

143.11 ARTICLE 7
143.12 NUTRITION; LIBRARIES; ACCOUNTING

91.8 ARTICLE 7
91.9 NUTRITION, LIBRARIES, AND ACCOUNTING

S0978-3

72.1 ARTICLE 7
72.2 LIBRARIES

UEH0630-1

91.10 Section 1. Minnesota Statutes 2012, section 123B.75, subdivision 5, is amended to read:

91.11 Subd. 5. **Levy recognition.** (a) For fiscal years 2009 and 2010, in June of each

91.12 year, the school district must recognize as revenue, in the fund for which the levy was

91.13 made, the lesser of:

91.14 (1) the sum of May, June, and July school district tax settlement revenue received in

91.15 that calendar year, plus general education aid according to section 126C.13, subdivision

91.16 4, received in July and August of that calendar year; or

91.17 (2) the sum of:

91.18 (i) 31 percent of the referendum levy certified according to section 126C.17, in

91.19 calendar year 2000; and

91.20 (ii) the entire amount of the levy certified in the prior calendar year according to

91.21 section 124D.86, subdivision 4, for school districts receiving revenue under sections

91.22 124D.86, subdivision 3, clauses (1), (2), and (3); 126C.41, subdivisions 1, 2, paragraph (a);

91.23 and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; and 126C.48, subdivision 6; plus

91.24 (iii) zero percent of the amount of the levy certified in the prior calendar year for the

91.25 school district's general and community service funds, plus or minus auditor's adjustments;

91.26 not including the levy portions that are assumed by the state, that remains after subtracting

91.27 the referendum levy certified according to section 126C.17 and the amount recognized

91.28 according to item (ii).

91.29 (b) For fiscal year 2011 and later years, in June of each year, the school district must

91.30 recognize as revenue, in the fund for which the levy was made, the lesser of:

91.31 (1) the sum of May, June, and July school district tax settlement revenue received in

91.32 that calendar year, plus general education aid according to section 126C.13, subdivision

91.33 4, received in July and August of that calendar year; or

91.34 (2) the sum of:

143.13 Section 1. Minnesota Statutes 2012, section 124D.111, subdivision 1, is amended to
143.14 read:

143.15 Subdivision 1. **School lunch aid computation.** Each school year, the state must pay
143.16 participants in the national school lunch program the amount of ~~12~~ 13 cents for each full
143.17 paid, ~~reduced~~ reduced-price, and free student lunch served to students.

143.18 **EFFECTIVE DATE.** This section is effective July 1, 2013, for aid payments for
143.19 fiscal year 2014 and later.

143.20 Sec. 2. Minnesota Statutes 2012, section 124D.119, is amended to read:
143.21 **124D.119 SUMMER FOOD SERVICE REPLACEMENT AID.**

143.22 ~~States~~ State funds are available to compensate department-approved summer food
143.23 program sponsors ~~for reduced federal operating reimbursement rates under Public Law~~
143.24 ~~104-193, the federal summer food service program. A sponsor is eligible for summer food~~
143.25 ~~service replacement aid equal to the sum of the following amounts: Reimbursement shall~~
143.26 ~~be made on December 15 based on total meals served by each sponsor from the end of the~~
143.27 ~~school year to the beginning of the next school year on a pro rata basis.~~

92.1 (i) the greater of 48.6 percent of the referendum levy certified according to section
92.2 126C.17 in the prior calendar year, or 31 percent of the referendum levy certified
92.3 according to section 126C.17 in calendar year 2000; plus

92.4 (ii) the entire amount of the levy certified in the prior calendar year according to
92.5 section 124D.4531, 124D.86, subdivision 4, for school districts receiving revenue under
92.6 sections 124D.86, subdivision 3, clauses (1), (2), and (3); 124D.862, subdivision 4, for
92.7 Special School District No. 1, Minneapolis, Independent School District No. 625, St.
92.8 Paul, and Independent School District No. 709, Duluth; 126C.41, subdivisions 1, 2,
92.9 paragraph (a), and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; and 126C.48,
92.10 subdivision 6; plus

92.11 (iii) 48.6 percent of the amount of the levy certified in the prior calendar year for the
92.12 school district's general and community service funds, plus or minus auditor's adjustments,
92.13 that remains after subtracting the referendum levy certified according to section 126C.17
92.14 and the amount recognized according to item (ii).

92.15 Sec. 2. Minnesota Statutes 2012, section 124D.111, subdivision 1, is amended to read:

92.16 Subdivision 1. **School lunch aid computation.** Each school year, the state must pay
92.17 participants in the national school lunch program the amount of ~~12~~ 14 cents for each full
92.18 paid, ~~reduced~~ reduced-price, and free student lunch served to students.

92.19 **EFFECTIVE DATE.** This section is effective July 1, 2013.

92.20 Sec. 3. Minnesota Statutes 2012, section 124D.111, is amended by adding a
92.21 subdivision to read:

92.22 Subd. 4. **Inability to pay.** A school that provides meals under this section must not
92.23 deny a child lunch or provide that child with an alternative meal if that child qualifies for a
92.24 reduced-price meal and that child or that child's parent or guardian provides notice to the
92.25 school that the family does not have sufficient funds to pay for the lunch.

92.26 Sec. 4. Minnesota Statutes 2012, section 124D.119, is amended to read:
92.27 **124D.119 SUMMER FOOD SERVICE REPLACEMENT AID.**

92.28 States funds are available to compensate department-approved summer food
92.29 program sponsors ~~for reduced federal operating reimbursement rates under Public Law~~
92.30 ~~104-193, the federal summer food service program. A sponsor is eligible for summer food~~
92.31 ~~service replacement aid equal to the sum of the following amounts: Reimbursement shall~~
93.1 ~~be made on December 15 based on total meals served by each sponsor from the end of the~~
93.2 ~~school year to the beginning of the next school year on a pro rata basis.~~

143.28 (1) for breakfast service, up to four cents per breakfast served by the sponsor during
 143.29 the current program year;

143.30 (2) for lunch or supper service, up to 14 cents per lunch or supper served by the
 143.31 sponsor during the current program year; and

144.1 (3) for supplement service, up to ten cents per supplement served by the sponsor
 144.2 during the current program year.

93.3 (1) for breakfast service, up to four cents per breakfast served by the sponsor during
 93.4 the current program year;

93.5 (2) for lunch or supper service, up to 14 cents per lunch or supper served by the
 93.6 sponsor during the current program year; and

93.7 (3) for supplement service, up to ten cents per supplement served by the sponsor
 93.8 during the current program year.

93.9 Sec. 5. Minnesota Statutes 2012, section 127A.45, subdivision 2, is amended to read:

93.10 Subd. 2. **Definitions.** (a) "Other district receipts" means payments by county
 93.11 treasurers pursuant to section 276.10, apportionments from the school endowment fund
 93.12 pursuant to section 127A.33, apportionments by the county auditor pursuant to section
 93.13 127A.34, subdivision 2, and payments to school districts by the commissioner of revenue
 93.14 pursuant to chapter 298.

93.15 (b) "Cumulative amount guaranteed" means the product of

93.16 (1) the cumulative disbursement percentage shown in subdivision 3; times

93.17 (2) the sum of

93.18 (i) the current year aid payment percentage of the estimated aid and credit
 93.19 entitlements paid according to subdivision 13; plus

93.20 (ii) 100 percent of the entitlements paid according to subdivisions 11 and 12; plus

93.21 (iii) the other district receipts.

93.22 (c) "Payment date" means the date on which state payments to districts are made
 93.23 by the electronic funds transfer method. If a payment date falls on a Saturday, a Sunday,
 93.24 or a weekday which is a legal holiday, the payment shall be made on the immediately
 93.25 preceding business day. The commissioner may make payments on dates other than
 93.26 those listed in subdivision 3, but only for portions of payments from any preceding
 93.27 payment dates which could not be processed by the electronic funds transfer method due
 93.28 to documented extenuating circumstances.

93.29 (d) The current year aid payment percentage equals ~~73 in fiscal year 2010 and 70 in~~
 93.30 ~~fiscal year 2011, and 60 in fiscal years 2012 and later~~ 85.5 in fiscal year 2014 and later.

S0978-3

144.3 Sec. 3. Minnesota Statutes 2012, section 134.32, is amended to read:
 144.4 **134.32 GRANT AUTHORIZATION; TYPES OF GRANTS AND AID.**

144.5 Subdivision 1. **Provision of grants.** The department shall provide the grants and aid
 144.6 specified in this section from any available state, federal, or other funds.

72.3 Section 1. Minnesota Statutes 2012, section 134.32, is amended to read:
 72.4 **134.32 GRANT AUTHORIZATION; TYPES OF GRANTS AND AID.**

72.5 Subdivision 1. **Provision of grants.** The department shall provide the grants and aid
 72.6 specified in this section from any available state, federal, or other funds.

144.7 Subd. 3. **Regional library basic system support grants aid.** It shall provide
 144.8 regional library basic system support grants aid to regional public library systems which
 144.9 meet the requirements of section 134.34, to assist those systems in providing basic system
 144.10 services.

144.11 Subd. 4. **Special project grants.** It may provide special project grants to assist
 144.12 innovative and experimental library programs including, but not limited to, special
 144.13 services for American Indians and the Spanish-speaking, delivery of library materials to
 144.14 homebound persons, other extensions of library services to persons without access to
 144.15 libraries and projects to strengthen and improve library services.

144.16 Subd. 5. **Interlibrary exchange grants.** It may provide grants for interlibrary
 144.17 exchange of books, periodicals, resource material, reference information and the expenses
 144.18 incident to the sharing of library resources and materials, including planning, development
 144.19 and operating grants to multicounty, multitype library systems.

144.20 Subd. 6. **Library service grants.** It may provide grants for the improvement of
 144.21 library services at welfare and corrections institutions and for library service for the blind
 144.22 and physically disabled.

144.23 Subd. 7. **Construction or remodeling grants.** It may provide grants for
 144.24 construction or remodeling of library facilities from any state and federal funds specifically
 144.25 appropriated for this purpose.

144.26 Subd. 8. **Rulemaking.** (a) The commissioner shall promulgate rules consistent
 144.27 with sections 134.32 to 134.355 governing:

144.28 (1) applications for these grants and aid;

144.29 (2) computation formulas for determining the amounts of establishment grants and
 144.30 regional library basic system support grants aid; and

144.31 (3) eligibility criteria for grants and aid.

144.32 (b) To the extent allowed under federal law, a construction grant applicant, in
 144.33 addition to the points received under Minnesota Rules, part 3530.2632, shall receive an
 144.34 additional five points if the construction grant is for a project combining public library
 144.35 services and school district library services at a single location.

145.1 Sec. 4. Minnesota Statutes 2012, section 134.34, is amended to read:
 145.2 **134.34 REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS AID;**
 145.3 **REQUIREMENTS.**

72.7 Subd. 3. **Regional library basic system support grants aid.** It shall provide
 72.8 regional library basic system support grants aid to regional public library systems which
 72.9 meet the requirements of section 134.34, to assist those systems in providing basic system
 72.10 services.

72.11 Subd. 4. **Special project grants.** It may provide special project grants to assist
 72.12 innovative and experimental library programs including, but not limited to, special
 72.13 services for American Indians and the Spanish-speaking, delivery of library materials to
 72.14 homebound persons, other extensions of library services to persons without access to
 72.15 libraries and projects to strengthen and improve library services.

72.16 Subd. 5. **Interlibrary exchange grants.** It may provide grants for interlibrary
 72.17 exchange of books, periodicals, resource material, reference information and the expenses
 72.18 incident to the sharing of library resources and materials, including planning, development
 72.19 and operating grants to multicounty, multitype library systems.

72.20 Subd. 6. **Library service grants.** It may provide grants for the improvement of
 72.21 library services at welfare and corrections institutions and for library service for the blind
 72.22 and physically disabled.

72.23 Subd. 7. **Construction or remodeling grants.** It may provide grants for
 72.24 construction or remodeling of library facilities from any state and federal funds specifically
 72.25 appropriated for this purpose.

72.26 Subd. 8. **Rulemaking.** (a) The commissioner shall promulgate rules consistent
 72.27 with sections 134.32 to 134.355 governing:

72.28 (1) applications for these grants and aid;

72.29 (2) computation formulas for determining the amounts of establishment grants and
 72.30 regional library basic system support grants aid; and

72.31 (3) eligibility criteria for grants and aid.

72.32 (b) To the extent allowed under federal law, a construction grant applicant, in
 72.33 addition to the points received under Minnesota Rules, part 3530.2632, shall receive an
 72.34 additional five points if the construction grant is for a project combining public library
 72.35 services and school district library services at a single location.

73.1 Sec. 2. Minnesota Statutes 2012, section 134.34, is amended to read:
 73.2 **134.34 REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS AID;**
 73.3 **REQUIREMENTS.**

145.4 Subdivision 1. **Local support levels.** (a) A Regional library basic system support
 145.5 ~~grant aid~~ shall be ~~made~~ provided to any regional public library system where there are at
 145.6 least three participating counties and where each participating city and county is providing
 145.7 for public library service support the lesser of (a) an amount equivalent to .82 percent of
 145.8 the average of the adjusted net tax capacity of the taxable property of that city or county,
 145.9 as determined by the commissioner of revenue for the second, third, and fourth year
 145.10 preceding that calendar year or (b) a per capita amount calculated under the provisions of
 145.11 this subdivision. The per capita amount is established for calendar year 1993 as \$7.62.
 145.12 In succeeding calendar years, the per capita amount shall be increased by a percentage
 145.13 equal to one-half of the percentage by which the total state adjusted net tax capacity of
 145.14 property as determined by the commissioner of revenue for the second year preceding
 145.15 that calendar year increases over that total adjusted net tax capacity for the third year
 145.16 preceding that calendar year.

145.17 (b) The minimum level of support specified under this subdivision or subdivision 4
 145.18 shall be certified annually to the participating cities and counties by the Department of
 145.19 Education. If a city or county chooses to reduce its local support in accordance with
 145.20 subdivision 4, paragraph (b) or (c), it shall notify its regional public library system. The
 145.21 regional public library system shall notify the Department of Education that a revised
 145.22 certification is required. The revised minimum level of support shall be certified to the
 145.23 city or county by the Department of Education.

145.24 (c) A city which is a part of a regional public library system shall not be required to
 145.25 provide this level of support if the property of that city is already taxable by the county for
 145.26 the support of that regional public library system. In no event shall the Department of
 145.27 Education require any city or county to provide a higher level of support than the level
 145.28 of support specified in this section in order for a system to qualify for a regional library
 145.29 basic system support ~~grant aid~~. This section shall not be construed to prohibit a city or
 145.30 county from providing a higher level of support for public libraries than the level of
 145.31 support specified in this section.

145.32 Subd. 3. **Regional designation.** Regional library basic system support ~~grants aid~~
 145.33 shall be ~~made~~ provided only to those regional public library systems officially designated
 145.34 by the commissioner of education as the appropriate agency to strengthen, improve and
 145.35 promote public library services in the participating areas. The commissioner of education
 146.1 shall designate no more than one such regional public library system located entirely within
 146.2 any single development region existing under sections 462.381 to 462.398 or chapter 473.

73.4 Subdivision 1. **Local support levels.** (a) A Regional library basic system support
 73.5 ~~grant aid~~ shall be ~~made~~ provided to any regional public library system where there are at
 73.6 least three participating counties and where each participating city and county is providing
 73.7 for public library service support the lesser of (a) an amount equivalent to .82 percent of
 73.8 the average of the adjusted net tax capacity of the taxable property of that city or county,
 73.9 as determined by the commissioner of revenue for the second, third, and fourth year
 73.10 preceding that calendar year or (b) a per capita amount calculated under the provisions of
 73.11 this subdivision. The per capita amount is established for calendar year 1993 as \$7.62.
 73.12 In succeeding calendar years, the per capita amount shall be increased by a percentage
 73.13 equal to one-half of the percentage by which the total state adjusted net tax capacity of
 73.14 property as determined by the commissioner of revenue for the second year preceding
 73.15 that calendar year increases over that total adjusted net tax capacity for the third year
 73.16 preceding that calendar year.

73.17 (b) The minimum level of support specified under this subdivision or subdivision 4
 73.18 shall be certified annually to the participating cities and counties by the Department of
 73.19 Education. If a city or county chooses to reduce its local support in accordance with
 73.20 subdivision 4, paragraph (b) or (c), it shall notify its regional public library system. The
 73.21 regional public library system shall notify the Department of Education that a revised
 73.22 certification is required. The revised minimum level of support shall be certified to the
 73.23 city or county by the Department of Education.

73.24 (c) A city which is a part of a regional public library system shall not be required to
 73.25 provide this level of support if the property of that city is already taxable by the county for
 73.26 the support of that regional public library system. In no event shall the Department of
 73.27 Education require any city or county to provide a higher level of support than the level
 73.28 of support specified in this section in order for a system to qualify for a regional library
 73.29 basic system support ~~grant aid~~. This section shall not be construed to prohibit a city or
 73.30 county from providing a higher level of support for public libraries than the level of
 73.31 support specified in this section.

73.32 Subd. 3. **Regional designation.** Regional library basic system support ~~grants aid~~
 73.33 shall be ~~made~~ provided only to those regional public library systems officially designated
 73.34 by the commissioner of education as the appropriate agency to strengthen, improve and
 73.35 promote public library services in the participating areas. The commissioner of education
 74.1 shall designate no more than one such regional public library system located entirely within
 74.2 any single development region existing under sections 462.381 to 462.398 or chapter 473.

146.3 Subd. 4. **Limitation.** (a) For calendar year 2010 and later, a regional library basic
 146.4 system support grant aid shall not be made provided to a regional public library system
 146.5 for a participating city or county which decreases the dollar amount provided for support
 146.6 for operating purposes of public library service below the amount provided by it for the
 146.7 second, or third preceding year, whichever is less. For purposes of this subdivision and
 146.8 subdivision 1, any funds provided under section 473.757, subdivision 2, for extending
 146.9 library hours of operation shall not be considered amounts provided by a city or county for
 146.10 support for operating purposes of public library service. This subdivision shall not apply
 146.11 to participating cities or counties where the adjusted net tax capacity of that city or county
 146.12 has decreased, if the dollar amount of the reduction in support is not greater than the dollar
 146.13 amount by which support would be decreased if the reduction in support were made in
 146.14 direct proportion to the decrease in adjusted net tax capacity.

146.15 (b) For calendar year 2009 and later, in any calendar year in which a city's or
 146.16 county's aid under sections 477A.011 to 477A.014 or credit reimbursement under section
 146.17 273.1384 is reduced after the city or county has certified its levy payable in that year, it
 146.18 may reduce its local support by the lesser of:

146.19 (1) ten percent; or

146.20 (2) a percent equal to the ratio of the aid and credit reimbursement reductions to the
 146.21 city's or county's revenue base, based on aids certified for the current calendar year. For
 146.22 calendar year 2009 only, the reduction under this paragraph shall be based on 2008 aid and
 146.23 credit reimbursement reductions under the December 2008 unallotment, as well as any
 146.24 aid and credit reimbursement reductions in calendar year 2009. For pay 2009 only, the
 146.25 commissioner of revenue will calculate the reductions under this paragraph and certify
 146.26 them to the commissioner of education within 15 days of May 17, 2009.

146.27 (c) For taxes payable in 2010 and later, in any payable year in which the total
 146.28 amounts certified for city or county aids under sections 477A.011 to 477A.014 are less
 146.29 than the total amounts paid under those sections in the previous calendar year, a city or
 146.30 county may reduce its local support by the lesser of:

146.31 (1) ten percent; or

146.32 (2) a percent equal to the ratio of:

146.33 (i) the difference between (A) the sum of the aid it was paid under sections
 146.34 477A.011 to 477A.014 and the credit reimbursement it received under section 273.1384
 146.35 in the previous calendar year and (B) the sum of the aid it is certified to be paid in the
 147.1 current calendar year under sections 477A.011 to 477A.014 and the credit reimbursement
 147.2 estimated to be paid under section 273.1384; to

74.3 Subd. 4. **Limitation.** (a) For calendar year 2010 and later, a regional library basic
 74.4 system support grant aid shall not be made provided to a regional public library system
 74.5 for a participating city or county which decreases the dollar amount provided for support
 74.6 for operating purposes of public library service below the amount provided by it for the
 74.7 second, or third preceding year, whichever is less. For purposes of this subdivision and
 74.8 subdivision 1, any funds provided under section 473.757, subdivision 2, for extending
 74.9 library hours of operation shall not be considered amounts provided by a city or county for
 74.10 support for operating purposes of public library service. This subdivision shall not apply
 74.11 to participating cities or counties where the adjusted net tax capacity of that city or county
 74.12 has decreased, if the dollar amount of the reduction in support is not greater than the dollar
 74.13 amount by which support would be decreased if the reduction in support were made in
 74.14 direct proportion to the decrease in adjusted net tax capacity.

74.15 (b) For calendar year 2009 and later, in any calendar year in which a city's or
 74.16 county's aid under sections 477A.011 to 477A.014 or credit reimbursement under section
 74.17 273.1384 is reduced after the city or county has certified its levy payable in that year, it
 74.18 may reduce its local support by the lesser of:

74.19 (1) ten percent; or

74.20 (2) a percent equal to the ratio of the aid and credit reimbursement reductions to the
 74.21 city's or county's revenue base, based on aids certified for the current calendar year. For
 74.22 calendar year 2009 only, the reduction under this paragraph shall be based on 2008 aid and
 74.23 credit reimbursement reductions under the December 2008 unallotment, as well as any
 74.24 aid and credit reimbursement reductions in calendar year 2009. For pay 2009 only, the
 74.25 commissioner of revenue will calculate the reductions under this paragraph and certify
 74.26 them to the commissioner of education within 15 days of May 17, 2009.

74.27 (c) For taxes payable in 2010 and later, in any payable year in which the total
 74.28 amounts certified for city or county aids under sections 477A.011 to 477A.014 are less
 74.29 than the total amounts paid under those sections in the previous calendar year, a city or
 74.30 county may reduce its local support by the lesser of:

74.31 (1) ten percent; or

74.32 (2) a percent equal to the ratio of:

74.33 (i) the difference between (A) the sum of the aid it was paid under sections
 74.34 477A.011 to 477A.014 and the credit reimbursement it received under section 273.1384
 74.35 in the previous calendar year and (B) the sum of the aid it is certified to be paid in the
 75.1 current calendar year under sections 477A.011 to 477A.014 and the credit reimbursement
 75.2 estimated to be paid under section 273.1384; to

147.3 (ii) its revenue base for the previous year, based on aids actually paid in the previous
 147.4 calendar year. The commissioner of revenue shall calculate the percent aid cut for each
 147.5 county and city under this paragraph and certify the percentage cuts to the commissioner
 147.6 of education by August 1 of the year prior to the year in which the reduced aids and
 147.7 credit reimbursements are to be paid. The percentage of reduction related to reductions
 147.8 to credit reimbursements under section 273.1384 shall be based on the best estimation
 147.9 available as of July 30.

147.10 (d) Notwithstanding paragraph (a), (b), or (c), no city or county shall reduce its
 147.11 support for public libraries below the minimum level specified in subdivision 1.

147.12 (e) For purposes of this subdivision, "revenue base" means the sum of:

147.13 (1) its levy for taxes payable in the current calendar year, including the levy on
 147.14 the fiscal disparities distribution under section 276A.06, subdivision 3, paragraph (a),
 147.15 or 473F.08, subdivision 3, paragraph (a);

147.16 (2) its aid under sections 477A.011 to 477A.014 in the current calendar year; and

147.17 (3) its taconite aid in the current calendar year under sections 298.28 and 298.282.

147.18 Subd. 7. **Proposed budget.** In addition to the annual report required in section
 147.19 134.13, a regional public system that receives a basic system support grant aid under this
 147.20 section must provide each participating county and city with its proposed budget for
 147.21 the next year.

147.22 Sec. 5. Minnesota Statutes 2012, section 134.351, subdivision 3, is amended to read:

147.23 Subd. 3. **Agreement.** In order for a multicounty, multitype library system to qualify
 147.24 for a planning, development or operating grant aid pursuant to sections 134.353 and
 147.25 134.354, each participating library in the system shall adopt an organizational agreement
 147.26 providing for the following:

147.27 (a) Sharing of resources among all participating libraries;

147.28 (b) Long-range planning for cooperative programs;

147.29 (c) The development of a delivery system for services and programs;

147.30 (d) The development of a bibliographic database; and

147.31 (e) A communications system among all cooperating libraries.

147.32 Sec. 6. Minnesota Statutes 2012, section 134.351, subdivision 7, is amended to read:

148.1 Subd. 7. **Reports.** Each multicounty, multitype system receiving a grant aid
 148.2 pursuant to section 134.353 or 134.354 shall provide an annual progress report to the
 148.3 Department of Education.

75.3 (ii) its revenue base for the previous year, based on aids actually paid in the previous
 75.4 calendar year. The commissioner of revenue shall calculate the percent aid cut for each
 75.5 county and city under this paragraph and certify the percentage cuts to the commissioner
 75.6 of education by August 1 of the year prior to the year in which the reduced aids and
 75.7 credit reimbursements are to be paid. The percentage of reduction related to reductions
 75.8 to credit reimbursements under section 273.1384 shall be based on the best estimation
 75.9 available as of July 30.

75.10 (d) Notwithstanding paragraph (a), (b), or (c), no city or county shall reduce its
 75.11 support for public libraries below the minimum level specified in subdivision 1.

75.12 (e) For purposes of this subdivision, "revenue base" means the sum of:

75.13 (1) its levy for taxes payable in the current calendar year, including the levy on
 75.14 the fiscal disparities distribution under section 276A.06, subdivision 3, paragraph (a),
 75.15 or 473F.08, subdivision 3, paragraph (a);

75.16 (2) its aid under sections 477A.011 to 477A.014 in the current calendar year; and

75.17 (3) its taconite aid in the current calendar year under sections 298.28 and 298.282.

75.18 Subd. 7. **Proposed budget.** In addition to the annual report required in section
 75.19 134.13, a regional public system that receives a basic system support grant aid under this
 75.20 section must provide each participating county and city with its proposed budget for
 75.21 the next year.

75.22 Sec. 3. Minnesota Statutes 2012, section 134.351, subdivision 3, is amended to read:

75.23 Subd. 3. **Agreement.** In order for a multicounty, multitype library system to qualify
 75.24 for a planning, development or operating grant aid pursuant to sections 134.353 and
 75.25 134.354, each participating library in the system shall adopt an organizational agreement
 75.26 providing for the following:

75.27 (a) Sharing of resources among all participating libraries;

75.28 (b) Long-range planning for cooperative programs;

75.29 (c) The development of a delivery system for services and programs;

75.30 (d) The development of a bibliographic database; and

75.31 (e) A communications system among all cooperating libraries.

75.32 Sec. 4. Minnesota Statutes 2012, section 134.351, subdivision 7, is amended to read:

76.1 Subd. 7. **Reports.** Each multicounty, multitype system receiving a grant aid
 76.2 pursuant to section 134.353 or 134.354 shall provide an annual progress report to the
 76.3 Department of Education.

148.4 Sec. 7. Minnesota Statutes 2012, section 134.353, is amended to read:

148.5 **134.353 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM**

148.6 **DEVELOPMENT GRANT AID.**

148.7 The commissioner of education may provide development grants aid to multicounty,
148.8 multitype library systems. In awarding a development grant aid, the commissioner shall
148.9 consider the extra costs incurred in systems located in sparsely populated and large
148.10 geographic regions.

148.11 Sec. 8. Minnesota Statutes 2012, section 134.354, is amended to read:

148.12 **134.354 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM OPERATING**

148.13 **GRANT AID.**

148.14 The commissioner of education may provide operating grants aid to multicounty,
148.15 multitype library systems. In awarding an operating grant aid, the commissioner shall
148.16 consider the extra costs incurred in systems located in sparsely populated and large
148.17 geographic areas.

148.18 Sec. 9. Minnesota Statutes 2012, section 134.355, subdivision 1, is amended to read:

148.19 Subdivision 1. **Appropriations.** Basic system support grants aid and regional library
148.20 telecommunications aid provide the appropriations for the basic regional library system.

148.21 Sec. 10. Minnesota Statutes 2012, section 134.355, subdivision 2, is amended to read:

148.22 Subd. 2. **Grant application.** Any regional public library system which qualifies
148.23 according to the provisions of section 134.34 may apply for ~~an annual grant aid~~ for
148.24 regional library basic system support. Regional public library districts under section
148.25 134.201 may not compensate board members using grant aid funds. The amount of ~~each~~
148.26 grant aid for each fiscal year shall be calculated as provided in this section.

148.27 Sec. 11. Minnesota Statutes 2012, section 134.355, subdivision 3, is amended to read:

148.28 Subd. 3. **Per capita distribution.** Fifty-seven and one-half percent of the available
148.29 grant aid funds shall be distributed to provide all qualifying systems an equal amount
148.30 per capita. Each system's allocation pursuant to this subdivision shall be based on the
148.31 population it serves.

149.1 Sec. 12. Minnesota Statutes 2012, section 134.355, subdivision 4, is amended to read:

149.2 Subd. 4. **Per square mile distribution.** Twelve and one-half percent of the
149.3 available grant aid funds shall be distributed to provide all qualifying systems an equal
149.4 amount per square mile. Each system's allocation pursuant to this subdivision shall be
149.5 based on the area it serves.

149.6 Sec. 13. Minnesota Statutes 2012, section 134.355, subdivision 5, is amended to read:

76.4 Sec. 5. Minnesota Statutes 2012, section 134.353, is amended to read:

76.5 **134.353 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM**

76.6 **DEVELOPMENT GRANT AID.**

76.7 The commissioner of education may provide development grants aid to multicounty,
76.8 multitype library systems. In awarding a development grant aid, the commissioner shall
76.9 consider the extra costs incurred in systems located in sparsely populated and large
76.10 geographic regions.

76.11 Sec. 6. Minnesota Statutes 2012, section 134.354, is amended to read:

76.12 **134.354 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM OPERATING**

76.13 **GRANT AID.**

76.14 The commissioner of education may provide operating grants aid to multicounty,
76.15 multitype library systems. In awarding an operating grant aid, the commissioner shall
76.16 consider the extra costs incurred in systems located in sparsely populated and large
76.17 geographic areas.

76.18 Sec. 7. Minnesota Statutes 2012, section 134.355, subdivision 1, is amended to read:

76.19 Subdivision 1. **Appropriations.** Basic system support grants aid and regional library
76.20 telecommunications aid provide the appropriations for the basic regional library system.

76.21 Sec. 8. Minnesota Statutes 2012, section 134.355, subdivision 2, is amended to read:

76.22 Subd. 2. **Grant application.** Any regional public library system which qualifies
76.23 according to the provisions of section 134.34 may apply for ~~an annual grant aid~~ for
76.24 regional library basic system support. Regional public library districts under section
76.25 134.201 may not compensate board members using grant aid funds. The amount of ~~each~~
76.26 grant aid for each fiscal year shall be calculated as provided in this section.

76.27 Sec. 9. Minnesota Statutes 2012, section 134.355, subdivision 3, is amended to read:

76.28 Subd. 3. **Per capita distribution.** Fifty-seven and one-half percent of the available
76.29 grant aid funds shall be distributed to provide all qualifying systems an equal amount
76.30 per capita. Each system's allocation pursuant to this subdivision shall be based on the
76.31 population it serves.

77.1 Sec. 10. Minnesota Statutes 2012, section 134.355, subdivision 4, is amended to read:

77.2 Subd. 4. **Per square mile distribution.** Twelve and one-half percent of the
77.3 available grant aid funds shall be distributed to provide all qualifying systems an equal
77.4 amount per square mile. Each system's allocation pursuant to this subdivision shall be
77.5 based on the area it serves.

77.6 Sec. 11. Minnesota Statutes 2012, section 134.355, subdivision 5, is amended to read:

149.7 Subd. 5. **Base grant aid distribution.** Five percent of the available grant aid funds
149.8 shall be paid to each system as a base grant aid for basic system services.

149.9 Sec. 14. Minnesota Statutes 2012, section 134.355, subdivision 6, is amended to read:

149.10 Subd. 6. **Adjusted net tax capacity per capita distribution.** Twenty-five percent
149.11 of the available grant aid funds shall be distributed to regional public library systems based
149.12 upon the adjusted net tax capacity per capita for each member county or participating
149.13 portion of a county as calculated for the second year preceding the fiscal year for which
149.14 ~~the grant aid is made provided.~~ Each system's entitlement shall be calculated as follows:

149.15 (a) Multiply the adjusted net tax capacity per capita for each county or participating
149.16 portion of a county by .0082.

149.17 (b) Add sufficient grant aid funds that are available under this subdivision to raise
149.18 the amount of the county or participating portion of a county with the lowest value
149.19 calculated according to paragraph (a) to the amount of the county or participating portion
149.20 of a county with the next highest value calculated according to paragraph (a). Multiply the
149.21 amount of the additional grant aid funds by the population of the county or participating
149.22 portion of a county.

149.23 (c) Continue the process described in paragraph (b) by adding sufficient grant aid
149.24 funds that are available under this subdivision to the amount of a county or participating
149.25 portion of a county with the next highest value calculated in paragraph (a) to raise it and
149.26 the amount of counties and participating portions of counties with lower values calculated
149.27 in paragraph (a) up to the amount of the county or participating portion of a county
149.28 with the next highest value, until reaching an amount where funds available under this
149.29 subdivision are no longer sufficient to raise the amount of a county or participating portion
149.30 of a county and the amount of counties and participating portions of counties with lower
149.31 values up to the amount of the next highest county or participating portion of a county.

149.32 (d) If the point is reached using the process in paragraphs (b) and (c) at which the
149.33 remaining grant aid funds under this subdivision are not adequate for raising the amount of
149.34 a county or participating portion of a county and all counties and participating portions of
150.1 counties with amounts of lower value to the amount of the county or participating portion
150.2 of a county with the next highest value, those funds are to be divided on a per capita basis
150.3 for all counties or participating portions of counties that received grant aid funds under
150.4 the calculation in paragraphs (b) and (c).

150.5 Sec. 15. Minnesota Statutes 2012, section 134.36, is amended to read:

150.6 **134.36 RULES.**

150.7 The commissioner of education shall promulgate rules as necessary for
150.8 implementation of library grant and aid programs.

150.9 Sec. 16. **FUND TRANSFER; FISCAL YEARS 2014 AND 2015 ONLY.**

77.7 Subd. 5. **Base grant aid distribution.** Five percent of the available grant aid funds
77.8 shall be paid to each system as a base grant aid for basic system services.

77.9 Sec. 12. Minnesota Statutes 2012, section 134.355, subdivision 6, is amended to read:

77.10 Subd. 6. **Adjusted net tax capacity per capita distribution.** Twenty-five percent
77.11 of the available grant aid funds shall be distributed to regional public library systems based
77.12 upon the adjusted net tax capacity per capita for each member county or participating
77.13 portion of a county as calculated for the second year preceding the fiscal year for which
77.14 ~~the grant aid is made provided.~~ Each system's entitlement shall be calculated as follows:

77.15 (a) Multiply the adjusted net tax capacity per capita for each county or participating
77.16 portion of a county by .0082.

77.17 (b) Add sufficient grant aid funds that are available under this subdivision to raise
77.18 the amount of the county or participating portion of a county with the lowest value
77.19 calculated according to paragraph (a) to the amount of the county or participating portion
77.20 of a county with the next highest value calculated according to paragraph (a). Multiply the
77.21 amount of the additional grant aid funds by the population of the county or participating
77.22 portion of a county.

77.23 (c) Continue the process described in paragraph (b) by adding sufficient grant aid
77.24 funds that are available under this subdivision to the amount of a county or participating
77.25 portion of a county with the next highest value calculated in paragraph (a) to raise it and
77.26 the amount of counties and participating portions of counties with lower values calculated
77.27 in paragraph (a) up to the amount of the county or participating portion of a county
77.28 with the next highest value, until reaching an amount where funds available under this
77.29 subdivision are no longer sufficient to raise the amount of a county or participating portion
77.30 of a county and the amount of counties and participating portions of counties with lower
77.31 values up to the amount of the next highest county or participating portion of a county.

77.32 (d) If the point is reached using the process in paragraphs (b) and (c) at which the
77.33 remaining grant aid funds under this subdivision are not adequate for raising the amount of
77.34 a county or participating portion of a county and all counties and participating portions of
78.1 counties with amounts of lower value to the amount of the county or participating portion
78.2 of a county with the next highest value, those funds are to be divided on a per capita basis
78.3 for all counties or participating portions of counties that received grant aid funds under
78.4 the calculation in paragraphs (b) and (c).

78.5 Sec. 13. Minnesota Statutes 2012, section 134.36, is amended to read:

78.6 **134.36 RULES.**

78.7 The commissioner of education shall promulgate rules as necessary for
78.8 implementation of library grant and aid programs.

150.10 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for
 150.11 fiscal years 2014 and 2015 only, the commissioner must approve a request for a fund
 150.12 transfer if the transfer does not increase state aid obligations to the district or result in
 150.13 additional property tax authority for the district. This section does not permit transfers
 150.14 from the community service fund, the food service fund, or the reserved account for
 150.15 staff development under section 122A.61.

150.16 (b) A school board may approve a fund transfer under paragraph (a) only after
 150.17 adopting a resolution stating the fund transfer will not diminish instructional opportunities
 150.18 for students.

150.19 **EFFECTIVE DATE.** This section is effective July 1, 2013.

150.20 Sec. 17. **SCHOOL PAYMENT SHIFTS.**

150.21 For fiscal years 2014 and later, any increase in an aid entitlement for an aid program
 150.22 subject to the aid payment shift must have a current year aid payment percent of 90.
 150.23 For taxes payable in 2014 and later, no appropriations gains from a property tax early
 150.24 recognition shift may be recognized on any change in school district levies.

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

UEH0630-1

NOTE: ARTICLE 7, SECTION 6, MATCHED WITH HOUSE ARTICLE 6, SECTION 4

94.28 Sec. 7. **RECIPROCITY AGREEMENT EXEMPTION; HENDRICKS.**

94.29 Notwithstanding Minnesota Statutes, sections 124D.04, subdivision 6, paragraph
 94.30 (b); 124D.041, subdivision 3, paragraph (b); and 124D.05, subdivision 2a, the provisions
 94.31 of Minnesota Statutes, section 124D.041, and the agreement shall not apply to Independent
 94.32 School District No. 402, Hendricks.

94.33 **EFFECTIVE DATE.** This section is effective for the 2013-2014 school year and
 94.34 later.

150.26 Sec. 18. **APPROPRIATIONS.**

95.1 Sec. 8. **APPROPRIATIONS.**

House Language H0630-3

Senate Language UEH0630-1

150.27 Subdivision 1. **Department of Education.** The sums indicated in this section are
 150.28 appropriated from the general fund to the Department of Education for the fiscal years
 150.29 designated.

151.1 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,
 151.2 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

151.3 \$ 13,513,000 2014

151.4 \$ 13,763,000 2015

151.5 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
 151.6 Statutes, section 124D.1158:

151.7 \$ 5,711,000 2014

151.8 \$ 6,022,000 2015

151.9 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 151.10 section 124D.118:

151.11 \$ 1,039,000 2014

151.12 \$ 1,049,000 2015

151.13 Subd. 5. **Summer food service replacement aid.** For summer food service
 151.14 replacement aid under Minnesota Statutes, section 124D.119:

151.15 \$ 150,000 2014

151.16 \$ 150,000 2015

151.17 Subd. 6. **Basic system support.** For basic system support grants under Minnesota
 151.18 Statutes, section 134.355:

95.2 Subdivision 1. **Department of Education.** The sums indicated in this section are
 95.3 appropriated from the general fund to the Department of Education for the fiscal years
 95.4 designated.

95.5 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,
 95.6 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

95.7 \$ 14,596,000 2014

95.8 \$ 14,888,000 2015

95.9 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
 95.10 Statutes, section 124D.1158:

95.11 \$ 5,711,000 2014

95.12 \$ 6,022,000 2015

95.13 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 95.14 section 124D.118:

95.15 \$ 1,039,000 2014

95.16 \$ 1,049,000 2015

95.17 Subd. 5. **Summer food service replacement aid.** For summer food service
 95.18 replacement aid under Minnesota Statutes, section 124D.119:

95.19 \$ 150,000 2014

95.20 \$ 150,000 2015

95.21 Subd. 6. **Basic system support.** For basic system support grants under Minnesota
 95.22 Statutes, section 134.355:

House Language H0630-3

151.19 \$ 13,570,000 2014

151.20 \$ 13,570,000 2015

151.21 The 2014 appropriation includes \$1,845,000 for 2013 and \$11,725,000 for 2014.

151.22 The 2015 appropriation includes \$1,845,000 for 2014 and \$11,725,000 for 2015.

151.23 Subd. 7. **Multicounty, multitype library systems.** For grants under Minnesota

151.24 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

151.25 \$ 1,300,000 2014

151.26 \$ 1,300,000 2015

151.27 The 2014 appropriation includes \$176,000 for 2013 and \$1,124,000 for 2014.

151.28 The 2015 appropriation includes \$176,000 for 2014 and \$1,124,000 for 2015.

151.29 Subd. 8. **Electronic library for Minnesota.** For statewide licenses to online

151.30 databases selected in cooperation with the Minnesota Office of Higher Education for

151.31 school media centers, public libraries, state government agency libraries, and public

151.32 or private college or university libraries:

152.1 \$ 900,000 2014

152.2 \$ 900,000 2015

152.3 Any balance in the first year does not cancel but is available in the second year.

152.4 Subd. 9. **Regional library telecommunications aid.** For regional library

152.5 telecommunications aid under Minnesota Statutes, section 134.355:

152.6 \$ 2,300,000 2014

152.7 \$ 2,300,000 2015

Senate Language UEH0630-1

95.23 \$ 13,448,000 2014

95.24 \$ 13,570,000 2015

95.25 The 2014 appropriation includes \$1,845,000 for 2013 and \$11,603,000 for 2014.

95.26 The 2015 appropriation includes \$1,967,000 for 2014 and \$11,603,000 for 2015.

95.27 Subd. 7. **Multicounty, multitype library systems.** For grants under Minnesota

95.28 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

95.29 \$ 1,288,000 2014

95.30 \$ 1,300,000 2015

95.31 The 2014 appropriation includes \$176,000 for 2013 and \$1,112,000 for 2014.

95.32 The 2015 appropriation includes \$188,000 for 2014 and \$1,112,000 for 2015.

96.1 Subd. 8. **Electronic library for Minnesota.** For statewide licenses to online

96.2 databases selected in cooperation with the Minnesota Office of Higher Education for

96.3 school media centers, public libraries, state government agency libraries, and public

96.4 or private college or university libraries:

96.5 \$ 900,000 2014

96.6 \$ 900,000 2015

96.7 Any balance in the first year does not cancel but is available in the second year.

96.8 Subd. 9. **Regional library telecommunications aid.** For regional library

96.9 telecommunications aid under Minnesota Statutes, section 134.355:

96.10 \$ 2,279,000 2014

96.11 \$ 2,300,000 2015

152.8 The 2014 appropriation includes \$312,000 for 2013 and \$1,988,000 for 2014.

152.9 The 2015 appropriation includes \$312,000 for 2014 and \$1,988,000 for 2015.

152.10 Sec. 19. **REVISOR'S INSTRUCTION.**

152.11 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute

152.12 the term "Division of State Library Services" for "Library Development and Services,"

152.13 "Office of Library Development and Services," or "LDS" where "LDS" stands for "Library

152.14 Development and Services." The revisor shall also make grammatical changes related

152.15 to the changes in terms.

96.12 The 2014 appropriation includes \$312,000 for 2013 and \$1,967,000 for 2014.

96.13 The 2015 appropriation includes \$333,000 for 2014 and \$1,967,000 for 2015.

S0978-3

78.9 Sec. 14. **REVISOR'S INSTRUCTION.**

78.10 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute

78.11 the term "Division of State Library Services" for "Library Development and Services,"

78.12 "Office of Library Development and Services," or "LDS" where "LDS" stands for "Library

78.13 Development and Services." The revisor shall also make grammatical changes related

78.14 to the changes in terms.