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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1778

02/27/2017 Authored by Nelson; Freiberg; Lesch; Johnson, S., and Flanagan
The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act
1.2 relating to state government; providing for oversight of publicly owned stadiums
1.3 and other facilities; requiring record keeping and reports; amending Minnesota
1.4 Statutes 2016, sections 3.8842, subdivisions 1, 7; 473J.07, subdivision 2; 473J.09,
1.5 subdivision 13, by adding a subdivision; proposing coding for new law in Minnesota
1.6 Statutes, chapter 471.

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

1.8 Section 1. Minnesota Statutes 2016, section 3.8842, subdivision 1, is amended to read:

1.9 Subdivision 1. Purpose. The Legislative Commission on Minnesota Sports Facilities is
1.10 established by and under the authority of the Legislative Coordinating Commission to
1.11 oversee the Minnesota Sports Facilities Authority's operating and capital budgets, and to
1.12 oversee the authority's use of suites, cabin suites, parking, food service, and other public
1.13 amenities. The legislature finds that continuous legislative review of the financial
1.14 management of the authority is necessary to promote fiscal responsibility and good
1.15 management, and strengthen the public accountability of the authority. The commission is
1.16 charged with:

1.17 (1) providing financial oversight of the authority as described in subdivision 8;

1.18 (2) adoption of a statewide authority structure for the operation and management of
1.19 sports facilities and entertainment venues under the jurisdiction of the authority. The authority
1.20 membership shall represent the interests of both the metropolitan area and greater Minnesota;
1.21 and

1.22 (3) creating a comprehensive management plan that alleviates booking and scheduling
1.23 concerns regarding the sports facilities and entertainment venues under the jurisdiction of
1.24 the authority; and

2.1 (4) reviewing all use of stadium amenities, examining all public and private records of
 2.2 such uses, and providing oversight of authority compliance with appropriate public uses of
 2.3 the stadium by members or staff of the authority.

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

2.5 Sec. 2. Minnesota Statutes 2016, section 3.8842, subdivision 7, is amended to read:

2.6 Subd. 7. **Meetings; procedures.** The commission meets at least semiannually. If there
 2.7 is a quorum, the commission may take action by a simple majority vote of commission
 2.8 members present. The authority must conduct meetings to review the reports of the authority
 2.9 required by section 473J.09, subdivision 13.

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

2.11 Sec. 3. **[471.9998] PUBLIC STADIUMS, BALLPARKS, ARENAS, AND**
 2.12 **ENTERTAINMENT FACILITIES.**

2.13 Subdivision 1. **Applicability.** This section applies to the following facilities:

2.14 (1) in Minneapolis, U.S. Bank Stadium, Target Field, Target Center, and TCF Bank
 2.15 Stadium; and

2.16 (2) in St. Paul, Xcel Energy Center, and CHS Field.

2.17 Subd. 2. **Preferential access prohibited; exceptions.** (a) Except as provided in this
 2.18 subdivision, a facility's public governing body may not provide an official, a member of an
 2.19 official's immediate family, an employee of the public governing body, or a member of an
 2.20 employee's immediate family with free, discounted, or preferential access to:

2.21 (1) admission tickets or parking privileges for events conducted at the facility;

2.22 (2) private suites, upgraded seating areas, or premium event experiences; or

2.23 (3) any other premium facility benefits or amenities.

2.24 (b) This subdivision does not prohibit free, discounted, or preferential access if:

2.25 (1) the access serves a public purpose, and each attendee's presence is necessary to
 2.26 further that purpose; or

2.27 (2) an equivalent level of access is provided to the general public, or is provided because
 2.28 of the recipient's membership in a group, a majority of whose members are not officials,
 2.29 family members of an official, employees of the facility's public governing body, or family
 2.30 members of an employee, and equivalent access is provided to all members of the group.

3.1 (c) As used in this subdivision, "official" has the meaning provided in section 10A.071,
 3.2 subdivision 1.

3.3 **Subd. 3. Use of facility suites and other premium amenities by authority members**
 3.4 **and staff; public purpose required.** (a) The use of any amenity controlled by a facility's
 3.5 public governing body by a member or employee of the public governing body, including
 3.6 preferential access to private suites, cabin suites or other similar gathering spaces, parking,
 3.7 food service, and other premium amenities, is prohibited unless the use serves a public
 3.8 purpose, and each attendee's presence is necessary to further that purpose. A record of all
 3.9 uses under this subdivision, and their public purpose, is public at all times, and must be
 3.10 posted on the Web site of the facility's public governing body, if the body maintains a Web
 3.11 site.

3.12 (b) A facility's public governing body must adopt a policy prohibiting all uses of an
 3.13 amenity controlled by the governing body by a member or employee of the body for a
 3.14 private purpose, unless the use is provided at fair market value to the user.

3.15 **Subd. 4. Code of ethics applies.** Members of a facility's public governing body, and
 3.16 any employees of the facility's public governing body, are subject to section 43A.38, as
 3.17 supplemented by any statewide operating policy adopted by the commissioner of management
 3.18 and budget that establishes a code of conduct for employees in the executive branch.

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

3.20 Sec. 4. Minnesota Statutes 2016, section 473J.07, subdivision 2, is amended to read:

3.21 Subd. 2. **Membership.** (a) The authority shall consist of ~~five~~ nine members.

3.22 (b) The chair and two members shall be appointed by the governor. One member
 3.23 appointed by the governor shall serve until December 31 of the third year following
 3.24 appointment and one member shall serve until December 31 of the fourth year following
 3.25 appointment. Thereafter, members appointed by the governor shall serve four-year terms,
 3.26 beginning January 1. Each member serves until a successor is appointed and takes office.
 3.27 The chair serves at the pleasure of the governor.

3.28 (c) The mayor of the city shall appoint two members to the authority. One member
 3.29 appointed by the mayor of the city shall serve until December 31 of the third year following
 3.30 appointment and one member shall serve until December 31 of the fourth year following
 3.31 appointment. Thereafter, members appointed under this paragraph shall serve four-year
 3.32 terms beginning January 1. Each member serves until a successor is appointed and takes

4.1 office. Members appointed under this paragraph may reside within the city and may be
 4.2 appointed officials of a political subdivision.

4.3 (d) The legislature shall appoint four members, as follows:

4.4 (1) one member must be appointed by the speaker of the house;

4.5 (2) one member must be appointed by the minority leader of the house of representatives;

4.6 (3) one member must be appointed by the senate majority leader; and

4.7 (4) one member must be appointed by the senate minority leader.

4.8 ~~(d)~~ (e) The initial members of the authority must be appointed not later than June 13,
 4.9 2012. Current members of the legislature are not eligible to be appointed to the authority.

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

4.11 Appointees required by this section must be appointed no later than July 1, 2017.

4.12 Sec. 5. Minnesota Statutes 2016, section 473J.09, subdivision 13, is amended to read:

4.13 Subd. 13. **Legislative report.** (a) The authority must report to the Legislative Commission
 4.14 on Minnesota Sports Facilities and the chairs and ranking minority members of the legislative
 4.15 committees with jurisdiction over state government finance by January 15, April 15, July
 4.16 15, and October 15 of each year on the following:

4.17 (1) any recommended increases in the rate or dollar amount of tax;

4.18 (2) any recommended increases in the debt of the authority;

4.19 (3) the overall work and role of the authority;

4.20 (4) the authority's proposed operating and capital budgets; ~~and~~

4.21 (5) the authority's implementation of the operating and capital budgets-, including
 4.22 information on actual revenues and expenditures, events conducted, and all expected or
 4.23 unexpected maintenance and capital repair needs arising since the time of the last report;
 4.24 and

4.25 (6) a listing of all stadium amenities under the control of the authority since the time of
 4.26 the last report, and how the amenities were used.

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

5.1 Sec. 6. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision to
5.2 read:

5.3 Subd. 15. Use of stadium amenities for charitable purposes. The authority may donate
5.4 access to stadium amenities to nonprofit organizations serving disadvantaged members of
5.5 the Minnesota public, if the authority adopts an equitable application process and procedure
5.6 for selecting recipients of the donation. A record of organizations provided access under
5.7 this subdivision is public at all times, and must be posted on the authority's Web site.

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

5.9 Sec. 7. **LEGISLATIVE AUDITOR REVIEW OF MINNESOTA SPORTS**
5.10 **FACILITIES AUTHORITY MANAGEMENT STRUCTURE.**

5.11 The legislative auditor is requested to conduct a review of the management structure of
5.12 the Minnesota Sports Facilities Authority established in Minnesota Statutes, chapter 473J.
5.13 The review is requested to prioritize consideration of the authority's leadership positions,
5.14 including the necessity for the authority to be simultaneously led by a full-time executive
5.15 director and a full-time chair. As appropriate, the review may include recommendations for
5.16 legislation to improve the authority's management structure. The review must be submitted
5.17 to the Legislative Commission on Minnesota Sports Facilities, and the chairs and ranking
5.18 minority members of the legislative committees with jurisdiction over state government
5.19 finance, no later than January 15, 2018.