioner of finance subject to Minnesota Statutes, section 16A.695.

Sec. 23. HOUSING FINANCE AGENCY

20,000,000

To the commissioner of the Housing Finance Agency for loans and grants for publicly owned permanent rental housing under Minnesota Statutes, section 462A.202, subdivision 3a, for persons who have been without a permanent residence for at least 12 months or on at least four occasions in the last three years or are at significant risk of lacking a permanent residence for at least 12 months or on at least four occasions in the last three years. The housing must provide or coordinate with linkages to services necessary for residents to maintain housing stability and maximize opportunities for education and employment. Notwithstanding Minnesota Statutes, section 462A.202, subdivision 3a, the commissioner shall give equal consideration to proposals for projects serving individuals and those serving families with children. Preference among comparable proposals shall be given to proposals for the acquisition and rehabilitation of property.

Sec. 24. MINNESOTA HISTORICAL SOCIETY

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

9,846,000

Subd. 2. Historic Sites Asset Preservation

7,167,000

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

Subd. 3. Fort Snelling Historic Site

1,979,000

To design, construct, furnish, and equip the most urgent preservation projects needed for historic Fort Snelling.

Subd. 4. Oliver Kelley Farm

700,000

To acquire approximately 50 acres of land adjacent to the Oliver Kelley Farm historic site to protect historic resources and enhance educational history programs.

Sec. 25. GRANTS TO POLITICAL SUBDIVISIONS

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

30,979,000

Subd. 2. Buffalo Lake Maintenance
Garage and Street Repair

635,000

For a grant to the city of Buffalo Lake to design, construct, furnish, and equip a municipal maintenance garage and reconstruct city streets damaged by a tornado.

Subd. 3. Lewis and Clark
Rural Water System

2,000,000

To the Public Facilities Authority for a grant to a county or municipality served by the Lewis and Clark Rural Water System to acquire land, predesign, design, construct, furnish, and equip one or more rural water facilities that serve southwestern Minnesota.

This appropriation is only available when matched by \$8 of federal money and \$1 of local money for each \$1 of state money. The grant must be awarded to a project approved by the Lewis and Clark Joint Powers Board.

Subd. 4. Roseau Infrastructure
Repair and Improvements

10,000,000

For a grant to the city of Roseau for the following capital expenditures:

(1) to predesign, design, construct, and replace municipal infrastructure damaged by the 2002 flood in the city, including, but not limited to, water mains, sewer mains, streets, sidewalks, curbs, and gutters;

(2) to predesign, design, construct, furnish, and equip new municipal buildings that may include a city hall, auditorium, police department, library, and museum; and

(3) to predesign, design, and construct water, sewer, and street improvements to the Roseau Industrial Park.

This appropriation is not available until all funds necessary to complete the project are committed from nonstate sources.

Subd. 5. North Central Regional
Correctional Facility

6,000,000

For a grant to Cass County to construct, furnish, and equip a publicly owned and operated regional jail on surplus land of the state-operated

nursing home, Ah Gwah Ching, in the city of Walker.

The state shall own 75 percent of the beds and Cass County shall own 25 percent of the beds. The state must contract with Cass County to operate the facility.

The appropriation is not available until the commissioner determines that at least \$6,000,000 has been committed to the project from nonstate sources.

Subd. 6. Blue Earth Police and Fire Station

642,000

To the commissioner of public safety for a grant to the city of Blue Earth to acquire land for and to predesign, design, construct, furnish, and equip a fire and police station. This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 7. Burnsville Water Treatment

3,000,000

To the public facilities authority for a grant to the city of Burnsville to design, construct, furnish, and equip a water treatment facility that will provide an additional potable water source for the city of Burnsville using water from the Burnsville quarry. This appropriation is not available until the commissioner of finance has determined that at least \$6,000,000 is available in matching funds from nonstate sources. Amounts spent since January 1, 2002, to plan, design, and construct this project may be counted as part of the nonstate match.

Subd. 8. St. Cloud Civic Center

3,250,000

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

Subd. 9. Winona - Great River Shakespeare Festival Theater

125,000

For a grant to the city of Winona to predesign the Great River Shakespeare Festival Theater in the city of Winona. The predesign may include site selection and economic feasibility and impact analysis of the proposed theater. The city may enter into a lease or management agreement for the theater, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 10. Garrison, Kathio, West Mille
Lacs Sanitary Sewer District

1,000,000

For a grant under the wastewater infrastructure (WIF) program, notwithstanding Minnesota Statutes, section 446A.072, subdivision 5a, to the Garrison, Kathio, West Mille Lacs Sanitary Sewer District for construction of a wastewater collection system connection to the Mille Lacs Wastewater Treatment Facility. This appropriation is in addition to grants made from other appropriations under the WIF program.

Subd. 11. Minneapolis

Colin Powell Youth Leadership Center

2,000,000

For a grant to Hennepin County to acquire land for and to design, construct, furnish, and equip the Colin Powell Youth Leadership Center in Minneapolis, subject to Minnesota Statutes, section 16A.695. The center may 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 new basketball courts.

This appropriation is not available until the commissioner has determined that all funds necessary to complete the project are committed from nonstate sources.

Subd. 12. Richmond Wastewater Treatment

1,700,000

To the Public Facilities Authority for a grant to the city of Richmond to design, construct, furnish, and equip a wastewater treatment facility.

Subd. 13. Rochester -

Regional Public Safety Training Center

627,000

For a grant to the city of Rochester to design, construct, furnish, and equip phase I of the Rochester Regional Public Safety Training Center, which is to develop a live burn training simulator adjacent to the existing National Guard facility in Rochester.

Sec. 26. AMATEUR SPORTS COMMISSION

5,000,000

To design, construct, furnish, and equip a hockey arena on the campus of Bemidji State University. The Amateur Sports Commission must consult with Bemidji State University on the design. The hockey arena is to be owned by the Board of Trustees of the Minnesota State Colleges and Universities and operated by Bemidji State University.

Sec. 27. BOND SALE EXPENSES

735,000

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8. Of this amount, \$718,000 is appropriated from the bond proceeds fund and \$17,000 is appropriated from the bond proceeds account in the trunk highway fund.

Sec. 28. Laws 2003, First Special Session chapter 20, article 1, section 15, is amended to read:

Sec. 15. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2005, no more than ~~\$673,625,000~~ \$657,720,000 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. 29. [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 \$716,157,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND BOND PROCEEDS ACCOUNT.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$28,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Subd. 3. [TRUNK HIGHWAY FUND BOND PROCEEDS ACCOUNT.] To provide the money appropriated in this act from the trunk highway bond proceeds account in the trunk highway fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$18,700,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amount requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to the trunk highway bond proceeds account in the trunk highway fund.

Sec. 30. Laws 2002, chapter 393, section 19, subdivision 2, is amended to read:

Subd. 2. Northwest Busway

20,000,000

To design and construct a portion of a busway in the northwest metropolitan area between downtown Minneapolis and Rogers. Funds may be used to design all or a portion of the busway from downtown Minneapolis to Rogers along CSAH 81; to design, construct, and equip up to 19 stations, including 36 passenger shelters in Minneapolis, Robbinsdale, and Crystal as well as at Hennepin Technical College and North Hennepin Community College located in Brooklyn Park; to acquire necessary rights-of-way in Minneapolis, Robbinsdale, Crystal, and Brooklyn Park to accommodate station and park and ride locations, and adjacent to CSAH 81 between Highway 100 and Brooklyn Boulevard to accommodate queue jump lanes for buses; to design and construct two park and ride facilities adjacent to CSAH 81 at its intersections with 63rd Avenue North and with Brooklyn Boulevard; and to design and construct queue jump lanes between Highway 100 and Brooklyn Boulevard. This appropriation is contingent on \$12,000,000 from Hennepin County for roadway design, property acquisition, and road construction between Lowry Avenue in Minneapolis and Bass Lake Road in Crystal and \$5,000,000 from the Metropolitan Council for the project fleet acquisition and station equipment. Total funding from all sources may be used for roadway design, reconstruction, acquisition of land and right-of-way, and to design, construct, furnish, and equip transit stations and park and rides. To implement this project, the Metropolitan Council has the powers that Hennepin County has to use design-build under new Minnesota Statutes, sections 383B.158 to 383B.1586, may be used for implementing this project.

Sec. 31. [MINNESOTA ZOO MARINE CENTER DEBT SERVICE.]

Beginning in fiscal year 2005, the Minnesota Zoological Garden is not required to pay any of the debt service costs on bonds sold for the Marine Education Center authorized in Laws 1994, chapter 643, section 27, subdivision 2, as amended by Laws 1996, chapter 463, section 54.

Sec. 32. [EFFECTIVE DATE.]

This article is effective the day following final enactment.

ARTICLE 2

ADJUSTMENT OF GENERAL
OBLIGATION BOND AUTHORIZATIONS

Section 1. [TABLE OF ORIGINAL AND ADJUSTED AUTHORIZATIONS.]

Column A lists the citation to each law authorizing general obligation bonds since Laws 1983, chapter 323, section 6, to which a further adjustment is being made in this section.

The original authorization amount in each law is shown in column B opposite the citation of the law it appears in.

The original authorization amount in column B is hereby adjusted to the amount shown in column C. The adjustments resulting in the column C amount reflect specific changes to an authorization in law, executive vetoes sustained or not challenged, administrative action reflecting cancellation and abandonment of all or the unused balance from specific projects for which the proceeds of authorized bonds were intended to be used, and other action pursuant to law resulting in the adjusted authorizations shown in column C. The amounts shown in column C are validated as the lawful adjusted authorization for the cited law as of April 1, 2004, for all purposes for which the authorization is required or used.

Column A	Column B	Column C
L 1983, c 323, s 6	\$30,000,000	\$29,935,000
L 1987, c 400, s 25, subd 1	370,972,200	369,560,500
L 1987, c 400, s 25, subd 5	66,747,000	66,740,000
L 1989, c 300, art 1, s 23, subd 1	142,585,000	135,060,000
L 1991, c 354, art 11, s 2, subd 1	12,000,000	11,360,000
L 1992, c 558, s 28, subd 1	231,695,000	219,085,000
L 1992, c 558, s 28, subd 3	17,500,000	17,368,000
L 1993, c 373, s 19, subd 1	54,640,000	53,355,000
L 1993, c 373, s 19, subd 2	9,900,000	9,480,000
L 1994, c 643, s 31, subd 1	573,385,000	564,650,524
L 1994, c 643, s 31, subd 2	45,000,000	34,820,000
L 1995, 1SS c 2, s 14, subd 1	5,630,000	5,590,000
L 1996, c 463, s 27, subd 1	597,110,000	549,215,089
L 1997, c 246, s 10, subd 1	86,625,000	86,191,283
L 1997, 2SS c 2, s 12	55,305,000	38,308,055
L 1998, c 404, s 27, subd 1	463,795,000	104,478,675
L 1999, c 240, art 1, s 13, subd. 1	139,510,000	111,905,000
L 1999, c 240, art 1, s 13, subd. 2	10,440,000	-0-
L 1999, c 240, art 2, s 16, subd 1	372,400,000	367,418,000
L 2000, c 492, art 1, s 26, subd 1	426,870,000	487,730,000

<u>L 2001, 1SS c 12, s 11,</u> <u>subd 1</u>	<u>99,205,000</u>	<u>98,205,000</u>
<u>L 2002, c 393, s 30,</u> <u>subd 1</u>	<u>920,235,000</u>	<u>567,312,000</u>

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day following final enactment."

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; making adjustments to previous bond authorizations; authorizing sale of state bonds; appropriating money; amending Laws 2002, chapter 393, section 19, subdivision 2; Laws 2003, First Special Session chapter 20, article 1, section 15."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Bachmann	Frederickson	Kleis	Michel	Robling
Belanger	Gaither	Knutson	Neuville	Rosen
Betzold	Hann	Koering	Olson	Ruud
Day	Johnson, D.J.	Larson	Ortman	Senjem
Dille	Jungbauer	Limmer	Ourada	Wergin
Fischbach	Kierlin	McGinn	Pariseau	

Those who voted in the negative were:

Anderson	Hottinger	Marty	Rest	Stumpf
Bakk	Johnson, D.E.	Metzen	Sams	Tomassoni
Berglin	Kelley	Moua	Saxhaug	Vickerman
Chaudhary	Kubly	Murphy	Scheid	Wiger
Cohen	Langseth	Nienow	Skoe	
Dibble	LeClair	Pappas	Skoglund	
Foley	Lourey	Pogemiller	Solon	
Higgins	Marko	Ranum	Sparks	

The motion did not prevail. So the amendment was not adopted.

H.F. No. 2991 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 39 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Langseth	Pogemiller	Skoglund
Bakk	Higgins	Lourey	Ranum	Solon
Berglin	Hottinger	Marko	Rest	Sparks
Betzold	Johnson, D.E.	Marty	Sams	Stumpf
Chaudhary	Kelley	Metzen	Saxhaug	Tomassoni
Cohen	Kierlin	Moua	Scheid	Vickerman
Dibble	Kiscaden	Murphy	Senjem	Wiger
Dille	Kubly	Pappas	Skoe	

Those who voted in the negative were:

Bachmann	Hann	Larson	Nienow	Robling
Belanger	Johnson, D.J.	LeClair	Olson	Rosen
Day	Jungbauer	Limmer	Ortman	Ruud
Fischbach	Kleis	McGinn	Ourada	Wergin
Frederickson	Knutson	Michel	Pariseau	
Gaither	Koering	Neuville	Reiter	

So the bill, as amended, failed to pass.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Betzold moved that S.F. No. 676 be taken from the table. The motion prevailed.

S.F. No. 676: A bill for an act relating to retirement; statewide and major local public pension plans; making various changes of an administrative nature; setting various limitations and requirements for public employees police and fire retirement plan disability benefit applications; resolving one person and small group pension problems; reducing the early retirement age for the judges retirement plan; authorizing a shorter vesting schedule for the Marine on St. Croix Volunteer Firefighters Relief Association; revising the salary maximum for the executive secretary of the Minneapolis Firefighters Relief Association; permitting single Teachers Retirement Association members to make survivor benefit designations; authorizing retirement coverage discontinuation by an elected county official; revising the manner in which actuarial services to the Legislative Commission on Pensions and Retirement are provided; continuing retirement coverage by the general employees retirement plan of the Public Employees Retirement Association for Anoka County Achieve Program and the Government Training Services; including in privatized public employee retirement coverage employees of the Fair Oaks Lodge, Wadena, and RenVilla Nursing Home, and the St. Peter Community Healthcare Center; extending the expiration date on certain prior military service credit purchases; temporarily exempting Metropolitan Airports Commission police from reemployed annuitant earnings limitation; ratifying certain Bellingham volunteer firefighter relief association annuity purchases; including the Lake Johanna fire department employees in Public Employees Retirement Association coverage; limiting the covered salary of school district superintendents and administrators for pension purposes; excluding certain employees from limits on covered salary for pension purposes; requiring audits and reports on preretirement salaries of certain school district administrators; expanding the health care savings plan; modifying the department of transportation pilots retirement plan; creating a statewide volunteer firefighter retirement plan study task force; authorizing shorter vesting periods for defined contribution volunteer firefighter relief associations; modifying Minneapolis Police Relief Association provisions; providing additional benefits to certain teachers employed during or before the 1968-1969 school year; providing an increase in and school district levy authority for the level benefit formula for the Teachers Retirement Association; consolidating the Minneapolis Teachers Retirement Fund into the Teachers Retirement Association; authorizing the sale of revenue bonds by Special School District No. 1, Minneapolis; appropriating money; amending Minnesota Statutes 2002, sections 3A.03, subdivision 2; 69.77, subdivision 4; 352.01, subdivision 13; 352.03, subdivision 6; 352.113, subdivisions 4, 6, 8, by adding a subdivision; 352.12, subdivisions 1, 6; 352.22, subdivisions 2, 3; 352.27; 352.275, subdivision 1; 352.86, subdivision 1; 352.91, subdivision 3g; 352.95, subdivisions 1, 2, 4; 352.98; 352B.01, subdivisions 3a, 11, by adding a subdivision; 352B.02, subdivision 1e; 352B.10, subdivisions 1, 2, 3, 4, 5; 352B.105; 352B.11, subdivisions 1, 2, by adding subdivisions; 352D.065, subdivision 2; 352D.075, subdivisions 2, 3, by adding a subdivision; 353.01, subdivisions 2b, 10, 12a, 12b, 16, 16a; 353.03, subdivision 3a; 353.33, subdivisions 4, 6, 6b, 7, by adding a subdivision; 353.37, subdivision 3, by adding a subdivision; 353.64, by adding a subdivision; 353.656, subdivision 5, by adding subdivisions; 354.05, subdivisions 2, 13, 22, 35; 354.06, subdivision 2a; 354.07, subdivision 9; 354.091; 354.096, subdivision 1; 354.42, subdivisions 2, 3, 7; 354.44, subdivisions 4, 5, 6; 354.46, subdivisions 2, 2b, 5, by adding a subdivision; 354.48, subdivisions 2, 4, 6, 6a, 10; 354.51, subdivision 5; 354.52, subdivisions 4a, 6, by adding a subdivision; 354.53; 354.533, subdivision 1; 354.66, subdivision 2; 354A.011, subdivision 24; 354A.021, subdivision 7; 354A.093; 354A.094, subdivision 3; 354A.097, subdivision 1; 354A.36, subdivisions 4, 6; 354B.20, subdivisions 4, 6; 354B.23, subdivision 1; 354B.32; 354C.11, subdivision 2; 356.215, subdivisions 2, 18; 356.216; 356.302, subdivision 3; 356.441; 356.611, subdivisions 1, 2, by adding subdivisions; 422A.06, subdivision 2; 422A.18, subdivisions 1, 4; 423B.01, subdivision 12; 423B.09, subdivisions 1, 4, by adding a subdivision; 423B.10, subdivision 1; 423B.15, subdivision 3; 423C.05, subdivisions 4, 5, 6, by adding a subdivision; 424A.02, subdivisions 2, 7; 490.121, subdivision 10, by adding a subdivision; 490.124, subdivision 12; Minnesota Statutes 2003 Supplement, sections 353.01,

subdivision 6; 353F.02, subdivision 4; 354A.12, subdivision 3b; 423C.03, subdivision 3; Laws 1999, chapter 222, article 16, section 16, as amended; Laws 2000, chapter 461, article 4, section 4, as amended; proposing coding for new law in Minnesota Statutes, chapters 126C; 128D; 352F; 353F; 354; 356; 423B; repealing Minnesota Statutes 2002, sections 3.85, subdivisions 11, 12; 352D.02, subdivision 5; 353.33, subdivision 5b; 354A.107; 354A.28; 356.217; 490.11.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Koering	Moua	Saxhaug
Bakk	Foley	Kubly	Murphy	Scheid
Belanger	Frederickson	Langseth	Nienow	Skoe
Berglin	Gaither	Larson	Ortman	Skoglund
Betzold	Higgins	Lourey	Pogemiller	Solon
Chaudhary	Hottinger	Marko	Ranum	Sparks
Cohen	Jungbauer	Marty	Reiter	Stumpf
Day	Kelley	McGinn	Rest	Tomassoni
Dibble	Kiscaden	Metzen	Rosen	Vickerman
Dille	Knutson	Michel	Sams	Wiger

Those who voted in the negative were:

Bachmann	Kierlin	Neuville	Pariseau	Wergin
Hann	Kleis	Olson	Robling	
Johnson, D.E.	LeClair	Ourada	Ruud	
Johnson, D.J.	Limmer	Pappas	Senjem	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Johnson, D.E. moved that H.F. No. 532 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 555, now on General Orders. The motion prevailed.

RECESS

Senator Johnson, D.E. moved that the Senate do now recess until 2:30 p.m. The motion prevailed.

The hour of 2:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Johnson, D.E. moved that H.F. No. 1793 be taken from the table. The motion prevailed.

H.F. No. 1793: A bill for an act relating to education; providing for prekindergarten through grade 12 education and early childhood and family education including general education, special

programs, academic excellence, facilities, nutrition, and accounting, other programs, libraries, early childhood programs, prevention, self-sufficiency and lifelong learning, state agencies, deficiencies, technical and conforming amendments, and academic standards; providing for higher education including extending sunset of education telecommunications council, requiring eligible institutions to provide certain data to the Higher Education Services Office, making changes relating to child care grants and the Minnesota College Savings Plan, modifying certain education benefits of public safety officers, making changes to tuition reciprocity, and authorizing planning for applied doctoral degrees; repealing obsolete rules; providing for rulemaking; reducing appropriations; appropriating money; amending Minnesota Statutes 2002, sections 13.321, subdivision 1, by adding subdivisions; 119A.46, subdivisions 2, 3, 8; 120A.05, by adding a subdivision; 120B.23, as amended; 120B.35, by adding a subdivision; 121A.22, subdivision 2; 121A.34, by adding subdivisions; 121A.45, subdivision 3; 121A.48; 121A.75, by adding a subdivision; 122A.06, subdivision 4; 122A.12, by adding a subdivision; 122A.16; 122A.18, subdivision 2a, by adding a subdivision; 122A.20, subdivision 2; 123A.05, subdivision 2; 123A.442, subdivision 2; 123A.443, subdivision 4; 123A.55; 123B.09, subdivision 8; 123B.143, subdivision 1; 123B.195; 123B.36, subdivision 1; 123B.49, subdivision 4; 123B.53, subdivision 6; 123B.58, subdivision 2; 123B.71, subdivision 9; 123B.75, by adding a subdivision; 123B.76, by adding a subdivision; 123B.82; 123B.92, subdivision 5; 124D.15, subdivisions 1, 3, 5, 8, 10, 12, by adding a subdivision; 124D.16, subdivision 2; 124D.19, subdivision 11; 124D.20, by adding a subdivision; 124D.59, as amended; 124D.61; 124D.68, subdivisions 3, 9; 124D.69, subdivision 1; 125A.023, subdivision 3; 125A.03; 125A.07; 125A.22; 125A.46; 125A.51; 125A.79, subdivisions 5, 7, by adding subdivisions; 125B.15; 126C.10, subdivision 2; 126C.15, subdivision 2, by adding a subdivision; 126C.21, subdivision 4; 126C.48, subdivision 8; 127A.42, subdivisions 4, 6; 127A.45, subdivision 11; 127A.47, subdivision 3; 134.31, by adding a subdivision; 134.50; 136A.08, by adding a subdivision; 136A.121, subdivision 2, by adding a subdivision; 136G.11, by adding a subdivision; 169.451; 171.04, subdivision 1; 171.05, subdivisions 2, 2b, 3; 171.19; 260A.01; 260A.03; 260C.163, subdivision 11; 299A.45, subdivision 4; 631.40, subdivision 4; Minnesota Statutes 2003 Supplement, sections 13.46, subdivision 2; 16A.152, subdivision 2; 119A.46, subdivision 1; 120B.021, subdivisions 1, 3, by adding a subdivision; 120B.022, subdivision 1; 120B.024; 120B.36; 121A.64; 122A.09, subdivision 4; 123B.54; 123B.77, subdivision 4; 123B.92, subdivision 1; 124D.095, subdivisions 4, 7, 8; 124D.10, subdivisions 3, 4, 8; 124D.11, subdivisions 1, 2, 9; 124D.20, subdivision 11; 124D.385, subdivision 2; 124D.42, subdivision 6; 124D.454, subdivision 2; 124D.531, subdivisions 1, 4; 124D.86, subdivisions 3, 4; 125A.023, subdivision 4; 125A.091, subdivision 5; 125A.75, subdivision 8; 125A.79, subdivision 1; 125B.21, subdivision 1; 126C.10, subdivisions 3, 31; 126C.15, subdivision 1; 126C.17, subdivision 9; 126C.40, subdivision 1; 126C.43, subdivisions 2, 3; 126C.44; 126C.457; 126C.63, subdivision 8; 127A.41, subdivision 9; 127A.42, subdivision 2; 127A.47, subdivisions 7, 8; 128C.05, subdivision 1a; 136A.121, subdivision 9; 136A.125, subdivision 2; 136G.11, subdivisions 1, 3; 136G.13, subdivision 1; 275.065, subdivision 1; 475.61, subdivision 4; 626.556, subdivision 2; Laws 2003, chapter 130, section 12; Laws 2003, First Special Session chapter 9, article 1, section 53, subdivisions 2, 3, 5, 6, 11, 12; Laws 2003, First Special Session chapter 9, article 2, section 55, subdivisions 2, 3, 4, 5, 7, 9, 12, 15, 16, 17, 19, 21, as amended; Laws 2003, First Special Session chapter 9, article 3, section 19; Laws 2003, First Special Session chapter 9, article 3, section 20, subdivisions 4, 5, 6, 7, 8, 9; Laws 2003, First Special Session chapter 9, article 4, section 29; Laws 2003, First Special Session chapter 9, article 4, section 31, subdivisions 2, 3; Laws 2003, First Special Session chapter 9, article 5, section 35, subdivisions 2, 3; Laws 2003, First Special Session chapter 9, article 6, section 4; Laws 2003, First Special Session chapter 9, article 7, section 11, subdivisions 2, 3; Laws 2003, First Special Session chapter 9, article 8, section 7, subdivisions 2, 5; Laws 2003, First Special Session chapter 9, article 9, section 9, subdivisions 2, 5; Laws 2003, First Special Session chapter 9, article 10, section 10, subdivision 2; Laws 2003, First Special Session chapter 9, article 10, section 11; Laws 2003, First Special Session chapter 9, article 10, section 12; proposing coding for new law in Minnesota Statutes, chapters 120A; 120B; 121A; 122A; 123B; 125B; 127A; 135A; 171; repealing Minnesota Statutes 2002, sections 124D.15, subdivisions 2, 4, 6, 11, 13; 124D.16, subdivisions 1, 4; 124D.41; 124D.42, subdivisions 1, 2, 4, 5, 7; 124D.43; 124D.91; 124D.92; 126C.23; 134.47, subdivision 3; Minnesota Statutes 2003 Supplement, sections 124D.15, subdivision 7; 124D.42, subdivision 3; 124D.86, subdivision 5; 136G.11, subdivision 2; Minnesota Rules, parts 4815.0100; 4815.0110; 4815.0120; 4815.0130; 4815.0140; 4815.0150; 4815.0160; 4830.8100; 4830.8110; 4830.8120; 4830.8130; 4830.8140; 4830.8150.

Senator Kelley moved to amend H.F. No. 1793 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 1793, and insert the language after the enacting clause, and the title, of S.F. No. 1774, the first engrossment.

The motion prevailed. So the amendment was adopted.

Senator Tomassoni moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 11, line 28, delete "statewide" and insert "the national"

Page 11, delete lines 30 to 36 and insert "district. School districts are encouraged to use the national standards for health and physical education. By the 2005-2006 school year and later, a kindergarten through grade 8 public school student must be able to participate in the same number of health and physical education courses as the school district offered during the 2002-2003 school year."

Page 12, delete line 1

Page 13, line 28, delete the new language and reinstate the stricken language

Page 13, line 34, delete the new language

Page 13, delete lines 35 and 36

Senator Tomassoni then moved to amend the Tomassoni amendment to H.F. No. 1793 as follows:

Page 1, delete line 18

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Tomassoni amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Hann moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 78, delete lines 12 to 14 and insert:

"(2) the K-12 standards for social studies contained in the document labeled "Minnesota Academic Standards, Social Studies K-12, February 17, 2004, Minnesota Academic Standards Committee, Minnesota Department of Education.""

Page 78, delete lines 33 to 36

Page 79, delete lines 1 to 3 and insert:

"(b) In addition to technical changes, corrections, clarifications, and similarly needed revisions, the revisor shall modify the K-12 academic social studies standards as indicated:

Page 10, line 4, delete "place the 4-6 standards at grade levels that accommodate their particular curriculum, provided that all standards have been mastered by the end of grade 6." and insert "organize the grades 4-8 standards in one of two ways: (1) banding grades 4-5 together and grades 6-7-8 together; or (2) banding grades 4-5-6 together and grades 7-8 together. The standards should be mastered by the end of the highest grade in the band".

Page 13, line 4, delete "place the 4-6 standards at grade levels that accommodate their particular

curriculum, provided that all standards have been mastered by the end of grade 6." and insert "organize the grades 4-8 standards in one of two ways: (1) banding grades 4-5 together and grades 6-7-8 together; or (2) banding grades 4-5-6 together and grades 7-8 together. The standards should be mastered by the end of the highest grade in the band."

Page 18, line 4, delete "place the 4-6 standards at grade levels that accommodate their particular curriculum, provided that all standards have been mastered by the end of grade 6." and insert "organize the grades 4-8 standards in one of two ways: (1) banding grades 4-5 together and grades 6-7-8 together; or (2) banding grades 4-5-6 together and grades 7-8 together. The standards should be mastered by the end of the highest grade in the band".

Page 19, Strand I, Sub-Strand C, delete "(1810-1860)" and insert "(1810-1890)".

Page 19, Strand I, Sub-Strand C, Standard, delete "early".

Page 19, Strand I, Sub-Strand C, Examples 1, delete "immigrants, influence of" and insert ", German and".

Page 20, Strand I, Sub-Strand E, Examples 3, delete "missionaries".

Page 26, line 4, delete "place the 7-8 standards at grade levels that accommodate their particular curriculum, provided that all standards have been mastered by the end of grade 8." and insert "organize the grades 4-8 standards in one of two ways: (1) banding grades 4-5 together and grades 6-7-8 together; or (2) banding grades 4-5-6 together and grades 7-8 together. The standards should be mastered by the end of the highest grade in the band."

Page 32, line 4, delete "place the 7-8 standards at grade levels that accommodate their particular curriculum, provided that all standards have been mastered by the end of grade 8." and insert "organize the grades 4-8 standards in one of two ways: (1) banding grades 4-5 together and grades 6-7-8 together; or (2) banding grades 4-5-6 together and grades 7-8 together. The standards should be mastered by the end of the highest grade in the band."

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

CALL OF THE SENATE

Senator Kelley imposed a call of the Senate for the balance of the proceedings on H.F. No. 1793. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Hann amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

Those who voted in the negative were:

Anderson	Foley	Langseth	Pogemiller	Skoglund
Bakk	Higgins	Lourey	Ranum	Solon
Berglin	Hottinger	Marty	Rest	Sparks
Betzold	Johnson, D.E.	Metzen	Sams	Stumpf
Chaudhary	Kelley	Moua	Saxhaug	Tomassoni
Cohen	Kiscaden	Murphy	Scheid	Vickerman
Dibble	Kubly	Pappas	Skoe	Wiger

The motion did not prevail. So the amendment was not adopted.

Senator Larson moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 34, after line 21, insert:

"Sec. 23. Minnesota Statutes 2002, section 123B.09, subdivision 8, is amended to read:

Subd. 8. [DUTIES.] The board must superintend and manage the schools of the district; adopt rules for their organization, government, and instruction; keep registers; and prescribe textbooks and courses of study. The board may enter into an agreement with a postsecondary institution for secondary or postsecondary nonsectarian courses to be taught at a secondary school, nonsectarian postsecondary institution, or another location. The board must not enter into an agreement that limits a district superintendent's duty to assign and reassign teachers or administrators to the schools in which the teachers will teach or the administrators will administer except that the board may reserve assignment and reassignment rights for purposes of entering into a school site decision making agreement under section 123B.04.

[EFFECTIVE DATE.] This section is effective for agreements entered into on or after July 1, 2004.

Sec. 24. Minnesota Statutes 2002, section 123B.143, subdivision 1, is amended to read:

Subdivision 1. [CONTRACT; DUTIES.] All districts maintaining a classified secondary school must employ a superintendent who shall be an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent must be vested in the board in all cases. An individual employed by a board as a superintendent shall have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A board, at its discretion, may or may not renew an employment contract. A board must not, by action or inaction, extend the duration of an existing employment contract. Beginning 365 days prior to the expiration date of an existing employment contract, a board may negotiate and enter into a subsequent employment contract to take effect upon the expiration of the existing contract. A subsequent contract must be contingent upon the employee completing the terms of an existing contract. If a contract between a board and a superintendent is terminated prior to the date specified in the contract, the board may not enter into another superintendent contract with that same individual that has a term that extends beyond the date specified in the terminated contract. A board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent shall not rely upon an employment contract with a board to assert any other continuing contract rights in the position of superintendent under section 122A.40. Notwithstanding the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) before the start of the school year, and at other times as needed, assign teachers or administrators to schools to best meet student and school needs as determined by the superintendent;

(4) superintend school grading practices and examinations for promotions;

(4) (5) make reports required by the commissioner;

(5) (6) by January 10, submit an annual report to the commissioner in a manner prescribed by the commissioner, in consultation with school districts, identifying the expenditures that the district requires to ensure an 80 percent student passage rate on the basic standards test taken in the eighth grade, identifying the highest student passage rate the district expects it will be able to attain on the basic standards test by grade 12, the amount of expenditures that the district requires to attain the targeted student passage rate, and how much the district is cross-subsidizing programs with special education, basic skills, and general education revenue; and

(6) (7) perform other duties prescribed by the board.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Koering	Nienow	Rosen
Belanger	Johnson, D.J.	Larson	Olson	Ruud
Day	Jungbauer	LeClair	Ortman	Senjem
Dille	Kierlin	Limmer	Ourada	Wergin
Fischbach	Kiscaden	McGinn	Pariseau	
Frederickson	Kleis	Michel	Reiter	
Gaither	Knutson	Neuville	Robling	

Those who voted in the negative were:

Anderson	Foley	Lourey	Ranum	Solon
Bakk	Higgins	Marty	Rest	Sparks
Berglin	Hottinger	Metzen	Sams	Stumpf
Betzold	Johnson, D.E.	Moua	Saxhaug	Tomassoni
Chaudhary	Kelley	Murphy	Scheid	Vickerman
Cohen	Kubly	Pappas	Skoe	Wiger
Dibble	Langseth	Pogemiller	Skoglund	

The motion did not prevail. So the amendment was not adopted.

Senator Reiter moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 35, after line 4, insert:

"Sec. 24. [123B.197] [USE OF PUBLIC RESOURCES.]

A school district or its employees must not use public resources or students to produce, convey, or disseminate materials or messages advocating the passage or defeat of a ballot question, the passage or defeat of legislation pending in the legislature, or the election of any candidate for public office."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Nienow	Robling
Belanger	Johnson, D.J.	LeClair	Olson	Rosen
Day	Jungbauer	Limmer	Ortman	Ruud
Fischbach	Kleis	McGinn	Ourada	Senjem
Frederickson	Knutson	Michel	Pariseau	Wergin
Gaither	Koering	Neuville	Reiter	

Those who voted in the negative were:

Anderson	Foley	Lourey	Rest	Stumpf
Bakk	Higgins	Marty	Sams	Tomassoni
Berglin	Hottinger	Metzen	Saxhaug	Vickerman
Betzold	Johnson, D.E.	Moua	Scheid	Wiger
Chaudhary	Kelley	Murphy	Skoe	
Cohen	Kiscaden	Pappas	Skoglund	
Dibble	Kubly	Pogemiller	Solon	
Dille	Langseth	Ranum	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Tomassoni moved to amend the first Tomassoni amendment to H.F. No. 1793, adopted by the Senate May 6, 2004, as follows:

Page 1, delete line 17

The motion prevailed. So the amendment was adopted.

Senator Bachmann moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 79, after line 3, insert:

"(c) The revisor of statutes shall modify the social studies standards document as follows:

(1) in the "Grades 4-6 Government and Citizenship" strand, "II. Roots of the Republic" Sub-Strand, "A" standard, after the word "governed" in benchmark "2," insert ", national sovereignty;"

(2) in the "Grades 7-8 Government and Citizenship" strand, "II. Roots of the Republic" Sub-Strand, "A" standard, after the word "significance" in benchmark "2," insert ", including, but not limited to, national sovereignty, natural law, self-evident truths, inalienable rights 'endowed by their Creator' of life, liberty and pursuit of happiness, and the purpose of government to protect these rights;" and

(3) in the "Grades 9-12 Government and Citizenship" strand, "II. Roots of the Republic" Sub-Strand, "B" standard, after the word "government" in benchmark "1," insert ", including, but not limited to, national sovereignty, natural law, self-evident truths, inalienable rights 'endowed by their Creator' of life, liberty and pursuit of happiness, and the purpose of government to protect these rights.""

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

Those who voted in the negative were:

Anderson	Foley	Lourey	Ranum	Solon
Bakk	Higgins	Marty	Rest	Sparks
Berglin	Hottinger	Metzen	Sams	Stumpf
Betzold	Kelley	Moua	Saxhaug	Tomassoni
Chaudhary	Kiscaden	Murphy	Scheid	Vickerman
Cohen	Kubly	Pappas	Skoe	Wiger
Dibble	Langseth	Pogemiller	Skoglund	

The motion did not prevail. So the amendment was not adopted.

Senator Wergin moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Pages 62 and 63, delete section 59

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Senator Jungbauer moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 79, after line 3, insert:

"(c) The revisor of statutes shall modify the social studies standards document as follows:

(1) the abbreviation "BCE" shall be replaced with "B.C." wherever it occurs in the document;
and

(2) the abbreviation "CE" shall be replaced with "A.D." wherever it occurs in the document."

The motion did not prevail. So the amendment was not adopted.

Senator Kleis moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 30, after line 15, insert:

"Sec. 20. Minnesota Statutes 2002, section 122A.40, subdivision 5, is amended to read:

Subd. 5. [PROBATIONARY PERIOD.] (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and after completion thereof, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period. Evaluation must occur at least three times each year for a teacher performing services on 120 or more school days, at least two times each year for a teacher performing services on 60 to 119 school days, and at least one time each year for a teacher performing services on fewer than 60 school days. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the

teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A teacher whose probationary period of employment is interrupted for active military service and who resumes teaching at a later date shall be considered to have had a consecutive teaching experience for the period of time the teacher is performing services for purposes of this subdivision."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Wergin moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 44, after line 14, insert:

"Sec. 33. Minnesota Statutes 2002, section 125B.15, is amended to read:

125B.15 [INTERNET ACCESS FOR STUDENTS.]

(a) Recognizing the difference between school libraries, school computer labs, and school media centers, which serve unique educational purposes, and public libraries, which are designed for public inquiry, all computers at a school site with access to the Internet available for student use must be equipped to restrict, including by use of available with software filtering or blocking technology or other effective methods, all designed to restrict student access to material that is reasonably believed to be obscene or child pornography or material harmful to minors under federal or state law.

~~(b) A school site is not required to purchase filtering technology if the school site would incur more than incidental expense in making the purchase.~~

~~(e) A school district receiving technology revenue under section 125B.25 must prohibit, including through use of available software filtering or blocking technology or other effective methods, adult access to material that under federal or state law is reasonably believed to be obscene or child pornography. At the request of an adult, the district may unblock filtered sites for bona fide research or other lawful purpose.~~

~~(d) (c) A school district, its agents or employees, are immune from liability for failure to comply with this section if they have made a good faith effort to comply with the requirements of this section.~~

~~(e) (d) "School site" means an education site as defined in section 123B.04, subdivision 1, or charter school under section 124D.10.~~

(e) All state funds available to a school site for its school library, school computer lab, and school media center shall be withheld from the school site until all computers with Internet access available for student use at the school site are equipped with software filtering or blocking technology designed to restrict students' access to material that is reasonably believed to be obscene, child pornography, or material harmful to minors under state or federal law. A school

district must formally adopt an Internet safety policy consistent with this section and other applicable law.

(f) To ensure that state funds are not withheld under paragraph (e), a school district must send an electronic notice to the department indicating those school sites within the district that have equipped their computers with software filtering or blocking technology, consistent with this section. A district must immediately transmit to the department any additional information related to school sites' compliance with this section.

[EFFECTIVE DATE.] This section is effective January 1, 2005."

Page 44, after line 28, insert:

"Sec. 35. Minnesota Statutes 2002, section 134.50, is amended to read:

134.50 [INTERNET ACCESS; LIBRARIES.]

(a) Recognizing the difference between public libraries, which are designed for public inquiry, and school libraries, school computer labs, and school media centers, which serve unique educational purposes, all public library computers with access to the Internet available for use by children under the age of 17 18 must be equipped to restrict, including by use of available with software filtering or blocking technology or other effective methods, all designed to restrict access by children to material that is reasonably believed to be obscene or child pornography or material harmful to minors under federal or state law.

~~(b) A public library is not required to purchase filtering technology if the public library would incur more than incidental expense in making the purchase.~~

~~(c) A public library that receives state money must prohibit, including through the use of available software filtering or blocking technology or other effective methods, adult access to material that under federal or state law is reasonably believed to be obscene or child pornography. At the request of an adult conducting bona fide research or pursuing another lawful purpose, a public library must unblock filtered sites without significant delay and without requiring the adult to explain the request. A public library may remove a person from the library if the person gains access or attempts to gain access to materials prohibited under this section by intentionally bypassing the filtering technology or other method used by the library.~~

~~(d) (c) A public library, its agents or employees, are immune from liability for failure to comply with this section if they have made a good faith effort to comply with the requirements of this section.~~

~~(e) (d) This section does not apply to the libraries of postsecondary institutions.~~

(e) All state funds available to a public library shall be withheld from the public library until all computers with Internet access available for use by children under age 18 are equipped with software filtering or blocking technology designed to restrict children's access to material that is reasonably believed to be obscene, child pornography, or material harmful to minors under federal or state law. A public library must formally adopt an Internet safety policy consistent with this section and other applicable law.

(f) To ensure that state funds are not withheld under paragraph (e), a public library system must send an electronic notice to the education department indicating that the public libraries within the system have equipped their computers with software filtering or blocking technology, consistent with this section. A public library system must immediately transmit to the department any additional information related to public libraries' compliance with this section.

[EFFECTIVE DATE.] This section is effective January 1, 2005."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Skoglund moved to amend the Wergin amendment to H.F. No. 1793 as follows:

Page 1, lines 15 and 16, reinstate the stricken language

Page 1, lines 19 to 21, reinstate the stricken language

Page 1, line 22, reinstate the stricken language

Page 1, line 24, reinstate the stricken language

Page 1, line 25, reinstate the stricken language

Page 1, lines 30 and 34, delete the new language and reinstate the stricken language

Page 1, delete line 37

Page 2, delete lines 1 to 17

Page 2, line 29, reinstate the stricken ", including by use of"

Page 2, line 30, reinstate the stricken "available" and delete "with" and reinstate the stricken "or"

Page 2, line 31, reinstate the stricken language

Page 2, lines 35 and 36, reinstate the stricken language

Page 3, line 1, reinstate the stricken language

Page 3, line 2, reinstate the stricken language

Page 3, lines 15 and 19, delete the new language and reinstate the stricken language

Page 3, delete lines 21 to 36

Page 4, delete line 1

The question was taken on the adoption of the Skoglund amendment to the Wergin amendment.

The roll was called, and there were yeas 32 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Marty	Sams	Stumpf
Bakk	Higgins	Metzen	Saxhaug	Tomassoni
Berglin	Hottinger	Moua	Scheid	Vickerman
Betzold	Johnson, D.E.	Pappas	Skoe	Wiger
Chaudhary	Kelley	Pogemiller	Skoglund	
Cohen	Kubly	Ranum	Solon	
Dibble	Lourey	Rest	Sparks	

Those who voted in the negative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

The motion prevailed. So the amendment to the amendment was adopted.

Senator Wergin withdrew her amendment.

Senator Wiger moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 22, line 32, after "student" insert "at all times during the school day"

Page 22, line 34, after "including" insert "recognizing anaphylaxis and"

Page 23, line 23, after "student" insert "at all times during the school day"

Page 23, after line 26, insert:

"(e) Additional nonsyringe injectors of epinephrine may be available in school first aid kits."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 62 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Langseth	Ortman	Scheid
Bachmann	Gaither	Larson	Ourada	Senjem
Bakk	Hann	LeClair	Pappas	Skoglund
Belanger	Higgins	Limmer	Pariseau	Solon
Berglin	Hottinger	Lourey	Pogemiller	Sparks
Betzold	Johnson, D.E.	Marty	Ranum	Stumpf
Chaudhary	Johnson, D.J.	McGinn	Reiter	Tomassoni
Cohen	Jungbauer	Metzen	Rest	Vickerman
Day	Kierlin	Michel	Robling	Wergin
Dibble	Kleis	Moua	Rosen	Wiger
Dille	Knutson	Neuville	Ruud	
Fischbach	Koering	Nienow	Sams	
Foley	Kubly	Olson	Saxhaug	

Those who voted in the negative were:

Kelley	Murphy	Skoe
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The motion prevailed. So the amendment was adopted.

Senator Lourey moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 33, after line 25, insert:

"Sec. 22. [123B.0255] [VENDING MACHINE POLICIES.]

(a) A school board must consult a school nutrition advisory council. The advisory council must include a physician or a dentist, a school nurse or other nurse, and a dietitian or other expert in nutrition. The advisory council may also include representatives of parents, teachers, students, coaches, community and school officials, food service representatives, and other health professionals. The board must seek current information on the nutritional content of beverages available for sale to students. The board shall establish a policy that promotes vending machine practices that encourage students to drink milk and other nutritional beverages.

(b) In developing policies that encourage students to drink nutritional beverages while at school, the Nutritional Advisory Council must make recommendations on:

(1) the location and hours of operation of beverage vending machines located on school property;

(2) pricing policies that encourage students to choose nutritional beverages; and

(3) the allocation of vending machine slots devoted to nutritional and non-nutritional beverages."

Renumber the sections in sequence and correct the internal references

Amend the amendment title accordingly

Senator Kleis questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Lourey amendment.

The roll was called, and there were yeas 24 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Johnson, D.E.	Pappas	Saxhaug
Bakk	Dibble	Kubly	Pogemiller	Skoe
Berglin	Foley	Lourey	Ranum	Skoglund
Betzold	Frederickson	Marty	Rest	Wiger
Chaudhary	Higgins	Moua	Sams	

Those who voted in the negative were:

Bachmann	Jungbauer	Limmer	Ourada	Sparks
Belanger	Kelley	McGinn	Pariseau	Stumpf
Day	Kierlin	Metzen	Reiter	Tomassoni
Dille	Kleis	Michel	Robling	Vickerman
Fischbach	Knutson	Murphy	Rosen	Wergin
Gaither	Koering	Neuville	Ruud	
Hann	Langseth	Nienow	Scheid	
Hottinger	Larson	Olson	Senjem	
Johnson, D.J.	LeClair	Ortman	Solon	

The motion did not prevail. So the amendment was not adopted.

Senator McGinn moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 15, after line 1, insert:

"Sec. 6. [120B.123] [STUDENT ACADEMIC PROGRESS.]

Subdivision 1. [STUDENT RETENTION.] (a) A public school or charter school enrolling students in any grade kindergarten through grade 6 must consider retaining a student without promotion to the next grade level when the student in the current year:

(1) was enrolled in school for at least 120 days and was absent more than 20 percent of the class time during those days;

(2) achieved below grade level test scores on highly reliable statewide or districtwide assessments; and

(3) based on the school's determination, did not master the academic skills needed to succeed in the next grade.

The school must provide differentiated instruction whether or not the student is retained in that same grade or promoted to the next grade level.

(b) "Differentiated instruction" means an instructional framework that allows classroom teachers to blend whole-class, group, and individual instruction to best meet the individual and diverse needs of the students in the classroom. A school district or charter school must determine the scope of the differentiated instruction.

Subd. 2. [APPEAL OF DECISIONS TO RETAIN A STUDENT.] After meeting with the student, the student's parent or guardian, the student's teacher or teachers, and the school principal

or other appropriate administrator to discuss the student's proposed retention under subdivision 1, the principal or other administrator must provide timely written notice to the student and parent or guardian of the school's decision about promoting or retaining the student. The student's parent or guardian has 20 days from the date of receiving the notice to submit a written appeal of the decision to the school superintendent or charter school director and must list the reasons for the appeal. The school superintendent or charter school director must give timely written notice to the student's parent or guardian of the school superintendent's or charter school director's decision regarding the appeal, which is a final decision.

Subd. 3. [EXEMPTION.] A student with an individual education plan under sections 125A.05 and 125A.06 and a pupil of limited English proficiency under section 124D.59, subdivision 2, are exempt from this section.

Subd. 4. [SCHOOL POLICY.] A school board or charter school board of directors must, by August 1, 2005, adopt a student retention policy and procedure that includes the requirements under this section.

[EFFECTIVE DATE.] This section is effective for the 2005-2006 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

Those who voted in the negative were:

Anderson	Foley	Lourey	Ranum	Solon
Bakk	Higgins	Marty	Rest	Sparks
Berglin	Hottinger	Metzen	Sams	Stumpf
Betzold	Johnson, D.E.	Moua	Saxhaug	Tomassoni
Chaudhary	Kelley	Murphy	Scheid	Vickerman
Cohen	Kubly	Pappas	Skoe	Wiger
Dibble	Langseth	Pogemiller	Skoglund	

The motion did not prevail. So the amendment was not adopted.

Senator Hann moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 29, after 22, insert:

"Sec. 19. [122A.245] [TEACHER TRAINING PROGRAM FOR QUALIFIED PROFESSIONALS.]

Subdivision 1. [REQUIREMENTS.] (a) As an alternative to postsecondary teacher preparation programs and alternative preparation licensing for teachers under section 122A.24, a teacher training program is established for qualified professionals to acquire an entrance license. Providers, approved by the commissioner under subdivision 3, may offer the program to train a maximum of 300 teachers per year in the instructional fields of special education, science, math, reading, English as a second language, communication arts and literature, business, world languages, and library and media specialist.

(b) To participate in the teacher training program, the applicant must:

- (1) have a bachelor's degree from an accredited four-year postsecondary institution;
- (2) have an undergraduate major or postbaccalaureate degree in the subject to be taught or have equivalent academic qualifications in the subject area in which the applicant is seeking licensure;
- (3) have a minimum of five years of professional employment in a subject area related to the subject area in which the applicant is seeking licensure; and
- (4) pass a skills exam in reading, writing, and mathematics under section 122A.18.

(c) Teachers currently teaching under a variance issued by the Board of Teaching may apply to participate in this program.

Subd. 2. [PROGRAM.] The teacher training program must include:

- (1) 200 clock hours of intensive training in classroom management, curriculum, and instruction; and
- (2) a minimum of five seminars totaling at least 20 clock hours during the applicant's first year of teaching.

Subd. 3. [PROGRAM APPROVAL.] The commissioner must approve teacher training programs under this section based on criteria developed by an advisory group appointed by the commissioner. The advisory group at least must include representatives of the Board of Teaching, school superintendents, and postsecondary institutions, including those offering degrees in teacher preparation.

By January 15, 2005, the commissioner must report to the legislative committees with responsibility for higher education on the criteria for teacher training programs developed by the advisory group under this subdivision.

An approved teacher training program must require program participants to complete the standards of effective practice for teachers under Minnesota Rules, part 8710.2000.

Subd. 4. [PROGRAM DELIVERY.] Postsecondary institutions and district-created teacher academies, among other entities, may apply to the commissioner in the form and manner the commissioner indicates, to deliver a teacher training program under this section to train a maximum of 300 teachers per year.

Subd. 5. [ELIGIBILITY LICENSE.] An applicant who successfully completes the training under subdivision 2, clause (1), and passes the Praxis II content exam under section 122A.09, subdivision 4, paragraph (e), may receive a one-year eligibility license and begin teaching. During the one-year eligibility period, the district must assign a teacher who holds a regular teaching license to mentor the applicant teacher. The applicant teacher and teacher mentor must meet at least once every week.

Subd. 6. [STANDARD ENTRANCE LICENSE.] The Board of Teaching must issue a standard entrance license to a training program licensee who successfully completes the program under subdivision 2, successfully teaches in a classroom for one complete school year, passes the Praxis II pedagogy test, and receives a positive recommendation from the applicant's school principal or other district or school administrator.

Subd. 7. [QUALIFIED TEACHER.] A person with a valid eligibility license under subdivision 5 is a qualified teacher under section 122A.16.

Subd. 8. [EVALUATION AND REPORT.] The Office of the Legislative Auditor must evaluate the program under this section and report its findings to the education policy and finance committees in the legislature by February 1, 2008, and each three years thereafter on February 1."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Bachmann	Johnson, D.J.	LeClair	Olson	Rosen
Belanger	Jungbauer	Limmer	Ortman	Ruud
Day	Kierlin	McGinn	Ourada	Sams
Fischbach	Kleis	Michel	Pariseau	Senjem
Gaither	Knutson	Neuville	Reiter	Wergin
Hann	Larson	Nienow	Robling	

Those who voted in the negative were:

Anderson	Foley	Langseth	Ranum	Stumpf
Bakk	Frederickson	Lourey	Rest	Tomassoni
Berglin	Higgins	Marty	Saxhaug	Vickerman
Betzold	Hottinger	Metzen	Scheid	Wiger
Chaudhary	Johnson, D.E.	Moua	Skoe	
Cohen	Kelley	Murphy	Skoglund	
Dibble	Koering	Pappas	Solon	
Dille	Kubly	Pogemiller	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Neuville moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 10, after line 21, insert:

"Sec. 12. [LONSDALE JOINT POWERS AGREEMENT.]

Subdivision 1. [PURPOSE.] The purpose of this section is to facilitate the joint operation of the Lonsdale Elementary School so that students residing in the attendance area of the joint elementary school are treated as resident students in a single cohesive learning environment.

Subd. 2. [AGREEMENT.] Independent School District Nos. 394, Montgomery-Lonsdale and 721, New Prague, may form a joint powers district under Minnesota Statutes, section 471.59 to govern and manage the Lonsdale Elementary School. Notwithstanding any law to the contrary, the districts may obligate themselves to participate in and to provide financial support for a joint powers agreement, to govern the administration, operation, and financing of the joint elementary school during the period when the obligations issued to finance the facility remain outstanding.

Subd. 3. [ATTENDANCE AREA.] The Joint Powers Board must specify an attendance area for the Lonsdale Elementary School that incorporates properties located in both the Montgomery-Lonsdale and New Prague school districts.

Subd. 4. [GOVERNANCE.] The Joint Powers Board established under subdivision 2 shall have the general charge of the Lonsdale Elementary School subject to state law applicable to school districts.

Subd. 5. [CONTRACTS.] The Joint Powers Board established under subdivision 2 shall employ and contract with necessary qualified teachers and administrators and may contract for other necessary services subject to state law applicable to school districts.

Subd. 6. [ENROLLMENT.] The Lonsdale Elementary School must give priority to students enrolling from within the specified attendance area. The Lonsdale Elementary School may enroll other students from the member districts and may accept open enrollment students from other school districts.

Subd. 7. [PUPIL TRANSPORTATION.] The Joint Powers Board may separately operate transportation services or require the member districts to transport students to the Lonsdale Elementary School.

Subd. 8. [TUITION.] The Joint Powers Board shall establish a tuition amount for each student from a member school district that attends the Lonsdale Elementary School payable by the participating districts, not by students.

Subd. 9. [FACILITY.] Notwithstanding any law to the contrary, Independent School District No. 721, New Prague, may sell and issue bonds for the Lonsdale Elementary School upon approval of the voters of Independent School District No. 721, New Prague. Once constructed, Independent School District No. 721 shall lease the facility to the joint powers district.

Subd. 10. [FACILITIES PAYMENT.] Each year, the joint powers district must establish a facilities payment for Independent School District No. 394, Montgomery-Lonsdale. The amount of the payment must equal the New Prague debt service levy for the Lonsdale Elementary School for that year, less the average amount of debt service equalization aid received by Independent School District No. 721, New Prague, attributable to that facility, multiplied by the ratio of the number of pupils in average daily membership attending the facility from the Lonsdale school district to the total number of pupils in average daily membership attending the facility.

Subd. 11. [FACILITIES LEVY; MONTGOMERY-LONSDALE.] Each year, Independent School District No. 394, Montgomery-Lonsdale, shall levy the amount of the facilities payment calculated under subdivision 10 and submit that amount to Independent School District No. 721, New Prague.

Subd. 12. [DEBT SERVICE LEVY; NEW PRAGUE.] Each year, Independent School District No. 721, New Prague, shall reduce its net debt service levy by the amount of the facilities payment received under subdivision 10.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Rosen moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 26, after line 26, insert:

"Sec. 15. Minnesota Statutes 2003 Supplement, section 121A.64, is amended to read:

121A.64 [NOTIFICATION; TEACHERS' LEGITIMATE EDUCATIONAL INTEREST.]

(a) A classroom teacher has a legitimate educational interest in knowing which students placed in the teacher's classroom have a history of violent behavior and must be notified before such students are placed in the teacher's classroom.

(b) Representatives of the school board and the exclusive representative of the teachers shall discuss issues related to the model policy on student records adopted under Laws 1999, chapter 241, article 9, section 50, and any modifications adopted under Laws 2003, First Special Session chapter 9, for notifying classroom teachers and other school district employees having a legitimate educational interest in knowing about students with a history of violent behavior placed in classrooms. The representatives of the school board and the exclusive representative of the teachers also may discuss the need for intervention services or conflict resolution or training for staff related to placing students with a history of violent behavior in teachers' classrooms.

(c) A school district or employee of a school district is immune from liability in any civil, administrative, or criminal action relating to this section if a good faith effort has been made to comply with the notification requirement. A school district is not required to adopt the model policy under Laws 2003, First Special Session chapter 9, article 2, section 53."

Page 28, after line 3, insert:

"Sec. 19. Minnesota Statutes 2002, section 121A.75, is amended by adding a subdivision to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] A school district or employee of a school district is immune from liability in any civil, administrative, or criminal action relating to this section if a good faith effort has been made to comply with the notification requirements. A school district is not required to adopt the model policy under Laws 2003, First Special Session chapter 9, article 2, section 53."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

Those who voted in the negative were:

Anderson	Foley	Lourey	Ranum	Solon
Bakk	Higgins	Marty	Rest	Sparks
Berglin	Hottinger	Metzen	Sams	Stumpf
Betzold	Johnson, D.E.	Moua	Saxhaug	Tomassoni
Chaudhary	Kelley	Murphy	Scheid	Vickerman
Cohen	Kubly	Pappas	Skoe	Wiger
Dibble	Langseth	Pogemiller	Skoglund	

The motion did not prevail. So the amendment was not adopted.

Senator Olson moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 79, after line 15, insert:

"(c) The revisor of statutes shall modify the standards as follows:

Grade 7, Strand IV, Sub-Strand E, after benchmark 5, insert:

"6. Describe how scientists continue to investigate and critically analyze aspects of evolutionary theory."

Grades 9-12, Strand IV, Sub-Strand E, after benchmark 4, insert:

"5. Describe how scientists continue to investigate and critically analyze aspects of evolutionary theory."

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

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Hann	Larson	Olson	Ruud
Belanger	Johnson, D.J.	LeClair	Ortman	Senjem
Day	Jungbauer	Limmer	Ourada	Wergin
Dille	Kierlin	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	
Gaither	Koering	Nienow	Rosen	

Those who voted in the negative were:

Anderson	Foley	Lourey	Ranum	Solon
Bakk	Higgins	Marty	Rest	Sparks
Berglin	Hottinger	Metzen	Sams	Stumpf
Betzold	Johnson, D.E.	Moua	Saxhaug	Tomassoni
Chaudhary	Kelley	Murphy	Scheid	Vickerman
Cohen	Kubly	Pappas	Skoe	Wiger
Dibble	Langseth	Pogemiller	Skoglund	

The motion did not prevail. So the amendment was not adopted.

Senator Nienow moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 79, after line 3, insert:

"(c) The revisor of statutes shall modify the social studies standards document in the "Grades 9-12 Government and Citizenship" strand, "II. Roots of the Republic" Sub-Strand, "B" standard, by inserting the following new benchmark:

"3. Students will explain President Lincoln's understanding of the nation's founding that the principles of the Declaration of Independence are universal and applicable to all people at all times."

(d) The revisor of statutes shall modify the social studies standards document as follows:

(1) the abbreviation "BCE" shall be replaced with "B.C." wherever it occurs in the document; and

(2) the abbreviation "CE" shall be replaced with "A.D." wherever it occurs in the document."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 38, as follows:

Those who voted in the affirmative were:

Bachmann	Gaither	Larson	Nienow	Rosen
Belanger	Hann	LeClair	Olson	Ruud
Day	Johnson, D.J.	Limmer	Ortman	Wergin
Dille	Jungbauer	McGinn	Pariseau	
Fischbach	Kleis	Michel	Reiter	
Frederickson	Knutson	Neuville	Robling	

Those who voted in the negative were:

Anderson	Cohen	Johnson, D.E.	Langseth	Murphy
Bakk	Dibble	Kelley	Lourey	Ourada
Berglin	Foley	Kierlin	Marty	Pappas
Betzold	Higgins	Koering	Metzen	Pogemiller
Chaudhary	Hottinger	Kubly	Moua	Ranum

Rest
Sams
Saxhaug

Scheid
Senjem
Skoe

Skoglund
Solon
Sparks

Stumpf
Tomassoni
Vickerman

Wiger

The motion did not prevail. So the amendment was not adopted.

Senator Hann moved to amend H.F. No. 1793, as amended by the Senate May 6, 2004, as follows:

(The text of the amended House File is identical to S.F. No. 1774.)

Page 63, after line 33, insert:

"Sec. 60. [TRIAL TRANSPORTATION FEE.]

(a) Notwithstanding Minnesota Statutes, section 123B.37, subdivision 1, clause (10), for fiscal years 2005, 2006, and 2007 only, a school board may require payment of fees for transportation to and from school of any pupil transported, and for all other transportation services not required by law, subject to paragraphs (b) and (c).

(b) If a board charges fees for transportation of pupils under this section, it must establish guidelines to ensure that no pupil is denied transportation solely because of inability to pay. Any transportation fees required must be applied equally to public and nonpublic students transported within the district. If a board charges fees for transportation of pupils under this section, the board may require fees for students transported to charter schools or to alternative attendance programs.

(c) A school board's total estimated transportation fees for any school year to be collected under this section may not exceed the sum of:

(1) the greater of zero, or the total amount of fees collected in the previous year; plus

(2) the estimated total transportation expenses during a school year in which the fees are determined, minus the total transportation expenses in the previous year.

(d) By January 15, 2007, each school district that charges fees under this section must provide the Department of Education a report which details the transportation fees charged under this section, the total amount of fees charged per family, and the costs of transportation per pupil in the fiscal year immediately prior to the fiscal year in which the fees under this section were charged.

(e) This section expires June 30, 2007."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Kelley questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Hann amendment. The motion did not prevail. So the amendment was not adopted.

H.F. No. 1793 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 34 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson
Bakk
Berglin
Betzold
Chaudhary

Cohen
Dibble
Foley
Higgins
Hottinger

Johnson, D.E.
Kelley
Kubly
Langseth
Lourey

Marty
Metzen
Moua
Murphy
Neuville

Pappas
Ranum
Rest
Sams
Saxhaug

Scheid
Skoe

Skoglund
Solon

Sparks
Stumpf

Tomassoni
Vickerman

Wiger

Those who voted in the negative were:

Bachmann
Belanger
Day
Dille
Fischbach
Frederickson
Gaither

Hann
Johnson, D.J.
Jungbauer
Kierlin
Kleis
Knutson
Koering

Larson
LeClair
Limmer
McGinn
Michel
Nienow
Olson

Ortman
Ourada
Pariseau
Pogemiller
Reiter
Robling
Rosen

Ruud
Senjem
Wergin

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Kelley moved that S.F. No. 1774, No. 126 on General Orders, be stricken and laid on the table. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

SUSPENSION OF RULES

Senator Johnson D.E. moved that Joint Rule 2.03 be suspended as it relates to the Committee Reports on S.F. Nos. 2536 and 2825. The motion prevailed.

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

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

S.F. No. 2536: A bill for an act relating to state and local government operations; establishing a metropolitan stadium authority; providing for the membership and powers of the authority; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Delete everything after the enacting clause and insert:

"Section 1. [473.75] [PROCESS FOR NEW STADIUMS.]

Subdivision 1. [PURPOSE.] The purpose of this act is to provide a process to result in the location, construction, financing, and long-term use of two new stadiums primarily for the use of the Minnesota Twins and the Minnesota Vikings.

Subd. 2. [DEFINITIONS.] (a) As used in this act, the following terms have the meaning given in this subdivision.

(b) "Host community" means a city or a county or any joint powers entity comprised of one or more cities or counties, or both, which is organized for the purpose of providing financial or other support for one or more stadiums.

(c) "Public infrastructure" means all property and facilities determined by the host community to facilitate the use of the stadium, including, but not limited to, property and facilities for parking,

pedestrian needs, transit, skyways, lighting, landscaping, utilities, streets, and land acquired and prepared for private redevelopment in a manner related to the use of the stadium.

Subd. 3. [LOCATION.] (a) The stadiums must be located in the metropolitan area as defined in section 473.121, subdivision 2.

(b) Both stadiums may be, but need not be, located in the same city or county.

(c) A city and county may cooperate to host one or both stadiums under a joint powers agreement under section 471.59 or as otherwise provided by law.

Subd. 4. [MINNESOTA STADIUM AUTHORITY DUTIES.] The Minnesota Stadium Authority is established to choose sites for the two stadiums from proposals submitted by the franchise owners and their proposed host communities. The authority may consider or propose other arrangements for sites and terms if the authority is not satisfied with proposals submitted by the franchise owners and their proposed host communities. The authority's determination of sites for the two stadiums is final. The authority may enter into contracts for and take all actions necessary or desirable to select or acquire a site, design, construct, furnish, equip, and provide for the operation, maintenance, and improvement of stadium facilities.

Sec. 2. [473.751] [MINNESOTA STADIUM AUTHORITY ORGANIZATION.]

Subdivision 1. [COMPOSITION.] (a) The Minnesota Stadium Authority consists of:

(1) six members, appointed by the governor, four from the following Metropolitan Council districts established by section 473.123: one from districts 1, 2, 3, and 4; one from districts 5, 6, 7, and 8; one from districts 9, 10, 11, and 12; one from districts 13, 14, 15, and 16; one from northern Greater Minnesota; and one from southern Greater Minnesota;

(2) one member appointed by and serving at the pleasure of each of the following: the speaker of the house of representatives; the majority leader of the senate; and the minority leaders of the house of representatives and the senate; and

(3) a chair appointed by the governor.

(b) All members appointed under paragraph (a), clauses (1) and (3), including the chair, serve at the pleasure of the governor.

(c) All members must be appointed no later than 30 days after the enactment of this act.

Subd. 2. [CHAIR.] The chair shall preside at all meetings of the commission, if present, and shall perform all other assigned duties and functions. The commission may appoint from among its members a vice-chair to act for the chair during the temporary absence or disability of the chair.

Subd. 3. [SUCCESSOR AUTHORITY.] On completion of the construction of the second stadium, the authority must recommend to the legislature and the governor a reconstituted authority or authorities to oversee the ongoing maintenance, operation, and improvements of the stadiums. Public entities that provide substantial financial support to the stadium construction and operation must receive appropriate representation on any reconstituted authority. The authority must also recommend to the legislature and the governor a proposed disposition of the Metrodome facility and of the Metropolitan Sports Facilities Commission and of its financial reserves, if any.

Sec. 3. [473.752] [POWERS OF AUTHORITY.]

Subdivision 1. [GENERAL.] The authority has all powers necessary or convenient to discharge the duties imposed by law, including those specified in this section.

Subd. 2. [ACTIONS.] The authority may sue and be sued, and is a public body within the meaning of chapter 562.

Subd. 3. [ACQUISITION OF PROPERTY.] The authority may acquire by lease, purchase, gift, or devise all necessary right, title, and interest in and to real or personal property deemed necessary to the purposes contemplated by this act.

Subd. 4. [EXEMPTION OF PROPERTY.] Any real or personal property acquired, owned, leased, controlled, used, or occupied by the authority for any of the purposes of this act is declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and is exempt from ad valorem taxation by the state or any political subdivision of the state. The properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No use of any of the properties in any manner different from their use under this act at the time when the assessment is levied may be considered in determining the special benefit received by the properties. All assessments are subject to final confirmation by the Metropolitan Council, whose determination of the benefits is conclusive upon the political subdivision levying the assessment. Notwithstanding section 272.01, subdivision 2, or 273.19, real or personal property leased by the authority to another person for uses related to the purposes of this act, including the operation of the two stadium facilities, is exempt from taxation regardless of the length of the lease. Real or personal property used by a team for training or corporate offices are not exempt.

Subd. 5. [FACILITY OPERATION.] The authority may equip, improve, operate, manage, maintain, and control the sports facilities constructed, remodeled, or acquired under this act.

Subd. 6. [DISPOSITION OF PROPERTY.] The authority may sell, lease, or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property must be sold in accordance with the procedures provided by section 469.065, insofar as practical and consistent with this act.

Subd. 7. [EMPLOYEES; CONTRACTS FOR SERVICES.] (a) The authority may employ persons and contract for services necessary to carry out its functions.

(b) The authority may negotiate an agreement with the Metropolitan Sports Facilities Commission that would enable employees of the commission to provide assistance to the authority to enable it to accomplish the purposes of this act. The commission must cooperate to the extent feasible.

(c) The authority may employ on such terms as it deems advisable persons or firms to provide traffic officers to direct traffic on property under the control of the authority and on the city streets in the general area of the property controlled by the authority. The traffic officers are not peace officers and do not have authority to make arrests for violations of traffic rules.

Subd. 8. [GIFTS AND GRANTS.] The authority may accept gifts of money, property, or services, may apply for and accept grants or loans of money or other property from the United States, the state, any subdivision of the state, or any person for any of its purposes, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money, property, or services according to the terms of the gift, grant, loan, or agreement. In evaluating proposed gifts, grants, loans, and agreements required in connection therewith, the authority shall examine the possible short-range and long-range impact on authority revenues and authority operating expenditures.

Subd. 9. [RESEARCH.] The authority may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 10. [USE AGREEMENTS.] The authority may enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial or other entertainment, instruction, or activity for the citizens of the metropolitan area and visitors. Any such use agreement may provide that the other contracting party has exclusive use of the premises at the times agreed upon.

Subd. 11. [INSURANCE.] The authority may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it considers

necessary against liability of the authority or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 12. [CREATING A CONDOMINIUM.] The authority may, by itself or together with any other entity, as to real or personal property comprising or appurtenant or ancillary to the sports facilities operated under this act or other law, act as a declarant and establish a condominium or leasehold condominium under chapter 515A, or a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements and similar benefits and burdens that the authority may consider necessary or appropriate, and exercise any and all rights and privileges and assume obligations under them as a declarant, unit owner or otherwise, insofar as practical and consistent with this act. The authority may be a member of an association and the chair, any commissioners and any officers and employees of the authority may serve on the board of an association under chapter 515A or 515B or other law.

Subd. 13. [EXEMPTION FROM COUNCIL REVIEW.] The acquisition and betterment of sports facilities by the authority must be conducted pursuant to this act and must not be affected by the provisions of sections 473.165 and 473.173.

Sec. 4. [473.753] [CRITERIA AND CONDITIONS.]

Subdivision 1. [BINDING AND ENFORCEABLE.] In entering into contracts and making decisions necessary to complete the stadium process, the authority must follow and enforce the criteria and conditions in this section.

Subd. 2. [DEVELOPMENT AGREEMENT.] Following selection of a site, the authority shall negotiate with the host community and the team that will occupy the stadium concerning the terms and conditions under which the host community and the team will make contributions of funds, future revenues, interests in property for the site and public infrastructure, the method of completing design and construction, which may include the design-build process, the terms of the use agreement with the team, the integration of the stadium and related infrastructure with surrounding development, and other matters relating to the stadium, its operation, maintenance, and financing. Prior to execution, the agreement must be reviewed and approved by the commissioner of finance and the Metropolitan Council as being consistent with the requirements of this act. Following execution of the agreement, the authority shall request that the Metropolitan Council issue bonds under section 5 and shall proceed to carry out the terms of the agreement and its obligations under this act. In the event the authority does not reach agreement with the host community and team or if for environmental or other reasons the chosen site is determined by the authority to be unsuitable, the authority may select another site and commence the process again. The authority shall hold public hearings with respect to site selection and the agreement with the host community and team.

Subd. 3. [TOTAL PUBLIC INVESTMENT TOWARD PROJECT COSTS.] The authority must set a maximum total public investment toward project costs for each stadium, including the host community's revenue contributions.

Subd. 4. [TEAM AND FAN CONTRIBUTIONS.] (a) The authority must set the amount of anticipated contributions from each team towards the total cost for its stadium. Team contributions may include, but are not limited to, initial cash contributions, guaranteed annual payments, assignments of naming rights and permanent seat licenses, and payments of operating and maintenance expenses for the team's stadium. Each team must contribute no less than one-third of its stadium's project costs. The authority may attempt to structure each team's investment to maximize benefits both to the public and to the teams. In addition to any other team contribution, each team must assume and pay when due all cost overruns for its stadium.

(b) The authority may negotiate to receive, for transfer to the Metropolitan Council, fan contributions imposed, assessed, and collected by the authority and the host communities for deposit in the stadiums' debt service account. Fan contributions may include ticket taxes, parking surcharges, personal seat licenses, private placement bonds, sports cable television surcharges, commemorative stadium stock or bricks, team license plates, and similar items.

(c) The team and fan contributions must be deposited in the state treasury and are appropriated to the Metropolitan Council for payment of principal and interest on the revenue bonds issued under this act and chapter 475.

Subd. 5. [SITE SELECTION CRITERIA.] In selecting the site for each stadium, the authority must consider factors including:

(1) tax and other revenues that the host community will make available to finance the stadium; and

(2) the cost of necessary public infrastructure improvements related to transportation and other services.

The authority may consider colocation of the stadiums constructed under this act with existing sports facilities.

Subd. 6. [ARCHITECT SELECTION.] The authority must consider retaining an internationally known architect to design one or both stadiums to be constructed under this act, providing that it is feasible under the expenditure limits imposed in this act.

Subd. 7. [SUSTAINABLE BUILDING GUIDELINES.] The construction process used for a stadium constructed under this act must, to the extent feasible, follow sustainable building guidelines established under section 16B.325.

Subd. 8. [RESERVE FOR CAPITAL IMPROVEMENTS.] The authority must require that a reserve fund for capital improvements to the stadium be set up and must negotiate with the teams and the host communities' governments in order to determine the amount, manner, and terms of the teams' and the host communities' contributions to the fund.

Subd. 9. [USE AGREEMENTS.] The authority must negotiate long-term use agreements with each team for its use of one of the stadiums. Each team must schedule and play all regular season and postseason home games at its stadium. Preseason games may also be scheduled and played at the stadium. The use agreements must be for a term of at least 30 years. The use agreements must include terms for default, termination, and breach of the agreement. The use agreements must require specific performance and must not include escape clauses or buyout provisions.

Subd. 10. [GUARANTEE OF PAYMENT OF ALL OBLIGATIONS.] The authority must ensure that a guarantee of payment of each obligation due under the use agreement is in place at the time of execution of the obligation in a form satisfactory to the authority. The guarantee may be in the form of a letter of credit, personal guarantees, or other surety as determined by the authority.

Subd. 11. [LEAGUE AGREEMENTS.] The authority must execute agreements with professional baseball and football major leagues that guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in subdivision 8.

Subd. 12. [ENFORCEABLE FINANCIAL COMMITMENTS.] The authority must determine before construction begins that all public and private funding sources for construction and operation of each stadium are committed in writing and enforceable. The committed funds must be adequate to site, design, construct, furnish, equip, and service the facilities' debt, as well as to pay for the ongoing operation and maintenance of the respective baseball and football facilities.

Subd. 13. [COMMUNITY OWNERSHIP OPTION.] (a) The lease or use agreement for the baseball facility must provide that if the owner of the baseball franchise seeks to sell the franchise during the term of the agreement, the franchise must first be offered for sale to the entity formed in compliance with paragraph (b). The offer to sell the franchise to this entity must remain open for at least one year. The amounts that would otherwise be returned to the public under subdivision 12 may be used by an entity created under paragraph (b) to offset the cost of acquiring the baseball franchise.

(b) The governor and the Metropolitan Sports Facilities Commission must attempt to facilitate

the formation of a corporation to acquire the baseball franchise and to identify an individual private managing owner of the corporation. The corporation formed to acquire the franchise shall have a capital structure in compliance with all of the following provisions:

(1) there may be two classes of capital stock: common stock and preferred stock. Both classes of stock must give holders voting rights with respect to any relocation or contraction of the franchise;

(2) the private managing owner must own no less than 25 percent and no more than 35 percent of the common stock. For purposes of this restriction, shares of common stock owned by the private managing owner include shares of common stock owned by any related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as amended. Other than the rights of all other holders of common stock and preferred stock with respect to relocation of the franchise or voluntary contraction, the private managing owner must control all aspects of the operation of the corporation;

(3) other than the private managing owner, no individual or entity may own more than five percent of the common stock of the corporation;

(4) at least 50 percent of the ownership of the common stock must be sold to members of the general public in a general solicitation and no person or entity must own more than one percent of common stock of the corporation; and

(5) the articles of incorporation, bylaws, and other governing documents must provide that the franchise may not move outside of the state or agree to voluntary contraction without approval of at least 75 percent of the shares of common stock and at least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary, these 75 percent approval requirements shall not be amended by the shareholders or by any other means.

(c) Except as specifically provided by this act, no state agency may spend money from any state fund for the purpose of generating revenue under this subdivision or for the purpose of providing operating support or defraying operating losses of a professional baseball franchise.

Subd. 14. [ENVIRONMENTAL REQUIREMENTS.] The authority must ensure compliance with all environmental requirements imposed by regulatory agencies for each stadium, site, and structure.

Subd. 15. [PUBLIC INFRASTRUCTURE.] The authority must ensure that all necessary and reasonably appropriate public infrastructure is financed and constructed by the time of completion of the respective baseball and football facilities.

Subd. 16. [PRICE, COMPLETION DATE, PERFORMANCE, PAYMENT BONDS.] Before construction begins for each stadium, the authority must have executed contracts certifying construction price and completion date that include performance and payment bonds that cover any costs over the certified price for the facility. All contracts related to construction of the stadium must require payment of the prevailing wage rate as defined in section 177.42 to all construction workers.

Subd. 17. [PUBLIC SHARE OF VALUE ADDED BY STADIUM UPON SALE.] The authority must include a provision in the use agreements that provides that if a franchise is sold during the period beginning January 1, 2004, and ending 20 years after the date the stadium is initially occupied by the team, a portion of the sale price must be paid to the Metropolitan Council for deposit in a reserve fund for early retirement of debt related to the stadium. If the team is sold at any time between June 1, 2004, and the date that is five years after the team's initial occupancy of the stadium, the amount to be paid under this subdivision is 15 percent of the total value of all compensation paid to purchase the team. For each 12-month period after that date before the team is sold, the 15-percent factor is reduced by one percentage point.

Subd. 18. [FINANCE COMMISSIONER APPROVAL.] The commissioner of finance must approve the financing documents and the use agreements before they are final.

Subd. 19. [USE FOR AMATEUR SPORTS.] The authority must ensure that the use agreements for the stadiums provide for a reasonable amount of use for amateur sports.

Subd. 20. [AFFORDABLE ACCESS.] The authority must ensure that the use agreements provide for affordable access to the professional sporting events held in these facilities.

Subd. 21. [SELLOUT SPONSOR.] The authority must make reasonable efforts to seek a sponsoring organization to purchase all football game tickets not sold shortly before a home game.

Subd. 22. [USE OF BOND PROCEEDS.] The authority must ensure and confirm to the Metropolitan Council that all bond proceeds from bonds authorized by this act must be used to site, design, construct, or furnish the facilities.

Subd. 23. [NO STRIKES.] The authority must negotiate an agreement to prevent strikes that would halt, delay, or impede construction of the respective baseball and football facilities.

Sec. 5. [473.754] [SECURITY.]

Subdivision 1. [BONDS.] The Metropolitan Council, on behalf of the Minnesota Stadium Authority, may by resolution authorize the sale and issuance of its bonds for any or all of the following purposes:

(1) to provide funds to predesign, design, construct, furnish, equip, and otherwise better the sports facilities owned or to be owned by the authority pursuant to this act;

(2) to refund bonds issued hereunder; and

(3) to fund judgments entered by any court against the authority or against the council in matters relating to the authority's functions related to the sports facilities.

Subd. 2. [PROCEDURE.] The bonds shall be sold, issued, and secured in the manner provided in chapter 475, for bonds payable solely from revenues, except as otherwise provided in this act, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in this act. The bonds shall not be a general obligation or debt of the council or of the authority, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. No election shall be required.

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (1), shall not exceed the amounts authorized in this subdivision. If the authority's proposal and the construction contracts referred to in this act provide for the construction of two major league sports stadiums as provided in this act, the principal amount of bonds issued pursuant to subdivision 1, clause (1), shall be limited to \$..... The bonds may be issued separately for each stadium or in other segments as necessary or desirable to accomplish the projects. Bonds may be issued for only one stadium facility after one stadium project is agreed to by the parties involved so long as the amount of bonds issued does not exceed the cost of the project for which they are issued. Bonds for the second stadium project may be issued when and if agreement is reached as to the second stadium project. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The authority has executed long-term use agreements with each team for its use of one of the stadiums, as provided in section 4, subdivision 9.

(b) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the authority for expenditures on the sports facilities, to carry out the projects for which the proceeds were intended as proposed by the authority, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in paragraphs (c) and (d).

(c) The authority has acquired, without cost to the authority or the council except as provided in this subdivision, title to all real property including all easements, air rights, and other appurtenances needed for the construction and operation of the stadium facilities or has received a grant of funds or has entered into agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the authority's acquisition of title and possession of the real property is conditioned.

(d) The authority has received a grant of funds or entered into agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of all sports facilities, railroad tracks and other structures, including, without limitation, all relocation costs, all utility relocation costs, and all legal costs.

(e) The authority has executed agreements to prevent strikes that would halt, delay, or impede construction of the respective baseball and football facilities.

(f) The authority has executed agreements that will provide for the construction of the sports facilities for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs that may be incurred over and above the certified price, including but not limited to costs incurred by the authority or loss of revenues resulting from incomplete construction on the completion date.

(g) The anticipated revenue from the operation of the sports facilities plus any additional available revenue of the authority will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(h) The validity of any bonds issued under subdivision 1, clause (1), and the obligations of the council and authority related to them, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations that may be erroneous, inaccurate, or otherwise mistaken.

Subd. 4. [SECURITY.] To the extent and in the manner provided in this act, the taxes described in this act, the tax and other revenues of the authority described in this act, and any other revenues of the authority attributable to the sports facilities, including teams' and host communities' contributions, shall be and remain pledged and appropriated to the authority or to the Metropolitan Council, as appropriate for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the sports facilities until all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax, team, and fan contributions, and other sports facility revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax and other revenues referred to in this act from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the authority or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the Uniform Commercial Code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the authority, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, authority, site city or county, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Subd. 5. [CONDITIONAL ARBITRAGED ENDOWMENT ACCOUNT.] (a) If, as a part of a

negotiated agreement with a team and its host local communities, the option to use an arbitrage model to raise revenue is agreed to under this act, the authority, with the approval of the commissioner of finance may issue up to \$..... of revenue bonds for this purpose. The proceeds of the bonds must be deposited in an endowment account to be invested as provided in paragraphs (b) and (c) after the amount necessary to pay when due the debt service on the bonds issued under this section is deposited in a debt service account. The balance on hand in the endowment account after all the bonds issued under this section have been retired or defeased may be used for retiring of the debt incurred for stadium purposes under this act, for stadium improvements, or for other stadium-related purposes as agreed to by the parties. Other revenue from gifts or grants for those purposes, or as otherwise authorized by law, may be deposited in the endowment fund for investment and disposition as provided in this section.

(b) The State Board of Investment shall contract with the investment advisors specified by the team to invest money in the endowment account. The account must be invested in authorized investments under section 11A.24, except (1) corporate obligations described in section 11A.24, subdivision 3, paragraph (b), and (2) investments described in section 11A.24, subdivision 6, paragraph (a), clauses (1) to (4).

(c) The commissioner of finance shall review the investment performance of the account at the end of the second year after each stadium begins operations and every four years thereafter. The commissioner shall require the authority as owner of the stadium to impose a surcharge on admissions to events at the stadium in one-half of one percent increments, not to exceed five percent, in an amount sufficient to equal the money that would be in the fund, if an 8.5 percent annual rate of return had been earned. Notwithstanding the preceding sentence, the commissioner shall set the required rate of return for the first four years after the account is established. If the rate of return on the fund during the period exceeded 8.5 percent, the commissioner may use the excess to retire or defease the Metropolitan Council's bonds for the stadium issued as authorized in this act.

Subd. 6. [NO FULL FAITH AND CREDIT.] Any bonds or other obligations issued by the council under this act are not public debt of the state, and the full faith and credit and taxing powers of the state are not pledged for their payment or of any payments that the state agrees to make under this act.

Subd. 7. [TAXABILITY OF INTEREST ON BONDS.] The bonds authorized by this act may be issued whether or not the interest to be paid on them is gross income for federal tax purposes, provided that the authority must make an effort to arrange the financing for the project in a manner that would allow the interest to be tax-exempt to the greatest extent practicable.

Sec. 6. [473.755] [HOST COMMUNITY POWERS.]

Subdivision 1. [AUTHORIZATION.] If the host community is authorized in the development agreement to operate and maintain, or to manage the operation and maintenance of a stadium, or to acquire the land for the stadium, the host community shall have the powers necessary to carry out those duties, including, without limitation, those enumerated in section 473.752.

Subd. 2. [LOCAL DEVELOPMENT AUTHORITIES.] If the host community deems it necessary to carry out its duties under the development agreement, it may create a housing and redevelopment authority under sections 469.001 to 469.047, a community development agency, or an economic development authority under sections 469.090 to 469.1082. If such authorities exist in the host community prior to completion of the development agreement, the host community may request the participation of one or more authorities in implementing the development agreement.

Sec. 7. [473.756] [NEGOTIATION DEADLINE.]

The authority to negotiate and enter into agreements with the teams and host communities under this act expires December 31, 2004, for baseball and June 30, 2005, for football.

Sec. 8. [REPEALER.]

Minnesota Statutes 2002, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing a process for developing new baseball and football stadiums;"

Page 1, line 5, after the semicolon, insert "authorizing the Metropolitan Council to issue bonds; providing powers of the host communities;"

Page 1, line 6, after "473" insert "; repealing Minnesota Statutes 2002, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; 473I.13"

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

Joint Rule 2.03 suspended. Amendments adopted. Report adopted.

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

S.F. No. 2825: A bill for an act relating to a University of Minnesota football stadium; appropriating money; amending Minnesota Statutes 2002, section 297A.71, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Page 4, line 2, after the period, insert "The Board must also certify to the commissioner that a provision for affordable access for University students to the University sporting events held at the football stadium has been made."

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

Joint Rule 2.03 suspended. Amendments adopted. Report adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Senator Kelley introduced--

S.F. No. 3058: A bill for an act relating to education; appropriating money to the Office of Educational Accountability through the University of Minnesota; amending Minnesota Statutes 2002, section 120B.31, subdivision 3; Laws 2003, First Special Session chapter 9, article 10, section 10, subdivision 2.

Referred to the Committee on Finance.

MEMBERS EXCUSED

Senator Kiscaden was excused from the Session of today from 9:30 a.m to 12:15 p.m. and at 2:30 p.m. Senator Hann was excused from the Session of today from 10:20 to 10:40 a.m. Senator Marko was excused from the Session of today at 2:30 p.m. Senator Frederickson was excused from the Session of today from 2:30 to 3:30 p.m.

ADJOURNMENT

Senator Johnson, D.E. moved that the Senate do now adjourn until 10:00 a.m., Friday, May 7, 2004. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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