

A bill for an act
relating to arts; creating regional capital fund for arts organizations; appropriating
money; proposing coding for new law in Minnesota Statutes, chapter 129D.

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

Section 1. **[129D.20] REGIONAL ARTS CAPITAL FUND.**

The arts capital loan fund, a revolving loan fund, is created within the state treasury, to be administered by the Board of the Arts. This fund shall provide loans to arts organizations outside of the seven-county metropolitan area, for use for repair, reconstruction, rehabilitation, refinancing, or construction of facilities to be used for the arts and for arts education. The Board of the Arts shall establish criteria for selection of worthy projects, and shall provide loans to organizations deemed able to repay loans over a period not to exceed ten years. Loans shall be repaid at a rate established by the Board of the Arts, not to exceed three percent annual interest. Funds repaid to the fund shall be retained by the fund and used for further loans.

Sec. 2. **APPROPRIATIONS; CAPITAL ARTS LOAN FUND.**

\$20,000,000 is appropriated from the arts and cultural heritage fund to the arts capital loan fund, to be deposited in the fund at a level of \$4,000,000 per year in each of the five years beginning in fiscal year 2011.