

A bill for an act

relating to the financing and operation of state and local government; making supplemental appropriations, reductions in appropriations, and funds transfers for higher education, environment and natural resources, energy and commerce, agriculture, veterans affairs, economic development, transportation, public safety, judiciary, and state government; modifying certain statutory provisions and laws; providing for certain programs; fixing, authorizing, modifying, and limiting fees and assessments; modifying mineral fund provisions; creating certain accounts; modifying calculation of state aids and credits for local government; requiring reports; requiring rulemaking; appropriating money; amending Minnesota Statutes 2008, sections 4.51; 16B.04, subdivision 2; 16B.48, subdivision 2; 80A.46; 115A.15, subdivision 6; 116L.17, subdivision 2; 116U.26; 136A.1701, subdivisions 4, 7; 136A.29, subdivision 9; 136A.69, subdivisions 1, 3, 4; 141.255; 161.04, by adding a subdivision; 273.1384, by adding a subdivision; 297I.06, subdivision 3; 326B.148, subdivision 1; 471.6175, subdivision 4; 477A.013, subdivision 9; 477A.03, subdivisions 2a, 2b; 611A.32, subdivision 2; 626.8458, subdivision 5; 641.12, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections 16A.152, subdivision 2; 16A.82; 45.30, subdivision 6; 115C.08, subdivision 4; 136A.121, subdivision 9; 136F.98, subdivision 1; 154.002; 154.003; 155A.23, by adding a subdivision; 155A.24, subdivision 2, by adding subdivisions; 155A.25; 190.19, subdivision 2a; 270C.145; 273.111, subdivision 9; 275.70, subdivision 5; 289A.08, subdivision 16; 298.294; 477A.011, subdivision 36; Laws 2008, chapter 366, article 2, section 12; Laws 2009, chapter 78, article 1, section 3, subdivision 2; article 7, section 2; Laws 2009, chapter 83, article 1, sections 10, subdivision 4; 11; 14, subdivision 2; Laws 2009, chapter 94, article 3, section 2, subdivision 3; Laws 2009, chapter 95, article 1, sections 3, subdivisions 6, 12, 21; 5, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 103G.705, subdivision 2; 136A.1701, subdivision 5; 136A.69, subdivision 2; 141.255, subdivision 3; 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18; 477A.03, subdivision 5; Laws 2009, chapter 88, article 12, section 21.

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

ARTICLE 1

SUMMARY

Section 1. **GENERAL FUND SUMMARY.**

The amounts shown in this section summarize general fund direct appropriations, cancellations, and transfers into the general fund from other funds, made in this act.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>Higher Education</u>	\$ 1,427,000	\$ (48,427,000)	\$ (47,000,000)
<u>Environment and Natural Resources</u>	(5,300,000)	(7,457,000)	(12,757,000)
<u>Energy</u>	(890,000)	(322,000)	(1,212,000)
<u>Agriculture</u>	(2,780,000)	(3,374,000)	(5,754,000)
<u>Veterans Affairs</u>	-0-	200,000	200,000
<u>Economic Development</u>	(2,531,000)	(4,589,000)	(7,120,000)
<u>Transportation</u>	-0-	(14,650,000)	(14,650,000)
<u>Public Safety</u>	(8,043,000)	(14,608,000)	(22,651,000)
<u>State Government</u>	(3,545,000)	(2,345,000)	(5,890,000)
<u>Tax Aids and Credits</u>	-0-	(111,279,000)	(111,279,000)
<u>Subtotal of Appropriations</u>	<u>(21,662,000)</u>	<u>(206,851,000)</u>	<u>(228,513,000)</u>
<u>Transfers In</u>	20,482,000	34,684,000	55,166,000
<u>Total</u>	<u>\$ (42,144,000)</u>	<u>\$ (241,535,000)</u>	<u>\$ (283,679,000)</u>

ARTICLE 2

HIGHER EDUCATION

Section 1. **SUMMARY OF APPROPRIATIONS.**

Subdivision 1. **Summary Total.** The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ 1,427,000	\$ (48,427,000)	\$ (47,000,000)

Subd. 2. **Summary by Agency - All Funds.** The amounts shown in this subdivision summarize direct appropriations, by agency, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>Minnesota Office of Higher Education</u>	\$ 1,427,000	\$ (1,840,000)	\$ (413,000)
<u>Board of Trustees of the Minnesota State Colleges and Universities</u>	-0-	(10,467,000)	(10,467,000)

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3.1	<u>Board of Regents of the</u>			
3.2	<u>University of Minnesota</u>		<u>-0-</u>	<u>(36,120,000)</u>
3.3	<u>Total</u>	\$	<u>1,427,000</u>	\$ <u>(48,427,000)</u>

3.4 **Sec. 2. APPROPRIATIONS.**

3.5 The sums shown in the columns marked "Appropriations" are added to or, if shown
 3.6 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to
 3.7 the agencies and for the purposes specified in this article. The appropriations are from the
 3.8 general fund, or another named fund, and are available for the fiscal years indicated for
 3.9 each purpose. The figures "2010" and "2011" used in this article mean that the addition
 3.10 to or subtraction from the appropriation listed under them is available for the fiscal year
 3.11 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
 3.12 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
 3.13 day following final enactment.

3.14			<u>APPROPRIATIONS</u>	
3.15			<u>Available for the Year</u>	
3.16			<u>Ending June 30</u>	
3.17			<u>2010</u>	<u>2011</u>

3.18 **Sec. 3. OFFICE OF HIGHER EDUCATION**

3.19	<u>Subdivision 1. Total Appropriation</u>	\$	<u>1,427,000</u>	\$ <u>(1,840,000)</u>
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3.20 The appropriation additions or reductions
 3.21 for each purpose are shown in the following
 3.22 subdivisions.

3.23	<u>Subd. 2. State Work-Study</u>		<u>-0-</u>	<u>(1,768,000)</u>
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3.24 This is a onetime reduction.

3.25	<u>Subd. 3. Technical and Community College</u>			
3.26	<u>Emergency Grants</u>		<u>-0-</u>	<u>(50,000)</u>

3.27	<u>Subd. 4. Interstate Tuition Reciprocity</u>		<u>1,487,000</u>	<u>264,000</u>
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3.28 This is a onetime appropriation.

3.29	<u>Subd. 5. Agency Administration</u>		<u>(60,000)</u>	<u>(81,000)</u>
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3.30	<u>Subd. 6. MnLink Gateway and Minitex</u>		<u>-0-</u>	<u>(205,000)</u>
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3.31 This is a onetime reduction.

5.1 The amounts that must be reduced or
5.2 added for each purpose are specified in the
5.3 following subdivisions.

5.4 **Subd. 2. Operations and Maintenance** -0- (32,223,000)

5.5 This reduction is from operations and
5.6 maintenance. The Board of Regents must
5.7 make a good-faith effort to make the
5.8 reductions required by this section in a
5.9 manner that minimizes reductions related
5.10 to providing direct services to students and
5.11 that maximizes reductions for administrative
5.12 services not providing direct services to
5.13 students. The Board of Regents is requested
5.14 to consider, if feasible, making voluntary
5.15 for its lowest paid employees any furlough
5.16 program designed to meet budget shortfalls.

5.17 For fiscal years 2012 and 2013, the base for
5.18 operations and maintenance is \$578,370,000
5.19 each year.

5.20 **Subd. 3. Special Appropriations**

5.21 **(a) Agriculture and Extension Service** -0- (2,787,000)

5.22 **(b) Health Sciences** -0- (281,000)

5.23 \$18,000 in fiscal year 2011 is a reduction to
5.24 the appropriation to support up to 12 resident
5.25 physicians in the St. Cloud Hospital family
5.26 practice residency program.

5.27 Of the appropriation in Laws 2009, chapter
5.28 95, article 1, section 5, subdivision 5,
5.29 paragraph (b), for Health Sciences, \$645,000
5.30 each year is for graduate family medicine
5.31 education programs at Hennepin County
5.32 Medical Center.

5.33 **(c) Institute of Technology** -0- (74,000)

6.1	<u>(d) System Special</u>	<u>-0-</u>	<u>(328,000)</u>
6.2	<u>(e) University of Minnesota and Mayo</u>		
6.3	<u>Foundation Partnership</u>	<u>-0-</u>	<u>(427,000)</u>

6.4 Sec. 6. Minnesota Statutes 2009 Supplement, section 136A.121, subdivision 9, is
6.5 amended to read:

6.6 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements
6.7 is eligible to apply for and receive a grant in any year of undergraduate study unless the
6.8 student has obtained a baccalaureate degree or previously has been enrolled full time or
6.9 the equivalent for ~~nine~~ eight semesters or the equivalent, excluding courses taken from a
6.10 Minnesota school or postsecondary institution which is not participating in the state grant
6.11 program and from which a student transferred no credit. A student who withdraws from
6.12 enrollment for active military service, or for a major illness, while under the care of a
6.13 medical professional, that substantially limits the student's ability to complete the term is
6.14 entitled to an additional semester or the equivalent of grant eligibility. A student enrolled
6.15 in a two-year program at a four-year institution is only eligible for the tuition and fee
6.16 maximums established by law for two-year institutions.

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

6.18 Sec. 7. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

6.19 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such
6.20 terms and conditions as the office may prescribe. ~~The~~ Under the SELF IV program, the
6.21 principal amount of a loan to an undergraduate student for a single academic year shall
6.22 not exceed \$6,000 for grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.
6.23 Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not
6.24 exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed
6.25 \$7,500 effective July 1, 2006 \$7,500 per grade level. The aggregate principal amount of
6.26 all loans made ~~under this section~~ subject to this paragraph to an undergraduate student
6.27 shall not exceed ~~\$34,500 through June 30, 2007, and \$37,500 after June 30, 2007.~~ The
6.28 principal amount of a loan to a graduate student for a single academic year shall not
6.29 exceed \$9,000. The aggregate principal amount of all loans made ~~under this section~~
6.30 subject to this paragraph to a student as an undergraduate and graduate student shall not
6.31 exceed ~~\$52,500 through June 30, 2007, and \$55,500 after June 30, 2007.~~ The amount of
6.32 the loan may not exceed the cost of attendance less all other financial aid, including PLUS

7.1 loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF
7.2 loan debt must not exceed the borrowing maximums in paragraph (b).

7.3 (b) The cumulative undergraduate borrowing maximums for SELF IV loans are:

7.4 (1) ~~effective July 1, 2006, through June 30, 2007:~~

7.5 ~~(i) grade level 1, \$6,000;~~

7.6 ~~(ii) grade level 2, \$12,000;~~

7.7 ~~(iii) grade level 3, \$19,500;~~

7.8 ~~(iv) grade level 4, \$27,000; and~~

7.9 ~~(v) grade level 5, \$34,500; and~~

7.10 ~~(2) effective July 1, 2007:~~

7.11 ~~(i) grade level 1, \$7,500;~~

7.12 ~~(ii) (2) grade level 2, \$15,000;~~

7.13 ~~(iii) (3) grade level 3, \$22,500;~~

7.14 ~~(iv) (4) grade level 4, \$30,000; and~~

7.15 ~~(v) (5) grade level 5, \$37,500.~~

7.16 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled
7.17 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed
7.18 \$10,000 per grade level. For all other eligible students, the principal amount of the loan
7.19 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made
7.20 subject to this paragraph to a student as an undergraduate and graduate student must not
7.21 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less
7.22 all other financial aid, including PLUS loans or other similar parent loans borrowed on
7.23 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing
7.24 maximums in paragraph (d).

7.25 (d)(1) The cumulative borrowing maximums for SELF V loans and subsequent
7.26 phases for students enrolled in a bachelor's degree program or postbaccalaureate program
7.27 are:

7.28 (i) grade level 1, \$10,000;

7.29 (ii) grade level 2, \$20,000;

7.30 (iii) grade level 3, \$30,000;

7.31 (iv) grade level 4, \$40,000; and

7.32 (v) grade level 5, \$50,000.

7.33 (2) For graduate level students, the borrowing limit is \$10,000 per nine-month
7.34 academic year, with a cumulative maximum for all SELF debt of \$70,000.

7.35 (3) For all other eligible students, the cumulative borrowing maximums for SELF V
7.36 loans and subsequent phases are:

- 8.1 (i) grade level 1, \$7,500;
- 8.2 (ii) grade level 2, \$15,000;
- 8.3 (iii) grade level 3, \$22,500;
- 8.4 (iv) grade level 4, \$30,000; and
- 8.5 (v) grade level 5, \$37,500.

8.6 Sec. 8. Minnesota Statutes 2008, section 136A.1701, subdivision 7, is amended to read:

8.7 Subd. 7. **Repayment of loans.** (a) The office shall establish repayment procedures
8.8 for loans made under this section, but in no event shall the period of permitted repayment
8.9 for SELF II or SELF III loans exceed ten years from the eligible student's termination of
8.10 the student's postsecondary academic or vocational program, or 15 years from the date of
8.11 the student's first loan under this section, whichever is less.

8.12 (b) For SELF IV loans ~~from phases after SELF III~~, eligible students with aggregate
8.13 principal loan balances from all SELF phases that are less than \$18,750 shall have a
8.14 repayment period not exceeding ten years from the eligible student's graduation or
8.15 termination date. For SELF IV loans ~~from phases after SELF III~~, eligible students with
8.16 aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have
8.17 a repayment period not exceeding 15 years from the eligible student's graduation or
8.18 termination date. For SELF IV loans ~~from phases after SELF III~~, the loans shall enter
8.19 repayment no later than seven years after the first disbursement date on the loan.

8.20 (c) For SELF loans from phases after SELF IV, eligible students with aggregate
8.21 principal loan balances from all SELF phases that are:

8.22 (1) less than \$20,000, must have a repayment period not exceeding ten years from
8.23 the eligible student's graduation or termination date;

8.24 (2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years
8.25 from the eligible student's graduation or termination date; and

8.26 (3) \$40,000 or greater, must have a repayment period not exceeding 20 years
8.27 from the eligible student's graduation or termination date. For SELF loans from phases
8.28 after SELF IV, the loans must enter repayment no later than nine years after the first
8.29 disbursement date of the loan.

8.30 Sec. 9. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

8.31 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered
8.32 to issue revenue bonds whose aggregate principal amount at any time shall not exceed
8.33 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue
8.34 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,

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9.1 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,
9.2 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

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

9.4 Sec. 10. Minnesota Statutes 2008, section 136A.69, subdivision 1, is amended to read:

9.5 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration
9.6 fees that are sufficient to recover, but do not exceed, its costs of administering the
9.7 registration program. The office shall charge ~~\$1,100 for initial registration fees and \$950~~
9.8 ~~for annual renewal fees.~~ the fees listed in paragraphs (b) and (c) for new registrations.

9.9 (b) A new school offering no more than one degree at each level during its first year
9.10 must pay registration fees for each applicable level in the following amounts:

9.11 <u>associate degree</u>	<u>\$2,000</u>
9.12 <u>baccalaureate degree</u>	<u>\$2,500</u>
9.13 <u>master's degree</u>	<u>\$3,000</u>
9.14 <u>doctorate degree</u>	<u>\$3,500</u>

9.15 (c) A new school that will offer more than one degree per level during its first
9.16 year must pay registration fees in an amount equal to the fee for the first degree at each
9.17 degree level under paragraph (b), plus fees for each additional nondegree program or
9.18 degree as follows:

9.19 <u>nondegree program</u>	<u>\$250</u>
9.20 <u>additional associate degree</u>	<u>\$250</u>
9.21 <u>additional baccalaureate degree</u>	<u>\$500</u>
9.22 <u>additional master's degree</u>	<u>\$750</u>
9.23 <u>additional doctorate degree</u>	<u>\$1,000</u>

9.24 (d) The annual renewal registration fee is \$1,200.

9.25 Sec. 11. Minnesota Statutes 2008, section 136A.69, subdivision 3, is amended to read:

9.26 Subd. 3. **Degree or nondegree program addition fee.** The office processing ~~fee~~
9.27 ~~fees~~ for adding a degree or nondegree program ~~that represents a significant departure in~~
9.28 ~~the objectives, content, or method of delivery of degree or nondegree programs that are~~
9.29 ~~currently offered by the school is \$500 per degree or nondegree program.~~ are as follows:

9.30 <u>nondegree program that is part of existing degree</u>	<u>-0-</u>
9.31 <u>nondegree program that is not a part of an existing degree</u>	<u>\$250 each</u>
9.32 <u>majors, specializations, emphasis areas, concentrations, and other</u>	
9.33 <u>similar areas of emphasis</u>	<u>\$250 each</u>
9.34 <u>associate degrees</u>	<u>\$500 each</u>
9.35 <u>baccalaureate degrees</u>	<u>\$500 each</u>

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10.1	<u>master's degrees</u>	<u>\$750 each</u>
10.2	<u>doctorate degrees</u>	<u>\$2,000 each</u>

10.3 Sec. 12. Minnesota Statutes 2008, section 136A.69, subdivision 4, is amended to read:

10.4 Subd. 4. **Visit or consulting fee.** If the office determines that a fact-finding visit
10.5 or outside consultant is necessary to review or evaluate any new or revised degree or
10.6 nondegree program, the office shall be reimbursed for the expenses incurred related to the
10.7 review as follows:

10.8 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant
10.9 if the office determines that a fact-finding visit is not required;

10.10 (2) \$300 for each day or part thereof on site per team member; and

10.11 (3) the actual cost of customary meals, lodging, and related travel expenses incurred
10.12 by team members.

10.13 Sec. 13. Minnesota Statutes 2009 Supplement, section 136F.98, subdivision 1, is
10.14 amended to read:

10.15 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State
10.16 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90
10.17 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~
10.18 \$300,000,000, and payable from the revenue appropriated to the fund established by
10.19 section 136F.94, and use the proceeds together with other public or private money that
10.20 may otherwise become available to acquire land, and to acquire, construct, complete,
10.21 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,
10.22 student union, food service, parking purposes, or for any other similar revenue-producing
10.23 building or buildings of such type and character as the board finds desirable for the good
10.24 and benefit of the state colleges and universities. Before issuing the bonds or any part
10.25 of them, the board shall consult with and obtain the advisory recommendations of the
10.26 chairs of the house of representatives Ways and Means Committee and the senate Finance
10.27 Committee about the facilities to be financed by the bonds.

10.28 Sec. 14. Minnesota Statutes 2008, section 141.255, is amended to read:

10.29 **141.255 FEES.**

10.30 Subdivision 1. **Initial licensure fee.** The office processing fee for an initial licensure
10.31 application is:

10.32 (1) ~~\$1,500~~ \$2,500 for a school that will offer no more than one program during
10.33 its first year of operation;

11.1 (2) \$750 for a school licensed exclusively due to the use of the term "college,"
11.2 "university," "academy," or "institute" in its name, or licensed exclusively in order to
11.3 participate in state grant or SELF loan financial aid programs; and

11.4 ~~(2) \$2,000 for a school that will offer two or more nondegree level programs~~

11.5 (3) \$2,500, plus \$500 for each additional program offered by the school, for a school
11.6 during its first year of operation; and

11.7 ~~(3) \$2,500 for a school that will offer two or more degree level programs during~~
11.8 ~~its first year of operation.~~

11.9 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a
11.10 renewal licensure application is:

11.11 ~~(1) for a category A school, as determined by the office, the fee is \$865 if the school~~
11.12 ~~offers one program or \$1,150 if the school offers two or more programs; and~~

11.13 ~~(2) for a category B or C school, as determined by the office, the fee is \$430 if the~~
11.14 ~~school offers one program or \$575 if the school offers two or more programs.~~

11.15 (1) for a school that offers one program, the license renewal fee is \$1,150;

11.16 (2) for a school that offers more than one program, the license renewal fee is \$1,150,
11.17 plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;

11.18 (3) for a school licensed exclusively due to the use of the term "college," "university,"
11.19 "academy," or "institute" in its name, the license renewal fee is \$750; and

11.20 (4) for a school licensed by another state agency and also licensed with the office
11.21 exclusively in order to participate in state student aid programs, the license renewal fee is
11.22 \$750.

11.23 (b) If a license renewal application is not received by the office by the close of
11.24 business at least 60 days before the expiration of the current license, a late fee of \$100
11.25 per business day, not to exceed \$3,000, shall be assessed.

11.26 ~~Subd. 3. **Degree level addition fee.** The office processing fee for adding a degree~~
11.27 ~~level to an existing program is \$2,000 per program.~~

11.28 Subd. 4. **Program addition fee.** The office processing fee for adding a program
11.29 ~~that represents a significant departure in the objectives, content, or method of delivery of~~
11.30 ~~programs to those~~ that are currently offered by the school is \$500 per program.

11.31 Subd. 5. **Visit or consulting fee.** If the office determines that a fact-finding visit
11.32 or outside consultant is necessary to review or evaluate any new or revised program, the
11.33 office shall be reimbursed for the expenses incurred related to the review as follows:

11.34 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant
11.35 if the office determines that a fact-finding visit is not required;

11.36 (2) \$300 for each day or part thereof on site per team member; and

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12.1 (3) the actual cost of customary meals, lodging, and related travel expenses incurred
12.2 by team members.

12.3 Subd. 6. **Modification fee.** The fee for modification of any existing program is
12.4 \$100 and is due if there is:

12.5 (1) an increase or decrease of 25 percent or more, from the original date of program
12.6 approval, in clock hours, credit hours, or calendar length of an existing program;

12.7 (2) a change in academic measurement from clock hours to credit hours or vice
12.8 versa; or

12.9 (3) an addition or alteration of courses that represent a 25 percent change or more in
12.10 the objectives, content, or methods of delivery.

12.11 Subd. 7. **Solicitor permit fee.** The solicitor permit fee is \$350 and must be paid
12.12 annually.

12.13 Subd. 8. **Multiple location fee.** Schools wishing to operate at multiple locations
12.14 must pay:

12.15 (1) \$250 per location, for locations two to five ~~locations~~; and

12.16 (2) an additional ~~\$50~~ \$100 for each location over five.

12.17 Subd. 9. **Student transcript fee.** The fee for a student transcript requested from
12.18 a closed school whose records are held by the office is ~~\$10~~ \$15, with a maximum of
12.19 five transcripts per request.

12.20 Subd. 10. **Public office documents; copies.** The ~~office shall establish rates~~ rate for
12.21 copies of any public office document shall be 50 cents per page.

12.22 Sec. 15. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:

12.23 Subd. 6. **Achieve Scholarship Program** 4,350,000 4,350,000

12.24 For scholarships under Minnesota Statutes,
12.25 section 136A.127. The office shall transfer
12.26 the appropriation for fiscal year 2011 to the
12.27 appropriation for state grants.

12.28 For fiscal years 2012 and 2013, the base
12.29 for the Achieve Scholarship Program is
12.30 \$2,350,000 each year.

12.31 Sec. 16. Laws 2009, chapter 95, article 1, section 3, subdivision 12, is amended to read:

12.32 Subd. 12. **Technical and Community College**
12.33 **Emergency Grants** 150,000 150,000

13.1 For transfer to the financial aid offices
13.2 at each of the colleges of the Minnesota
13.3 State Colleges and Universities to provide
13.4 emergency aid grants to technical and
13.5 community college students who are
13.6 experiencing extraordinary economic
13.7 circumstances that may result in the students
13.8 dropping out of school without completing
13.9 the term or their program. This is a onetime
13.10 appropriation.

13.11 Sec. 17. Laws 2009, chapter 95, article 1, section 3, subdivision 21, is amended to read:

13.12 Subd. 21. **Transfers**

13.13 The Minnesota Office of Higher Education
13.14 may transfer unencumbered balances from
13.15 the appropriations in this section to the state
13.16 grant appropriation, the interstate tuition
13.17 reciprocity appropriation, the child care
13.18 grant appropriation, the Indian scholarship
13.19 appropriation, the state work-study
13.20 appropriation, the achieve scholarship
13.21 appropriation, the public safety officers'
13.22 survivors appropriation, the get ready
13.23 program, and the Minnesota college savings
13.24 plan appropriation. Transfers from the
13.25 state grant, child care₂ or state work-study
13.26 appropriations may only be made to the
13.27 extent there is a projected surplus in the
13.28 appropriation. A transfer may be made
13.29 only with prior written notice to the chairs
13.30 of the senate and house of representatives
13.31 committees with jurisdiction over higher
13.32 education finance.

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

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14.1 Sec. 18. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

14.2 Subd. 2. **Operations and Maintenance** 550,345,000 604,239,000

14.3 (a) This appropriation includes funding for
14.4 operation and maintenance of the system.

14.5 (b) The Board of Regents shall submit
14.6 expenditure reduction plans by March 15,
14.7 2010, to the committees of the legislature
14.8 with responsibility for higher education
14.9 finance to achieve the 2012-2013 base
14.10 established in this section. The plan must
14.11 focus on protecting direct instruction.

14.12 (c) Appropriations under this subdivision
14.13 may be used for a new scholarship under
14.14 Minnesota Statutes, section 137.0225, to
14.15 complement the University's Founders
14.16 scholarship.

14.17 (d) This appropriation includes amounts for
14.18 an Ojibwe Indian language program on the
14.19 Duluth campus.

14.20 (e) This appropriation includes money for the
14.21 Dakota language teacher training immersion
14.22 program on the Twin Cities campus to
14.23 prepare teachers to teach in Dakota language
14.24 immersion programs.

14.25 (f) This appropriation includes money for the
14.26 Veterinary Diagnostic Laboratory to preserve
14.27 accreditation.

14.28 (g) This appropriation includes money in
14.29 fiscal year 2010 for a onetime grant to the
14.30 Minnesota Wildlife Rehabilitation Center ~~for~~
14.31 ~~their uncompensated expenses in an amount~~
14.32 equal to the loan balance as of March 11,
14.33 2010, for expenses related to the center's
14.34 move from the campus.

15.1 (h) For fiscal years 2012 and 2013, the
15.2 base for operations and maintenance is
15.3 \$596,930,000 each year.

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

15.5 Sec. 19. **OFFICE OF HIGHER EDUCATION CARRY FORWARD.**

15.6 Notwithstanding Minnesota Statutes, section 136A.233, subdivision 1, or 136A.125,
15.7 subdivision 7, the Office of Higher Education may carry forward from fiscal year 2010
15.8 to fiscal year 2011 money allocated to an institution for the child care and work study
15.9 programs that exceed the actual need and were refunded to the office. Notwithstanding
15.10 Minnesota Statutes, section 136A.125, subdivision 4c, money carried forward for the
15.11 child care program in fiscal year 2011 may be used to expand the number of recipients
15.12 in the program.

15.13 Sec. 20. **ACHIEVE SCHOLARSHIP PROGRAM FISCAL YEAR 2011**
15.14 **MODIFICATIONS.**

15.15 (a) Notwithstanding Minnesota Statutes, section 136A.127, for achieve scholarship
15.16 awards in fiscal year 2011, the achieve scholarship program shall be modified as provided
15.17 in this section.

15.18 (b) Awards shall only be made to students who have an assigned family responsibility
15.19 of zero.

15.20 (c) An award shall be for \$1,200 per academic year for all recipients unless reduced
15.21 under this section.

15.22 (d) A first round of awards shall be made to students for which the Office of Higher
15.23 Education has received a complete application by August 31, 2010. If there are insufficient
15.24 appropriations to make full awards to each student, all awards under this paragraph shall
15.25 be reduced by an equal amount sufficient to meet the insufficiency.

15.26 (e) If appropriations remain after the first round, awards shall be made on a
15.27 first-come, first-served basis.

15.28 (f) Except as modified by this section, the remaining unmodified provisions of
15.29 Minnesota Statutes, section 136A.127, shall govern achieve scholarship awards made
15.30 in fiscal year 2011.

15.31 Sec. 21. **REPEALER.**

15.32 Minnesota Statutes 2008, sections 136A.1701, subdivision 5; 136A.69, subdivision
15.33 2; and 141.255, subdivision 3, are repealed.

17.1 commissioner, the commissioner may shift
 17.2 appropriations in Laws 2009, chapter 37,
 17.3 article 1, section 3, available in one fiscal
 17.4 year to the other fiscal year within each
 17.5 program. Any adjustments made under this
 17.6 paragraph do not affect the agency base for
 17.7 the programs affected.

17.8 Subd. 2. Water (257,000) (407,000)

17.9	<u>Appropriations by Fund</u>		
17.10	<u>General</u>	(257,000)	(942,000)
17.11	<u>Environmental</u>	-0-	535,000

17.12 The commissioner shall recover the cost
 17.13 of attorney general services related to
 17.14 environmental assessment worksheets from
 17.15 the project proposers.

17.16 \$485,000 in 2011 is a reduction in the
 17.17 appropriation for general water program
 17.18 operations.

17.19 \$9,000 in 2010 and \$21,000 in 2011
 17.20 are reductions in the appropriations for
 17.21 community technical assistance and
 17.22 education.

17.23 \$485,000 in 2011 is appropriated from the
 17.24 environmental fund for attorney general
 17.25 costs in water program operations.

17.26 \$77,000 in 2010 and \$181,000 in 2011 are
 17.27 reductions in the appropriations for the clean
 17.28 water partnership program.

17.29 \$71,000 in 2010 and \$205,000 in 2011 are
 17.30 reductions in the appropriations for the
 17.31 county feedlot grant program.

17.32 \$100,000 in 2010 is a reduction in the
 17.33 appropriation for stormwater compliance
 17.34 grants.

18.1 \$50,000 in 2011 is a reduction in the
18.2 appropriation for grants to the Red River
18.3 Watershed Management Board for the river
18.4 watch program.

18.5 \$50,000 in 2011 is appropriated from the
18.6 environmental fund for grants to the Red
18.7 River Watershed Management Board for the
18.8 river watch program.

18.9 Subd. 3. **Environmental Assistance and**
18.10 **Cross-Media** (47,000) (109,000)

18.11 Subd. 4. **Administrative Support** (48,000) (113,000)

18.12 Subd. 6. **Transfers In**

18.13 (a) The amounts appropriated from the
18.14 agency indirect costs account in the special
18.15 revenue fund are reduced by \$328,000 in
18.16 fiscal year 2010 and \$462,000 in fiscal year
18.17 2011, and those amounts must be transferred
18.18 to the general fund by June 30, 2011. The
18.19 appropriation reductions are onetime.

18.20 (b) The commissioner of management and
18.21 budget shall transfer \$8,000,000 in fiscal year
18.22 2011 from the closed landfill investment fund
18.23 in Minnesota Statutes, section 115B.421, to
18.24 the general fund. The commissioner shall
18.25 transfer \$4,000,000 on July 1, 2013, and
18.26 \$4,000,000 on July 1, 2014, from the general
18.27 fund to the closed landfill investment fund.
18.28 For the July 1, 2014, transfer to the closed
18.29 landfill investment fund, the commissioner
18.30 shall determine the total amount of interest
18.31 and other earnings that would have accrued
18.32 to the fund if the transfers to the general fund
18.33 under this paragraph had not been made and
18.34 add this amount to the transfer. The amounts
18.35 necessary for these transfers are appropriated

19.1 from the general fund in the fiscal years
19.2 specified for the transfers.

19.3 Sec. 4. **NATURAL RESOURCES**

19.4 **Subdivision 1. Total Appropriation** (2,008,000) (4,439,000)

19.5 The appropriation additions or reductions
19.6 for each purpose are shown in the following
19.7 subdivisions.

19.8 In order to leverage nonstate money, or to
19.9 address high priority needs identified by the
19.10 commissioner, the commissioner may shift
19.11 appropriations in Laws 2009, chapter 37,
19.12 article 1, section 4, available in one fiscal
19.13 year to the other fiscal year within each
19.14 program. Any adjustments made under this
19.15 paragraph do not affect the agency base for
19.16 the programs affected.

19.17 **Subd. 2. Lands and Minerals** (168,000) (388,000)

19.18 \$101,000 in 2010 and \$237,000 in 2011 are
19.19 reductions in the appropriations for land and
19.20 mineral resources management operations.

19.21 \$61,000 in 2010 and \$91,000 in 2011 are
19.22 reductions in the appropriations for the iron
19.23 ore cooperative research program.

19.24 \$6,000 in 2010 and \$6,000 in 2011 are
19.25 reductions in the appropriations for minerals
19.26 cooperative research.

19.27 \$54,000 in 2011 is a reduction in the
19.28 appropriations for issuing mining permits in
19.29 Laws 2009, chapter 88, article 12, section 22.

19.30 **Subd. 3. Water Resource Management** (422,000) (644,000)

19.31 \$268,000 in 2010 and \$626,000 in 2011 are
19.32 reductions in the appropriations for water
19.33 resource management operations.

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20.1 \$7,000 in 2011 is a reduction in the
20.2 appropriation for grants to the Mississippi
20.3 Headwaters Board.

20.4 \$154,000 in 2010 and \$11,000 in 2011 are
20.5 reductions in the appropriation for the Red
20.6 River flood damage reduction grants.

20.7 **Subd. 4. Forest Management** (670,000) (1,404,000)

20.8 \$587,000 in 2010 and \$1,295,000 in 2011
20.9 are reductions in the appropriations for forest
20.10 management. Of this amount, \$88,000 in
20.11 2010 and \$132,000 in 2011 are onetime.

20.12 \$72,000 in 2010 and \$72,000 in 2011
20.13 are reductions in the appropriations for
20.14 prevention costs of emergency firefighting.

20.15 \$11,000 in 2010 and \$17,000 in 2011 are
20.16 reductions in the appropriations for the
20.17 FORIST system.

20.18 \$20,000 in 2011 is a reduction in the
20.19 appropriation for grants to the Forest
20.20 Resources Council.

20.21 **Subd. 5. Parks and Trails Management** (420,000) (980,000)

20.22 \$420,000 in 2010 and \$980,000 in 2011 are
20.23 reductions in the appropriations for parks
20.24 and trails management.

20.25 **Subd. 6. Fish and Wildlife Management** -0- (225,000)

20.26 \$225,000 in 2011 is a reduction in the
20.27 appropriation for wildlife health programs.

20.28 **Subd. 7. Ecological Services** (131,000) (307,000)

20.29 \$103,000 in 2010 and \$241,000 in 2011
20.30 are reductions in the appropriations for
20.31 ecological services operations.

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21.1 \$28,000 in 2010 and \$66,000 in 2011 are
21.2 reductions in the appropriations for the
21.3 prevention of the spread of invasive species.

21.4 Subd. 8. Enforcement (135,000) (345,000)

21.5 The commissioner shall reduce overtime
21.6 before laying off enforcement staff.

21.7 Subd. 9. Operations Support (62,000) (146,000)

21.8 Subd. 10. Transfers In

21.9 (a) By June 30, 2010, the commissioner of
21.10 management and budget shall transfer any
21.11 remaining balance, estimated to be \$98,000,
21.12 from the stream protection and improvement
21.13 fund under Minnesota Statutes, section
21.14 103G.705, to the general fund. Beginning
21.15 in fiscal year 2011, all repayment of loans
21.16 made and administrative fees assessed under
21.17 Minnesota Statutes, section 103G.705,
21.18 estimated to be \$195,000 in 2011, must be
21.19 transferred to the general fund.

21.20 (b) The balance of surcharges on criminal and
21.21 traffic offenders, estimated to be \$900,000,
21.22 and credited to the game and fish fund
21.23 under Minnesota Statutes, section 357.021,
21.24 subdivision 7, and collected before June 30,
21.25 2010, must be transferred to the general fund.

21.26 (c) The appropriation in Laws 2007, First
21.27 Special Session chapter 2, article 1, section 5,
21.28 for cost-share flood programs in southeastern
21.29 Minnesota is reduced by \$335,000 and that
21.30 amount is canceled to the general fund.

21.31 (d) Before June 30, 2011, the commissioner
21.32 of management and budget shall transfer
21.33 \$1,000,000 from the fleet management
21.34 account in the special revenue fund

22.1 established under Minnesota Statutes, section
22.2 84.0856, to the general fund.

22.3 Sec. 5. **BOARD OF WATER AND SOIL**
22.4 **RESOURCES**

22.5 Subdivision 1. **Total Appropriation** \$ (591,000) \$ (1,363,000)

22.6 The appropriation additions or reductions for
22.7 each purpose are specified in the following
22.8 subdivisions.

22.9 Notwithstanding Minnesota Statutes,
22.10 sections 103B.3369 and 103C.501, in order
22.11 to leverage nonstate money or to address
22.12 high-priority needs identified by board
22.13 resolution, the board may shift appropriations
22.14 in Laws 2009, chapter 37, article 1, section 5,
22.15 available in one fiscal year to the other fiscal
22.16 year within a program. Any appropriations
22.17 for grants in Laws 2009, chapter 37, article 1,
22.18 section 5, that are carried forward from fiscal
22.19 year 2010 to fiscal year 2011 are available
22.20 for natural resources block grants to local
22.21 governments and general purpose grants to
22.22 soil and water conservation districts. Any
22.23 adjustments made under this paragraph do
22.24 not affect the agency base for the programs
22.25 affected.

22.26 Subd. 2. **Appropriation Reductions**

22.27 \$71,000 in 2010 and \$167,000 in 2011
22.28 are reductions in the appropriations for
22.29 administration.

22.30 \$20,000 in 2010 and \$46,000 in 2011 are
22.31 reductions in the appropriation for Wetland
22.32 Conservation Act oversight.

- 23.1 \$160,000 in 2010 and \$374,000 in 2011 are
23.2 reductions in the appropriations for natural
23.3 resources block grants to local governments.
- 23.4 \$135,000 in 2010 and \$315,000 in 2011 are
23.5 reductions in the appropriations for general
23.6 purpose grants to soil and water conservation
23.7 districts.
- 23.8 \$38,000 in 2010 and \$90,000 in 2011 are
23.9 reductions in the appropriations for cost-share
23.10 grants to soil and water conservation districts.
- 23.11 \$137,000 in 2010 and \$187,000 in 2011 are
23.12 reductions in cost-share grants to establish
23.13 and maintain riparian vegetative buffers.
- 23.14 \$19,000 in 2010 and \$45,000 in 2011 are
23.15 reductions in the appropriations for feedlot
23.16 water quality grants.
- 23.17 \$11,000 in 2010 and \$17,000 in 2011 are
23.18 reductions in the appropriation for assistance
23.19 to local drainage officials.
- 23.20 \$100,000 in 2011 is a reduction in the
23.21 appropriation for cost-share grants for
23.22 drainage records modernization.
- 23.23 \$6,000 in 2011 is a reduction in the
23.24 appropriation for the grant to the Red River
23.25 Basin Commission.
- 23.26 \$6,000 in 2011 is a reduction in the
23.27 appropriation for the grant to the Minnesota
23.28 River Basin Joint Powers Board.
- 23.29 \$10,000 in 2011 is a reduction in the
23.30 appropriation for a grant to Area II,
23.31 Minnesota River Basin Projects for flood
23.32 plain management.
- 23.33 **Subd. 3. Carryforward Cancellations**

24.1 **(a) Clean Water Legacy**

24.2 The appropriation in Laws 2007, chapter 57,
24.3 article 1, section 5, for clean water legacy
24.4 programs and grants is reduced by \$775,000
24.5 and that amount is canceled to the general
24.6 fund.

24.7 **(b) Cost-Share Vegetations Buffer Grants**

24.8 The appropriation in Laws 2007, chapter 57,
24.9 article 1, section 5, for grants for establishing
24.10 and maintaining vegetation buffers is reduced
24.11 by \$100,000 and that amount is canceled to
24.12 the general fund.

24.13 **(c) Cost-Share Grants**

24.14 The appropriation in Laws 2007, chapter 57,
24.15 article 1, section 5, for grants for cost-sharing
24.16 contract for erosion control and water quality
24.17 management is reduced by \$250,000 and that
24.18 amount is canceled to the general fund.

24.19 **(d) SE Flood Transfer Funds**

24.20 The appropriation in Laws 2007, First
24.21 Special Session chapter 2, article 1, section
24.22 8, transferred to the appropriation in Laws
24.23 2007, First Special Session chapter 2, article
24.24 1, section 6, subdivision 3, for cost-share
24.25 flood programs is reduced by \$628,000 and
24.26 that amount is canceled to the general fund.

24.27 **(e) Cost-Share South East Flood**

24.28 The appropriation in Laws 2008, chapter
24.29 363, article 5, section 5, for cost-share flood
24.30 work is reduced by \$50,000 and that amount
24.31 is canceled to the general fund.

24.32 **Subd. 4. Returned Grants**

25.1 Beginning July 1, 2010, all returned grant
25.2 money originating from general fund grant
25.3 programs will be deposited into individual
25.4 accounts in the special revenue fund and held
25.5 for eventual transfer back to the general fund.

25.6 On December 15, 2010, and on December
25.7 15 of each year thereafter, \$310,000 of the
25.8 receipts in this special revenue fund will be
25.9 transferred to the general fund. If less than
25.10 \$310,000 is available on the transfer date, an
25.11 additional transfer on June 15 sufficient to
25.12 make the \$310,000 annual obligation will
25.13 be made.

25.14 Sec. 6. **METROPOLITAN COUNCIL** **\$** **(86,000)** **\$** **(154,000)**

25.15 \$86,000 in 2010 and \$154,000 in 2011
25.16 are reductions in the appropriations for
25.17 metropolitan parks and trails.

25.18 The commissioner of management and
25.19 budget, in consultation with the council, may
25.20 shift these reductions from the first fiscal
25.21 year to the second fiscal year if sufficient
25.22 funds are not available for reduction in the
25.23 first fiscal year. Any adjustments made under
25.24 this paragraph do not affect the appropriation
25.25 base.

25.26 Sec. 7. **ZOOLOGICAL BOARD** **\$** **(125,000)** **\$** **(337,000)**

25.27 Sec. 8. **REPEALER.**

25.28 Minnesota Statutes 2008, section 103G.705, subdivision 2, is repealed.

25.29 **ARTICLE 4**

25.30 **ENERGY**

25.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

27.1 Subd. 5. Petroleum Tank Release Cleanup
27.2 Board (25,000) (32,000)

27.3 These reductions are from the petroleum tank
27.4 release cleanup fund.

27.5 Sec. 4. DEPARTMENT OF
27.6 COMMERCE-OFFICE OF ENERGY
27.7 SECURITY \$ (100,000) \$ -0-

27.8 The appropriation additions or reductions
27.9 for each purpose are shown in the following
27.10 paragraph.

27.11 \$100,000 the first year is a reduction in the
27.12 appropriation for E85 cost-share grants.

27.13 Sec. 5. CANCELLATIONS; DEPARTMENT
27.14 OF COMMERCE

27.15 Subdivision 1. E-85 Grants

27.16 The appropriation in Laws 2007, chapter 57,
27.17 article 2, section 3, subdivision 6, as amended
27.18 by Laws 2008, chapter 363, article 6, section
27.19 3, subdivision 4, for E-85 cost-share grants,
27.20 is reduced by \$350,000 and is canceled to
27.21 the general fund.

27.22 Subd. 2. Renewable Hydrogen Initiative
27.23 Grants

27.24 The remaining balance of the appropriation
27.25 in Laws 2007, chapter 57, article 2, section
27.26 3, subdivision 6, as amended by Laws 2008,
27.27 chapter 363, article 6, section 3, subdivision
27.28 4, for renewable hydrogen initiative grants,
27.29 estimated to be \$650,000, is canceled to the
27.30 general fund.

27.31 Subd. 3. Transfers In

27.32 Before June 30, 2010, the commissioner
27.33 of management and budget shall transfer
27.34 \$1,969,000 to the general fund. After July

28.1 1, 2010, and before June 30, 2011, the
28.2 commissioner of management and budget
28.3 shall transfer \$1,032,000 to the general
28.4 fund. These transfers are from the petroleum
28.5 tank release cleanup fund established in
28.6 Minnesota Statutes, section 115C.08.

28.7 Sec. 6. **TRANSFERS IN**

28.8 (a) For the purposes of this section,
28.9 "commissioner" means the commissioner of
28.10 management and budget.

28.11 (b) In the first year, the commissioner
28.12 shall transfer \$3,024,000 from the special
28.13 revenue fund to the general fund. In the
28.14 second year, the commissioner shall transfer
28.15 \$1,993,000 from the special revenue fund to
28.16 the general fund. The transfers must be from
28.17 the following appropriation reductions and
28.18 accounts within the special revenue fund:

28.19 (1) \$246,000 the first year and \$270,000 the
28.20 second year are from the telecommunications
28.21 access Minnesota fund established in
28.22 Minnesota Statutes, section 237.52;

28.23 (2) \$238,000 the first year is from the
28.24 assessments collected under Minnesota
28.25 Statutes, section 216C.052, for the reliability
28.26 administrator;

28.27 (3) \$200,000 the first year and \$200,000
28.28 the second year are from the Department
28.29 of Commerce license technology surcharge
28.30 account established in Minnesota Statutes,
28.31 section 45.24;

28.32 (4) \$381,000 the first year and \$260,000
28.33 the second year are from the energy
28.34 and conservation account established in

29.1 Minnesota Statutes, section 216B.241.
29.2 Of this amount, (i) \$43,000 the first year
29.3 and \$17,000 the second year are from
29.4 the assessments for technical assistance
29.5 in Minnesota Statutes, section 216B.241,
29.6 subdivision 1d; (ii) \$316,000 the first year
29.7 and \$213,000 the second year are from
29.8 the assessments for applied research and
29.9 development grants in Minnesota Statutes,
29.10 section 216B.241, subdivision 1e; and (iii)
29.11 \$22,000 the first year and \$30,000 the second
29.12 year are from the assessment for facilities
29.13 energy efficiency in Minnesota Statutes,
29.14 section 216B.241, subdivision 1f;
29.15 (5) \$64,000 the first year and \$48,000 the
29.16 second year are from the insurance fraud
29.17 prevention account established in Minnesota
29.18 Statutes, section 45.0135;
29.19 (6) \$1,133,000 the first year and \$1,111,000
29.20 the second year are from the automobile theft
29.21 prevention account established in Minnesota
29.22 Statutes, section 168A.40;
29.23 (7) \$549,000 the first year and \$5,000
29.24 the second year are from the real estate
29.25 education, research and recovery fund
29.26 established in Minnesota Statutes, section
29.27 82.43;
29.28 (8) \$100,000 the first year is from the
29.29 consumer education account established in
29.30 Minnesota Statutes, section 58.10;
29.31 (9) \$11,000 the first year and \$15,000
29.32 the second year are from the fees and
29.33 assessments collected under Minnesota
29.34 Statutes, section 216E.18;

30.1 (10) the remaining balance in the first
30.2 year, estimated to be \$19,000, is from the
30.3 routing of certain pipelines under Minnesota
30.4 Statutes, section 216G.02;

30.5 (11) \$4,000 the first year and \$9,000 the
30.6 second year are from the joint exercise of
30.7 powers agreements with the Department of
30.8 Health for regulating health maintenance
30.9 organizations;

30.10 (12) \$75,000 the first year and \$75,000 the
30.11 second year are from the liquefied petroleum
30.12 gas account established in Minnesota
30.13 Statutes, section 239.785;

30.14 (13) \$4,000 in the first year is from the
30.15 petroleum inspection fee established in
30.16 Minnesota Statutes, section 239.101, for
30.17 renewable energy equipment grants.

30.18 **Sec. 7. TRANSFER; ASSIGNED RISK PLAN**

30.19 By June 30, 2010, the commissioner of
30.20 management and budget shall transfer
30.21 \$14,000,000 in assets of the workers'
30.22 compensation assigned risk plan created
30.23 under Minnesota Statutes, section 79.252, to
30.24 the general fund.

30.25 Sec. 8. Minnesota Statutes 2009 Supplement, section 45.30, subdivision 6, is amended
30.26 to read:

30.27 Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner in
30.28 advance. A course that is required by federal criteria or a reciprocity agreement to receive
30.29 a substantive review will be approved or disapproved on the basis of its compliance with
30.30 the provisions of laws and rules relating to the appropriate industry. At the commissioner's
30.31 discretion, a course that is not required by federal criteria or a reciprocity agreement to
30.32 receive a substantive review may be approved based on a qualified provider's certification
30.33 on a form specified by the commissioner that the course complies with the provisions of

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31.1 this chapter and the laws and rules relating to the appropriate industry. For the purposes
31.2 of this section, a "qualified provider" is one of the following: (1) a degree-granting
31.3 institution of higher learning located within this state; (2) a private school licensed by the
31.4 Minnesota Office of Higher Education; or (3) when conducting courses for its members, a
31.5 bona fide trade association that staffs and maintains in this state a physical location that
31.6 contains course and student records and that has done so for not less than three years.
31.7 The commissioner may review any approved course and may cancel its approval with
31.8 regard to all future offerings. The commissioner must make the final determination as to
31.9 accreditation and assignment of credit hours for courses. Courses must be at least one hour
31.10 in length, except courses for real estate appraisers must be at least two hours in length.

31.11 ~~Individuals wishing to receive credit for continuing education courses that have not~~
31.12 ~~been previously approved may submit the course information for approval. Courses~~
31.13 ~~must be in compliance with the laws and rules governing the types of courses that will~~
31.14 ~~and will not be approved.~~

31.15 Approval will not include time spent on meals or other unrelated activities.

31.16 (b) Courses must be submitted at least 30 days before the initial proposed course
31.17 offering.

31.18 (c) Approval must be granted for a subsequent offering of identical continuing
31.19 education courses without requiring a new application. The commissioner must deny
31.20 future offerings of courses if they are found not to be in compliance with the laws relating
31.21 to course approval.

31.22 (d) When either the content of an approved course or its method of instruction
31.23 changes, the course is no longer approved for license education credit. A new application
31.24 must be submitted for the changed course if the education provider intends to offer it for
31.25 license education credit.

31.26 Sec. 9. Minnesota Statutes 2008, section 80A.46, is amended to read:

31.27 **80A.46 SECTION 202; EXEMPT TRANSACTIONS.**

31.28 The following transactions are exempt from the requirements of sections 80A.49
31.29 through 80A.54, except 80A.50, paragraph (a), clause (3), and 80A.71:

31.30 (1) isolated nonissuer transactions, consisting of sale to not more than ten purchasers
31.31 in Minnesota during any period of 12 consecutive months, whether effected by or through
31.32 a broker-dealer or not;

31.33 (2) a nonissuer transaction by or through a broker-dealer registered, or exempt from
31.34 registration under this chapter, and a resale transaction by a sponsor of a unit investment
31.35 trust registered under the Investment Company Act of 1940, in a security of a class that

32.1 has been outstanding in the hands of the public for at least 90 days, if, at the date of
32.2 the transaction:

32.3 (A) the issuer of the security is engaged in business, the issuer is not in the
32.4 organizational stage or in bankruptcy or receivership, and the issuer is not a blank check,
32.5 blind pool, or shell company that has no specific business plan or purpose or has indicated
32.6 that its primary business plan is to engage in a merger or combination of the business with,
32.7 or an acquisition of, an unidentified person;

32.8 (B) the security is sold at a price reasonably related to its current market price;

32.9 (C) the security does not constitute the whole or part of an unsold allotment to, or
32.10 a subscription or participation by, the broker-dealer as an underwriter of the security
32.11 or a redistribution;

32.12 (D) a nationally recognized securities manual or its electronic equivalent designated
32.13 by rule adopted or order issued under this chapter or a record filed with the Securities and
32.14 Exchange Commission that is publicly available contains:

32.15 (i) a description of the business and operations of the issuer;

32.16 (ii) the names of the issuer's executive officers and the names of the issuer's
32.17 directors, if any;

32.18 (iii) an audited balance sheet of the issuer as of a date within 18 months before the
32.19 date of the transaction or, in the case of a reorganization or merger when the parties to
32.20 the reorganization or merger each had an audited balance sheet, a pro forma balance
32.21 sheet for the combined organization; and

32.22 (iv) an audited income statement for each of the issuer's two immediately previous
32.23 fiscal years or for the period of existence of the issuer, whichever is shorter, or, in the case
32.24 of a reorganization or merger when each party to the reorganization or merger had audited
32.25 income statements, a pro forma income statement; and

32.26 (E) any one of the following requirements is met:

32.27 (i) the issuer of the security has a class of equity securities listed on a national
32.28 securities exchange registered under Section 6 of the Securities Exchange Act of 1934
32.29 or designated for trading on the National Association of Securities Dealers Automated
32.30 Quotation System;

32.31 (ii) the issuer of the security is a unit investment trust registered under the Investment
32.32 Company Act of 1940;

32.33 (iii) the issuer of the security, including its predecessors, has been engaged in
32.34 continuous business for at least three years; or

32.35 (iv) the issuer of the security has total assets of at least \$2,000,000 based on an
32.36 audited balance sheet as of a date within 18 months before the date of the transaction or, in

33.1 the case of a reorganization or merger when the parties to the reorganization or merger
33.2 each had such an audited balance sheet, a pro forma balance sheet for the combined
33.3 organization;

33.4 (3) a nonissuer transaction by or through a broker-dealer registered or exempt from
33.5 registration under this chapter in a security of a foreign issuer that is a margin security
33.6 defined in regulations or rules adopted by the Board of Governors of the Federal Reserve
33.7 System;

33.8 (4) a nonissuer transaction by or through a broker-dealer registered or exempt
33.9 from registration under this chapter in an outstanding security if the guarantor of the
33.10 security files reports with the Securities and Exchange Commission under the reporting
33.11 requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.
33.12 Sections 78m or 78o(d));

33.13 (5) a nonissuer transaction by or through a broker-dealer registered or exempt from
33.14 registration under this chapter in a security that:

33.15 (A) is rated at the time of the transaction by a nationally recognized statistical rating
33.16 organization in one of its four highest rating categories; or

33.17 (B) has a fixed maturity or a fixed interest or dividend, if:

33.18 (i) a default has not occurred during the current fiscal year or within the three
33.19 previous fiscal years or during the existence of the issuer and any predecessor if less than
33.20 three fiscal years, in the payment of principal, interest, or dividends on the security; and

33.21 (ii) the issuer is engaged in business, is not in the organizational stage or in
33.22 bankruptcy or receivership, and is not and has not been within the previous 12 months a
33.23 blank check, blind pool, or shell company that has no specific business plan or purpose or
33.24 has indicated that its primary business plan is to engage in a merger or combination of the
33.25 business with, or an acquisition of, an unidentified person;

33.26 (6) a nonissuer transaction by or through a broker-dealer registered or exempt from
33.27 registration under this chapter effecting an unsolicited order or offer to purchase;

33.28 (7) a nonissuer transaction executed by a bona fide pledgee without the purpose
33.29 of evading this chapter;

33.30 (8) a nonissuer transaction by a federal covered investment adviser with investments
33.31 under management in excess of \$100,000,000 acting in the exercise of discretionary
33.32 authority in a signed record for the account of others;

33.33 (9) a transaction in a security, whether or not the security or transaction is otherwise
33.34 exempt, in exchange for one or more bona fide outstanding securities, claims, or property
33.35 interests, or partly in such exchange and partly for cash, if the terms and conditions of

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34.1 the issuance and exchange or the delivery and exchange and the fairness of the terms and
34.2 conditions have been approved by the administrator after a hearing;

34.3 (10) a transaction between the issuer or other person on whose behalf the offering is
34.4 made and an underwriter, or among underwriters;

34.5 (11) a transaction in a note, bond, debenture, or other evidence of indebtedness
34.6 secured by a mortgage or other security agreement if:

34.7 (A) the note, bond, debenture, or other evidence of indebtedness is offered and sold
34.8 with the mortgage or other security agreement as a unit;

34.9 (B) a general solicitation or general advertisement of the transaction is not made; and

34.10 (C) a commission or other remuneration is not paid or given, directly or indirectly, to
34.11 a person not registered under this chapter as a broker-dealer or as an agent;

34.12 (12) a transaction by an executor, administrator of an estate, sheriff, marshal,
34.13 receiver, trustee in bankruptcy, guardian, or conservator;

34.14 (13) a sale or offer to sell to:

34.15 (A) an institutional investor;

34.16 (B) an accredited investor;

34.17 (C) a federal covered investment adviser; or

34.18 (D) any other person exempted by rule adopted or order issued under this chapter;

34.19 (14) a sale or an offer to sell securities by an issuer, if the transaction is part of
34.20 a single issue in which:

34.21 (A) not more than 35 purchasers are present in this state during any 12 consecutive
34.22 months, other than those designated in paragraph (13);

34.23 (B) a general solicitation or general advertising is not made in connection with
34.24 the offer to sell or sale of the securities;

34.25 (C) a commission or other remuneration is not paid or given, directly or indirectly, to
34.26 a person other than a broker-dealer registered under this chapter or an agent registered
34.27 under this chapter for soliciting a prospective purchaser in this state; and

34.28 (D) the issuer reasonably believes that all the purchasers in this state, other than
34.29 those designated in paragraph (13), are purchasing for investment.

34.30 Any issuer selling to purchasers in this state in reliance on this clause (14) exemption
34.31 must provide to the administrator notice of the transaction by filing a statement of issuer
34.32 form as adopted by rule. Notice must be filed at least ten days in advance of any sale or
34.33 such shorter period as permitted by the administrator. However, an issuer who makes sales
34.34 to ten or fewer purchasers in Minnesota during any period of 12 consecutive months is not
34.35 required to provide this notice;

35.1 (15) a transaction under an offer to existing security holders of the issuer, including
35.2 persons that at the date of the transaction are holders of convertible securities, options,
35.3 or warrants, if a commission or other remuneration, other than a standby commission, is
35.4 not paid or given, directly or indirectly, for soliciting a security holder in this state. The
35.5 person making the offer and effecting the transaction must provide to the administrator
35.6 notice of the transaction by filing a written description of the transaction. Notice must be
35.7 filed at least ten days in advance of any transaction or such shorter period as permitted by
35.8 the administrator;

35.9 (16) an offer to sell, but not a sale, of a security not exempt from registration under
35.10 the Securities Act of 1933 if:

35.11 (A) a registration or offering statement or similar record as required under the
35.12 Securities Act of 1933 has been filed, but is not effective, or the offer is made in compliance
35.13 with Rule 165 adopted under the Securities Act of 1933 (17 C.F.R. 230.165); and

35.14 (B) a stop order of which the offeror is aware has not been issued against the offeror
35.15 by the administrator or the Securities and Exchange Commission, and an audit, inspection,
35.16 or proceeding that is public and that may culminate in a stop order is not known by the
35.17 offeror to be pending;

35.18 (17) an offer to sell, but not a sale, of a security exempt from registration under the
35.19 Securities Act of 1933 if:

35.20 (A) a registration statement has been filed under this chapter, but is not effective;

35.21 (B) a solicitation of interest is provided in a record to offerees in compliance with a
35.22 rule adopted by the administrator under this chapter; and

35.23 (C) a stop order of which the offeror is aware has not been issued by the administrator
35.24 under this chapter and an audit, inspection, or proceeding that may culminate in a stop
35.25 order is not known by the offeror to be pending;

35.26 (18) a transaction involving the distribution of the securities of an issuer to the
35.27 security holders of another person in connection with a merger, consolidation, exchange
35.28 of securities, sale of assets, or other reorganization to which the issuer, or its parent
35.29 or subsidiary and the other person, or its parent or subsidiary, are parties. The person
35.30 distributing the issuer's securities must provide to the administrator notice of the
35.31 transaction by filing a written description of the transaction along with a consent to service
35.32 of process complying with section 80A.88. Notice must be filed at least ten days in
35.33 advance of any transaction or such shorter period as permitted by the administrator;

35.34 (19) a rescission offer, sale, or purchase under section 80A.77;

35.35 (20) an offer or sale of a security to a person not a resident of this state and not
35.36 present in this state if the offer or sale does not constitute a violation of the laws of the

36.1 state or foreign jurisdiction in which the offeree or purchaser is present and is not part of
36.2 an unlawful plan or scheme to evade this chapter;

36.3 (21) employees' stock purchase, savings, option, profit-sharing, pension, or
36.4 similar employees' benefit plan, including any securities, plan interests, and guarantees
36.5 issued under a compensatory benefit plan or compensation contract, contained in a
36.6 record, established by the issuer, its parents, its majority-owned subsidiaries, or the
36.7 majority-owned subsidiaries of the issuer's parent for the participation of their employees
36.8 including offers or sales of such securities to:

36.9 (A) directors; general partners; trustees, if the issuer is a business trust; officers;
36.10 consultants; and advisors;

36.11 (B) family members who acquire such securities from those persons through gifts or
36.12 domestic relations orders;

36.13 (C) former employees, directors, general partners, trustees, officers, consultants, and
36.14 advisors if those individuals were employed by or providing services to the issuer when
36.15 the securities were offered; and

36.16 (D) insurance agents who are exclusive insurance agents of the issuer, or the issuer's
36.17 subsidiaries or parents, or who derive more than 50 percent of their annual income from
36.18 those organizations.

36.19 A person establishing an employee benefit plan under the exemption in this clause
36.20 (21) must provide to the administrator notice of the transaction by filing a written
36.21 description of the transaction along with a consent to service of process complying with
36.22 section 80A.88. Notice must be filed at least ten days in advance of any transaction or
36.23 such shorter period as permitted by the administrator;

36.24 (22) a transaction involving:

36.25 (A) a stock dividend or equivalent equity distribution, whether the corporation or
36.26 other business organization distributing the dividend or equivalent equity distribution is
36.27 the issuer or not, if nothing of value is given by stockholders or other equity holders for
36.28 the dividend or equivalent equity distribution other than the surrender of a right to a cash
36.29 or property dividend if each stockholder or other equity holder may elect to take the
36.30 dividend or equivalent equity distribution in cash, property, or stock;

36.31 (B) an act incident to a judicially approved reorganization in which a security is
36.32 issued in exchange for one or more outstanding securities, claims, or property interests, or
36.33 partly in such exchange and partly for cash; or

36.34 (C) the solicitation of tenders of securities by an offeror in a tender offer in
36.35 compliance with Rule 162 adopted under the Securities Act of 1933 (17 C.F.R. 230.162);

37.1 (23) a nonissuer transaction in an outstanding security by or through a broker-dealer
37.2 registered or exempt from registration under this chapter, if the issuer is a reporting
37.3 issuer in a foreign jurisdiction designated by this paragraph or by rule adopted or order
37.4 issued under this chapter; has been subject to continuous reporting requirements in the
37.5 foreign jurisdiction for not less than 180 days before the transaction; and the security is
37.6 listed on the foreign jurisdiction's securities exchange that has been designated by this
37.7 paragraph or by rule adopted or order issued under this chapter, or is a security of the same
37.8 issuer that is of senior or substantially equal rank to the listed security or is a warrant or
37.9 right to purchase or subscribe to any of the foregoing. For purposes of this paragraph,
37.10 Canada, together with its provinces and territories, is a designated foreign jurisdiction
37.11 and The Toronto Stock Exchange, Inc., is a designated securities exchange. After an
37.12 administrative hearing in compliance with chapter 14, the administrator, by rule adopted
37.13 or order issued under this chapter, may revoke the designation of a securities exchange
37.14 under this paragraph, if the administrator finds that revocation is necessary or appropriate
37.15 in the public interest and for the protection of investors;

37.16 (24) any transaction effected by or through a Canadian broker-dealer exempted from
37.17 broker-dealer registration pursuant to section 80A.56(b)(3); or

37.18 (25)(A) the offer and sale by a cooperative organized under chapter 308A, or
37.19 under the laws of another state, of its securities when the securities are offered and sold
37.20 only to its members, or when the purchase of the securities is necessary or incidental to
37.21 establishing membership in the cooperative, or when the securities are issued as patronage
37.22 dividends. This paragraph applies to a cooperative organized under chapter 308A, or under
37.23 the laws of another state, only if the cooperative has filed with the administrator a consent
37.24 to service of process under section 80A.88 and has, not less than ten days before the
37.25 issuance or delivery, furnished the administrator with a written general description of the
37.26 transaction and any other information that the administrator requires by rule or otherwise;

37.27 (B) the offer and sale by a cooperative organized under chapter 308B of its securities
37.28 when the securities are offered and sold to its existing members or when the purchase of the
37.29 securities is necessary or incidental to establishing patron membership in the cooperative,
37.30 or when such securities are issued as patronage dividends. The administrator has the
37.31 power to define "patron membership" for purposes of this paragraph. This paragraph
37.32 applies to securities, other than securities issued as patronage dividends, only when:

37.33 (i) the issuer, before the completion of the sale of the securities, provides each
37.34 offeree or purchaser disclosure materials that, to the extent material to an understanding of
37.35 the issuer, its business, and the securities being offered, substantially meet the disclosure
37.36 conditions and limitations found in rule 502(b) of Regulation D promulgated by the

38.1 Securities and Exchange Commission, Code of Federal Regulations, title 17, section
38.2 230.502; and

38.3 (ii) within 15 days after the completion of the first sale in each offering completed in
38.4 reliance upon this exemption, the cooperative has filed with the administrator a consent to
38.5 service of process under section 80A.88 (or has previously filed such a consent), and has
38.6 furnished the administrator with a written general description of the transaction and any
38.7 other information that the administrator requires by rule or otherwise; and

38.8 (C) a cooperative may, at or about the same time as offers or sales are being
38.9 completed in reliance upon the exemptions from registration found in this subpart and as
38.10 part of a common plan of financing, offer or sell its securities in reliance upon any other
38.11 exemption from registration available under this chapter. The offer or sale of securities in
38.12 reliance upon the exemptions found in this subpart will not be considered or deemed a part
38.13 of or be integrated with any offer or sale of securities conducted by the cooperative in
38.14 reliance upon any other exemption from registration available under this chapter, nor will
38.15 offers or sales of securities by the cooperative in reliance upon any other exemption from
38.16 registration available under this chapter be considered or deemed a part of or be integrated
38.17 with any offer or sale conducted by the cooperative in reliance upon this paragraph.

38.18 Sec. 10. **ASSESSMENT.**

38.19 (a) The commissioner of commerce may levy a pro rata assessment on institutions
38.20 licensed under Minnesota Statutes, chapter 58, to recover the costs to the Department of
38.21 Commerce for administering the licensing and registration requirements of Minnesota
38.22 Statutes, section 58A.10, if enacted in the 2010 legislative session.

38.23 (b) The commissioner shall levy the assessments and notify each institution of the
38.24 amount of the assessment being levied by September 30, 2010. The institution shall pay
38.25 the assessment to the department no later than November 30, 2010. If an institution fails
38.26 to pay its assessment by this date, its license may be suspended by the commissioner
38.27 until it is paid in full.

38.28 (c) This section expires December 1, 2010.

38.29 **ARTICLE 5**

38.30 **AGRICULTURE**

38.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

38.32 The amounts shown in this section summarize direct appropriations, by fund, made
38.33 in this article.

39.1		<u>2010</u>		<u>2011</u>		<u>Total</u>
39.2	<u>General</u>	\$	<u>(2,780,000)</u>	\$	<u>(3,374,000)</u>	\$ <u>(6,154,000)</u>

39.3 Sec. 2. **APPROPRIATIONS.**

39.4 The sums shown in the columns marked "Appropriations" are added to or, if shown
 39.5 in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 1, to
 39.6 the agencies and for the purposes specified in this article. The appropriations are from the
 39.7 general fund or another named fund and are available for the fiscal years indicated for
 39.8 each purpose. The figures "2010" and "2011" used in this article mean that the addition
 39.9 to or subtraction from the appropriation listed under them is available for the fiscal year
 39.10 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
 39.11 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
 39.12 day following final enactment.

39.13		<u>APPROPRIATIONS</u>	
39.14		<u>Available for the Year</u>	
39.15		<u>Ending June 30</u>	
39.16		<u>2010</u>	<u>2011</u>

39.17 Sec. 3. **AGRICULTURE**

39.18	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(2,593,000)</u>	\$	<u>(3,133,000)</u>
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39.19 The appropriation additions or reductions
 39.20 for each purpose are shown in the following
 39.21 subdivisions.

39.22	<u>Subd. 2. Protection Services</u>		<u>(130,000)</u>		<u>(586,000)</u>
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39.23 \$60,000 in 2010 and \$200,000 in 2011 are
 39.24 reductions in the appropriations for dairy and
 39.25 food inspection.

39.26 \$25,000 in 2010 and \$50,000 in 2011 are
 39.27 reductions in the appropriations for the food
 39.28 inspection laboratory.

39.29	<u>Subd. 3. Agricultural Marketing and</u>				
39.30	<u>Development</u>		<u>(124,000)</u>		<u>(8,000)</u>

39.31 \$3,000 in 2010 is a reduction for grants to
 39.32 farmers for demonstration projects involving

40.1 sustainable agriculture, as authorized in
 40.2 Minnesota Statutes, section 17.116.

40.3 **Subd. 4. Bioenergy and Value-Added**
 40.4 **Agriculture** (2,220,000) (2,220,000)

40.5 \$2,220,000 in 2010 and \$2,220,000 in
 40.6 2011 are reductions in appropriations for
 40.7 ethanol producer payments under Minnesota
 40.8 Statutes, section 41A.09. These reductions
 40.9 are onetime.

40.10 **Subd. 5. Administration and Financial**
 40.11 **Assistance** (119,000) (319,000)

40.12 \$20,000 in 2010 and \$52,000 in 2011
 40.13 are reductions from the appropriation for
 40.14 the dairy development and profitability
 40.15 enhancement and dairy business planning
 40.16 grant programs established under Laws 1997,
 40.17 chapter 216, section 7, subdivision 2, and
 40.18 Laws 2001, First Special Session chapter 2,
 40.19 section 9, subdivision 2.

40.20 \$1,000 in 2011 is a reduction from the
 40.21 appropriation for a grant to the Minnesota
 40.22 Livestock Breeders Association.

40.23 \$15,000 in 2011 is a reduction from the
 40.24 appropriation for a grant to the Minnesota
 40.25 Agricultural Education and Leadership
 40.26 Council.

40.27 \$3,000 in 2011 is a reduction from the
 40.28 appropriation for the Northern Crops
 40.29 Institute.

40.30 \$4,000 in 2010 and \$4,000 in 2011 are
 40.31 reductions from the appropriation for grants
 40.32 to the Minnesota Turf Seed Council for
 40.33 basic and applied research on the improved
 40.34 production of forage and turf seed related to
 40.35 new and improved varieties.

- 41.1 \$3,000 in 2010 and \$3,000 in 2011 are
41.2 reductions from the appropriation for grants
41.3 to the Minnesota Turf Seed Council for basic
41.4 and applied agronomic research on native
41.5 plants including plant breeding, nutrient
41.6 management, pest management, disease
41.7 management yield, and viability.
- 41.8 \$60,000 in 2010 is a reduction from the
41.9 appropriation for the agricultural growth,
41.10 research, and innovation program.
- 41.11 \$6,000 in 2011 is a reduction from the
41.12 appropriation for transfer to the Board of
41.13 Trustees of the Minnesota State Colleges and
41.14 Universities for mental health counseling
41.15 support to farm families and business
41.16 operators through farm business management
41.17 programs at Central Lakes College and
41.18 Ridgewater College.
- 41.19 \$1,000 in 2011 is a reduction from the
41.20 appropriation for a grant to the Minnesota
41.21 Horticultural Society.
- 41.22 \$4,000 in 2010 is a reduction from the
41.23 appropriation for transfer to the University
41.24 of Minnesota Extension Service for
41.25 farm-to-school grants to school districts in
41.26 Minneapolis, Moorhead, White Earth, and
41.27 Willmar.
- 41.28 \$28,000 in 2010 and \$234,000 in 2011 and
41.29 \$684,000 in 2012 and \$684,000 in 2013
41.30 are reductions due to efficiencies and other
41.31 cost savings realized by various methods
41.32 including, but not limited to, renegotiating
41.33 leases and other contracts and resource
41.34 reorganization or consolidation within the
41.35 department or in conjunction with other

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43.1 the agencies and for the purposes specified in this article. The appropriations are from the
 43.2 general fund, or another named fund, and are available for the fiscal years indicated for
 43.3 each purpose. The figures "2010" and "2011" used in this article mean that the addition
 43.4 to or subtraction from the appropriation listed under them is available for the fiscal year
 43.5 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
 43.6 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
 43.7 day following final enactment.

43.8		<u>APPROPRIATIONS</u>	
43.9		<u>Available for the Year</u>	
43.10		<u>Ending June 30</u>	
43.11		<u>2010</u>	<u>2011</u>

43.12	Sec. 3. <u>VETERANS AFFAIRS</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>200,000</u>
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43.13 \$100,000 in fiscal year 2011 is for a grant
 43.14 to the Minnesota Assistance Council for
 43.15 Veterans to provide assistance throughout
 43.16 Minnesota to veterans and their families who
 43.17 are homeless or in danger of homelessness,
 43.18 including housing, utility, employment, and
 43.19 legal assistance, according to guidelines
 43.20 established by the commissioner. In
 43.21 order to avoid duplication of services,
 43.22 the commissioner must ensure that this
 43.23 assistance will be coordinated with all other
 43.24 available programs for veterans. This is a
 43.25 onetime appropriation.

43.26 \$100,000 in the second year is for
 43.27 compensation for honor guards at the
 43.28 funerals of veterans in accordance with
 43.29 the program established in Minnesota
 43.30 Statutes, section 197.231. This is a onetime
 43.31 appropriation.

43.32 \$200,000 in fiscal year 2010 and \$200,000
 43.33 in fiscal year 2011 are from the Support our
 43.34 Troops account established in Minnesota

44.1 Statutes, section 190.19, for an increase in
44.2 the CORE grant program.

44.3 Sec. 4. **VETERANS HOMES**

44.4 Of the appropriation in Laws 2009, chapter
44.5 94, article 3, section 2, subdivision 3, or from
44.6 funds carried forward from fiscal year 2009:

44.7 (1) \$1,000,000 in fiscal year 2011 is for
44.8 operational expenses related to the 21-bed
44.9 addition at the Fergus Falls Veterans Home;
44.10 and

44.11 (2) \$113,000 in fiscal year 2011 is for start-up
44.12 expenses related to the opening of an adult
44.13 daycare facility at the Minneapolis Veterans
44.14 Home.

44.15 Sec. 5. **REPORT TO THE LEGISLATURE**

44.16 By January 15, 2011, the commissioner shall
44.17 report to the chairs and ranking minority
44.18 members of the legislative committees and
44.19 divisions with jurisdiction over veterans
44.20 affairs policy and finance regarding any
44.21 unexpended appropriations, revenues, or
44.22 other actual or projected carryover money
44.23 provided directly or indirectly through any
44.24 provision in this article.

44.25 Sec. 6. Minnesota Statutes 2009 Supplement, section 190.19, subdivision 2a, is
44.26 amended to read:

44.27 Subd. 2a. **Uses; veterans.** Money appropriated to the Department of Veterans
44.28 Affairs from the Minnesota "Support Our Troops" account may be used for:

44.29 (1) grants to veterans service organizations;

44.30 (2) outreach to underserved veterans; ~~and~~

44.31 (3) providing services and programs for veterans and their families; and

44.32 (4) transfers to the vehicle services account for Gold Star license plates under
44.33 section 168.1253.

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

45.2 Sec. 7. Laws 2009, chapter 94, article 3, section 2, subdivision 3, is amended to read:

45.3 Subd. 3. **Veterans Homes** 43,673,000 43,916,000

45.4 **Veterans Homes Special Revenue Account.**

45.5 The general fund appropriations made to
45.6 the department may be transferred to a
45.7 veterans homes special revenue account in
45.8 the special revenue fund in the same manner
45.9 as other receipts are deposited according
45.10 to Minnesota Statutes, section 198.34, and
45.11 are appropriated to the department for the
45.12 operation of veterans homes facilities and
45.13 programs.

45.14 **Repair and Betterment.** Of this
45.15 appropriation, \$1,000,000 in fiscal year
45.16 2010 and \$500,000 in fiscal year 2011
45.17 are to be used for repair, maintenance,
45.18 rehabilitation, and betterment activities at
45.19 facilities statewide.

45.20 **Hastings Veterans Home.** \$220,000 each
45.21 year is for increases in the mental health
45.22 program at the Hastings Veterans Home.

45.23 ~~**Food.** \$92,000 in fiscal year 2010 and~~
45.24 ~~\$189,000 in fiscal year 2011 are for increases~~
45.25 ~~in food costs at the Minnesota veterans~~
45.26 ~~homes.~~

45.27 ~~**Pharmaceuticals.** \$287,000 in fiscal year~~
45.28 ~~2010 and \$617,000 in fiscal year 2011 are for~~
45.29 ~~increases in pharmaceutical costs.~~

45.30 ~~**Fuel and Utilities.** \$277,000 in fiscal year~~
45.31 ~~2010 and \$593,000 in fiscal year 2011 are~~
45.32 ~~for increases in fuel and utility costs at the~~
45.33 ~~Minnesota veterans homes.~~

47.1 (a) \$15,000 in 2010 and \$25,000 in 2011

47.2 are from the appropriation for a grant to

47.3 BioBusiness Alliance of Minnesota.

47.4 (b) \$15,000 in 2011 is from the appropriation

47.5 for a grant to the Minnesota Inventors

47.6 Congress.

47.7 (c) \$6,000 in 2010 and \$10,000 in 2011

47.8 are from the appropriation for the Office of

47.9 Science and Technology. This is a onetime

47.10 reduction.

47.11 (d) \$15,000 in 2010 and \$25,000 in 2011

47.12 are from the appropriation for a grant to

47.13 Enterprise Minnesota, Inc. This is a onetime

47.14 reduction.

47.15 **Subd. 3. Workforce Development**

(384,000)

(910,000)

47.16 (a) \$250,000 in 2010 and \$250,000 in

47.17 2011 are from the appropriation for the

47.18 Minnesota job skills partnership program

47.19 under Minnesota Statutes, sections 116L.01

47.20 to 116L.17.

47.21 (b) \$119,000 in 2011 is from the appropriation

47.22 for State Services for the Blind activities.

47.23 (c) \$71,000 in 2010 and \$119,000 in 2011 are

47.24 from the appropriation for grants to Centers

47.25 for Independent Living.

47.26 (d) \$22,000 in 2010 and \$375,000 in 2011

47.27 are from the appropriation for extended

47.28 employment services under Minnesota

47.29 Statutes, section 268A.15. Notwithstanding

47.30 Minnesota Rules, parts 3300.2030 to

47.31 3300.2055, the commissioner may adjust

47.32 contracts with eligible extended employment

47.33 providers in order to achieve required

47.34 reductions through June 30, 2011. The

48.1 general fund base for extended employment
 48.2 services is \$5,405,000 in fiscal year 2012 and
 48.3 \$5,405,000 in fiscal year 2013.

48.4 (e) \$41,000 in 2010 and \$47,000 in 2011 are
 48.5 from the appropriation for grants to programs
 48.6 that provide employment support services to
 48.7 persons with mental illness under Minnesota
 48.8 Statutes, sections 268A.13 and 268A.14.

48.9 <u>Subd. 4. State-Funded Administration</u>	<u>(35,000)</u>	<u>(90,000)</u>
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48.10 <u>Subd. 5. Carryforward</u>	<u>(1,000,000)</u>	<u>-0-</u>
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48.11 The carryforward reduction is for the job
 48.12 skills partnership program.

48.13 Subd. 6. **Transfers and Cancellations**

48.14 (a) \$2,500,000 in 2010 and \$2,500,000 in
 48.15 2011 are transferred from the petroleum
 48.16 tank release cleanup fund under Minnesota
 48.17 Statutes, section 115C.08, to the general
 48.18 fund.

48.19 (b) \$80,000 in 2010 is transferred from the
 48.20 unemployment insurance state administration
 48.21 account in the special revenue fund under
 48.22 Minnesota Statutes, section 268.196,
 48.23 subdivision 1, to the general fund.

48.24 (c) \$160,000 in 2010 is transferred from
 48.25 the capital access program account in the
 48.26 special revenue fund under Minnesota
 48.27 Statutes, section 116J.876, subdivision 4, to
 48.28 the general fund.

48.29 (d) The remaining balance from the Laws
 48.30 2007, chapter 135, article 1, section 3,
 48.31 appropriation for a grant to Le Sueur County
 48.32 is canceled.

49.1	Sec. 4. <u>DEPARTMENT OF LABOR AND</u>			
49.2	<u>INDUSTRY; TRANSFERS</u>	\$	<u>-0-</u>	\$ <u>-0-</u>
49.3	<u>By June 30, 2010, the commissioner of</u>			
49.4	<u>management and budget shall transfer</u>			
49.5	<u>\$1,425,000 from the assigned risk safety</u>			
49.6	<u>account in the worker's compensation fund to</u>			
49.7	<u>the general fund.</u>			
49.8	Sec. 5. <u>BUREAU OF MEDIATION</u>			
49.9	<u>SERVICES</u>	\$	<u>(50,000)</u>	\$ <u>(83,000)</u>
49.10	Sec. 6. <u>ACCOUNTANCY BOARD</u>	\$	<u>(15,000)</u>	\$ <u>(25,000)</u>
49.11	Sec. 7. <u>BOARD OF ARCHITECTURE,</u>			
49.12	<u>ENGINEERING, SURVEYING, AND</u>			
49.13	<u>LANDSCAPING</u>	\$	<u>(24,000)</u>	\$ <u>(41,000)</u>
49.14	Sec. 8. <u>BOARD OF COSMETOLOGIST</u>			
49.15	<u>EXAMINERS</u>	\$	<u>-0-</u>	\$ <u>395,000</u>
49.16	Sec. 9. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>-0-</u>	\$ <u>69,000</u>
49.17	Sec. 10. <u>COMBATIVE SPORTS</u>			
49.18	<u>COMMISSION</u>	\$	<u>-0-</u>	\$ <u>-0-</u>
49.19	Sec. 11. <u>HOUSING FINANCE AGENCY</u>			
49.20	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(2,061,000)</u>	\$ <u>(2,156,000)</u>
49.21	<u>The amounts that may be spent or must be</u>			
49.22	<u>reduced for each purpose are specified in the</u>			
49.23	<u>following subdivisions.</u>			
49.24	<u>Subd. 2. Affordable Rental Investment Fund</u>		<u>(2,061,000)</u>	<u>(1,156,000)</u>
49.25	<u>These reductions are from the appropriation</u>			
49.26	<u>for the affordable rental investment fund</u>			
49.27	<u>program under Minnesota Statutes, section</u>			
49.28	<u>462A.21, subdivision 8b.</u>			
49.29	<u>In fiscal year 2010, the Housing Finance</u>			
49.30	<u>Agency shall transfer \$2,061,000 from the</u>			
49.31	<u>affordable rental investment fund program in</u>			

50.1 the housing development fund, to the general
 50.2 fund.

50.3 The base appropriation for the affordable
 50.4 rental investment fund program for fiscal
 50.5 years 2012 and 2013 is \$7,546,000 for each
 50.6 year.

50.7 **Subd. 3. Housing Rehabilitation** -0- (1,000,000)

50.8 This reduction is from the appropriation
 50.9 for the housing rehabilitation program
 50.10 under Minnesota Statutes, section 462A.05,
 50.11 subdivision 14, for rental housing
 50.12 developments.

50.13 The base appropriation for the housing
 50.14 rehabilitation program for fiscal years 2012
 50.15 and 2013 is \$3,287,000 for each year.

50.16 **Sec. 12. PUBLIC FACILITIES AUTHORITY** \$ (11,000) \$ (7,000)

50.17 **Sec. 13. EXPLORE MINNESOTA TOURISM** \$ (253,000) \$ (302,000)

50.18 (a) \$251,000 in 2010 and \$300,000 in
 50.19 2011 are reductions to Explore Minnesota
 50.20 Tourism. Of the reduction in 2010, \$13,000
 50.21 is a reduction in the carryforward from fiscal
 50.22 year 2009.

50.23 (b) \$2,000 in 2010 and \$2,000 in 2011 are
 50.24 reductions to the incentive grants program.

50.25 **Sec. 14. MINNESOTA HISTORICAL**
 50.26 **SOCIETY** \$ (210,000) \$ (490,000)

50.27 **(a) Education and Outreach**

50.28 \$120,000 in 2010 and \$280,000 in 2011 are
 50.29 reductions to education and outreach.

50.30 **(b) Preservation and Access**

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52.1 (f) \$8,000 in 2010 and \$12,000 in 2011
52.2 are reductions to the equipment grants to
52.3 Minnesota Public Radio, Inc.

52.4 Sec. 18. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

52.5 Subd. 2. **Business and Community**
52.6 **Development** 8,980,000 8,980,000

52.7	Appropriations by Fund		
52.8	General	7,941,000	7,941,000
52.9	Remediation	700,000	700,000
52.10	Workforce		
52.11	Development	339,000	339,000

52.12 (a) \$700,000 the first year and \$700,000 the
52.13 second year are from the remediation fund for
52.14 contaminated site cleanup and development
52.15 grants under Minnesota Statutes, section
52.16 116J.554. This appropriation is available
52.17 until expended.

52.18 (b) \$200,000 each year is from the general
52.19 fund for a grant to WomenVenture for
52.20 women's business development programs
52.21 and for programs that encourage and assist
52.22 women to enter nontraditional careers in the
52.23 trades; manual and technical occupations;
52.24 science, technology, engineering, and
52.25 mathematics-related occupations; and green
52.26 jobs. This appropriation may be matched
52.27 dollar for dollar with any resources available
52.28 from the federal government for these
52.29 purposes with priority given to initiatives
52.30 that have a goal of increasing by at least ten
52.31 percent the number of women in occupations
52.32 where women currently comprise less than 25
52.33 percent of the workforce. The appropriation
52.34 is available until expended.

53.1 (c) \$105,000 each year is from the general
53.2 fund and \$50,000 each year is from the
53.3 workforce development fund for a grant to
53.4 the Metropolitan Economic Development
53.5 Association for continuing minority business
53.6 development programs in the metropolitan
53.7 area. This appropriation must be used for the
53.8 sole purpose of providing free or reduced
53.9 fee business consulting services to minority
53.10 entrepreneurs and contractors.

53.11 (d)(1) \$500,000 each year is from the
53.12 general fund for a grant to BioBusiness
53.13 Alliance of Minnesota for bioscience
53.14 business development programs to promote
53.15 and position the state as a global leader
53.16 in bioscience business activities. This
53.17 appropriation is added to the department's
53.18 base. These funds may be used to create,
53.19 recruit, retain, and expand biobusiness
53.20 activity in Minnesota; implement the
53.21 destination 2025 statewide plan; update
53.22 a statewide assessment of the bioscience
53.23 industry and the competitive position of
53.24 Minnesota-based bioscience businesses
53.25 relative to other states and other nations;
53.26 and develop and implement business and
53.27 scenario-planning models to create, recruit,
53.28 retain, and expand biobusiness activity in
53.29 Minnesota.

53.30 (2) The BioBusiness Alliance must report
53.31 each year by February 15 to the committees
53.32 of the house of representatives and the senate
53.33 having jurisdiction over bioscience industry
53.34 activity in Minnesota on the use of funds;
53.35 the number of bioscience businesses and
53.36 jobs created, recruited, retained, or expanded

54.1 in the state since the last reporting period;
54.2 the competitive position of the biobusiness
54.3 industry; and utilization rates and results of
54.4 the business and scenario-planning models
54.5 and outcomes resulting from utilization of
54.6 the business and scenario-planning models.

54.7 (e)(1) Of the money available in the
54.8 Minnesota Investment Fund, Minnesota
54.9 Statutes, section 116J.8731, to the
54.10 commissioner of the Department of
54.11 Employment and Economic Development,
54.12 up to \$3,000,000 is appropriated in fiscal year
54.13 2010 for a loan to an aircraft manufacturing
54.14 and assembly company, associated with the
54.15 aerospace industry, for equipment utilized
54.16 to establish an aircraft completion center
54.17 at the Minneapolis-St. Paul International
54.18 Airport. The finishing center must use the
54.19 state's vocational training programs designed
54.20 specifically for aircraft maintenance training,
54.21 and to the extent possible, work to recruit
54.22 employees from these programs. The center
54.23 must create at least 200 new manufacturing
54.24 jobs within 24 months of receiving the
54.25 loan, and create not less than 500 new
54.26 manufacturing jobs over a five-year period
54.27 in Minnesota.

54.28 (2) This loan is not subject to loan limitations
54.29 under Minnesota Statutes, section 116J.8731,
54.30 subdivision 5. Any match requirements
54.31 under Minnesota Statutes, section 116J.8731,
54.32 subdivision 3, may be made from current
54.33 resources. This is a onetime appropriation
54.34 and is effective the day following final
54.35 enactment.

- 55.1 (f) \$65,000 each year is from the general
55.2 fund for a grant to the Minnesota Inventors
55.3 Congress, of which at least \$6,500 must be
55.4 used for youth inventors.
- 55.5 (g) \$200,000 the first year and \$200,000 the
55.6 second year are for the Office of Science and
55.7 Technology. This is a onetime appropriation.
- 55.8 (h) \$500,000 the first year and \$500,000 the
55.9 second year are for a grant to Enterprise
55.10 Minnesota, Inc., for the small business
55.11 growth acceleration program under
55.12 Minnesota Statutes, section 116O.115. This
55.13 is a onetime appropriation and is available
55.14 until expended.
- 55.15 (i)(1) \$100,000 each year is from the
55.16 workforce development fund for a grant
55.17 under Minnesota Statutes, section 116J.421,
55.18 to the Rural Policy and Development
55.19 Center at St. Peter, Minnesota. The grant
55.20 shall be used for research and policy
55.21 analysis on emerging economic and social
55.22 issues in rural Minnesota, to serve as a
55.23 policy resource center for rural Minnesota
55.24 communities, to encourage collaboration
55.25 across higher education institutions, to
55.26 provide interdisciplinary team approaches
55.27 to research and problem-solving in rural
55.28 communities, and to administer overall
55.29 operations of the center.
- 55.30 (2) The grant shall be provided upon the
55.31 condition that each state-appropriated
55.32 dollar be matched with a nonstate dollar.
55.33 Acceptable matching funds are nonstate
55.34 contributions that the center has received and
55.35 have not been used to match previous state

56.1 grants. Any funds not spent the first year are
56.2 available the second year.

56.3 (j) Notwithstanding Minnesota Statutes,
56.4 section 268.18, subdivision 2, \$414,000 of
56.5 funds collected for unemployment insurance
56.6 administration under this subdivision is
56.7 appropriated as follows: \$250,000 to Lake
56.8 County for ice storm damage; \$64,000 is for
56.9 the city of Green Isle for reimbursement of
56.10 fire relief efforts and other expenses incurred
56.11 as a result of the fire in the city of Green Isle;
56.12 and \$100,000 is to develop the construction
56.13 mitigation pilot program to make grants for
56.14 up to five projects statewide available to local
56.15 government units to mitigate the impacts of
56.16 transportation construction on local small
56.17 business. These are onetime appropriations
56.18 and are available until expended.

56.19 (k) Up to \$10,000,000 is appropriated from
56.20 the Minnesota minerals 21st century fund to
56.21 the commissioner of Iron Range resources
56.22 and rehabilitation to make ~~a grant~~ grants
56.23 or forgivable ~~loan~~ loans to ~~a manufacturer~~
56.24 manufacturers of windmill blades, other
56.25 renewable energy manufacturing, or biomass
56.26 products at ~~a facility~~ facilities to be located
56.27 within the taconite tax relief area defined
56.28 in Minnesota Statutes, section 273.134. No
56.29 match is required for the renewable energy
56.30 manufacturing or biomass projects.

56.31 (l) \$1,000,000 is appropriated from the
56.32 Minnesota minerals 21st century fund to
56.33 the Board of Trustees of the Minnesota
56.34 State Colleges and Universities for a grant
56.35 to the Northeast Higher Education District

57.1 for planning, design, and construction of
57.2 classrooms and housing facilities for upper
57.3 division students in the engineering program.

57.4 (m)(1) \$189,000 each year is appropriated
57.5 from the workforce development fund for
57.6 grants of \$63,000 to eligible organizations
57.7 each year to assist in the development of
57.8 entrepreneurs and small businesses. Each
57.9 state grant dollar must be matched with \$1
57.10 of nonstate funds. Any balance in the first
57.11 year does not cancel but is available in the
57.12 second year.

57.13 (2) Three grants must be awarded to
57.14 continue or to develop a program. One
57.15 grant must be awarded to the Riverbend
57.16 Center for Entrepreneurial Facilitation
57.17 in Blue Earth County, and two to other
57.18 organizations serving Faribault and Martin
57.19 Counties. Grant recipients must report to the
57.20 commissioner by February 1 of each year
57.21 that the organization receives a grant with the
57.22 number of customers served; the number of
57.23 businesses started, stabilized, or expanded;
57.24 the number of jobs created and retained; and
57.25 business success rates. The commissioner
57.26 must report to the house of representatives
57.27 and senate committees with jurisdiction
57.28 over economic development finance on the
57.29 effectiveness of these programs for assisting
57.30 in the development of entrepreneurs and
57.31 small businesses.

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

57.33 Sec. 19. **ADJUSTMENT.**

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59.1 (10) to assess and remove abandoned underground storage tanks under section
59.2 115C.094 and, if a release is discovered, to pay for the specific consultant and contractor
59.3 services costs necessary to complete the tank removal project, including, but not limited
59.4 to, excavation soil sampling, groundwater sampling, soil disposal, and completion of an
59.5 excavation report.

59.6 (b) Except as provided in paragraph (c), money in the fund is appropriated to the
59.7 board to make reimbursements or payments under this section.

59.8 (c) In fiscal years 2010 and 2011, \$3,700,000 is annually appropriated from the fund
59.9 to the commissioner of employment and economic development for contamination cleanup
59.10 grants under section 116J.554. Beginning in fiscal year 2012 and each year thereafter,
59.11 \$6,200,000 is annually appropriated from the fund to the commissioner of employment
59.12 and economic development for contamination cleanup grants under section 116J.554. Of
59.13 this amount, the commissioner may spend up to \$225,000 annually for administration
59.14 of the contamination cleanup grant program. The appropriation does not cancel and is
59.15 available until expended. The appropriation shall not be withdrawn from the fund nor the
59.16 fund balance reduced until the funds are requested by the commissioner of employment
59.17 and economic development. The commissioner shall schedule requests for withdrawals
59.18 from the fund to minimize the necessity to impose the fee authorized by subdivision 2.
59.19 Unless otherwise provided, the appropriation in this paragraph may be used for:

59.20 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable
59.21 to petroleum contamination or new and used tar and tar-like substances, including but not
59.22 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
59.23 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
59.24 fractions, or residues from the processing of petroleum crude or petroleum products as
59.25 defined in section 296A.01; and

59.26 (2) the costs of performing contamination investigation if there is a reasonable basis
59.27 to suspect the contamination is attributable to petroleum or new and used tar and tar-like
59.28 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
59.29 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits
59.30 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
59.31 or petroleum products as defined in section 296A.01.

59.32 Sec. 2. Minnesota Statutes 2008, section 116L.17, subdivision 2, is amended to read:

59.33 Subd. 2. **Grants.** The board shall make grants to workforce service areas or other
59.34 eligible organizations to provide services to dislocated workers as follows:

60.1 (a) The board shall allocate funds available for the purposes of this section in its
60.2 discretion to respond to substantial layoffs and plant closings.

60.3 (b) The board shall regularly allocate funds to provide services to individual
60.4 dislocated workers or small groups. The initial allocation for this purpose must be 50
60.5 percent of the deposits and transfers into the workforce development fund, less any
60.6 collection costs paid out of the fund and any amounts appropriated by the legislature from
60.7 the workforce development fund for programs other than the state dislocated worker
60.8 program.

60.9 (c) Following the initial allocation, the board may consider additional allocations
60.10 to provide services to individual dislocated workers. The board's decision to allocate
60.11 additional funds shall be based on relevant economic indicators including: the number
60.12 of substantial layoffs to date, notices of substantial layoffs for the remainder of the fiscal
60.13 year, evidence of declining industries, the number of permanently separated individuals
60.14 applying for unemployment benefits by workforce service area, and the number of
60.15 individuals exhausting unemployment benefits by workforce service area. The board must
60.16 also consider expenditures of allocations to workforce service areas under paragraph (b)
60.17 made during the first two quarters of the fiscal year and federal resources that have been
60.18 or are likely to be allocated to Minnesota for the purposes of serving dislocated workers
60.19 affected by substantial layoffs or plant closings; except that this sentence does not apply
60.20 in fiscal year 2011.

60.21 (d) The board may, in its discretion, allocate funds carried forward from previous
60.22 years under subdivision 9 for large, small, or individual layoffs.

60.23 **EFFECTIVE DATE.** This section is effective July 1, 2010.

60.24 Sec. 3. Minnesota Statutes 2009 Supplement, section 154.002, is amended to read:

60.25 **154.002 OFFICERS; COMPENSATION; FEES; EXPENSES.**

60.26 The Board of Barber Examiners shall annually elect a chair and secretary. It shall
60.27 adopt and use a common seal for the authentication of its orders and records. The board
60.28 shall appoint an executive secretary ~~who~~ or enter into an interagency agreement to procure
60.29 the services of an executive secretary. The executive secretary shall not be a member of
60.30 the board and ~~who~~ shall be in the unclassified civil service. The position of executive
60.31 secretary may be a part-time position.

60.32 The executive secretary shall keep a record of all proceedings of the board. The
60.33 expenses of administering this chapter shall be paid from the appropriations made to
60.34 the Board of Barber Examiners.

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61.1 Each member of the board shall take the oath provided by law for public officers.

61.2 A majority of the board, in meeting assembled, may perform and exercise all the
61.3 duties and powers devolving upon the board.

61.4 The members of the board shall receive compensation for each day spent on board
61.5 activities, but not to exceed 20 days in any calendar month nor 100 days in any calendar
61.6 year.

61.7 The board shall have authority to employ such inspectors, clerks, deputies, and other
61.8 assistants as it may deem necessary to carry out the provisions of this chapter.

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

61.10 Sec. 4. Minnesota Statutes 2009 Supplement, section 154.003, is amended to read:

61.11 **154.003 FEES.**

61.12 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the
61.13 board, shall be paid to the ~~executive secretary of the board~~. The ~~executive secretary~~ board
61.14 shall deposit the fees in the general fund in the state treasury.

61.15 (b) The board shall charge the following fees:

61.16 (1) examination and certificate, registered barber, ~~\$65~~ \$85;

61.17 (2) examination and certificate, apprentice, ~~\$60~~ \$80;

61.18 (3) examination, instructor, ~~\$160~~ \$180;

61.19 (4) certificate, instructor, ~~\$45~~ \$65;

61.20 (5) temporary teacher or apprentice permit, ~~\$60~~ \$80;

61.21 (6) renewal of license, registered barber, ~~\$60~~ \$80;

61.22 (7) renewal of license, apprentice, ~~\$50~~ \$70;

61.23 (8) renewal of license, instructor, ~~\$60~~ \$80;

61.24 (9) renewal of temporary teacher permit, ~~\$45~~ \$65;

61.25 (10) student permit, ~~\$25~~ \$45;

61.26 (11) initial shop registration, ~~\$65~~ \$85;

61.27 (12) initial school registration, ~~\$1,010~~ \$1,030;

61.28 (13) renewal shop registration, ~~\$65~~ \$85;

61.29 (14) renewal school registration, ~~\$260~~ \$280;

61.30 (15) restoration of registered barber license, ~~\$75~~ \$95;

61.31 (16) restoration of apprentice license, ~~\$70~~ \$90;

61.32 (17) restoration of shop registration, ~~\$85~~ \$105;

61.33 (18) change of ownership or location, ~~\$35~~ \$55;

61.34 (19) duplicate license, ~~\$20~~ \$40; and

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62.1 (20) home study course, ~~\$75, and~~ \$95.

62.2 ~~(21) registration of hair braiders, \$20 per year.~~

62.3 Sec. 5. Minnesota Statutes 2009 Supplement, section 155A.23, is amended by adding a
62.4 subdivision to read:

62.5 Subd. 5a. **Individual license.** "Individual license" means a license described in
62.6 section 155A.25, subdivision 1, paragraph (a), clauses (1) and (2).

62.7 Sec. 6. Minnesota Statutes 2009 Supplement, section 155A.24, subdivision 2, is
62.8 amended to read:

62.9 Subd. 2. **Hiring and assignment of employees.** The board has the authority to hire
62.10 qualified personnel in the classified service to assist in administering the law, including
62.11 those for the testing and licensing of applicants and the continuing inspections required.
62.12 All staff must receive periodic training to improve and maintain customer service skills.

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

62.14 Sec. 7. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding a
62.15 subdivision to read:

62.16 Subd. 3. **Feedback.** The board must provide access on its Web site for customers to
62.17 provide feedback on interaction with the board and board staff. The information posted to
62.18 the Web site by customers must be readily accessible to the public. The board must also
62.19 record each complaint it receives, the board's response, and the time elapsed in responding
62.20 to and resolving each complaint.

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

62.22 Sec. 8. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding a
62.23 subdivision to read:

62.24 Subd. 4. **Report.** The board must report by January 15 each year to the standing
62.25 committees of the house of representatives and the senate having jurisdiction over the
62.26 board on its customer service training and its complaint resolution activities.

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

62.28 Sec. 9. Minnesota Statutes 2009 Supplement, section 155A.25, is amended to read:

62.29 **155A.25 COSMETOLOGY FEES; LICENSE EXPIRATION DATE.**

H.F. No. 1671, 5th Engrossment - 86th Legislative Session (2009-2010) [H1671-5]

63.1 Subdivision 1. **Schedule.** The fee schedule for licensees is as follows for licenses
63.2 issued prior to July 1, 2010, and after June 30, 2013:

63.3 (a) Three-year license fees:

63.4 (1) cosmetologist, manicurist, esthetician, \$90 for each initial license, and \$60 for
63.5 each renewal;

63.6 (2) instructor, manager, \$120 for each initial license, and \$90 for each renewal;

63.7 (3) salon, \$130 for each initial license, and \$100 for each renewal; and

63.8 (4) school, \$1,500.

63.9 (b) Penalties:

63.10 (1) reinspection fee, variable;

63.11 (2) manager and owner with lapsed practitioner, \$150 each;

63.12 (3) expired cosmetologist, manicurist, esthetician, manager, school manager, and
63.13 instructor license, \$45; and

63.14 (4) expired salon or school license, \$50.

63.15 (c) Administrative fees:

63.16 (1) certificate of identification, \$20;

63.17 (2) school original application, \$150;

63.18 (3) name change, \$20;

63.19 (4) letter of license verification, \$30;

63.20 (5) duplicate license, \$20;

63.21 (6) processing fee, \$10; ~~and~~

63.22 (7) special event permit, \$75 per year; and

63.23 (8) registration of hair braiders, \$20 per year.

63.24 ~~(d) All fees established in this subdivision must be paid to the executive secretary~~
63.25 ~~of the board. The executive secretary of the board shall deposit the fees in the general~~
63.26 ~~fund in the state treasury.~~

63.27 Subd. 1a. **Schedule.** The fee schedule for licensees is as follows for licenses issued
63.28 after June 30, 2010, and prior to July 1, 2013:

63.29 (a) Three-year license fees:

63.30 (1) cosmetologist, manicurist, or esthetician:

63.31 (i) \$90 for each initial license and a \$40 nonrefundable initial license application fee,
63.32 for a total of \$130; and

63.33 (ii) \$60 for each renewal and a \$15 nonrefundable renewal application fee, for
63.34 a total of \$75;

63.35 (2) instructor or manager:

H.F. No. 1671, 5th Engrossment - 86th Legislative Session (2009-2010) [H1671-5]

64.1 (i) \$120 for each initial license and a \$40 nonrefundable initial license application
64.2 fee, for a total of \$160; and

64.3 (ii) \$90 for each renewal and a \$15 nonrefundable renewal application fee, for a
64.4 total of \$105;

64.5 (3) salon:

64.6 (i) \$130 for each initial license and a \$100 nonrefundable initial license application
64.7 fee, for a total of \$230; and

64.8 (ii) \$100 for each renewal and a \$50 nonrefundable renewal application fee, for a
64.9 total of \$150; and

64.10 (4) school:

64.11 (i) \$1,500 for each initial license and a \$1,000 nonrefundable initial license
64.12 application fee, for a total of \$2,500; and

64.13 (ii) \$1,500 for each renewal and a \$500 nonrefundable renewal application fee,
64.14 for a total of \$2,000.

64.15 (b) Penalties:

64.16 (1) reinspection fee, variable;

64.17 (2) manager and owner with lapsed practitioner, \$150 each;

64.18 (3) expired cosmetologist, manicurist, esthetician, manager, school manager, and
64.19 instructor license, \$45; and

64.20 (4) expired salon or school license, \$50.

64.21 (c) Administrative fees:

64.22 (1) certificate of identification, \$20;

64.23 (2) name change, \$20;

64.24 (3) letter of license verification, \$30;

64.25 (4) duplicate license, \$20;

64.26 (5) processing fee, \$10;

64.27 (6) special event permit, \$75 per year; and

64.28 (7) registration of hair braiders, \$20 per year.

64.29 Subd. 1b. **Fees disposition; appropriation.** (a) All fees established in subdivisions
64.30 1 and 1a must be paid to the executive secretary of the board.

64.31 (b) The executive secretary of the board shall deposit all fees in the general fund
64.32 in the state treasury.

64.33 Subd. 2. **Refunds.** Refunds shall be given in the following situations: overpayment;
64.34 death or permanent disability before the effective date of a license; or an individual's
64.35 ineligibility for licensure. Applicants determined ineligible to receive a license will be

65.1 refunded the license fee minus any processing fee and minus any application fee this
65.2 section requires.

65.3 Subd. 3. **Other licenses.** A licensee who applies for licensing in a second category
65.4 shall pay the full license fee and application fee for the second category of license.

65.5 Subd. 4. **License expiration date.** The board shall, in a manner determined by the
65.6 board and without the need for rulemaking under chapter 14, phase in changes to initial
65.7 and renewal license expiration dates so that by January 1, 2014:

65.8 (1) individual licenses expire on the last day of the licensee's birth month of the
65.9 year due; and

65.10 (2) salon licenses expire on the last day of the month of initial licensure of the
65.11 year due.

65.12 Subd. 5. **Board must approve or deny application; timeline.** Within 15 working
65.13 days of receiving a complete application and the required fees for an initial or renewal
65.14 individual or salon license, the board must (1) either grant or deny the application, (2)
65.15 issue the license or notify the applicant of the denial, or (3) issue a temporary license to an
65.16 applicant for whom no record exists regarding: (i) a complaint filed with the board against
65.17 the applicant; or (ii) a negative action by the board against the applicant.

65.18 Sec. 10. Minnesota Statutes 2008, section 326B.148, subdivision 1, is amended to read:

65.19 Subdivision 1. **Computation.** To defray the costs of administering sections
65.20 326B.101 to 326B.194, a surcharge is imposed on all permits issued by municipalities in
65.21 connection with the construction of or addition or alteration to buildings and equipment or
65.22 appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge
65.23 receipts to award grants for code research and development and education.

65.24 If the fee for the permit issued is fixed in amount the surcharge is equivalent to
65.25 one-half mill (.0005) of the fee or 50 cents, except that effective July 1, 2010, until June
65.26 30, 2011, the permit surcharge is equivalent to one-half mill (.0005) of the fee or \$5,
65.27 whichever amount is greater. For all other permits, the surcharge is as follows:

65.28 (1) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the
65.29 surcharge is equivalent to one-half mill (.0005) of the valuation of the structure, addition,
65.30 or alteration;

65.31 (2) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths
65.32 mill (.0004) of the value between \$1,000,000 and \$2,000,000;

65.33 (3) if the valuation is greater than \$2,000,000, the surcharge is \$900 plus three-tenths
65.34 mill (.0003) of the value between \$2,000,000 and \$3,000,000;

66.1 (4) if the valuation is greater than \$3,000,000, the surcharge is \$1,200 plus one-fifth
66.2 mill (.0002) of the value between \$3,000,000 and \$4,000,000;

66.3 (5) if the valuation is greater than \$4,000,000, the surcharge is \$1,400 plus one-tenth
66.4 mill (.0001) of the value between \$4,000,000 and \$5,000,000; and

66.5 (6) if the valuation exceeds \$5,000,000, the surcharge is \$1,500 plus one-twentieth
66.6 mill (.00005) of the value that exceeds \$5,000,000.

66.7 Sec. 11. **RULEMAKING.**

66.8 Subdivision 1. Conforming changes. The Board of Cosmetologist Examiners
66.9 must amend Minnesota Rules, parts 2105.0200 and 2105.0330, to conform to the license
66.10 expiration date requirements of Minnesota Statutes, section 155A.25, subdivision 4, by
66.11 specifying that individual or salon licenses expire on the last day of an individual's birth
66.12 month of the year due, or on the last day of the month of initial licensure of the year due.

66.13 Subd. 2. Good cause exemption. The Board of Cosmetologist Examiners must use
66.14 the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause
66.15 (3), to adopt the rules required by this section. Minnesota Statutes, section 14.386, does
66.16 not apply except as provided in Minnesota Statutes, section 14.388.

66.17 Sec. 12. Minnesota Statutes 2008, section 116U.26, is amended to read:

66.18 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

66.19 (a) The film production jobs program is created. The program shall be operated
66.20 by the Minnesota Film and TV Board with administrative oversight and control by the
66.21 director of Explore Minnesota Tourism. The program shall make payment to producers
66.22 of feature films, national television or Internet programs, documentaries, music videos,
66.23 and commercials that directly create new film jobs in Minnesota. To be eligible for a
66.24 payment, a producer must submit documentation to the Minnesota Film and TV Board of
66.25 expenditures for production costs incurred in Minnesota that are directly attributable to the
66.26 production in Minnesota of a film product.

66.27 The Minnesota Film and TV Board shall make recommendations to the director of
66.28 Explore Minnesota Tourism about program payment, but the director has the authority to
66.29 make the final determination on payments. The director's determination must be based
66.30 on proper documentation of eligible production costs submitted for payments. No more
66.31 than five percent of the funds appropriated for the program in any year may be expended
66.32 for administration.

66.33 (b) For the purposes of this section:

66.34 (1) "production costs" means the cost of the following:

- 67.1 (i) a story and scenario to be used for a film;
- 67.2 (ii) salaries of talent, management, and labor, including payments to personal
- 67.3 services corporations for the services of a performing artist;
- 67.4 (iii) set construction and operations, wardrobe, accessories, and related services;
- 67.5 (iv) photography, sound synchronization, lighting, and related services;
- 67.6 (v) editing and related services;
- 67.7 (vi) rental of facilities and equipment; or
- 67.8 (vii) other direct costs of producing the film in accordance with generally accepted
- 67.9 entertainment industry practice; and

67.10 (2) "film" means a feature film, television or Internet show, documentary, music

67.11 video, or television commercial, whether on film, video, or digital media. Film does not

67.12 include news, current events, public programming, or a program that includes weather

67.13 or market reports; a talk show; a production with respect to a questionnaire or contest; a

67.14 sports event or sports activity; a gala presentation or awards show; a finished production

67.15 that solicits funds; or a production for which the production company is required under

67.16 United States Code, title 18, section 2257, to maintain records with respect to a performer

67.17 portrayed in a single-media or multimedia program.

67.18 (c) Notwithstanding any other law to the contrary, the Minnesota Film and TV

67.19 Board may make reimbursements of: (1) up to 20 percent of film production costs for

67.20 films that locate production outside the metropolitan area, as defined in section 473.121,

67.21 subdivision 2, or that incur production costs in excess of \$5,000,000 in Minnesota the

67.22 metropolitan area within a 12-month period; or (2) up to 15 percent of film production

67.23 costs for films that incur production costs of \$5,000,000 or less in the metropolitan area

67.24 within a 12-month period.

67.25 **ARTICLE 9**

67.26 **MINERALS**

67.27 Section 1. Minnesota Statutes 2009 Supplement, section 298.294, is amended to read:

67.28 **298.294 INVESTMENT OF FUND.**

67.29 (a) The trust fund established by section 298.292 shall be invested pursuant to law

67.30 by the State Board of Investment and the net interest, dividends, and other earnings arising

67.31 from the investments shall be transferred, except as provided in paragraph (b), on the first

67.32 day of each month to the trust and shall be included and become part of the trust fund.

67.33 The amounts transferred, including the interest, dividends, and other earnings earned

67.34 prior to July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year

68.1 1983, which is appropriated April 21, 1983, are appropriated from the trust fund to the
68.2 commissioner of Iron Range resources and rehabilitation for deposit in a separate account
68.3 for expenditure for the purposes set forth in section 298.292. Amounts appropriated
68.4 pursuant to this section shall not cancel but shall remain available unless expended.

68.5 (b) For fiscal years 2010 and 2011 only, ~~\$1,000,000~~ \$1,500,000 of the net interest,
68.6 dividends, and other earnings under paragraph (a) shall be transferred to a special account.
68.7 Funds in the special account are available for loans or grants to businesses, with priority
68.8 given to businesses with 25 or fewer employees. Funds may be used for wage subsidies
68.9 for up to 52 weeks of up to \$5 per hour or other activities, including, but not limited to,
68.10 short-term operating expenses and purchase of equipment and materials by businesses
68.11 under financial duress, that will create additional jobs in the taconite assistance area under
68.12 section 273.1341. Expenditures from the special account must be approved by at least
68.13 seven Iron Range Resources and Rehabilitation Board members.

68.14 (c) To qualify for a grant or loan, a business must be currently operating and have
68.15 been operating for one year immediately prior to its application for a loan or grant, and its
68.16 corporate headquarters must be located in the taconite assistance area.

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

68.18 Sec. 2. Laws 2009, chapter 78, article 7, section 2, is amended to read:

68.19 Sec. 2. **IRON RANGE RESOURCES AND REHABILITATION; EARLY**
68.20 **SEPARATION INCENTIVE PROGRAM AUTHORIZATION.**

68.21 (a) Notwithstanding any law to the contrary, the commissioner of Iron Range
68.22 resources and rehabilitation, in consultation with the commissioner of management and
68.23 budget, ~~may~~ shall offer a targeted early separation incentive program for employees of the
68.24 commissioner who have attained the age of 60 years or who have received credit for at
68.25 least 30 years of allowable service under the provisions of Minnesota Statutes, chapter 352.

68.26 (b) The early separation incentive program may include one or more of the following:

68.27 (1) employer-paid postseparation health, medical, and dental insurance until age
68.28 65; and

68.29 (2) cash incentives that may, but are not required to be, used to purchase additional
68.30 years of service credit through the Minnesota State Retirement System, to the extent that
68.31 the purchases are otherwise authorized by law.

68.32 (c) The commissioner of Iron Range resources and rehabilitation shall establish
68.33 eligibility requirements for employees to receive an incentive.

68.34 (d) The commissioner of Iron Range resources and rehabilitation, consistent with the
68.35 established program provisions under paragraph (b), and with the eligibility requirements

69.1 under paragraph (c), may designate specific programs or employees as eligible to be
69.2 offered the incentive program.

69.3 (e) Acceptance of the offered incentive must be voluntary on the part of the
69.4 employee and must be in writing. The incentive may only be offered at the sole discretion
69.5 of the commissioner of Iron Range resources and rehabilitation.

69.6 (f) The cost of the incentive is payable solely by funds made available to the
69.7 commissioner of Iron Range resources and rehabilitation by law, but only on prior approval
69.8 of the expenditures by a majority of the Iron Range Resources and Rehabilitation Board.

69.9 (g) This section and section 3 are repealed ~~June 30, 2011~~ December 31, 2012.

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

69.11 **Sec. 3. 2010 DISTRIBUTIONS ONLY.**

69.12 For distributions in 2010 only, a special fund is established to receive 28.757 cents
69.13 per ton that otherwise would be allocated under Minnesota Statutes, section 298.28,
69.14 subdivision 6:

69.15 (1) 0.764 cent per ton must be paid to Northern Minnesota Dental to provide
69.16 incentives for at least two dentists to establish dental practices in high-need areas of the
69.17 taconite tax relief area;

69.18 (2) 0.955 cent per ton must be paid to the city of Virginia for repairs and geothermal
69.19 heat at the Olcott Park Greenhouse/Virginia Commons project;

69.20 (3) 0.796 cent per ton must be paid to the city of Virginia for health and safety
69.21 repairs at the Miners Memorial;

69.22 (4) 1.114 cents per ton must be paid to the city of Eveleth for the reconstruction
69.23 of Highway 142/Grant and Park Avenues;

69.24 (5) 0.478 cent per ton must be paid to the Greenway Joint Recreation Board for
69.25 upgrades and capital improvements to the public arena in Coleraine;

69.26 (6) 0.796 cent per ton must be paid to the city of Calumet for water treatment and
69.27 pumphouse modifications;

69.28 (7) 0.159 cent per ton must be paid to the city of Bovey for residential and
69.29 commercial claims for water damage due to water and flood-related damage caused by
69.30 the Canisteo Pit;

69.31 (8) 0.637 cent per ton must be paid to the city of Nashwauk for a community and
69.32 child care center;

69.33 (9) 0.637 cent per ton must be paid to the city of Keewatin for water and sewer
69.34 upgrades;

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70.1 (10) 0.637 cent per ton must be paid to the city of Marble for the city hall and
70.2 library project;

70.3 (11) 0.955 cent per ton must be paid to the city of Grand Rapids for extension of
70.4 water and sewer services for Lakewood Housing;

70.5 (12) 0.159 cent per ton must be paid to the city of Grand Rapids for exhibits at
70.6 the Children's Museum;

70.7 (13) 0.637 cent per ton must be paid to the city of Grand Rapids for Block 20/21 soil
70.8 corrections. This amount must be matched by local sources;

70.9 (14) 0.605 cent per ton must be paid to the city of Aitkin for three water loops;

70.10 (15) 0.048 cent per ton must be paid to the city of Aitkin for signage;

70.11 (16) 0.159 cent per ton must be paid to Aitkin County for a trail;

70.12 (17) 0.637 cent per ton must be paid to the city of Cohasset for the Beiers Road
70.13 railroad crossing;

70.14 (18) 0.088 cent per ton must be paid to the town of Clinton for expansion and
70.15 striping of the community center parking lot;

70.16 (19) 0.398 cent per ton must be paid to the city of Kinney for water line replacement;

70.17 (20) 0.796 cent per ton must be paid to the city of Gilbert for infrastructure
70.18 improvements, milling, and overlay for Summit Street between Alaska Avenue and
70.19 Highway 135;

70.20 (21) 0.318 cent per ton must be paid to the city of Gilbert for sanitary sewer main
70.21 replacements and improvements in the Northeast Lower Alley area;

70.22 (22) 0.637 cent per ton must be paid to the town of White for replacement of the
70.23 Stepetz Road culvert;

70.24 (23) 0.796 cent per ton must be paid to the city of Buhl for reconstruction of Sharon
70.25 Street and associated infrastructure;

70.26 (24) 0.796 cent per ton must be paid to the city of Mountain Iron for site
70.27 improvements at the Park Ridge development;

70.28 (25) 0.796 cent per ton must be paid to the city of Mountain Iron for infrastructure
70.29 and site preparation for its renewable and sustainable energy park;

70.30 (26) 0.637 cent per ton must be paid to the city of Biwabik for sanitary sewer
70.31 improvements;

70.32 (27) 0.796 cent per ton must be paid to the city of Aurora for alley and road
70.33 rebuilding for the Summit Addition;

70.34 (28) 0.955 cent per ton must be paid to the city of Silver Bay for bioenergy facility
70.35 improvements;

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71.1 (29) 0.318 cent per ton must be paid to the city of Grand Marais for water and
71.2 sewer infrastructure improvements;

71.3 (30) 0.318 cent per ton must be paid to the city of Orr for airport, water, and sewer
71.4 improvements;

71.5 (31) 0.716 cent per ton must be paid to the city of Cook for street and bridge
71.6 improvements and industrial park land purchase;

71.7 (32) 0.955 cent per ton must be paid to the city of Ely for street, water, and sewer
71.8 improvements;

71.9 (33) 0.318 cent per ton must be paid to the city of Tower for water and sewer
71.10 improvements;

71.11 (34) 0.955 cent per ton must be paid to the city of Two Harbors for water and sewer
71.12 improvements;

71.13 (35) 0.637 cent per ton must be paid to the city of Babbitt for water and sewer
71.14 improvements;

71.15 (36) 0.096 cent per ton must be paid to the township of Duluth for infrastructure
71.16 improvements;

71.17 (37) 0.096 cent per ton must be paid to the township of Tofte for infrastructure
71.18 improvements;

71.19 (38) 3.184 cents per ton must be paid to the city of Hibbing for sewer improvements;

71.20 (39) 1.273 cents per ton must be paid to the city of Chisholm for NW Area Project
71.21 infrastructure improvements;

71.22 (40) 0.318 cent per ton must be paid to the city of Chisholm for health and safety
71.23 improvements at the athletic facility;

71.24 (41) 0.796 cent per ton must be paid to the city of Hoyt Lakes for residential street
71.25 improvements;

71.26 (42) 0.796 cent per ton must be paid to the Bois Forte Indian Reservation for
71.27 infrastructure related to a housing development;

71.28 (43) 0.159 cent per ton must be paid to Balkan Township for building improvements;

71.29 (44) 0.159 cent per ton must be paid to the city of Grand Rapids for a grant to
71.30 a nonprofit for a signage kiosk;

71.31 (45) 0.318 cent per ton must be paid to the city of Crane Lake for sanitary sewer
71.32 lines and adjacent development near County State-Aid Highway 24; and

71.33 (46) 0.159 cent per ton must be paid to the city of Chisholm to rehabilitate historic
71.34 wall infrastructure around the athletic complex.

71.35 **EFFECTIVE DATE.** This section is effective for the 2010 distribution, all of which
71.36 must be made in the August 2010 payment.

ARTICLE 10

TRANSPORTATION

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, or reductions in appropriations, by fund, made in this article.

	<u>2010</u>		<u>2011</u>		<u>Total</u>
General	\$	-0-	\$	(14,650,000)	\$ (14,650,000)
Trunk Highway		-0-		117,000,000	117,000,000
Total	\$	-0-	\$	102,350,000	102,350,000

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 36, article 1, to the agencies and for the purposes specified in this article. The appropriations and reductions are from the trunk highway fund or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 2011

Sec. 3. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation \$ -0- \$ 115,265,000

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
General	-0-	(1,735,000)
Trunk Highway	-0-	117,000,000

The amounts that may be spent or must be reduced for each purpose are specified in the following subdivisions.

Subd. 2. Multimodal Systems

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73.1	<u>(a) Transit</u>	<u>-0-</u>	<u>(1,685,000)</u>
73.2	<u>This reduction is from the appropriation</u>		
73.3	<u>from the general fund for transit assistance in</u>		
73.4	<u>Laws 2009, chapter 36, article 1, section 3,</u>		
73.5	<u>subdivision 2, paragraph (b).</u>		
73.6	<u>The base appropriation from the general</u>		
73.7	<u>fund for fiscal years 2012 and 2013 is</u>		
73.8	<u>\$16,301,000.</u>		
73.9	<u>(b) Freight</u>	<u>-0-</u>	<u>(50,000)</u>
73.10	<u>This reduction is from the appropriation from</u>		
73.11	<u>the general fund for freight and commercial</u>		
73.12	<u>vehicle operations in Laws 2009, chapter 36,</u>		
73.13	<u>article 1, section 3, subdivision 2, paragraph</u>		
73.14	<u>(d).</u>		
73.15	<u>Subd. 3. State Roads</u>		
73.16	<u>(a) State Road Construction</u>	<u>-0-</u>	<u>112,000,000</u>
73.17	<u>This appropriation is for state road</u>		
73.18	<u>construction, and is added to appropriations</u>		
73.19	<u>under Laws 2009, chapter 36, article 1,</u>		
73.20	<u>section 3, subdivision 3, paragraph (b),</u>		
73.21	<u>clause (2). This additional appropriation</u>		
73.22	<u>is funded by additional federal highway</u>		
73.23	<u>aid of \$112,000,000 above that specified in</u>		
73.24	<u>Laws 2009, chapter 36, article 1, section 3,</u>		
73.25	<u>subdivision 3, paragraph (b), clause (2). This</u>		
73.26	<u>is a onetime appropriation.</u>		
73.27	<u>(b) Federal Emergency Relief Account</u>	<u>-0-</u>	<u>5,000,000</u>
73.28	<u>This appropriation is for deposit in the</u>		
73.29	<u>trunk highway emergency relief account,</u>		
73.30	<u>as defined in Minnesota Statutes, section</u>		
73.31	<u>161.04, subdivision 5, for the purposes of</u>		
73.32	<u>that account. This is a onetime appropriation.</u>		

74.1 Sec. 4. METROPOLITAN COUNCIL § -0- \$ (12,915,000)

74.2 This reduction is from the appropriation from
74.3 the general fund for bus system operations
74.4 in Laws 2009, chapter 36, article 1, section
74.5 4, subdivision 2.

74.6 The base appropriation from the general fund
74.7 for fiscal years 2012 and 2013 is \$61,302,000
74.8 for each year.

74.9 Sec. 5. Minnesota Statutes 2008, section 161.04, is amended by adding a subdivision
74.10 to read:

74.11 Subd. 5. **Trunk highway emergency relief account.** (a) The trunk highway
74.12 emergency relief account is created in the trunk highway fund. Money in the account
74.13 is appropriated to the commissioner to be used to fund relief activities related to an
74.14 emergency, as defined in section 161.32, subdivision 3.

74.15 (b) Reimbursements by the Federal Highway Administration for emergency relief
74.16 payments made from the trunk highway emergency relief account must be credited to the
74.17 account. Interest accrued on the account must be credited to the account. Notwithstanding
74.18 section 16A.28, money in the account is available until spent. If the balance of the account
74.19 at the end of a fiscal year is greater than \$10,000,000, the amount above \$10,000,000
74.20 must be canceled to the trunk highway fund.

74.21 (c) By September 1, 2012, and in every subsequent even-numbered year by
74.22 September 1, the commissioner shall submit a report to the chairs and ranking minority
74.23 members of the senate and house of representatives committees having jurisdiction over
74.24 transportation policy and finance. The report must include the balance, as well as details
74.25 of payments made from and deposits made to the trunk highway emergency relief account
74.26 since the last report.

74.27 Sec. 6. REPEALER.

74.28 Minnesota Statutes 2008, sections 13.721, subdivision 4; and 221.0355, subdivisions
74.29 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, and 18, are repealed.

74.30 **ARTICLE 11**

74.31 **PUBLIC SAFETY**

74.32 Section 1. SUMMARY OF APPROPRIATIONS.

76.1	Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	\$	<u>-0-</u>	\$	<u>(2,000)</u>
76.2	Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	\$	<u>(10,000)</u>	\$	<u>(14,000)</u>
76.3	Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	\$	<u>(591,000)</u>	\$	<u>(1,302,000)</u>
76.4	Sec. 10. <u>PUBLIC SAFETY</u>				
76.5	Subdivision 1. <u>Total Appropriation</u>	\$	<u>(1,038,000)</u>	\$	<u>1,517,000</u>
76.6	<u>Appropriations by Fund</u>				
76.7	<u>General</u>		<u>(1,038,000)</u>		<u>(483,000)</u>
76.8	<u>Special Revenue</u>		<u>-0-</u>		<u>2,000,000</u>
76.9	<u>The appropriation additions or reductions for</u>				
76.10	<u>each purpose are specified in the following</u>				
76.11	<u>subdivisions.</u>				
76.12	<u>Subd. 2. Emergency Management</u>				
76.13	<u>(a) State Match</u>			<u>-0-</u>	<u>1,600,000</u>
76.14	<u>This onetime appropriation is to provide a</u>				
76.15	<u>match for FEMA money received for natural</u>				
76.16	<u>disaster assistance payments and is added</u>				
76.17	<u>to appropriations in Laws 2009, chapter 83,</u>				
76.18	<u>article 1, section 10, subdivision 2.</u>				
76.19	<u>(b) General Reduction</u>		<u>(29,000)</u>		<u>(57,000)</u>
76.20	<u>Subd. 3. Criminal Apprehension</u>		<u>(539,000)</u>		<u>(1,075,000)</u>
76.21	<u>The commissioner may not eliminate or leave</u>				
76.22	<u>open positions for forensic lab scientists in</u>				
76.23	<u>order to balance the department's budget.</u>				
76.24	<u>Subd. 4. Fire Marshal</u>			<u>-0-</u>	<u>2,000,000</u>
76.25	<u>This onetime appropriation is from the fire</u>				
76.26	<u>safety account in the special revenue fund</u>				
76.27	<u>and is for fire safety purposes as determined</u>				
76.28	<u>by the commissioner with the advice of the</u>				
76.29	<u>Fire Service Advisory Committee.</u>				

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77.1	<u>This appropriation is available until June 30,</u>		
77.2	<u>2012.</u>		
77.3	<u>Subd. 5. Gambling and Alcohol Enforcement</u>	<u>(25,000)</u>	<u>(49,000)</u>
77.4	<u>Subd. 6. Office of Justice Programs</u>	<u>(445,000)</u>	<u>(902,000)</u>
77.5	<u>Of the fiscal year 2011 reduction in this</u>		
77.6	<u>subdivision, funding for the following</u>		
77.7	<u>programs must not be reduced by more than</u>		
77.8	<u>1.5 percent: (1) battered women's shelters</u>		
77.9	<u>and domestic violence programs; (2) general</u>		
77.10	<u>crime victim programs; (3) sexual assault</u>		
77.11	<u>victim programs; and (4) youth intervention</u>		
77.12	<u>programs. This 1.5 percent reduction is in</u>		
77.13	<u>addition to the three percent reduction in</u>		
77.14	<u>Laws 2009, chapter 83, article 1, section 10,</u>		
77.15	<u>subdivision 6.</u>		
77.16	Sec. 11. <u>PRIVATE DETECTIVE BOARD</u>	<u>\$ (2,000)</u>	<u>\$ (3,000)</u>
77.17	Sec. 12. <u>HUMAN RIGHTS</u>	<u>\$ (59,000)</u>	<u>\$ (103,000)</u>
77.18	Sec. 13. <u>CORRECTIONS</u>		
77.19	<u>Subdivision 1. Total Appropriation</u>	<u>\$ (3,002,000)</u>	<u>\$ (5,920,000)</u>
77.20	<u>The appropriation reductions for each</u>		
77.21	<u>purpose are specified in the following</u>		
77.22	<u>subdivisions.</u>		
77.23	<u>Subd. 2. Agency-wide Reduction</u>	<u>(2,236,000)</u>	<u>(4,388,000)</u>
77.24	<u>This reduction may be applied agency wide.</u>		
77.25	<u>No portion of this reduction may come</u>		
77.26	<u>from the elimination of correctional officer</u>		
77.27	<u>positions, offender reentry programs, or</u>		
77.28	<u>discharge planning for mentally ill offenders.</u>		
77.29	<u>Subd. 3. Community Services</u>	<u>(766,000)</u>	<u>(1,532,000)</u>
77.30	<u>The commissioner must fund the equivalent</u>		
77.31	<u>of 25 percent of state-funded sentencing</u>		

78.1 to service programs. The 25 percent
78.2 must be calculated based on fiscal year
78.3 2010 state-funded sentencing to service
78.4 expenditures.

78.5 Subd. 4. **Transfers**

78.6 (a) **MINNCOR.** Notwithstanding Minnesota
78.7 Statutes, section 241.27, the commissioner
78.8 of management and budget shall transfer
78.9 \$574,000 the first year and \$1,170,000 the
78.10 second year from the Minnesota correctional
78.11 industries revolving fund to the general fund.
78.12 These are onetime transfers. These transfers
78.13 are in addition to those in Laws 2009, chapter
78.14 83, article 1, section 14, subdivision 2,
78.15 paragraph (g).

78.16 (b) **Various Special Revenue Accounts.**

78.17 Notwithstanding any law to the contrary,
78.18 the commissioner of management and
78.19 budget shall transfer \$201,000 the first year
78.20 and \$402,000 the second year from the
78.21 Department of Corrections' special revenue
78.22 accounts to the general fund. These are
78.23 onetime transfers. The commissioner of
78.24 corrections shall adjust expenditures to stay
78.25 within the remaining revenues.

78.26 Sec. 14. **SENTENCING GUIDELINES** \$ **(11,000)** \$ **(18,000)**

78.27 Sec. 15. Minnesota Statutes 2009 Supplement, section 16A.152, subdivision 2, is
78.28 amended to read:

78.29 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general
78.30 fund revenues and expenditures, the commissioner of management and budget determines
78.31 that there will be a positive unrestricted budgetary general fund balance at the close of
78.32 the biennium, the commissioner of management and budget must allocate money to the
78.33 following accounts and purposes in priority order:

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79.1 (1) the cash flow account established in subdivision 1 until that account reaches
79.2 \$350,000,000;

79.3 (2) the budget reserve account established in subdivision 1a until that account
79.4 reaches \$653,000,000;

79.5 (3) the amount necessary to increase the aid payment schedule for school district
79.6 aids and credits payments in section 127A.45 to not more than 90 percent rounded to the
79.7 nearest tenth of a percent without exceeding the amount available and with any remaining
79.8 funds deposited in the budget reserve;

79.9 (4) the amount necessary to restore all or a portion of the net aid reductions under
79.10 section 127A.441 and to reduce the property tax revenue recognition shift under section
79.11 123B.75, subdivision 5, paragraph (b), and Laws 2003, First Special Session chapter 9,
79.12 article 5, section 34, as amended by Laws 2003, First Special Session chapter 23, section
79.13 20, by the same amount; ~~and~~

79.14 (5) to the state airports fund, the amount necessary to restore the amount transferred
79.15 from the state airports fund under Laws 2008, chapter 363, article 11, section 3,
79.16 subdivision 5; and

79.17 (6) to the fire safety account in the special revenue fund, the amount necessary to
79.18 restore transfers from the account to the general fund made in Laws 2010.

79.19 (b) The amounts necessary to meet the requirements of this section are appropriated
79.20 from the general fund within two weeks after the forecast is released or, in the case of
79.21 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
79.22 schedules otherwise established in statute.

79.23 (c) The commissioner of management and budget shall certify the total dollar
79.24 amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of
79.25 education. The commissioner of education shall increase the aid payment percentage and
79.26 reduce the property tax shift percentage by these amounts and apply those reductions to
79.27 the current fiscal year and thereafter.

79.28 Sec. 16. Minnesota Statutes 2008, section 297I.06, subdivision 3, is amended to read:

79.29 Subd. 3. **Fire safety account, annual transfers, allocation.** A special account, to
79.30 be known as the fire safety account, is created in the state treasury. The account consists
79.31 of the proceeds under subdivisions 1 and 2. \$468,000 in fiscal year 2008, \$4,268,000
79.32 in fiscal year 2009, \$9,268,000 in fiscal year 2010, \$5,968,000 in fiscal year 2011, and
79.33 ~~\$2,268,000~~ \$2,368,000 in each year thereafter is transferred from the fire safety account in
79.34 the special revenue fund to the general fund to offset the loss of revenue caused by the
79.35 repeal of the one-half of one percent tax on fire insurance premiums.

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

80.2 Sec. 17. Minnesota Statutes 2008, section 611A.32, subdivision 2, is amended to read:

80.3 Subd. 2. **Applications.** Any public or private nonprofit agency may apply to the
80.4 commissioner for a grant to provide emergency shelter services to battered women,
80.5 support services to domestic abuse victims, or both, to battered women and their children.
80.6 The application shall be submitted in a form approved by the commissioner by rule
80.7 adopted under chapter 14, after consultation with the advisory council, and shall include:

80.8 (1) a proposal for the provision of emergency shelter services for battered women,
80.9 support services for domestic abuse victims, or both, for battered women and their
80.10 children;

80.11 (2) a proposed budget;

80.12 (3) the agency's overall operating budget, including documentation on the retention
80.13 of financial reserves and availability of additional funding sources;

80.14 ~~(3)~~(4) evidence of an ability to integrate into the proposed program the uniform
80.15 method of data collection and program evaluation established under sections 611A.33
80.16 and 611A.34;

80.17 ~~(4)~~(5) evidence of an ability to represent the interests of battered women and
80.18 domestic abuse victims and their children to local law enforcement agencies and courts,
80.19 county welfare agencies, and local boards or departments of health;

80.20 ~~(5)~~(6) evidence of an ability to do outreach to unserved and underserved populations
80.21 and to provide culturally and linguistically appropriate services; and

80.22 ~~(6)~~(7) any other content the commissioner may require by rule adopted under
80.23 chapter 14, after considering the recommendations of the advisory council.

80.24 Programs which have been approved for grants in prior years may submit materials
80.25 which indicate changes in items listed in clauses (1) to ~~(6)~~(7), in order to qualify for
80.26 renewal funding. Nothing in this subdivision may be construed to require programs to
80.27 submit complete applications for each year of renewal funding.

80.28 Sec. 18. Minnesota Statutes 2008, section 626.8458, subdivision 5, is amended to read:

80.29 Subd. 5. **In-service training in police pursuits required.** The chief law
80.30 enforcement officer of every state and local law enforcement agency shall provide
80.31 in-service training in emergency vehicle operations and in the conduct of police pursuits
80.32 to every peace officer and part-time peace officer employed by the agency who the
80.33 chief law enforcement officer determines may be involved in a police pursuit given the
80.34 officer's responsibilities. The training shall comply with learning objectives developed

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81.1 and approved by the board and shall consist of at least eight hours of classroom and
81.2 skills-based training every ~~three~~ four years.

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

81.4 Sec. 19. Minnesota Statutes 2008, section 641.12, is amended by adding a subdivision
81.5 to read:

81.6 Subd. 4. **Sentencing to service fees.** (a) A county board may require that an
81.7 offender who participates in sentencing to service pay a fee.

81.8 (b) A county board may assess a fee to entities that receive direct benefit from
81.9 sentencing to service work crews.

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

81.11 Sec. 20. Laws 2009, chapter 83, article 1, section 10, subdivision 4, is amended to read:

81.12		8,125,000	8,125,000
81.13	Subd. 4. Fire Marshal	<u>15,025,000</u>	<u>13,725,000</u>

81.14 This appropriation is from the fire safety
81.15 account in the special revenue fund.

81.16 Of this amount, ~~\$5,857,000 each~~ \$5,757,000
81.17 the first year and \$7,757,000 the second year
81.18 is are for activities under Minnesota Statutes,
81.19 section 299F.012, and ~~\$2,268,000 each~~
81.20 \$9,268,000 the first year and \$5,968,000 the
81.21 second year is are for transfer to the general
81.22 fund under Minnesota Statutes, section
81.23 297I.06, subdivision 3.

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

81.25 Sec. 21. Laws 2009, chapter 83, article 1, section 11, is amended to read:

81.26	Sec. 11. PEACE OFFICER STANDARDS	4,012,000	4,012,000
81.27	AND TRAINING BOARD (POST)	\$ <u>4,004,000</u>	\$ <u>4,095,000</u>

81.28 (a) **Excess Amounts Transferred.** This
81.29 appropriation is from the peace officer
81.30 training account in the special revenue fund.
81.31 Any new receipts credited to that account

82.1 in the first year in excess of ~~\$4,012,000~~
82.2 \$4,004,000 must be transferred and credited
82.3 to the general fund. Any new receipts
82.4 credited to that account in the second year
82.5 in excess of ~~\$4,012,000~~ \$4,095,000 must be
82.6 transferred and credited to the general fund.

82.7 **(b) Peace Officer Training**

82.8 **Reimbursements.** \$2,859,000 ~~each~~
82.9 the first year and \$2,959,000 the second
82.10 year is are for reimbursements to local
82.11 governments for peace officer training
82.12 costs. The base budget for this activity
82.13 is \$2,859,000 for fiscal year 2012 and
82.14 \$2,859,000 for fiscal year 2013.

82.15 **(c) Prohibition on Use of Appropriation.**

82.16 No portion of this appropriation may be
82.17 used for the purchase of motor vehicles
82.18 or out-of-state travel that is not directly
82.19 connected with and necessary to carry out
82.20 the core functions of the board.

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

82.22 Sec. 22. Laws 2009, chapter 83, article 1, section 14, subdivision 2, is amended to read:

82.23 Subd. 2. **Correctional Institutions** 334,341,000 338,199,000

82.24	Appropriations by Fund		
82.25	General	295,761,000	337,619,000
82.26	Special Revenue	580,000	580,000
82.27	Federal	38,000,000	0

82.28 \$38,000,000 the first year is from the fiscal
82.29 stabilization account in the federal fund. This
82.30 is a onetime appropriation.

82.31 The general fund base for this program shall
82.32 be \$326,085,000 in fiscal year 2012 and
82.33 \$330,430,000 in fiscal year 2013.

83.1 **(a) Treatment Alternatives; Report.** By
83.2 December 15, 2009, the commissioner
83.3 must submit an electronic report to the
83.4 chairs and ranking minority members of
83.5 the house of representatives and senate
83.6 committees with jurisdiction over public
83.7 safety policy and finance concerning
83.8 alternative chemical dependency treatment
83.9 opportunities. The report must identify
83.10 alternatives that represent best practices in
83.11 chemical dependency treatment of offenders.
83.12 The report must contain suggestions for
83.13 reducing the length of time between
83.14 offender commitment to the custody of the
83.15 commissioner and graduation from chemical
83.16 dependency treatment. To the extent
83.17 possible, the report shall identify options
83.18 that will (1) reduce the cost of treatment;
83.19 (2) expand the number of treatment beds;
83.20 (3) improve treatment outcomes; and (4)
83.21 lower the rate of substance abuse relapse and
83.22 criminal recidivism.

83.23 **(b) Challenge Incarceration; Maximum**
83.24 **Occupancy.** The commissioner shall work to
83.25 fill all available challenge incarceration beds
83.26 for both male and female offenders. If the
83.27 commissioner fails to fill at least 90 percent
83.28 of the available challenge incarceration beds
83.29 by December 1, 2009, the commissioner
83.30 must submit a report to the chairs and
83.31 ranking minority members of the house of
83.32 representatives and senate committees with
83.33 jurisdiction over public safety policy and
83.34 finance by January 15, 2010, explaining what
83.35 steps the commissioner has taken to fill the

84.1 beds and why those steps failed to reach the
84.2 goal established by the legislature.

84.3 **(c) Institutional Efficiencies.** The
84.4 commissioner shall strive for institutional
84.5 efficiencies and must reduce the fiscal year
84.6 2008 average adult facility per diem of
84.7 \$89.77 by one percent. The base is cut by
84.8 \$2,850,000 in the first year and \$2,850,000
84.9 in the second year to reflect a one percent
84.10 reduction in the projected adult facility per
84.11 diem. In reducing the projected adult facility
84.12 per diem, the commissioner must consider
84.13 the following:

- 84.14 (1) cooperating with the state of Wisconsin
84.15 to obtain economies of scale;
- 84.16 (2) increasing the bed capacity of the
84.17 challenge incarceration program;
- 84.18 (3) increasing the number of nonviolent drug
84.19 offenders who are granted conditional release
84.20 under Minnesota Statutes, section 244.055;
- 84.21 (4) increasing the use of compassionate
84.22 release or less costly detention alternatives
84.23 for elderly and infirm offenders;
- 84.24 (5) discontinuing the department's practice
84.25 of annually assigning a warden to serve as
84.26 a legislative liaison during the legislative
84.27 session;
- 84.28 (6) consolidating staff from correctional
84.29 institutions in geographical proximity to each
84.30 other to achieve efficiencies and cost savings,
84.31 including wardens, deputy wardens, and
84.32 human resources, technology, and employee
84.33 development personnel;

85.1 (7) consolidating the department's human
85.2 resources, technology, and employee
85.3 development functions in a centralized
85.4 location;

85.5 (8) implementing corrections best practices;
85.6 and

85.7 (9) implementing cost-saving measures used
85.8 by other states and the federal government.

85.9 The commissioner must not eliminate
85.10 correctional officer positions or implement
85.11 any other measure that will jeopardize public
85.12 safety to achieve the mandated cost savings.

85.13 ~~The commissioner also must not eliminate~~
85.14 ~~treatment beds to achieve the mandated cost~~
85.15 ~~savings.~~

85.16 **(d) Per Diem Reduction.** If the
85.17 commissioner fails to reduce the per diem by
85.18 one percent, the commissioner must:

85.19 (1) reduce the funding for operations support
85.20 by the amount of unrealized savings; and

85.21 (2) submit a report by February 15,
85.22 2010, to the chairs and ranking minority
85.23 members of the house of representatives
85.24 and senate committees with jurisdiction
85.25 over public safety policy and finance that
85.26 contains descriptions of what efforts the
85.27 commissioner made to reduce the per diem,
85.28 explanations for why those steps failed to
85.29 reduce the per diem by one percent, proposed
85.30 legislative options that would assist the
85.31 commissioner in reducing the adult facility
85.32 per diem, and descriptions of the specific
85.33 actions the commissioner took to reduce
85.34 funding in operations support.

86.1 If the commissioner reduces the per diem
86.2 by more than one percent, the commissioner
86.3 must use the savings to provide treatment to
86.4 offenders.

86.5 ~~(e) **Reductions to Certain Programming**~~
86.6 ~~**Prohibited.** When allocating reductions~~
86.7 ~~in services and programming under this~~
86.8 ~~appropriation, the commissioner may not~~
86.9 ~~make reductions to inmate educational~~
86.10 ~~programs, chemical dependency programs,~~
86.11 ~~or reentry programs.~~

86.12 ~~(f)~~ **(e) Drug Court Bed Savings.** The
86.13 commissioner must consider the bed impact
86.14 savings of drug courts in formulating its
86.15 prison bed projections.

86.16 ~~(g)~~ **(f) Transfer.** Notwithstanding Minnesota
86.17 Statutes, section 241.27, the commissioner
86.18 of finance shall transfer \$1,000,000 the first
86.19 year and \$1,000,000 the second year from the
86.20 Minnesota Correctional Industries revolving
86.21 fund to the general fund.

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

86.23 Sec. 23. **PROPOSED SENTENCING GUIDELINES' CHANGES DELAYED.**

86.24 The proposed changes to the sentencing guidelines relating to the crimes of
86.25 solicitation, inducement, and promotion of prostitution and sex trafficking, and riot
86.26 described on pages 8 to 9 and Appendix E of the Minnesota Sentencing Guidelines
86.27 Commission's January 2010 report to the legislature take effect on August 1, 2011.

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

86.29 **ARTICLE 12**

86.30 **STATE GOVERNMENT**

86.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

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88.1	<u>Minnesota Statutes, section 16A.281. These</u>			
88.2	<u>are onetime transfers.</u>			
88.3	<u>During the biennium ending June 30, 2011,</u>			
88.4	<u>any revenues received by the house of</u>			
88.5	<u>representatives from voluntary donations</u>			
88.6	<u>to support broadcast or print media are</u>			
88.7	<u>appropriated to the house of representatives.</u>			
88.8	Subd. 4. <u>Legislative Coordinating Commission</u>		<u>(221,000)</u>	<u>(308,000)</u>
88.9	<u>\$154,000 in fiscal year 2011 is canceled</u>			
88.10	<u>to the general fund from the carryforward</u>			
88.11	<u>accounts in the Legislative Coordinating</u>			
88.12	<u>Commission established under Minnesota</u>			
88.13	<u>Statutes, section 16A.281. This is a onetime</u>			
88.14	<u>transfer.</u>			
88.15	Sec. 4. <u>GOVERNOR AND LIEUTENANT</u>			
88.16	<u>GOVERNOR</u>	\$	<u>(64,000)</u>	<u>(146,000)</u>
88.17	<u>\$10,000 in fiscal year 2010 and \$32,000</u>			
88.18	<u>in fiscal year 2011 are transferred from</u>			
88.19	<u>the interagency agreements account in the</u>			
88.20	<u>special revenue fund to the general fund.</u>			
88.21	<u>These are onetime transfers.</u>			
88.22	Sec. 5. <u>STATE AUDITOR</u>	\$	<u>(32,000)</u>	<u>(78,000)</u>
88.23	Sec. 6. <u>ATTORNEY GENERAL</u>	\$	<u>(436,000)</u>	<u>(954,000)</u>
88.24	Sec. 7. <u>SECRETARY OF STATE</u>	\$	<u>(104,000)</u>	<u>(250,000)</u>
88.25	Sec. 8. <u>CAMPAIGN FINANCE AND PUBLIC</u>			
88.26	<u>DISCLOSURE BOARD</u>	\$	<u>(28,000)</u>	<u>(8,000)</u>
88.27	<u>The base budget for the Campaign Finance</u>			
88.28	<u>and Public Disclosure Board is \$726,000 in</u>			
88.29	<u>fiscal year 2012 and \$726,000 in fiscal year</u>			
88.30	<u>2013.</u>			
88.31	Sec. 9. <u>INVESTMENT BOARD</u>	\$	<u>(2,000)</u>	<u>(5,000)</u>

89.1	Sec. 10. <u>OFFICE OF ENTERPRISE</u>			
89.2	<u>TECHNOLOGY</u>	\$	<u>(111,000)</u>	\$ <u>(169,000)</u>

89.3 These reductions are from the enterprise
 89.4 planning and management program.

89.5	Sec. 11. <u>ADMINISTRATIVE HEARINGS</u>	\$	<u>(8,000)</u>	\$ <u>(8,000)</u>
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89.6	Sec. 12. <u>ADMINISTRATION</u>	\$	<u>-0-</u>	\$ <u>(419,000)</u>
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89.7 (a) These reductions are from the government
 89.8 and citizens services program. \$8,000 of
 89.9 the reductions in fiscal year 2011 is
 89.10 from the transfer to the commissioner
 89.11 of human services for a grant to the
 89.12 Council of Developmental Disabilities. The
 89.13 appropriation for this grant shall be included
 89.14 in the base budget for the commissioner of
 89.15 human services for the biennium beginning
 89.16 July 1, 2011, and is reduced by \$8,000 each
 89.17 year of the biennium. The general fund
 89.18 base budget for the government and citizens
 89.19 services program is \$8,936,000 in fiscal year
 89.20 2012 and \$8,936,000 in fiscal year 2013.

89.21 (b) \$209,000 in fiscal year 2010 and \$31,000
 89.22 in fiscal year 2011 are transferred from the
 89.23 central stores fund to the general fund. This
 89.24 is a onetime transfer.

89.25 (c) The balance in the commuter van program
 89.26 account in the special revenue fund shall be
 89.27 transferred to the general fund on or before
 89.28 June 30, 2010. This is a onetime transfer.

89.29 (d) The balance in the archaeology burial
 89.30 account of the special revenue fund shall be
 89.31 transferred to the general fund on or before
 89.32 June 30, 2010. This is a onetime transfer.

90.1 (e) \$1,492 in fiscal year 2010 is transferred
 90.2 from the utility rebates account in the special
 90.3 revenue fund to the general fund. This is a
 90.4 onetime transfer.

90.5 **Sec. 13. CAPITOL AREA**
 90.6 **ARCHITECTURAL AND PLANNING**
 90.7 **BOARD** **\$ (6,000) \$ (11,000)**

90.8 **Sec. 14. MANAGEMENT AND BUDGET** **\$ (386,000) \$ (599,000)**

90.9 (a) \$300 in fiscal year 2010 and \$300 in
 90.10 fiscal year 2011 are transferred from the
 90.11 combined charities administration account in
 90.12 the special revenue fund to the general fund.
 90.13 These are onetime transfers.

90.14 (b) \$8,700 in fiscal year 2010 and \$10,700
 90.15 in fiscal year 2011 are transferred from the
 90.16 information systems division account in the
 90.17 special revenue fund to the general fund.
 90.18 These are onetime transfers.

90.19 **Sec. 15. REVENUE** **\$ (768,000) \$ 5,379,000**

90.20 (a) \$6,727,000 in 2011 is for additional
 90.21 activities to identify and collect tax liabilities
 90.22 from individuals and businesses that currently
 90.23 do not pay all taxes owed. \$235,000 of
 90.24 this appropriation is for a training and
 90.25 mentoring initiative for personnel paid from
 90.26 this appropriation. This initiative is expected
 90.27 to result in new general fund revenues of
 90.28 \$26,865,000 for the biennium ending June
 90.29 30, 2011.

90.30 (b) The department must report to the chairs
 90.31 and ranking minority members of the house
 90.32 of representative Ways and Means and senate
 90.33 Finance Committees by March 15, 2011,

91.1 and January 15, 2012, on the following
 91.2 performance indicators:
 91.3 (1) the number of corporations noncompliant
 91.4 with the corporate tax system each year and
 91.5 the percentage and dollar amounts of valid
 91.6 tax liabilities collected;
 91.7 (2) the number of businesses noncompliant
 91.8 with the sales and use tax system and the
 91.9 percentage and dollar amount of the valid tax
 91.10 liabilities collected; and
 91.11 (3) the number of individual noncompliant
 91.12 cases resolved and the percentage and dollar
 91.13 amount of valid tax liabilities collected.
 91.14 (c) The reports must also identify base-level
 91.15 expenditures and staff positions related to
 91.16 compliance and audit activities, including
 91.17 baseline information as of January 1, 2009.
 91.18 The information must be provided at the
 91.19 budget activity level.

91.20	Sec. 16. <u>RACING COMMISSION</u>	\$	<u>(19,000)</u>	\$	<u>(29,000)</u>
91.21	<u>\$19,000 in fiscal year 2010 and \$29,000 in</u>				
91.22	<u>fiscal year 2011 are transferred from the</u>				
91.23	<u>racine and card playing regulation accounts</u>				
91.24	<u>in the special revenue fund to the general</u>				
91.25	<u>fund. These are onetime transfers.</u>				
91.26	Sec. 17. <u>AMATEUR SPORTS COMMISSION</u>	\$	<u>(4,000)</u>	\$	<u>(9,000)</u>
91.27	Sec. 18. <u>COUNCIL ON BLACK</u>				
91.28	<u>MINNESOTANS</u>	\$	<u>(5,000)</u>	\$	<u>(9,000)</u>
91.29	Sec. 19. <u>COUNCIL ON CHICANO/LATINO</u>				
91.30	<u>AFFAIRS</u>	\$	<u>(6,000)</u>	\$	<u>(9,000)</u>
91.31	Sec. 20. <u>COUNCIL ON ASIAN-PACIFIC</u>				
91.32	<u>MINNESOTANS</u>	\$	<u>(5,000)</u>	\$	<u>(8,000)</u>

92.1	Sec. 21. <u>INDIAN AFFAIRS COUNCIL</u>	\$	<u>(9,000)</u>	\$	<u>(14,000)</u>
92.2	Sec. 22. <u>GENERAL CONTINGENT</u>				
92.3	<u>ACCOUNTS</u>	\$	<u>(750,000)</u>	\$	<u>-0-</u>

92.4 This reduction is from the appropriation for
92.5 potential state matching requirements under
92.6 the American Reinvestment and Recovery
92.7 Act of 2009.

92.8 Sec. 23. Minnesota Statutes 2008, section 4.51, is amended to read:

92.9 **4.51 EXPENSES OF GOVERNOR-ELECT.**

92.10 Subdivision 1. Definitions. This section applies after a state general election
92.11 in which a person who is not the current governor is elected to take office as the next
92.12 governor. The commissioner of administration must request a transfer from the general
92.13 fund contingent account of an amount equal to 1.5 percent of the amount appropriated
92.14 for operation of the Office of the Governor and Lieutenant Governor for the current
92.15 fiscal year. This request is subject to the review and advice of the Legislative Advisory
92.16 Commission pursuant to section 3.30. If the transfer is approved, the commissioner of
92.17 administration must make this amount available to the governor-elect before he or she
92.18 takes office. The commissioner must provide office space for the governor-elect and for
92.19 any employees the governor-elect hires. (a) "Governor-elect" means the person who is
92.20 not currently governor and is the apparent successful candidate for the office of governor
92.21 following a general election.

92.22 (b) "Commissioner" means the commissioner of the Department of Management
92.23 and Budget.

92.24 Subd. 2. Transition expenses. In the fiscal year of a gubernatorial election and
92.25 subject to availability of funds, the commissioner shall transfer up to \$162,000 from the
92.26 general contingent account in the general fund to the Department of Management and
92.27 Budget. This transfer is subject to the review and advice of the Legislative Advisory
92.28 Commission pursuant to section 3.30. In consultation with the governor-elect, the
92.29 commissioner shall use the transferred funds to pay expenses of the governor-elect
92.30 associated with preparing for the assumption of official duties as governor. The
92.31 commissioner may use the transferred funds for expenses necessary and prudent for
92.32 establishment of a transition office prior to the election and for dissolution of the office if
92.33 the incumbent governor is reelected or after the inauguration of a new governor. Expenses
92.34 of the governor-elect may include suitable office space and equipment, communications

93.1 and technology support, consulting services, compensation and travel costs, and other
93.2 reasonable expenses. Compensation rates for temporary employees hired to support the
93.3 governor-elect and rates paid for consulting services for the governor-elect shall be
93.4 determined by the governor-elect.

93.5 Subd. 3. **Unused funds.** No new obligations shall be incurred for expenses of
93.6 the governor-elect after the date of the inauguration. By March 31 of the year of the
93.7 inauguration, the commissioner shall return to the general contingent account any funds
93.8 transferred under this section that the commissioner determines are not needed to pay
93.9 expenses of the governor-elect.

93.10 Sec. 24. Minnesota Statutes 2009 Supplement, section 16A.82, is amended to read:

93.11 **16A.82 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

93.12 ~~\$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000 in~~
93.13 ~~each fiscal year 2012 through 2019~~ The following amounts are appropriated from the
93.14 general fund to the commissioner to make payments under a lease-purchase agreement
93.15 as defined in section 16A.81 for replacement of the state's accounting and procurement
93.16 systems, provided that the state is not obligated to continue such appropriation of funds or
93.17 to make lease payments in any future fiscal year.

93.18	<u>Fiscal year 2010</u>	<u>\$ 2,828,038</u>
93.19	<u>Fiscal year 2011</u>	<u>\$ 3,063,950</u>
93.20	<u>Fiscal year 2012</u>	<u>\$ 8,967,850</u>
93.21	<u>Fiscal year 2013</u>	<u>\$ 8,968,950</u>
93.22	<u>Fiscal year 2014</u>	<u>\$ 8,970,850</u>
93.23	<u>Fiscal year 2015</u>	<u>\$ 8,971,150</u>
93.24	<u>Fiscal year 2016</u>	<u>\$ 8,966,450</u>
93.25	<u>Fiscal year 2017</u>	<u>\$ 8,967,500</u>
93.26	<u>Fiscal year 2018</u>	<u>\$ 8,970,750</u>
93.27	<u>Fiscal year 2019</u>	<u>\$ 8,968,500</u>

93.28 Of these appropriations, up to \$2,000 per year may be used to pay the annual trustee
93.29 fees for the lease-purchase agreements authorized in this section and section 270C.145.
93.30 Any unexpended portions of this appropriation cancel to the general fund at the close of
93.31 each biennium. This section expires June 30, ~~2020~~ 2019.

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

93.33 Sec. 25. Minnesota Statutes 2008, section 16B.04, subdivision 2, is amended to read:

93.34 Subd. 2. **Powers and duties, generally.** Subject to other provisions of this chapter,
93.35 the commissioner is authorized to:

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- 94.1 (1) supervise, control, review, and approve all state contracts and purchasing;
- 94.2 (2) provide agencies with supplies and equipment and operate all central store or
- 94.3 supply rooms serving more than one agency;
- 94.4 (3) investigate and study the management and organization of agencies, and
- 94.5 reorganize them when necessary to ensure their effective and efficient operation;
- 94.6 (4) manage and control state property, real and personal;
- 94.7 (5) maintain and operate all state buildings, as described in section 16B.24,
- 94.8 subdivision 1;
- 94.9 (6) supervise, control, review, and approve all capital improvements to state
- 94.10 buildings and the capitol building and grounds;
- 94.11 (7) provide central duplicating, printing, and mail facilities;
- 94.12 (8) oversee publication of official documents and provide for their sale;
- 94.13 (9) manage and operate parking facilities for state employees and a central motor
- 94.14 pool for travel on state business;
- 94.15 (10) provide rental space within the capitol complex for a private day care center for
- 94.16 children of state employees. The commissioner shall contract for services as provided
- 94.17 in this chapter; ~~and~~
- 94.18 (11) settle state employee workers' compensation claims; and
- 94.19 (12) operate a state recycling center.

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

94.21 Sec. 26. Minnesota Statutes 2008, section 16B.48, subdivision 2, is amended to read:

94.22 Subd. 2. **Purpose of funds.** Money in the state treasury credited to the general

94.23 services revolving fund and money that is deposited in the fund is appropriated annually to

94.24 the commissioner for the following purposes:

- 94.25 (1) to operate a central store and equipment service;
- 94.26 (2) to operate the central mailing service, including purchasing postage and related
- 94.27 items and refunding postage deposits;
- 94.28 (3) to operate a documents service as prescribed by section 16B.51;
- 94.29 (4) to provide services for the maintenance, operation, and upkeep of buildings and
- 94.30 grounds managed by the commissioner of administration;
- 94.31 (5) to operate a materials handling service, including interagency mail and product
- 94.32 delivery, solid waste removal, courier service, equipment rental, and vehicle and
- 94.33 equipment maintenance;

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95.1 (6) to provide analytical, statistical, and organizational development services to
95.2 state agencies, local units of government, metropolitan and regional agencies, and school
95.3 districts;

95.4 (7) to operate a records center and provide micrographics products and services; ~~and~~

95.5 (8) to perform services for any other agency. Money may be expended for this
95.6 purpose only when directed by the governor. The agency receiving the services shall
95.7 reimburse the fund for their cost, and the commissioner shall make the appropriate
95.8 transfers when requested. The term "services" as used in this clause means compensation
95.9 paid officers and employees of the state government; supplies, materials, equipment,
95.10 and other articles and things used by or furnished to an agency; and utility services and
95.11 other services for the maintenance, operation, and upkeep of buildings and offices of
95.12 the state government; and

95.13 (9) to operate a state recycling center.

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

95.15 Sec. 27. Minnesota Statutes 2008, section 115A.15, subdivision 6, is amended to read:

95.16 Subd. 6. **Use of funds.** ~~All funds appropriated by the state for the resource recovery~~
95.17 ~~program, all revenues resulting from the sale of recyclable and reusable commodities made~~
95.18 ~~available for sale as a result of the resource recovery program, and all reimbursements~~
95.19 ~~to the commissioner of expenses incurred by the commissioner in developing and~~
95.20 ~~administering resource recovery systems for state agencies, governmental units, and~~
95.21 ~~nonprofit organizations must be deposited in the general fund. The commissioner shall~~
95.22 ~~determine the waste disposal cost savings associated with recycling and reuse activities.~~
95.23 will be used by the service provider to offset the cost of the recycling.

95.24 **EFFECTIVE DATE.** This section is effective July 1, 2010.

95.25 Sec. 28. Minnesota Statutes 2009 Supplement, section 270C.145, is amended to read:

95.26 **270C.145 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

95.27 ~~\$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each~~
95.28 ~~fiscal year 2012 through 2019 is~~ The following amounts are appropriated from the general
95.29 fund to the commissioner to make payments under a lease-purchase agreement as defined
95.30 in section 16A.81 for completing the purchase and development of an integrated tax
95.31 software package; provided that the state is not obligated to continue the appropriation of
95.32 funds or to make lease payments in any future fiscal year.

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96.1	<u>Fiscal year 2010</u>	<u>\$ 670,213</u>
96.2	<u>Fiscal year 2011</u>	<u>\$ 748,550</u>
96.3	<u>Fiscal year 2012</u>	<u>\$ 2,250,150</u>
96.4	<u>Fiscal year 2013</u>	<u>\$ 2,251,550</u>
96.5	<u>Fiscal year 2014</u>	<u>\$ 2,250,350</u>
96.6	<u>Fiscal year 2015</u>	<u>\$ 2,251,550</u>
96.7	<u>Fiscal year 2016</u>	<u>\$ 2,249,950</u>
96.8	<u>Fiscal year 2017</u>	<u>\$ 2,251,250</u>
96.9	<u>Fiscal year 2018</u>	<u>\$ 2,249,000</u>
96.10	<u>Fiscal year 2019</u>	<u>\$ 2,247,000</u>

96.11 Any unexpended portions of this appropriation cancel to the general fund at the
96.12 close of each biennium. This section expires June 30, 2019.

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

96.14 Sec. 29. Minnesota Statutes 2009 Supplement, section 289A.08, subdivision 16,
96.15 is amended to read:

96.16 Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee**
96.17 **imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision
96.18 13, paragraph (f), who ~~prepared~~ is a tax return preparer for purposes of section 6011(e)
96.19 of the Internal Revenue Code, and who reasonably expects to prepare more than ~~100~~
96.20 ten Minnesota individual income tax returns for the prior calendar year must file all
96.21 Minnesota individual income tax returns prepared for ~~the current~~ that calendar year by
96.22 electronic means.

96.23 (b) Paragraph (a) does not apply to a return if the taxpayer has indicated on the return
96.24 that the taxpayer did not want the return filed by electronic means.

96.25 (c) For each return that is not filed electronically by a tax refund or return preparer
96.26 under this subdivision, including returns filed under paragraph (b), a paper filing fee
96.27 of \$5 is imposed upon the preparer. The fee is collected from the preparer in the same
96.28 manner as income tax. The fee does not apply to returns that the commissioner requires
96.29 to be filed in paper form.

96.30 **EFFECTIVE DATE.** This section is effective for tax returns filed after December
96.31 31, 2010.

96.32 Sec. 30. Minnesota Statutes 2008, section 471.6175, subdivision 4, is amended to read:

96.33 Subd. 4. **Account maintenance.** (a) A political subdivision or other public entity
96.34 may establish a trust account to be held under the supervision of the trust administrator for

97.1 the purposes of this section. A trust administrator shall establish a separate account for
97.2 each participating political subdivision or public entity. The trust administrator may charge
97.3 participating political subdivisions and public entities fees for reasonable administrative
97.4 costs. The amount of any fees charged by the Public Employees Retirement Association is
97.5 appropriated to the association from the account. A trust administrator may establish other
97.6 reasonable terms and conditions for creation and maintenance of these accounts.

97.7 (b) The trust administrator must report to the political subdivision or other public
97.8 entity on the investment returns of invested trust assets and on all investment fees or costs
97.9 incurred by the trust. The annual rates of return, along with investment and administrative
97.10 fees and costs for the trust, must be disclosed in the political subdivision's or public entity's
97.11 annual financial audit in a manner prescribed by the state auditor.

97.12 (c) Effective for fiscal years beginning after December 31, ~~2009~~ 2013, the trust
97.13 administrator must report electronically to the state auditor the portfolio and performance
97.14 information specified in section 356.219, subdivision 3, in the manner prescribed by
97.15 the state auditor.

97.16 **EFFECTIVE DATE.** This section is effective retroactively from December 31,
97.17 2009.

97.18 Sec. 31. **ADDITIONAL OPERATING BUDGET REDUCTIONS.**

97.19 By July 30, 2010, the commissioner of management and budget must allocate
97.20 a reduction of \$3,000,000 for the fiscal year ending June 30, 2011, to the operating
97.21 budgets of executive branch state agencies, as defined in Minnesota Statutes, section
97.22 16A.011, subdivision 12a. To the extent possible, this reduction must be achieved through
97.23 estimated savings in expenditures for space, out-of-state travel, fleet management, energy
97.24 usage in state buildings, contracts for professional or technical services, and through
97.25 increased employee telecommuting, and through consolidation of information technology
97.26 functions, or through other operational efficiencies. If expenditure reductions are achieved
97.27 in dedicated funds other than those established in the state constitution or protected by
97.28 federal law, the commissioner of management and budget may transfer the amount of
97.29 the savings to the general fund. Executive branch state agencies must cooperate with
97.30 the commissioner of management and budget in developing and implementing these
97.31 reductions. Any amount of the reduction that cannot be achieved through savings in the
97.32 expenditure types described in this section must be allocated to executive state agency
97.33 operating budgets by the commissioner. Reductions in fiscal year 2011 must cancel to
97.34 the general fund and shall be reflected as reductions in agency base budgets for fiscal
97.35 years 2012 and 2013. The commissioner of management and budget must report to the

98.1 chairs and ranking minority members of the senate Finance Committee and the house
98.2 of representatives Ways and Means and Finance Committees regarding the amount of
98.3 reductions in spending by each agency under this section.

98.4 Sec. 32. **HELP AMERICA VOTE ACT.**

98.5 (a) If the secretary of state determines that this state is otherwise eligible to receive
98.6 an additional payment of federal money under the Help America Vote Act, Public Law
98.7 107-252, the secretary must certify to the commissioner of management and budget the
98.8 amount, if any, needed to meet the matching requirement of section 253(b)(5) of the Help
98.9 America Vote Act. In the certification, the secretary shall specify the portion of the match
98.10 that should be taken from an unencumbered general fund appropriation to the Office of the
98.11 Secretary of State not designated for a different purpose. Upon receipt of that certification,
98.12 or as soon as an unencumbered general fund appropriation becomes available, whichever
98.13 occurs later, the commissioner must transfer the specified amount to the Help America
98.14 Vote Act account.

98.15 (b) This section expires on June 30, 2011.

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

98.17 **ARTICLE 13**

98.18 **PROPERTY TAX AIDS AND CREDITS**

98.19 Section 1. Minnesota Statutes 2009 Supplement, section 273.111, subdivision 9,
98.20 is amended to read:

98.21 Subd. 9. **Additional taxes.** (a) Except as provided in paragraph (b), when real
98.22 property which is being, or has been valued and assessed under this section no longer
98.23 qualifies under subdivision 3, the portion no longer qualifying shall be subject to additional
98.24 taxes, in the amount equal to the difference between the taxes determined in accordance
98.25 with subdivision 4, and the amount determined under subdivision 5. Provided, however,
98.26 that the amount determined under subdivision 5 shall not be greater than it would have
98.27 been had the actual bona fide sale price of the real property at an arm's-length transaction
98.28 been used in lieu of the market value determined under subdivision 5. Such additional
98.29 taxes shall be extended against the property on the tax list for the current year, provided,
98.30 however, that no interest or penalties shall be levied on such additional taxes if timely
98.31 paid, and provided further, that such additional taxes shall only be levied with respect to
98.32 the last three years that the said property has been valued and assessed under this section.

99.1 (b) Real property that has been valued and assessed under this section prior to
99.2 May 29, 2008, and that ceases to qualify under this section after May 28, 2008, and is
99.3 withdrawn from the program before ~~May 1, 2010~~ August 16, 2010, is not subject to
99.4 additional taxes under this subdivision or subdivision 3, paragraph (c). If additional taxes
99.5 have been paid under this subdivision with respect to property described in this paragraph
99.6 prior to April 3, 2009, the county must repay the property owner in the manner prescribed
99.7 by the commissioner of revenue.

99.8 **EFFECTIVE DATE.** This section is effective for withdrawals after April 30, 2010.

99.9 Sec. 2. Minnesota Statutes 2008, section 273.1384, is amended by adding a subdivision
99.10 to read:

99.11 **Subd. 6. Credit reduction.** In 2011 and each year thereafter, the market value
99.12 credit reimbursement amount for each taxing jurisdiction determined under this section
99.13 is reduced by the dollar amount of the reduction in market value credit reimbursements
99.14 for that taxing jurisdiction in 2010 due to unallotment reductions announced prior to
99.15 February 28, 2010, under section 16A.152. No taxing jurisdiction's market value credit
99.16 reimbursements are reduced to less than zero under this subdivision. The commissioner of
99.17 revenue shall pay the annual market value credit reimbursement amounts, after reduction
99.18 under this subdivision, to the affected taxing jurisdictions as provided in this section.

99.19 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and
99.20 thereafter.

99.21 Sec. 3. Minnesota Statutes 2009 Supplement, section 275.70, subdivision 5, is
99.22 amended to read:

99.23 **Subd. 5. Special levies.** "Special levies" means those portions of ad valorem taxes
99.24 levied by a local governmental unit for the following purposes or in the following manner:

99.25 (1) to pay the costs of the principal and interest on bonded indebtedness or to
99.26 reimburse for the amount of liquor store revenues used to pay the principal and interest
99.27 due on municipal liquor store bonds in the year preceding the year for which the levy
99.28 limit is calculated;

99.29 (2) to pay the costs of principal and interest on certificates of indebtedness issued for
99.30 any corporate purpose except for the following:

99.31 (i) tax anticipation or aid anticipation certificates of indebtedness;

99.32 (ii) certificates of indebtedness issued under sections 298.28 and 298.282;

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100.1 (iii) certificates of indebtedness used to fund current expenses or to pay the costs of
100.2 extraordinary expenditures that result from a public emergency; or

100.3 (iv) certificates of indebtedness used to fund an insufficiency in tax receipts or
100.4 an insufficiency in other revenue sources;

100.5 (3) to provide for the bonded indebtedness portion of payments made to another
100.6 political subdivision of the state of Minnesota;

100.7 (4) to fund payments made to the Minnesota State Armory Building Commission
100.8 under section 193.145, subdivision 2, to retire the principal and interest on armory
100.9 construction bonds;

100.10 (5) property taxes approved by voters which are levied against the referendum
100.11 market value as provided under section 275.61;

100.12 (6) to fund matching requirements needed to qualify for federal or state grants or
100.13 programs to the extent that either (i) the matching requirement exceeds the matching
100.14 requirement in calendar year 2001, or (ii) it is a new matching requirement that did not
100.15 exist prior to 2002;

100.16 (7) to pay the expenses reasonably and necessarily incurred in preparing for or
100.17 repairing the effects of natural disaster including the occurrence or threat of widespread
100.18 or severe damage, injury, or loss of life or property resulting from natural causes, in
100.19 accordance with standards formulated by the Emergency Services Division of the state
100.20 Department of Public Safety, as allowed by the commissioner of revenue under section
100.21 275.74, subdivision 2;

100.22 (8) pay amounts required to correct an error in the levy certified to the county
100.23 auditor by a city or county in a levy year, but only to the extent that when added to the
100.24 preceding year's levy it is not in excess of an applicable statutory, special law or charter
100.25 limitation, or the limitation imposed on the governmental subdivision by sections 275.70
100.26 to 275.74 in the preceding levy year;

100.27 (9) to pay an abatement under section 469.1815;

100.28 (10) to pay any costs attributable to increases in the employer contribution rates
100.29 under chapter 353, or locally administered pension plans, that are effective after June
100.30 30, 2001;

100.31 (11) to pay the operating or maintenance costs of a county jail as authorized in
100.32 section 641.01 or 641.262, or of a correctional facility as defined in section 241.021,
100.33 subdivision 1, paragraph (f), to the extent that the county can demonstrate to the
100.34 commissioner of revenue that the amount has been included in the county budget as
100.35 a direct result of a rule, minimum requirement, minimum standard, or directive of the
100.36 Department of Corrections, or to pay the operating or maintenance costs of a regional jail

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101.1 as authorized in section 641.262. For purposes of this clause, a district court order is
101.2 not a rule, minimum requirement, minimum standard, or directive of the Department of
101.3 Corrections. If the county utilizes this special levy, except to pay operating or maintenance
101.4 costs of a new regional jail facility under sections 641.262 to 641.264 which will not
101.5 replace an existing jail facility, any amount levied by the county in the previous levy year
101.6 for the purposes specified under this clause and included in the county's previous year's
101.7 levy limitation computed under section 275.71, shall be deducted from the levy limit
101.8 base under section 275.71, subdivision 2, when determining the county's current year
101.9 levy limitation. The county shall provide the necessary information to the commissioner
101.10 of revenue for making this determination;

101.11 (12) to pay for operation of a lake improvement district, as authorized under section
101.12 103B.555. If the county utilizes this special levy, any amount levied by the county in the
101.13 previous levy year for the purposes specified under this clause and included in the county's
101.14 previous year's levy limitation computed under section 275.71 shall be deducted from
101.15 the levy limit base under section 275.71, subdivision 2, when determining the county's
101.16 current year levy limitation. The county shall provide the necessary information to the
101.17 commissioner of revenue for making this determination;

101.18 (13) to repay a state or federal loan used to fund the direct or indirect required
101.19 spending by the local government due to a state or federal transportation project or other
101.20 state or federal capital project. This authority may only be used if the project is not a
101.21 local government initiative;

101.22 (14) to pay for court administration costs as required under section 273.1398,
101.23 subdivision 4b, less the (i) county's share of transferred fines and fees collected by the
101.24 district courts in the county for calendar year 2001 and (ii) the aid amount certified to be
101.25 paid to the county in 2004 under section 273.1398, subdivision 4c; however, for taxes
101.26 levied to pay for these costs in the year in which the court financing is transferred to the
101.27 state, the amount under this clause is limited to the amount of aid the county is certified to
101.28 receive under section 273.1398, subdivision 4a;

101.29 (15) to fund a police or firefighters relief association as required under section 69.77
101.30 to the extent that the required amount exceeds the amount levied for this purpose in 2001;

101.31 (16) for purposes of a storm sewer improvement district under section 444.20;

101.32 (17) to pay for the maintenance and support of a city or county society for the
101.33 prevention of cruelty to animals under section 343.11, but not to exceed in any year
101.34 \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most
101.35 recent federal census, whichever is greater. If the city or county uses this special levy, any
101.36 amount levied by the city or county in the previous levy year for the purposes specified

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102.1 in this clause and included in the city's or county's previous year's levy limit computed
102.2 under section 275.71, must be deducted from the levy limit base under section 275.71,
102.3 subdivision 2, in determining the city's or county's current year levy limit;

102.4 (18) for counties, to pay for the increase in their share of health and human service
102.5 costs caused by reductions in federal health and human services grants effective after
102.6 September 30, 2007;

102.7 (19) for a city, for the costs reasonably and necessarily incurred for securing,
102.8 maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by
102.9 the commissioner of revenue under section 275.74, subdivision 2. A city must have either
102.10 (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a foreclosure rate in 2007 in
102.11 the city or in a zip code area of the city that is at least 50 percent higher than the average
102.12 foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2,
102.13 to use this special levy. For purposes of this paragraph, "foreclosure rate" means the
102.14 number of foreclosures, as indicated by sheriff sales records, divided by the number of
102.15 households in the city in 2007;

102.16 (20) for a city, for the unreimbursed costs of redeployed traffic-control agents and
102.17 lost traffic citation revenue due to the collapse of the Interstate 35W bridge, as certified
102.18 to the Federal Highway Administration;

102.19 (21) to pay costs attributable to wages and benefits for sheriff, police, and fire
102.20 personnel. If a local governmental unit did not use this special levy in the previous year its
102.21 levy limit base under section 275.71 shall be reduced by the amount equal to the amount it
102.22 levied for the purposes specified in this clause in the previous year;

102.23 (22) an amount equal to any reductions in the certified aids or credits payable
102.24 under sections 477A.011 to 477A.014, and section 273.1384, due to unallotment under
102.25 section 16A.152 or reductions under another provision of law. The amount of the levy
102.26 allowed under this clause is equal to the amount unallotted or reduced in the calendar year
102.27 in which the tax is levied unless the unallotment or reduction amount is not known by
102.28 September 1 of the levy year, and the local government has not adjusted its levy under
102.29 section 275.065, subdivision 6, or 275.07, subdivision 6, in which case the unallotment
102.30 or reduction amount may be levied in the following year;

102.31 (23) to pay for the difference between one-half of the costs of confining sex offenders
102.32 undergoing the civil commitment process and any state payments for this purpose pursuant
102.33 to section 253B.185, subdivision 5;

102.34 (24) for a county to pay the costs of the first year of maintaining and operating a new
102.35 facility or new expansion, either of which contains courts, corrections, dispatch, criminal
102.36 investigation labs, or other public safety facilities and for which all or a portion of the

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103.1 funding for the site acquisition, building design, site preparation, construction, and related
103.2 equipment was issued or authorized prior to the imposition of levy limits in 2008. The
103.3 levy limit base shall then be increased by an amount equal to the new facility's first full
103.4 year's operating costs as described in this clause; and

103.5 (25) for the estimated amount of reduction to ~~credits~~ market value credit
103.6 reimbursements under section 273.1384 for credits payable in the year in which the levy is
103.7 payable.

103.8 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and
103.9 thereafter.

103.10 Sec. 4. Minnesota Statutes 2009 Supplement, section 477A.011, subdivision 36,
103.11 is amended to read:

103.12 Subd. 36. **City aid base.** (a) Except as otherwise provided in this subdivision,
103.13 "city aid base" is zero.

103.14 (b) The city aid base for any city with a population less than 500 is increased by
103.15 \$40,000 for aids payable in calendar year 1995 and thereafter, and the maximum amount
103.16 of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also
103.17 increased by \$40,000 for aids payable in calendar year 1995 only, provided that:

103.18 (i) the average total tax capacity rate for taxes payable in 1995 exceeds 200 percent;

103.19 (ii) the city portion of the tax capacity rate exceeds 100 percent; and

103.20 (iii) its city aid base is less than \$60 per capita.

103.21 (c) The city aid base for a city is increased by \$20,000 in 1998 and thereafter and
103.22 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
103.23 paragraph (c), is also increased by \$20,000 in calendar year 1998 only, provided that:

103.24 (i) the city has a population in 1994 of 2,500 or more;

103.25 (ii) the city is located in a county, outside of the metropolitan area, which contains a
103.26 city of the first class;

103.27 (iii) the city's net tax capacity used in calculating its 1996 aid under section
103.28 477A.013 is less than \$400 per capita; and

103.29 (iv) at least four percent of the total net tax capacity, for taxes payable in 1996, of
103.30 property located in the city is classified as railroad property.

103.31 (d) The city aid base for a city is increased by \$200,000 in 1999 and thereafter and
103.32 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
103.33 paragraph (c), is also increased by \$200,000 in calendar year 1999 only, provided that:

103.34 (i) the city was incorporated as a statutory city after December 1, 1993;

103.35 (ii) its city aid base does not exceed \$5,600; and

104.1 (iii) the city had a population in 1996 of 5,000 or more.

104.2 (e) The city aid base for a city is increased by \$150,000 for aids payable in 2000 and
104.3 thereafter, and the maximum amount of total aid it may receive under section 477A.013,
104.4 subdivision 9, paragraph (c), is also increased by \$150,000 in calendar year 2000 only,
104.5 provided that:

104.6 (1) the city has a population that is greater than 1,000 and less than 2,500;

104.7 (2) its commercial and industrial percentage for aids payable in 1999 is greater
104.8 than 45 percent; and

104.9 (3) the total market value of all commercial and industrial property in the city
104.10 for assessment year 1999 is at least 15 percent less than the total market value of all
104.11 commercial and industrial property in the city for assessment year 1998.

104.12 (f) The city aid base for a city is increased by \$200,000 in 2000 and thereafter, and
104.13 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
104.14 paragraph (c), is also increased by \$200,000 in calendar year 2000 only, provided that:

104.15 (1) the city had a population in 1997 of 2,500 or more;

104.16 (2) the net tax capacity of the city used in calculating its 1999 aid under section
104.17 477A.013 is less than \$650 per capita;

104.18 (3) the pre-1940 housing percentage of the city used in calculating 1999 aid under
104.19 section 477A.013 is greater than 12 percent;

104.20 (4) the 1999 local government aid of the city under section 477A.013 is less than
104.21 20 percent of the amount that the formula aid of the city would have been if the need
104.22 increase percentage was 100 percent; and

104.23 (5) the city aid base of the city used in calculating aid under section 477A.013
104.24 is less than \$7 per capita.

104.25 (g) The city aid base for a city is increased by \$102,000 in 2000 and thereafter, and
104.26 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
104.27 paragraph (c), is also increased by \$102,000 in calendar year 2000 only, provided that:

104.28 (1) the city has a population in 1997 of 2,000 or more;

104.29 (2) the net tax capacity of the city used in calculating its 1999 aid under section
104.30 477A.013 is less than \$455 per capita;

104.31 (3) the net levy of the city used in calculating 1999 aid under section 477A.013 is
104.32 greater than \$195 per capita; and

104.33 (4) the 1999 local government aid of the city under section 477A.013 is less than
104.34 38 percent of the amount that the formula aid of the city would have been if the need
104.35 increase percentage was 100 percent.

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105.1 (h) The city aid base for a city is increased by \$32,000 in 2001 and thereafter, and
105.2 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
105.3 paragraph (c), is also increased by \$32,000 in calendar year 2001 only, provided that:

105.4 (1) the city has a population in 1998 that is greater than 200 but less than 500;

105.5 (2) the city's revenue need used in calculating aids payable in 2000 was greater
105.6 than \$200 per capita;

105.7 (3) the city net tax capacity for the city used in calculating aids available in 2000
105.8 was equal to or less than \$200 per capita;

105.9 (4) the city aid base of the city used in calculating aid under section 477A.013
105.10 is less than \$65 per capita; and

105.11 (5) the city's formula aid for aids payable in 2000 was greater than zero.

105.12 (i) The city aid base for a city is increased by \$7,200 in 2001 and thereafter, and
105.13 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,
105.14 paragraph (c), is also increased by \$7,200 in calendar year 2001 only, provided that:

105.15 (1) the city had a population in 1998 that is greater than 200 but less than 500;

105.16 (2) the city's commercial industrial percentage used in calculating aids payable in
105.17 2000 was less than ten percent;

105.18 (3) more than 25 percent of the city's population was 60 years old or older according
105.19 to the 1990 census;

105.20 (4) the city aid base of the city used in calculating aid under section 477A.013
105.21 is less than \$15 per capita; and

105.22 (5) the city's formula aid for aids payable in 2000 was greater than zero.

105.23 (j) The city aid base for a city is increased by \$45,000 in 2001 and thereafter and
105.24 by an additional \$50,000 in calendar years 2002 to 2011, and the maximum amount of
105.25 total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also
105.26 increased by \$45,000 in calendar year 2001 only, and by \$50,000 in calendar year 2002
105.27 only, provided that:

105.28 (1) the net tax capacity of the city used in calculating its 2000 aid under section
105.29 477A.013 is less than \$810 per capita;

105.30 (2) the population of the city declined more than two percent between 1988 and 1998;

105.31 (3) the net levy of the city used in calculating 2000 aid under section 477A.013 is
105.32 greater than \$240 per capita; and

105.33 (4) the city received less than \$36 per capita in aid under section 477A.013,
105.34 subdivision 9, for aids payable in 2000.

105.35 (k) The city aid base for a city with a population of 10,000 or more which is located
105.36 outside of the seven-county metropolitan area is increased in 2002 and thereafter, and the

106.1 maximum amount of total aid it may receive under section 477A.013, subdivision 9,
106.2 paragraph (b) or (c), is also increased in calendar year 2002 only, by an amount equal to
106.3 the lesser of:

106.4 (1)(i) the total population of the city, as determined by the United States Bureau of
106.5 the Census, in the 2000 census, (ii) minus 5,000, (iii) times 60; or

106.6 (2) \$2,500,000.

106.7 (l) The city aid base is increased by \$50,000 in 2002 and thereafter, and the
106.8 maximum amount of total aid it may receive under section 477A.013, subdivision 9,
106.9 paragraph (c), is also increased by \$50,000 in calendar year 2002 only, provided that:

106.10 (1) the city is located in the seven-county metropolitan area;

106.11 (2) its population in 2000 is between 10,000 and 20,000; and

106.12 (3) its commercial industrial percentage, as calculated for city aid payable in 2001,
106.13 was greater than 25 percent.

106.14 (m) The city aid base for a city is increased by \$150,000 in calendar years 2002 to
106.15 2011 and by an additional \$75,000 in calendar years 2009 to 2014 and the maximum
106.16 amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is
106.17 also increased by \$150,000 in calendar year 2002 only and by \$75,000 in calendar year
106.18 2009 only, provided that:

106.19 (1) the city had a population of at least 3,000 but no more than 4,000 in 1999;

106.20 (2) its home county is located within the seven-county metropolitan area;

106.21 (3) its pre-1940 housing percentage is less than 15 percent; and

106.22 (4) its city net tax capacity per capita for taxes payable in 2000 is less than \$900
106.23 per capita.

106.24 (n) The city aid base for a city is increased by \$200,000 beginning in calendar
106.25 year 2003 and the maximum amount of total aid it may receive under section 477A.013,
106.26 subdivision 9, paragraph (c), is also increased by \$200,000 in calendar year 2003 only,
106.27 provided that the city qualified for an increase in homestead and agricultural credit aid
106.28 under Laws 1995, chapter 264, article 8, section 18.

106.29 (o) The city aid base for a city is increased by \$200,000 in 2004 only and the
106.30 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is
106.31 also increased by \$200,000 in calendar year 2004 only, if the city is the site of a nuclear
106.32 dry cask storage facility.

106.33 (p) The city aid base for a city is increased by \$10,000 in 2004 and thereafter and the
106.34 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased
106.35 by \$10,000 in calendar year 2004 only, if the city was included in a federal major disaster

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107.1 designation issued on April 1, 1998, and its pre-1940 housing stock was decreased by
107.2 more than 40 percent between 1990 and 2000.

107.3 (q) The city aid base for a city is increased by \$30,000 in 2009 and thereafter and the
107.4 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased
107.5 by \$25,000 in calendar year 2006 only if the city had a population in 2003 of at least 1,000
107.6 and has a state park for which the city provides rescue services and which comprised at
107.7 least 14 percent of the total geographic area included within the city boundaries in 2000.

107.8 (r) The city aid base for a city is increased by \$80,000 in 2009 and thereafter and
107.9 the minimum and maximum amount of total aid it may receive under section 477A.013,
107.10 subdivision 9, is also increased by \$80,000 in calendar year 2009 only, if:

107.11 (1) as of May 1, 2006, at least 25 percent of the tax capacity of the city is proposed
107.12 to be placed in trust status as tax-exempt Indian land;

107.13 (2) the placement of the land is being challenged administratively or in court; and

107.14 (3) due to the challenge, the land proposed to be placed in trust is still on the tax
107.15 rolls as of May 1, 2006.

107.16 (s) The city aid base for a city is increased by \$100,000 in 2007 and thereafter and
107.17 the minimum and maximum total amount of aid it may receive under this section is also
107.18 increased in calendar year 2007 only, provided that:

107.19 (1) the city has a 2004 estimated population greater than 200 but less than 2,000;

107.20 (2) its city net tax capacity for aids payable in 2006 was less than \$300 per capita;

107.21 (3) the ratio of its pay 2005 tax levy compared to its city net tax capacity for aids
107.22 payable in 2006 was greater than 110 percent; and

107.23 (4) it is located in a county where at least 15,000 acres of land are classified as
107.24 tax-exempt Indian reservations according to the 2004 abstract of tax-exempt property.

107.25 (t) The city aid base for a city is increased by \$30,000 in 2009 only, and the
107.26 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased
107.27 by \$30,000 in calendar year 2009, only if the city had a population in 2005 of less than
107.28 3,000 and the city's boundaries as of 2007 were formed by the consolidation of two cities
107.29 and one township in 2002.

107.30 (u) The city aid base for a city is increased by \$100,000 in 2009 and thereafter, and
107.31 the maximum total aid it may receive under section 477A.013, subdivision 9, is also
107.32 increased by \$100,000 in calendar year 2009 only, if the city had a city net tax capacity for
107.33 aids payable in 2007 of less than \$150 per capita and the city experienced flooding on
107.34 March 14, 2007, that resulted in evacuation of at least 40 homes.

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108.1 (v) The city aid base for a city is increased by \$100,000 in 2009 to 2013, and the
108.2 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased
108.3 by \$100,000 in calendar year 2009 only, if the city:

108.4 (1) is located outside of the Minneapolis-St. Paul standard metropolitan statistical
108.5 area;

108.6 (2) has a 2005 population greater than 7,000 but less than 8,000; and

108.7 (3) has a 2005 net tax capacity per capita of less than \$500.

108.8 (w) The city aid base is increased by \$25,000 in calendar years 2009 to 2013 and the
108.9 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is
108.10 increased by \$25,000 in calendar year 2009 only, provided that:

108.11 (1) the city is located in the seven-county metropolitan area;

108.12 (2) its population in 2006 is less than 200; and

108.13 (3) the percentage of its housing stock built before 1940, according to the 2000
108.14 United States Census, is greater than 40 percent.

108.15 (x) The city aid base is increased by \$90,000 in calendar year 2009 only and the
108.16 minimum and maximum total amount of aid it may receive under section 477A.013,
108.17 subdivision 9, is also increased by \$90,000 in calendar year 2009 only, provided that the
108.18 city is located in the seven-county metropolitan area, has a 2006 population between 5,000
108.19 and 7,000 and has a 1997 population of over 7,000.

108.20 (y) In calendar year 2010 only, the city aid base for a city is increased by \$225,000 if
108.21 it was eligible for a \$450,000 payment in calendar year 2008 under Minnesota Statutes
108.22 2006, section 477A.011, subdivision 36, paragraph (e), and the second half of the payment
108.23 under that paragraph in December 2008 was canceled due to the governor's unallotment.
108.24 The payment under this paragraph is not subject to any aid reductions under section
108.25 477A.0133 or any future unallotment of the city aid under section 16A.152.

108.26 (z) The city aid base and the maximum total aid the city may receive under section
108.27 477A.013, subdivision 9, is increased by \$25,000 in calendar year 2010 only if:

108.28 (1) the city is a first class city in the seven-county metropolitan area with a
108.29 population below 300,000; and

108.30 (2) the city has made an equivalent grant to its local growers' association to
108.31 reimburse up to \$1,000 each for membership fees and retail leases for members of the
108.32 association who farm in and around Dakota County and who incurred crop damage as a
108.33 result of the hail storm in that area on July 10, 2008.

108.34 The payment under this paragraph is not subject to any aid reductions under section
108.35 477A.0133 or any future unallotment of the city aid under section 16A.152.

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109.1 (aa) The city aid base for a city is increased by \$106,964 in 2011 only and the
109.2 minimum and maximum amount of total aid it may receive under section 477A.013,
109.3 subdivision 9, is also increased by \$106,964 in calendar year 2011 only, if the city had a
109.4 population as defined in Minnesota Statutes, section 477A.011, subdivision 3, that was in
109.5 excess of 1,000 in 2007 and that was less than 1,000 in 2008.

109.6 Sec. 5. Minnesota Statutes 2008, section 477A.013, subdivision 9, is amended to read:

109.7 **Subd. 9. City aid distribution.** (a) In calendar year 2009 and thereafter, each
109.8 city shall receive an aid distribution equal to the sum of (1) the city formula aid under
109.9 subdivision 8, and (2) its city aid base.

109.10 (b) For aids payable in ~~2009~~ 2011 only, the total aid in the previous year for any city
109.11 ~~shall not exceed the sum of (1) 35 percent of the city's net levy for the year prior to the~~
109.12 ~~aid distribution, plus (2) its total aid in the previous year~~ mean the amount of aid it was
109.13 certified to receive for aids payable in 2010 under this section minus the amount of its aid
109.14 reduction under section 477A.0133. For aids payable in 2012 and thereafter, the total aid
109.15 in the previous year for any city means the amount of aid it was certified to receive under
109.16 this section in the previous payable year.

109.17 (c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed
109.18 the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution
109.19 plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total
109.20 aid for any city with a population of 2,500 or more may not be less than its total aid under
109.21 this section in the previous year minus the lesser of \$10 multiplied by its population, or ten
109.22 percent of its net levy in the year prior to the aid distribution.

109.23 (d) For aids payable in 2010 and thereafter, the total aid for a city with a population
109.24 less than 2,500 must not be less than the amount it was certified to receive in the
109.25 previous year minus the lesser of \$10 multiplied by its population, or five percent of its
109.26 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a
109.27 population less than 2,500 must not be less than what it received under this section in the
109.28 previous year unless its total aid in calendar year 2008 was aid under section 477A.011,
109.29 subdivision 36, paragraph (s), in which case its minimum aid is zero.

109.30 (e) A city's aid loss under this section may not exceed \$300,000 in any year in
109.31 which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or
109.32 greater than the appropriation under that subdivision in the previous year, unless the
109.33 city has an adjustment in its city net tax capacity under the process described in section
109.34 469.174, subdivision 28.

110.1 (f) If a city's net tax capacity used in calculating aid under this section has decreased
110.2 in any year by more than 25 percent from its net tax capacity in the previous year due to
110.3 property becoming tax-exempt Indian land, the city's maximum allowed aid increase
110.4 under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the
110.5 year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease
110.6 resulting from the property becoming tax exempt.

110.7 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
110.8 2011 and thereafter.

110.9 **Sec. 6. [477A.0133] ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

110.10 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms
110.11 have the meanings given them in this subdivision.

110.12 (b) The "2010 revenue base" for a county is the sum of the county's certified property
110.13 tax levy for taxes payable in 2010, plus the amount of county program aid under section
110.14 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite
110.15 aids under sections 298.28 and 298.282 that the county was certified to receive in 2010
110.16 including any amounts required to be placed in a special fund for distribution in a later year.

110.17 (c) The "2010 revenue base" for a statutory or home rule charter city is the sum of
110.18 the city's certified property tax levy for taxes payable in 2010, plus the amount of local
110.19 government aid under section 477A.013, subdivision 9, that the city was certified to
110.20 receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that
110.21 the city was certified to receive in 2010 including any amounts required to be placed in a
110.22 special fund for distribution in a later year.

110.23 **Subd. 2. 2010 reductions; counties and cities.** The commissioner of revenue
110.24 must compute additional 2010 aid and credit reimbursement reduction amounts for each
110.25 county and city under this section, after implementing any reduction of county program
110.26 aid under section 477A.0124, local government aid under section 477A.013, or market
110.27 value credit reimbursements under section 273.1384, to reflect the reduction of allotments
110.28 under section 16A.152.

110.29 The additional reduction amounts under this section are limited to the sum of the
110.30 amount of county program aid under section 477A.0124, local government aid under
110.31 section 477A.013, and market value credit reimbursements under section 273.1384
110.32 payable to the county or city in 2010 before the reductions in this section, but after the
110.33 reductions for unallotments.

110.34 The reduction amount under this section is applied first to reduce the amount
110.35 payable to the county or city in 2010 as market value credit reimbursements under section

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111.1 273.1384, and then if necessary, to reduce the amount payable as either county program
111.2 aid under section 477A.0124 in the case of a county, or local government aid under section
111.3 477A.013 in the case of a city.

111.4 No aid or reimbursement amount is reduced to less than zero under this section.

111.5 The additional 2010 aid reduction amount for a county is equal to 1.82767 percent
111.6 of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city
111.7 is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28
111.8 multiplied by the city's 2008 population.

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

111.10 Sec. 7. Minnesota Statutes 2008, section 477A.03, subdivision 2a, is amended to read:

111.11 Subd. 2a. **Cities.** For aids payable in ~~2009~~ 2011 and thereafter, the total aid
111.12 paid under section 477A.013, subdivision 9, is ~~\$526,148,487, subject to adjustment in~~
111.13 ~~subdivision 5~~ \$527,100,646.

111.14 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and
111.15 thereafter.

111.16 Sec. 8. Minnesota Statutes 2008, section 477A.03, subdivision 2b, is amended to read:

111.17 Subd. 2b. **Counties.** (a) For aids payable in ~~2009~~ 2011 and thereafter, the total aid
111.18 payable under section 477A.0124, subdivision 3, is ~~\$111,500,000 minus one-half of the~~
111.19 ~~total aid amount determined under section 477A.0124, subdivision 5, paragraph (b),~~
111.20 ~~subject to adjustment in subdivision 5~~ \$96,395,000. Each calendar year, \$500,000 shall be
111.21 retained by the commissioner of revenue to make reimbursements to the commissioner of
111.22 management and budget for payments made under section 611.27. For calendar year 2004,
111.23 the amount shall be in addition to the payments authorized under section 477A.0124,
111.24 subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted
111.25 from the appropriation under this paragraph. The reimbursements shall be to defray the
111.26 additional costs associated with court-ordered counsel under section 611.27. Any retained
111.27 amounts not used for reimbursement in a year shall be included in the next distribution
111.28 of county need aid that is certified to the county auditors for the purpose of property tax
111.29 reduction for the next taxes payable year.

111.30 (b) For aids payable in ~~2009~~ 2011 and thereafter, the total aid under section
111.31 477A.0124, subdivision 4, is ~~\$116,132,923 minus one-half of the total aid amount~~
111.32 ~~determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment~~
111.33 ~~in subdivision 5~~ \$101,309,575. The commissioner of management and budget shall

112.1 bill the commissioner of revenue for the cost of preparation of local impact notes as
112.2 required by section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter.
112.3 The commissioner of education shall bill the commissioner of revenue for the cost of
112.4 preparation of local impact notes for school districts as required by section 3.987, not
112.5 to exceed \$7,000 in fiscal year 2004 and thereafter. The commissioner of revenue
112.6 shall deduct the amounts billed under this paragraph from the appropriation under this
112.7 paragraph. The amounts deducted are appropriated to the commissioner of management
112.8 and budget and the commissioner of education for the preparation of local impact notes.

112.9 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and
112.10 thereafter.

112.11 Sec. 9. Laws 2008, chapter 366, article 2, section 12, is amended to read:

112.12 Sec. 12. **STUDY OF AIDS TO LOCAL GOVERNMENTS.**

112.13 The chairs of the senate and house of representatives committees with jurisdiction
112.14 over taxes shall each appoint five members to a study group of the tax committees to
112.15 examine the current system of aids to local governments and make recommendations on
112.16 improvements to the system. Of the five members appointed by each chair, two must be
112.17 members of the tax committee, one of whom is a majority party member and one of
112.18 whom is a minority party member. The remaining members must represent local units of
112.19 government. The chairs of the divisions of the tax committees having jurisdiction over
112.20 property taxes shall also be members and shall serve as cochairs of the study group.
112.21 The study shall include, but not be limited to, consideration of existing disparities in
112.22 the distribution of local government aid, an analysis of current law need and capacity
112.23 factors as well as alternative need factors, alternative analytical methods for determining
112.24 correlations between factors and need, the formula used to calculate aid for small cities,
112.25 and volatility in the local government aid distribution. The group must report on its
112.26 specific recommendations to the legislature by December 15, ~~2010~~ 2012.

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

112.28 Sec. 10. **REPEALER.**

112.29 (a) Minnesota Statutes 2008, section 477A.03, subdivision 5, is repealed.

112.30 (b) Laws 2009, chapter 88, article 12, section 21, is repealed.

112.31 **EFFECTIVE DATE.** Paragraph (a) is effective for aids payable in 2011 and
112.32 thereafter. Paragraph (b) is effective retroactively from July 1, 2009.

APPENDIX
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