

Sec. 3. Minnesota Statutes 1986, section 325F.77, is amended by adding a subdivision to read:

Subd. 3. LEGISLATIVE INTENT. Because the state prohibits both the use of tobacco products by minors and the furnishing of tobacco products to minors, and because the enforcement of an age-related restriction on the promotional distribution of tobacco products is impractical and ineffective, it is the intent of the legislature to control the distribution of these products and discourage illegal activity by prohibiting all promotional distribution, except as allowed in this section.

Sec. 4. Minnesota Statutes 1986, section 325F.77, is amended by adding a subdivision to read:

Subd. 4. PROHIBITION. No person shall distribute smokeless tobacco products or cigarettes, cigars, pipe tobacco, or other tobacco products suitable for smoking, except that single serving samples of tobacco may be distributed in tobacco stores.

Sec. 5. REPEALER.

Minnesota Statutes 1986, section 325F.77, subdivisions 1 and 2, are repealed.

Sec. 6. EFFECTIVE DATE.

Section 2 is effective January 1, 1990.

Approved June 4, 1987

## CHAPTER 400—H.F.No. 919

*An act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state and local bonds; authorizing levies; imposing taxes; appropriating money; amending Minnesota Statutes 1986, sections 297A.01, subdivision 3; and 297A.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A, 124, and 129B; proposing coding for new law as Minnesota Statutes, chapter 240A.*

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

### Section 1. CAPITAL IMPROVEMENTS; APPROPRIATIONS.

The sums in the column marked "APPROPRIATIONS" are appropriated from the state building fund, or another named fund, to the state agencies indicated, to be spent to acquire and to better public land and buildings and other public improvements of a capital nature, as specified in this act.

### SUMMARY

SUPREME COURT  
ADMINISTRATION

\$ 32,500,000  
31,267,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	300,000
NATURAL RESOURCES	26,932,000
WASTE MANAGEMENT BOARD	4,000,000
POLLUTION CONTROL AGENCY	66,747,000
ENERGY AND ECONOMIC DEVELOPMENT	46,250,000
IRON RANGE RESOURCES AND REHABILITATION BOARD	2,200,000
MILITARY AFFAIRS	2,500,000
VETERANS AFFAIRS	2,500,000
AGRICULTURE	9,000,000
MINNESOTA AMATEUR SPORTS COMMISSION	330,700
TRANSPORTATION	18,424,100
MINNESOTA HISTORICAL SOCIETY	54,674,000
EDUCATION	10,981,000
VOCATIONAL TECHNICAL EDUCATION	33,198,100
COMMUNITY COLLEGES	34,960,000
STATE UNIVERSITIES	52,491,200
UNIVERSITY OF MINNESOTA	47,779,700
CORRECTIONS	2,274,400
HUMAN SERVICES	8,428,000
MINNESOTA CENTER FOR THE ARTS	4,000,000
BOND SALE EXPENSES	452,000
TOTAL	492,189,200
General Fund	6,146,200
Reinvest in Minnesota Resources Fund	19,000,000
Trunk Highway Fund	15,224,200
Special Revenue	330,700
Transportation Fund	8,800,000
Waste Management Fund	4,000,000
Workers Compensation Special Compensation Fund	433,000
Water Pollution Control Fund	66,747,000
Highway User Tax Distribution Fund	535,900
Building Fund	370,972,200
	APPROPRIATIONS

## Sec. 2. SUPREME COURT

Judicial Building \$32,500,000

This appropriation is to the commissioner of administration, in consultation with the supreme court and the capitol area architectural and planning board, to complete working drawings and construct a judicial building.

## Sec. 3. ADMINISTRATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section 31,267,000

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(a) Remove or contain asbestos in  
state buildings and provide handicapped

persons with access to state buildings 4,000,000

This appropriation is to be used to provide access to state buildings for handicapped persons and to remove or encapsulate asbestos-containing materials that have been identified as constituting risk factor 5 in the evaluation study dated January 18, 1984, and its supplement dated March 21, 1984, and risk factor 4 in state buildings to the extent that the appropriation permits.

(b) Restore Capitol Building,

Phase III 1,500,000

This appropriation is to complete Phase III exterior renovation and stairways of the Capitol Building.

(c) Restore Capitol Building 4,800,000

The commissioner of administration shall not prepare final plans and specifications for projects included in this appropriation until the commissioner has presented the program and schematic plans and cost estimates for all elements necessary to complete the projects to the committee on rules and administration of the senate and the committee has made its recommendations on the plans. The recommendations are advisory only. Failure of refusal to make a recommendation promptly is deemed a negative recommendation.

\$800,000 of this appropriation is from the general fund for furnishings.

(d) Remodeling of the State Office

Building and House portion of the

Capitol Building 819,000

This appropriation is to complete the

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remodeling of the State Office Building and for rehabilitation of the House of Representatives' Chamber and related offices in the State Capitol Building.

(e) Renovate elevator in Veterans

Services Building in St. Paul 180,500

(f) Reroof Veterans Services

Building in St. Paul 136,000

(g) Centennial Building 2,700,000

(1) Remodel 4th floor 2,300,000

(2) Planning for remodeling

of 1st and ground floors 400,000

(h) Asbestos Removal from the

Department of Transportation Building 4,334,000

This appropriation is from the Trunk Highway Fund and is to be used to remove or encapsulate asbestos-containing materials from the Department of Transportation Building.

(i) Relocation of Department of

Revenue 1,700,000

This appropriation is from the general fund and is to provide for moving costs and estimated increased rental costs associated with moving the Department of revenue into a consolidated facility.

(j) Planning and Construction of a

parking ramp west of the

State Office Building 3,100,000

This appropriation is to the Department of Administration in cooperation with the capitol area architectural and planning board for the planning and construction of a parking ramp immediately west of the State Office Building, also known as lot E. As much of the ramp as feasible must be located underground and the ramp design must be in concert

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with the existing architecture and landscaping of the Capitol Mall area.

(k) Demolish mechanic arts high school

and gymnasium, construct surface

parking, remove asbestos 433,000

(l) Remodel Capitol Square Building 982,600

(m) Relocate state agencies 4,776,200

\$2,541,200 is from the general fund.

\$1,266,100 is from the trunk highway fund.

\$535,900 is from the highway user tax distribution fund.

\$433,000 is from the workers' compensation special compensation fund.

(n) Administration 624,200

This appropriation is to the commissioner of administration to administer the building construction authorized by this act. \$312,100 is for fiscal year 1988 and \$312,100 is for fiscal year 1989. Seven building fund positions are authorized.

(o) Construct Minnesota telecenter 1,000,000

This appropriation is for the commissioner of administration to make a grant to the housing and redevelopment authority of the city of St. Paul to plan, design, and construct a Minnesota telecenter facility. The grant must not be paid until the commissioner of administration has determined that the additional financing necessary to complete the project has been committed by nonstate sources.

(p) Upgrade mechanical and electrical systems and remodel Governor's Residence 181,500

#### Sec. 4. CAPITOL AREA

ARCHITECTURAL AND PLANNING BOARD

300,000

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This appropriation is to provide for planning of a parking ramp immediately west of the State Office Building, also known as lot E.

#### Sec. 5. NATURAL RESOURCES

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes specified in the following subdivisions 26,770,000

Subd. 2. To the commissioner of natural resources to acquire critical natural habitat and to acquire and better public outdoor recreational lands and capital improvements 13,195,000

The commissioner of natural resources shall provide the necessary professional services for the performance of the duties under this subdivision from the amount appropriated for the various purposes. An approved complement of 24 unclassified positions is authorized.

Lands must be acquired by the commissioner of natural resources in accordance with policies established in Minnesota Statutes, sections 86A.01 to 86A.09. Lands acquired for each unit of the outdoor recreational system must be suited for the purpose of the unit and suited for management in accordance with principles applicable to it. The commissioner of natural resources shall submit semiannual work plans to the legislative commission on Minnesota resources and shall submit a work program to the commission and request its recommendation before spending any money appropriated by this subdivision for any purpose. The commission's recommendation is advisory only. Failure to respond

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to a request within 60 days after receipt is a negative recommendation. Work programs involving land acquisition must include a land acquisition plan.

(a) Acquisition of State Parks 1,200,000

Sufficient funds for the acquisition of Mystery Cave must be allocated from this appropriation.

(b) Acquisition of state forest

lands 500,000

(c) Acquisition of wildlife

areas and waterbank 750,000

(d) Fisheries acquisition

100,000

Any unencumbered balance remaining in the appropriation made by Laws 1979, chapter 301, section 6, subdivision 2, the day following enactment of this act is available to be used by the commissioner for the alteration of a portion of an old railroad bridge over the St. Louis river in the city of Duluth to make the bridge suitable for use as a public access fishing pier and observation site.

(e) Acquisition and improvement

of scientific and natural areas 1,400,000

(f) Acquisition and improvement

of water access sites 750,000

(g) Improvement of forest roads 500,000

(h) Betterment of state parks 3,800,000

(i) Betterment of state trails 3,700,000

(j) Interpretative Site 275,000

This grant is to redevelop Dunlap Island in the city of Cloquet in a manner that will help to interpret the city's history.

(k) Education Facility 220,000

This grant is to plan and construct an environmental learning and interpreta-

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tive center in the Kettle River - Sandstone area.

Subd. 3. To the commissioner of natural resources for dam safety projects under Minnesota Statutes, section 105.482

3,000,000

(a) \$110,000 is for the Heron Lake dam and is available for expenditure immediately upon enactment of this act.

(b) \$60,000 is for the removal of the Bernings Mill dam, the owner or local unit of government shall provide a suitable disposal site for demolition debris and access to the site, which satisfies the requirement for a local financial contribution to the project.

(c) \$100,000 each year is for flood control projects in area II of the Southern Minnesota River Basin. Grants shall be allocated consistent with the formula established in Minnesota Statutes, section 104.44.

(d) \$250,000 is for the Pickwick Dam Erosion Control Dike.

(e) Any unencumbered balance remaining from the money appropriated by Laws 1985, First Special Session chapter 15, section 4, subdivision 4, clause (b)(5), for the Nett Lake Dam project after the completion of project is appropriated to the commissioner of natural resources for a grant to the Nett Lake Band of Chippewa Indians for the construction of a water treatment plant.

Subd. 4. Reinvest in Minnesota

10,000,000

The appropriations in this subdivision are from the reinvest in Minnesota resources fund.

(a) Fish and wildlife habitat

7,600,000

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This appropriation is to acquire and improve land for fish and wildlife habitat under the comprehensive fish and wildlife management plan under Minnesota Statutes, section 84.942, to be available until expended. The commissioner shall provide the necessary professional services for the performance of duties under this paragraph from the amount appropriated.

(b) Aspen recycling 900,000

This appropriation is for expenditure under Minnesota Statutes, section 88.80, and for other forest wildlife management projects, to be available until expended.

(c) Native prairie land 300,000

(d) Critical habitat private sector

matching account 1,200,000

This appropriation is for transfer to the critical habitat private sector matching account.

(e) The approved complement of the department of natural sources is increased by 9 positions in the unclassified service to implement this subdivision. One position in the unclassified service must be a program coordinator to work with other agencies and staff to implement this subdivision.

(f) Notwithstanding any other law, during the biennium easements granted under this act may be permanent or if limited duration then must be for at least 20 years with provisions for renewal for at least another 20-year period. Highest priority must be given to permanent easements consistent with the purposes of this act.

Subd. 5. Hibbing Core Library  
250,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is to the commissioner of natural resources for the construction or purchase of a building to house the Mineral Division's Core Library in Hibbing, Minnesota.

Subd. 6. Construct regional headquarters in New Ulm	325,000
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Sec. 6. WASTE MANAGEMENT BOARD	4,000,000
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This appropriation is from the waste management fund to the waste management board for the program of state capital assistance grants to local projects to develop feasible and prudent alternatives to disposal of solid waste. Up to \$240,000 may be spent for administration and technical and professional services. The approved complement of the waste management board is increased by one position.

#### Sec. 7. POLLUTION CONTROL AGENCY

To the pollution control agency from the water pollution control fund for the purposes specified in this section	66,747,000
(a) Construction grants for wastewater treatment facilities	47,000,000
(b) Combined sewer overflow	16,547,000
(c) For match to the federal revolving loan program	3,200,000

The approved complement for the pollution control agency is increased by 11 positions in the classified service for purposes of implementing this section.

#### Sec. 8. ENERGY AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of energy and economic development for the purposes specified in this section

46,250,000

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Subd. 2. Outdoor Recreation	17,000,000
(a) Local Recreation Grants	2,500,000

This appropriation is to acquire and better recreation open space projects upon application by local units of government and Indian tribes and bands recognized by the federal government. Projects that receive federal grants must be given priority. A grant under this paragraph is not contingent upon the receipt of federal grants. A project may receive grant assistance of up to 50 percent of the total capital cost of the project or, if federal money is used, 50 percent of the local share. A project must not receive grant assistance of more than \$400,000. A local unit of government must not receive more than one grant during each fiscal biennium.

\$500,000 the first year and \$500,000 the second year shall be granted for projects outside the metropolitan area defined in Minnesota Statutes, section 473.121.

(b) Metropolitan Open Space	15,500,000
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\$9,500,000 is for payment by the commissioner of energy and economic development to the metropolitan council established under Minnesota Statutes, section 473.123. The commissioner shall transfer the amount to the metropolitan council upon receipt of a certified copy of a council resolution requesting payment. The appropriation must be used to pay the cost of acquisition and betterment by the metropolitan council and local government units of regional recreational open space lands in accordance with the council's policy plan as provided in Minnesota Statutes, sections 473.315 and 473.341, including relocation costs and tax equivalents required to be paid by Minnesota Statutes, sections 473.315 and 473.341.

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\$6,000,000 is for the acquisition and betterment of land on Lake Minnetonka for a regional park. No more than \$400,000 may be used for staff and independent professional services necessary to acquire and better open space and for the performance of the duties of the metropolitan council under this paragraph.

The acquisition and betterment may include land between Lake Minnetonka and Stone Lake, to assist in connecting the Lake Minnetonka regional park with Carver park reserve. Of the \$6,000,000, the sum of \$250,000 may be used to develop parking and a pedestrian underpass to support a public access site in the city of Mound.

During the biennium, that part of Minnesota Statutes, section 398.09, paragraph (b), that requires local approval prior to acquiring real estate by purchase or condemnation shall not apply to this acquisition.

Subd. 3. Amateur Athletics	17,700,000
(a) For a stadium, track and field, soccer, velodrome and training center in the city of Blaine	14,700,000
(b) Swimming center	3,000,000

This appropriation is contingent upon designation of the facility as an official training site by the national governing body member of the United States Olympic Committee and upon issuance of the necessary general obligation special tax bonds. The commissioner shall select the location for this facility in cooperation with the Minnesota Amateur Sports Commission.

Subd. 4. Duluth Zoo	4,000,000
Subd. 5. Great River Road Project	3,000,000

This appropriation is for a grant to the

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Minneapolis park and recreation board for land acquisition for the Great River Road project in the central Mississippi regional park along the central waterfront area in downtown Minneapolis, provided that the city of Minneapolis issues \$3,000,000 in bonds to be used to acquire land for the same project by January 1, 1988.

Subd. 6. Railroad Assistance

2,000,000

This appropriation is from the state transportation fund specified in Minnesota Statutes, sections 222.49 to 222.63, and is to be used as a grant to the St. Louis and Lake County Regional Rail Authority to acquire and develop abandoned rail line of the Duluth, Mesabe, and Iron Range Railroad between Duluth and Two Harbors, Minnesota. If the property is acquired and subsequently liquidated, the proceeds up to \$2,000,000 shall be paid to the state transportation fund by the St. Louis and Lake County Regional Rail Authority.

Subd. 7. Duluth Port Authority  
for site preparation for two mobile crawler cranes

350,000

Subd. 8. Duluth Convention Center

1,200,000

Sec. 9. IRON RANGE  
RESOURCES AND REHABILITATION BOARD

To the chair of the iron range resources and rehabilitation board for expansion of the Giants Ridge ski center

2,200,000

The appropriation in this section is for facilities at Biwabik. The appropriation for construction of this facility is contingent upon designation of the facility as

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an official training site by the national governing body member of the United States Olympic Committee and upon issuance of the necessary general obligation special tax bonds.

Sec. 10. MILITARY AFFAIRS

2,500,000

(a) This appropriation is to the adjutant general to construct a new national guard armory at Camp Ripley. The appropriation is not available until the adjutant general has determined that federal money sufficient to cover approximately 70 percent of the total construction costs has been committed to the project.

2,300,000

(b) Roof repair and replacement

200,000

Sec. 11. VETERANS AFFAIRS

To the commissioner of  
administration for projects at the  
Minneapolis veterans home as specified  
in this section

2,500,000

(a) Renovate food service facilities

500,000

(b) Demolish building number 7 and construct a new warehouse. No further demolition of buildings shall take place. The Minnesota historical society and the department of veterans affairs shall investigate the feasibility of restoring and reusing the remaining buildings at the Minnesota veterans homes for use by veterans, veterans' families, or veterans' groups.

1,000,000

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(c) Renovate building 10 1,000,000

Sec. 12. AGRICULTURE 9,000,000

This appropriation is from the reinvest in Minnesota resources fund for the conservation reserve program under Minnesota Statutes, section 40.43, to be available until expended. The commissioner shall provide the necessary professional services for the performance of duties from the appropriation under this section.

The approved complement of the department of agriculture is increased by one position in the unclassified service to implement this section. The position must be a coordinator to work with other agencies to implement this section.

During the biennium, notwithstanding any other law, easements granted under this act may be permanent or if limited duration highest priority must be given to permanent easements consistent with the purposes of this act. Easements of limited duration must be for at least 20 years with provisions for renewal for at least another 20-year period.

Sec. 13. MINNESOTA AMATEUR SPORTS COMMISSION 330,700

This appropriation is from the amateur athletic facilities account in the special revenue fund. \$150,000 of this is for fiscal year 1988 and \$180,700 for fiscal year 1989 to operate and maintain the facilities financed by bonds whose debt service is payable primarily from proceeds of the fund.

Sec. 14. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes specified in this section 18,424,100

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The appropriations in subdivisions 2 to 7 are from the trunk highway fund.

Subd. 2. Construct new central laboratory and research facility	4,668,000
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This appropriation is to plan, construct, and occupy the facility. It is the intention of the legislature that this is a final and nonrecurring appropriation for a central laboratory and research facility.

Subd. 3. District Headquarters	1,191,500
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(a) Design new district headquarters building at Bemidji	257,500
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(b) Design new district headquarters building at Brainerd	257,500
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(c) Design addition to district headquarters building at Duluth	110,000
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(d) Remodel and construct an addition to district headquarters building at Rochester	566,500
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Subd. 4. Construct weigh scale at Saginaw	485,000
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Subd. 5. Truck stations	2,663,200
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(a) Construct addition to Arden Hills truck station	594,100
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(b) Construct vehicle storage building at Adrian truck station	413,800
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(c) Construct vehicle storage building at Austin truck station	689,600
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(d) Construct addition to Breckenridge truck station	90,200
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(e) Design repair shop and truck station at Marshall	51,500
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(f) Construct vehicle storage building at Park Rapids truck station	412,000
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(g) Construct vehicle storage building at Red Wing truck station	412,000
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Subd. 6. Statewide	360,500
(a) Construct chemical storage sheds	206,000
(b) Construct cold storage buildings	154,500
(c) Land acquisition	

The commissioner may purchase land for truck stations at St. James, Red Wing, and Le Sueur, for headquarters at Bemidji, and for access to a site in Blaine for a central laboratory; from any available appropriation, but the total cost shall not exceed \$273,000.

Subd. 7. Construct rest areas at the locations listed in this subdivision	255,900
(a) Hayward (Albert Lea)	222,500

Funding for this project is 90 percent federal and 10 percent state.

(b) Tofte	33,400
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Subd. 8. Local Road Bridge Replacement and Rehabilitation	8,800,000
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This appropriation is from the transportation fund.

## Sec. 15. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota historical society for the purposes specified in this section	54,674,000
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Subd. 2. To construct a new state history center	50,000,000
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\$5,000,000 of this appropriation shall not be available unless that amount is matched by a like amount from non-state sources. The \$50,000,000 appropriation is not available until July 1, 1989,

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unless the commissioner of finance certifies that the \$5,000,000 of nonstate sources has been collected.

\$360,000 is for planning the labor history center. The Minnesota historical society must work with the labor history task force to ensure that adequate space is provided for the labor center within the state history center complex.

Subd. 3. Plan and construct the Mille Lacs Indian Museum and cultural center

4,000,000

Construction must not begin until the final plans and specifications have been presented to the chairs of the senate finance committee and house appropriations committee for recommendation. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Subd. 4. Restoration of the William Le Duc home

184,000

Subd. 5. Red River Valley Center

390,000

This appropriation is from the general fund and must be spent in accordance with Minnesota Statutes, sections 138.92 and 138.93.

Subd. 6. Meighen Store complex restoration and reconstruction

100,000

#### Sec. 16. EDUCATION

Subdivision 1. To the commissioners of administration and education for the purposes specified in this section

10,981,000

Subd. 2. To the commissioner of administration for the Faribault Academics

426,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(a) Academy for the deaf reroof Noyes Hall	95,000
(b) Academy for the deaf air condition Frechette Hall	225,000
(c) Academy for the deaf install elevator in Noyes Hall	106,000

Subd. 3. To the commissioner of education to be used to match local district funds used for the cost of constructing, enlarging, or modifying school buildings, if the commissioner of education determines that these costs are directly related to reducing or eliminating racial imbalance, and are a part of a desegregation plan approved by the commissioner of education during the 1986-1987 school year.

900,000

Subd. 4. To the commissioner from the state building fund to make up to two pilot project grants to qualified joint powers districts under the cooperative secondary facilities grant program in this act.

8,000,000

Subd. 5. (a) To make a grant to the Southwest/West Central Educational Cooperative Service Units for the construction of the following two-way interactive telecommunications system:

1,655,000

(1) Redwood County Telecommunications Project

280,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(2) Little Crow Tele-Media Network 330,000

(3) Independent school districts No. 892,  
Clarkfield, and No. 775, Kerkhoven, to  
join Minnesota Valley Tele-Network 80,000

(4) Des Moines River Valley Tele-Media  
Project 520,000

(5) Worthington Community College for  
interconnecting tower and equipment  
between Des Moines River Valley Tele-  
Media and Southwest Minnesota  
Telecommunications 145,000

(6) Joint Vocational Technical District  
No. 900 for interconnecting equipment  
within the Minnesota Tele-Media region-  
al telecommunications network 300,000

(b) To be eligible for funds appropriated  
in this subdivision, the Southwest/West  
Central Educational Cooperative Serv-  
ice Unit shall establish an advisory com-  
mittee with appropriate representation  
of all public post-secondary education  
systems and elementary and secondary  
school districts served by the proposed  
network. The advisory committee shall  
establish criteria for participation in the  
network and oversee implementation of  
the project.

#### Sec. 17. VOCATIONAL TECH- NICAL EDUCATION

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. To the state board  
of vocational technical education for  
the purposes specified in this section 33,198,100

Notwithstanding Minnesota Statutes 1986,  
section 475.61, subdivision 4, the state  
board of vocational technical education  
may approve a request by a local school  
board to use any unobligated balance in  
the debt redemption fund to pay the dis-  
tricts share of construction projects autho-  
rized in this section.

Subd. 2. Post-secondary  
vocational technical construction in  
the school districts listed in this  
subdivision 27,593,700

(a) Independent School District No. 241,  
Albert Lea 1,684,000

This appropriation is to construct a new  
facility for diesel mechanics, class-  
rooms, offices, and a resource center.  
The total cost of the project must not be  
more than \$1,981,000, whether paid from  
state, local, or federal money.

(b) Independent School District No. 206,  
Alexandria 2,127,500

This appropriation is for phases II and  
III of the Alexandria AVTI construction  
project. The total cost of the project must  
not be more than \$2,503,000 whether  
paid from state, local, or federal money.

(c) Independent School District No. 11,  
Anoka 971,100

This appropriation is to construct a new  
student commons and to remodel the  
present program space. The total cost  
of the project must not exceed \$1,143,000,  
whether paid from state, local, or federal  
money.

(d) Independent School District No. 492,  
Austin 805,200

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is to construct new library, classroom, office, and child care space. The total cost of the project must not be more than \$947,000, whether paid from state, local, or federal money.

(e) Joint Vocational Technical District

No. 900, Canby Campus

70,600

This appropriation is to construct a new library and bookstore, and remodel the existing building.

(f) Independent School District No. 709,

Duluth

2,384,900

This appropriation is for reconstruction and remodeling of existing space to meet program needs and alleviate overcrowding, and for construction of new space. The total cost of the project must not be more than \$2,806,000 whether paid from state, local, or federal money.

(g) Independent School District No. 697,

Eveleth

505,800

This appropriation is for construction of lab and classroom space, and improved handicapped access. The total cost of the project must not be more than \$595,000 whether paid from state, local, or federal money.

(h) Independent School District No. 656,

Faribault

1,405,000

This appropriation is to construct new child care and classroom space and a new resource center and to remodel existing buildings. The total cost of the project must not be more than \$1,653,000, whether paid from state, local, or federal money.

(i) Independent School District No. 701,

Hibbing

1,296,000

This appropriation is to purchase and

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remodel the Davey McKee building, and to study the continued development or replacement of the existing campus. The total cost of the project and the study must not be more than \$1,525,000 whether paid from state, local, or federal money.

(j) Independent School District

No. 77, Mankato

5,111,000

This appropriation is to construct new classroom space and remodel existing buildings. The total cost of the project must not be more than \$6,013,000, whether paid from state, local, or federal money.

(k) Independent School District No. 152,  
Moorhead

439,500

This appropriation is for construction of an addition to house student services, child care, and a media/resource center. The total cost of the project must not be more than \$517,000 whether paid from state, local, or federal money.

(l) Independent School District No. 578,  
Pine City

1,283,000

This appropriation is to construct classrooms, provide new front entrance, child care, new student support service area, multiuse room, media center, and computer rooms. The total cost of the project must not be more than \$1,510,000, whether paid from state, local, or federal money.

(m) Joint Vocational Technical District  
No. 900, Pipestone campus

827,000

This appropriation is to construct an addition for the fiberglass program, and to remodel the existing building.

(n) Independent School District No. 256,  
Red Wing

100,800

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is to construct a cold storage building. The total cost of the project must not be more than \$119,000, whether paid from state, local, or federal money.

(o) Independent School District No. 625,  
St. Paul

4,951,000

This appropriation is to construct new and remodel existing space, develop student commons area, expand library/media center, and provide child care and new administrative area. The total cost of the project must not be more than \$5,825,000, whether paid from state, local, or federal money.

(p) Independent School District No. 564,  
Thief River Falls

1,797,700

This appropriation is to construct classrooms at the airport and an addition at the main campus. The total cost of the project must not be more than \$2,115,000, whether paid from state, local, or federal money.

(q) Independent School District No. 819,  
Wadena

1,803,000

This appropriation is to reconstruct the existing building to provide new front entrance, new student commons and cafeteria, child care, library, and an addition to house the automotive program. The total cost of the project must not be more than \$2,121,000, whether paid from state, local, or federal money.

(r) Independent School District No. 347,  
Willmar

30,600

This appropriation is to remodel the community college administration building for a joint child care center. The total cost of the project must not be more than \$36,000, whether paid from state, local, or federal money.

(s) Special Intermediate School District  
No. 287, Hennepin Technical Center

Changes or additions are indicated by underline, deletions by ~~strikeout~~.



Special Intermediate School District No. 287, Hennepin Technical Center, may construct an addition to provide space for general instruction, graphics, drafting, millworking, automatic packaging, media library, and child care facilities. The total cost of the project must not be more than \$1,607,300, to be paid entirely from local money.

(t) Special Intermediate School District No. 287, Hennepin Technical Center

Special Intermediate School District No. 287, Hennepin Technical Center, is authorized to remodel the existing facility for the horse care program, and to construct new facilities as needed for livestock training and housing. The district may utilize funds authorized in this section to acquire or lease and remodel alternative facilities for the horse care program if found to be more cost effective. The total cost of the project must not be more than \$750,000, to be paid entirely from local money.

(u) Independent School District No. 742, St. Cloud

Independent School District No. 742, St. Cloud, may construct an addition to provide space for general instruction, library, student commons, and child care facilities and to remodel other space as necessary. The total cost of the project must not be more than \$1,107,400, to be paid entirely from local money.

Subd. 3. Statewide

5,104,400

(a) Roof repair for the following campuses: Albert Lea, Alexandria, Anoka, Brainerd, Dakota County, Detroit Lakes, Duluth, Faribault, Hutchinson, Mankato, Rochester, St. Cloud, Southwestern-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Granite Falls, Southwestern-Pipestone,  
Staples, Suburban Hennepin-South Cam-  
pus, Thief River Falls, Willmar, and Win-  
ona

4,173,600

(b) Remove asbestos and correct code  
compliance violations

930,800

The agency spending this appropriation  
must prepare a survey and report to the  
legislature by January 1, 1988, on the  
asbestos and PCB's that were found and  
removed and what asbestos and PCB's  
remain.

Subd. 4. Statewide planning

500,000

#### Sec. 18. COMMUNITY COL- LEGES

Subdivision 1. To the commission-  
er of administration for the purposes  
specified in the following subdivisions

34,960,000

Notwithstanding Minnesota Statutes, sec-  
tion 16B.24, subdivision 2, the state board  
for community colleges shall supervise  
and control the making of necessary  
repairs to all state community college  
buildings and structures during the bien-  
nium ending June 30, 1989.

Subd. 2. Brainerd Community

College

1,640,000

This appropriation is to plan, remodel,  
and construct fine arts, labs, gymnasi-  
um, learning resource, child care, and  
storage areas.

Subd. 3. Hibbing Community

College

1,240,000

This appropriation is for construction  
of new child care and storage space and  
remodeling expansion of existing space.

Subd. 4. Inver Hills Community

College

3,020,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is to plan and construct or remodel classroom space, child care space, gymnasium, and relocation of administrative services.

Subd. 5. Itasca Community

College	7,660,000
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This appropriation is for a new library, campus center, power plant, vehicle storage, child care space, and remodeling of existing space, demolish buildings, and repair roads and parking lots.

Subd. 6. Mesabi Community

College	1,250,000
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This appropriation is to construct and remodel additional space for child care, storage, administration, and physical education.

Subd. 7. Normandale Community College

4,930,000

This appropriation is to plan construction and remodeling of classrooms, labs, child care, and community and cooperative program services.

Subd. 8. Northland Community

College	3,710,000
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This appropriation is for construction of a new student center, administrative office, storage space, and child care space, and to remodel fine arts, cafeteria, and gymnasium facilities.

Subd. 9. North Hennepin

Community College	970,000
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This appropriation is for expanding and remodeling the gymnasium. North Hennepin Community College may contribute up to \$500,000 in campus reserve funds in addition to this appropriation to construct a swimming pool.

Subd. 10. Rochester Community

College	2,620,000
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Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is for construction of new space for continuing education and child care, and for remodeling existing buildings.

Subd. 11. Vermilion Community

College Student Housing

1,500,000

The state board for community colleges may acquire a site and construct, own, operate, furnish, and maintain one or more dormitories or other student residence facilities at Ely for the use and benefit of Vermilion Community College. The higher education facilities authority may issue revenue bonds for the facilities under Minnesota Statutes, sections 136A.25 to 136A.42, and the state board for community colleges may borrow the proceeds of the revenue bonds to finance the acquisition, construction, and equipping of the student housing facilities. The board may enter into agreements and pledge revenues of the facilities as may be necessary to provide security for the bonds and may mortgage the financed facilities to the higher education facilities authority or to a trustee for the bondholders if considered necessary by the board or the authority for the successful marketing of the bonds. The state board for community colleges shall establish, maintain, revise when necessary, and collect rates and charges for the use of the student housing facilities. The rates and charges must be sufficient, as estimated by the board, to pay all expenses of operation and maintenance of the facilities, to pay principal of, and interest on, revenue bonds or other obligations when due and to pay customary fees and charges of the higher education facilities authority and to establish and maintain the reserve funds that the board considers necessary for repair, replacement, and maintenance of the facilities. Funds and accounts established in furtherance of these purposes are not sub-

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ject to Minnesota Statutes, section 136.67, subdivision 2, and are not subject to the budgetary control of the commissioner of finance. The board shall never be obligated to use other revenues of the board or funds of the state to pay the costs of construction, operation, maintenance, and repair of the facilities or to pay principal of and interest on obligations issued for these purposes. The city of Ely may, without complying with the procedures set forth in Minnesota Statutes, chapter 475, guarantee all or any part of the loan repayment obligation of the board to the authority, by pledging its full faith and credit and taxing power. The guarantee is not subject to any limitation on net debt of the city, and taxes required to make any payment under the guarantee may be levied without limit as to rate or amount.

Subd. 12. Willmar Community

College	3,090,000
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This appropriation is to plan and construct or remodel new classrooms, labs, child care space, elevators, main entry, and additional parking.

Subd. 13. Systemwide	3,330,000
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(a) Roof repair for the following campuses: Austin, Hibbing, Inver Hills, Mesabi, Minneapolis, Normandale, North Hennepin, and Rochester.

1,830,000

(b) Remove asbestos, improve sprinkler, mechanical, electrical, and energy systems, expand parking, and improve grounds and athletic fields

1,000,000

The agency spending this appropriation must prepare a survey and report to the legislature by January 1, 1988, on the

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

asbestos and PCB's that were found and removed, and what asbestos and PCB's remain.

(c) Facilities planning and

technical assistance

500,000

The report compiled with this appropriation must address capital needs and building concerns. The report must be presented to the legislature by January 1, 1988.

Sec. 19. STATE UNIVERSITIES

Subdivision 1. To the state

university board for the purposes

specified in the following subdivisions

52,491,200

Notwithstanding Minnesota Statutes, sections 16B.30 and 16B.31, during the biennium, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, or enlargement of the state university buildings, structures, and improvements provided for in this section. During the biennium, the state university board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Plans must be paid for out of this appropriation. The remainder of the appropriation must not be spent until the board has secured suitable plans and specifications, prepared by a competent architect or engineer. The plans and specifications must be accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement

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made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this act. The board must not direct or permit an expenditure beyond the appropriation, and an agent of the board violating this provision is guilty of a gross misdemeanor.

The board shall review and report to the governor and the legislature by January 15 of each year on the status of the capital improvement projects in this section.

Notwithstanding Minnesota Statutes 1986, section 16B.24, subdivision 2, during the biennium, the state university board shall supervise and control the making of necessary repairs to all state university buildings and structures during the biennium ending June 30, 1989.

Notwithstanding other law, during the biennium, the state university board, on behalf of St. Cloud and Winona state universities, may purchase property adjacent to or in the vicinity of the campuses as necessary for the development of the universities. The board shall make a written request to the department of administration, real estate management division, indicating the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition. The board shall proceed with the acquisition consistent with the policies and rules established by the department of administration. Before taking action, the state university board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action. Should either chair object to the proposed purchase, then further action must be suspended pending presenta-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

tion of the proposal to the legislature for consideration.

During the biennium, the state university board must not prepare final plans and specifications for any construction or major remodeling authorized by this act until it has presented the program and schematic plans and cost estimates for all elements necessary to complete the project to the chairs of the house appropriations committee and the chair of the senate finance committee and the chairs have made their recommendations. The recommendations are advisory only. "Construction or major remodeling" means construction of a new building, or modifications of a building whose exterior dimension or interior configuration is altered in a material way. Reports on construction or major remodeling must summarize the current status of the individual project, the budget plan, and describe any conditions that are not consistent with the initial request, legislative testimony, or the appropriation. If applicable, schematic design documents must accompany the reports. Reports on projects that are not included in the above definition must be made before awarding bids. The reports must summarize the status of the individual projects, the budget plan, and any departure that may need to be made from the system's initial request. Architectural and design work may continue in accordance with the project schedule unless objections are raised by the chairs. If a unique situation arises during the planning process that may require a significant departure from the initial request or the appropriation, the agency or university must notify the chairs and await their responses before authorizing further work on the plans.

Subd. 2. Bemidji Campus	12,509,000
(a) Remodel Sattgast Hall	5,039,000
(b) Construction fitness/recreation building	7,470,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.



Subd. 3. Mankato Campus	2,468,700
(a) Remodel Wiecking Center	1,390,500
(b) Planning for Trafton Hall addition	455,000
(c) Planning for Memorial Library	623,200

Subd. 4. Moorhead Campus	5,093,800
(a) Plan and remodel Hagen Hall, and upgrade the electrical distribution system	1,431,700
(b) Construction of Regional Science Center	1,102,100
(c) Plan and construct a vehicle parking deck	2,560,000

Subd. 5. Saint Cloud Campus	19,395,900
(a) Remodel Stewart Hall	8,168,900
(b) Construct and relocate greenhouse	927,000
(c) Acquisition of recreation fields land	800,000

This appropriation is the maximum state share for acquisition.

(d) Ice hockey center	9,500,000
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This appropriation is contingent upon designation of the facility as an official training site by the national governing body member of the United States Olympic Committee and upon issuance of the necessary general obligation special tax bonds.

Subd. 6. Southwest Campus	1,903,800
(a) Waterproof tunnels	442,900
(b) Tuck pointing	273,000
(c) Planning for athletic building	139,000
(d) Construction of classrooms and labs	648,900
(e) 2 telecommunication towers and equipment for the Southwest Regional microwave backbone	400,000
Planning and land acquisition for a health and applied science building.	1,500,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 8. Statewide	9,620,000
(a) Abate asbestos materials and PCB's in transformers	5,000,000

The agency spending this appropriation must prepare a survey and report to the legislature by January 1, 1988, on the asbestos and PCB's that were found and removed, and what PCB's remain.

(b) Roof repair for the following campuses: Bemidji, Mankato, Moor- head, St. Cloud, Southwest, and Winona	4,120,000
(c) Facilities planning and technical assistance	500,000

The report compiled with this appropriation must address capital needs and building concerns. The report must be presented to the legislature by January 1, 1988.

#### Sec. 20. UNIVERSITY OF MINNESOTA

Subdivision 1. To the regents of the University of Minnesota for the purposes specified in the following subdivisions

	47,779,700
Subd. 2. Crookston Campus	1,565,400
(a) Plan agriculture operations management center	200,000
(b) Construct linkages between various buildings	752,400
(c) Watermain and sanitary sewer rehabilitation	167,000
(d) Construct grain and feed handling facility	446,000
Subd. 3. Duluth Campus	3,030,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(a) Replace boiler 1,752,000	
(b) Planning for additional classroom space for math/geology/education building and student center addition	390,000
(c) Plan Freshwater Research Laboratory	90,000
(d) Replace plumbing, phase I	640,000
(e) Medical school planning	158,000
Subd. 4. Grand Rapids land purchases	75,000
Subd. 5. Morris Campus	509,700
(a) Repair roof and renovate Old Music Building	82,000
(b) Plan student union renovation	209,900
(c) Construct grain and feed handling facility	217,800
Subd. 6. Rosemount Research Center	2,000,000
This appropriation is to clean up waste at the Rosemount Research Center.	
Subd. 7. Twin Cities Campuses	37,433,300
(a) Remodel Green Hall, phase II	4,747,000
(b) Develop comprehensive capital improvement plan for biological and related sciences	250,000
(c) Remodel Amundson Hall phase II, part 2	5,440,000
(d) Plan renovation of vacated hospital space	891,000
(e) Plan veterinary diagnostic lab renovation and construction	481,100
(f) Humphrey Center Exhibit	1,500,000
(g) Construct phase I of a recreational sports/physical education facility.	

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Construction may not begin until the state appropriation has been matched by \$4,000,000 from student fees and

\$5,200,000 from private funds. 8,500,000

(h) Upgrade general purpose classrooms 2,827,400

(i) Construct animal waste processing and utilization unit on St. Paul

Campus 615,800

(j) St. Paul boiler replacement 2,000,000

(k) Plan electrical engineering

building renovation 819,000

(l) Remodel Folwell Hall, phase II 2,088,000

(m) Addition and remodeling of

Appleby Hall 6,567,000

(n) Architecture building

renovation and construction planning 707,000

Subd. 8. Waseca Campus 1,166,300

(a) Renovate agriculture

laboratories 1,002,900

(b) Construct a truck, tractor, and

equipment storage building 163,400

Subd. 9. Systemwide 2,000,000

This appropriation is for fire and life safety; Phase II of PCB removal; asbestos treatment and removal; upgrade for the physically handicapped.

It is requested that the University report to the legislature by January 15, 1988, on the status of the projects for which appropriations were made in subdivisions 6 and 9.

#### Sec. 21. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes

specified in the following subdivisions 2,274,400

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. Minnesota correctional facility - Lino Lakes "Q" building addition	206,000
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Subd. 3. Minnesota Correctional Facility - Red Wing Boiler retrofit	25,000
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Subd. 4. Minnesota Correctional Facility - Saint Cloud	250,800
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(a) Fire and life safety projects	154,500
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(b) Retrofit boiler with high efficiency burner	96,300
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This appropriation is to convert high pressure boilers to year-round low pressure operation.

Subd. 5. Minnesota Correctional Facility - Sauk Centre Sullivan Cottage Remodeling - Phase 3	194,100
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Subd. 6. Minnesota Correctional Facility - Stillwater	458,000
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This appropriation is for cell hall window screens.

Subd. 7. Systemwide Roof repair and tuck pointing	1,000,000
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Subd. 8. Thistledeew Camp Program Activities Center	140,500
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## Sec. 22. HUMAN SERVICES

Subdivision 1. To the commissioner of administration or others for the purposes specified in the following subdivisions	5,403,000
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Subd. 2. Red Lake Nursing Home This appropriation enables the Red Lake Indian people to receive skilled and inter-	2,500,000
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Changes or additions are indicated by underline, deletions by ~~strikeout~~.

mediate convalescent health care without being forced to leave their environment, culture, and families. This is of direct financial benefit to the state because the federal medical assistance percentage is 100 percent for nursing home care provided to Indians through an Indian health service facility operated by an Indian tribe.

This appropriation is from the state building fund to the commissioner of administration to plan, design, and construct a nursing home attached to the Red Lake hospital on the Red Lake Indian reservation. The nursing home construction is not subject to the competitive bidding requirements of Minnesota Statutes, chapter 16B, and the commissioner of administration may contract directly with the Red Lake Band of Chippewa Indians to complete the facility. The nursing home must meet nursing home licensure and medical assistance certification requirements. The appropriation is not available until the Red Lake Band of Chippewa Indians has agreed to lease the nursing home from the state for a period at least as long as the life of the bonds sold to finance the project and for a lease payment sufficient to cover the cost to the state of borrowing the money, in accordance with allowable reimbursement costs under the medical assistance program as specified under state plan requirements under Minnesota Statutes, section 246.50. The initial deposit to the state bond fund required by Minnesota Statutes, section 16A.65, subdivision 1, must be made by the commissioner of finance with money appropriated from the general fund. Interest attributable to the deferred repayment of the initial deposit and any other deferred payments of principal or interest provided for in the lease agreement must be amortized in equal periodic payments over the remainder of the term of

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the lease. The Red Lake Band of Chippewa Indians must submit cost reports and monthly financial statements in a format prescribed by the commissioner of human services in accordance with section 246.50. Lease payments must be deducted from medical assistance remittances to the tribe for cost of care provided at the Red Lake nursing home on a monthly basis. The commissioner of human services must verify the lease payment deducted from each claim on a monthly basis. The lease must provide that, when the bonds sold to finance the project have been retired and the cost to the state of borrowing the money has been paid, the state may convey all of its interest in the nursing home to the Red Lake Band of Chippewa Indians.

Subd. 3. Brainerd

Regional Treatment Center	700,000
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This appropriation is to replace water and condensate lines at the hospital administration building.

Subd. 4. Faribault

Regional Treatment Center	500,000
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This appropriation is to upgrade the primary electrical system.

Subd. 5. Mash-Ka-Wisen

juvenile chemical dependency treatment center	400,000
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This appropriation is to the department of human services for a grant to a nonprofit organization located within Minnesota that is designated by the federal government to receive federal funds to construct a regional American Indian youth chemical dependency treatment center. If a nonprofit organization in Minnesota is not selected to receive federal funds by June 30, 1989, the appropriation is canceled. The appropriation

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

is to help defray the costs of construction of the treatment center.

Subd. 6. Systemwide	3,025,000
(a) Life safety	550,000
(b) Residential building heating, ventilation, and air quality control	800,000
(c) Remodel program space	500,000
(d) Laundry equipment	400,000
(e) Roof repair	775,000
Subd. 7. Vinland National Center	553,000

This appropriation is for payment of mortgage costs and is from the general fund.

Subd. 8. Cambridge Regional Treatment Center	750,000
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This appropriation is to improve cottage number five at the Cambridge regional treatment center for use by Isanti county. The appropriation is not available until Isanti county has agreed to lease the facility from the state for a period at least as long as the life of the bonds sold to finance the project and at a rental rate at least sufficient to cover the cost to the state of borrowing the money. The initial deposit to the state bond fund required by Minnesota Statutes, section 16A.65, subdivision 1, must be made by the commissioner of finance with money appropriated from the general fund. Interest attributable to the deferred repayment of the initial deposit and any other deferred payments of principal or interest provided for in the lease agreement may be amortized in equal periodic payments over the remainder of the term of the lease or paid in a lump sum. The portion of each rental payment that is intended to cover the debt service on the bonds must be deposited in the state treasury and credited to the state bond fund.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.



## Sec. 23. BOND SALE EXPENSES

To the commissioner of finance  
for bond sale expenses under Minnesota  
Statutes, section 16A.641, subdivision 8

452,000

## Sec. 24. DEBT SERVICE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 1989, no more than \$274,000,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. Before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

## Sec. 25. BOND SALE.

Subdivision 1. BUILDING FUND. To provide the money appropriated in this act from the state building fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$370,972,200 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. REINVEST IN MINNESOTA FUND. To provide the money appropriated in this act from the reinvest in Minnesota fund, the commissioner of finance, on request of the governor, shall sell and issue bonds of the state in an amount up to \$19,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the reinvest in Minnesota resources fund.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

**Subd. 3. TRANSPORTATION FUND.** To provide the money appropriated in this act from the state transportation fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$8,800,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

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

**Subd. 5. WATER POLLUTION CONTROL FUND.** To provide the money appropriated in this act from the water pollution control fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$66,747,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the water pollution control fund.

**Subd. 6. GENERAL OBLIGATION SPECIAL TAX BONDS.** Any of the bonds authorized by this section may be general obligation special tax bonds issued and sold in the manner, upon the terms, and with the effect provided in section 31. For each bond sale, the commissioner of finance shall determine which of the bonds will be general obligation special tax bonds.

#### Sec. 26. CONSULTATION REQUIRED.

Land must not be purchased and a building must not be purchased, constructed, or erected on land of the University of Minnesota until the regents have first consulted with the chair of the senate finance committee and the chair of the house appropriations committee and obtained their advisory recommendations.

#### Sec. 27. REVIEW OF PLANS.

An agency to whom an appropriation is made in this act must not prepare final plans and specifications for any construction or major remodeling authorized by this act until the agency that will use the project has presented the program and schematic plans and cost estimates for all elements necessary to complete the project to the chair of the senate finance committee and the chair

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

of the house appropriations committee and the chairs have made their recommendations. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is considered a negative recommendation.

**Sec. 28. APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.**

Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement authorized by this act, or upon the abandonment of the project, the agency to whom the appropriation is made in this act may transfer the unencumbered balance in the project account to another project enumerated in the same section. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of vocational technical education, the total cost of both projects and the required local share for both projects are adjusted accordingly. The commissioners and boards shall report to the chair of the senate finance committee and the chair of the house appropriations committee before a transfer is made under this section.

**Sec. 29. APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.**

An agency that receives an appropriation in this act shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization may be made only after the agency has consulted with the chair of the senate finance committee and the chair of the house appropriations committee and the chairs have made their recommendations. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is considered a negative recommendation.

**Sec. 30. METHODS OF ACQUISITION.**

If money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, the acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings must be under Minnesota Statutes, chapter 117.

**Sec. 31. [16A.661] GENERAL OBLIGATION SPECIAL TAX BONDS.**

Subdivision 1. AUTHORITY. When authorized by law enacted in accordance with the constitution, article XI, sections 5 and 7, the commissioner may by order sell and issue general obligation special tax bonds of the state evidencing public debt incurred for any purpose stated in the law. The bonds are payable primarily from the proceeds of special taxes appropriated to special tax bond debt service accounts established in subdivision 3 and other money on hand in that fund from time to time; however, the bonds are general obligations

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of the state, and the full faith and credit of the state are pledged for their payment.

**Subd. 2. MANNER OF ISSUANCE; MATURITIES.** The bonds must be issued and sold in accordance with section 16A.641, except that the maturities of the bonds and the interest rates applicable to the bonds must be fixed so that the principal and interest coming due in the 1987-1989 biennium on all bonds outstanding at any time does not exceed \$46,750,000. Sections 16A.672 and 16A.675 apply to the bonds.

**Subd. 3. ESTABLISHMENT OF DEBT SERVICE FUND; APPROPRIATION OF DEBT SERVICE FUND MONEY.** (a) There is established within the state bond fund a separate and special account designated as a general obligation special tax bond debt service account. There must be credited to this debt service account in each fiscal year from the tobacco tax revenue fund established in section 297.13 an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from proceeds of the tax to and including the second following July 1. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.

(b) There is established within the state bond fund a separate and special account designated as a general obligation special tax bond debt service account. There must be credited to this debt service account in each fiscal year from the sports and health club sale tax revenue fund established in section 49 an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from proceeds of the tax to and including the second following July 1. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.

**Subd. 4. APPROPRIATION FROM GENERAL FUND.** There is annually appropriated to the general obligation special tax bond debt service accounts from the general fund the amount that, added to the amount in the general obligation special tax bond debt service accounts on December 1 each year, after giving effect to subdivision 3, is equal to the full amount of principal and interest to come due on all bonds to and including July 1 in the second ensuing year.

**Subd. 5. CONSTITUTIONAL TAX LEVY.** Under the constitution, article XI, section 7, the state auditor must levy each year on all taxable property within the state a tax sufficient, with the amount then on hand in the general

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obligation special tax bond debt service accounts, to pay all principal and interest on the bonds due and to become due to and including July 1 in the second ensuing year. The tax is not subject to limit as to rate or amount. However, the amount of money appropriated from other sources as provided in subdivisions 3 and 4, and actually received and on hand before the levy in any year, reduces the amount of the tax otherwise required to be levied. The proceeds of the tax must be credited to the appropriate general obligation special tax bond debt service account.

**Subd. 6. TAXABILITY; CERTIFICATION.** The commissioner shall ascertain from state records and certify to the initial purchasers of each series of bonds, subject to the approval of the attorney general, that all conditions exist and all actions have been taken that are needed to make the series of bonds valid and binding general obligations of the state in accordance with their terms. The bonds may be issued without regard to whether the interest to be paid on them is includable in gross income for federal tax purposes. However, if it is intended that the interest on the bonds be exempt from federal income taxes, the commissioner shall also certify for the state on the date of issue the facts, estimates, and circumstances that lead the commissioner reasonably to expect that the proceeds of the bonds and the projects financed by them will not be used in a way that would cause the interest on the bonds to be subject to federal income taxes; the commissioner may covenant and agree with the holders of the bonds that the state will comply with the provisions of the United States Internal Revenue Code now or hereafter enacted that are or may be applicable to the bonds and that establish conditions under which the interest to be paid on the bonds will not be subject to federal income taxes; and the commissioner and all other state officers shall take the actions or refrain from taking the actions necessary to comply with the covenants. Money required to be spent for compliance is appropriated to the commissioner from the general fund.

**Subd. 7. APPLICATION AND APPROPRIATION OF PROCEEDS.** The proceeds of the bonds must be deposited and spent as provided in this subdivision and are appropriated for those purposes. Any accrued interest and any premium received on the sale of the bonds, and any amount of bond proceeds determined by the commissioner to be needed to pay interest payable on the bonds up to 18 months following their issuance, must be credited to the appropriate general obligation special tax bond debt service account. Except as otherwise required by law, the balance of the bond proceeds shall be credited to the state building fund and spent for the purposes specified in the law authorizing the issuance of the bonds. So much of the proceeds as is necessary must be used to pay costs incurred in issuing and selling the bonds.

**Sec. 32. [85.012] [Subd. 19.] MYSTERY CAVE ADDED TO FORESTVILLE STATE PARK.**

Subdivision 1. The commissioner of natural resources is authorized to acquire by gift or purchase the lands and interests in lands presently owned or controlled by the owners and operators of Mystery Cave, in Fillmore county,

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together with such other lands and interests in lands as may be necessary for the permanent development of Mystery Cave as a part of the state park system. These lands and interests in lands, when acquired, will constitute a part of Forestville state park, and shall be administered in the same manner as provided for other state parks and shall be perpetually dedicated for such use. After necessary repairs and development, the commissioner may conduct guided tours of Mystery Cave and may establish fees therefor. These fees shall be deposited in the state park working capital fund. As necessary to the operation of Mystery Cave, the commissioner may enter into agreements with local road authorities for the maintenance or improvement of roads necessary to provide access to the cave.

Subd. 2. The lands and interests in lands which the commissioner may acquire by gift or purchase for Mystery Cave are described as follows:

(1) the North Half of the East 16 acres of the Southeast Quarter of the Southeast Quarter, the Southeast Quarter of the Southeast Quarter of the Southeast Quarter, and the East 1 acre of the Southwest Quarter of the Southeast Quarter of the Southeast Quarter in Section 19; the Southwest Quarter of the Southwest Quarter of the Southwest Quarter, and the North 20 acres of the East Half of the Southeast Quarter of Section 20; and a 2 rod cartway, the center line being described as follows: Commencing at a point 155 feet West of the north-east corner of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter of Section 19, thence North 10 degrees 30 minutes West 600 feet, thence North 38 degrees 15 minutes West 196 feet, thence North 3 degrees West 460 feet to center of cartway; all in Township 102 North, Range 12 West, County of Fillmore; and

(2) subsurface estates and related rights and interests in lands needed for the permanent preservation of the cave and permanent development of those parts that will be open to the public. These subsurface estates shall include all minerals and mineral rights. The commissioner may exclude subsurface water and water rights from these acquisitions, on the condition that the location and drilling of wells be approved by the commissioner before drilling and that any water appropriation permit not substantially diminish the flow of any subterranean stream necessary to the natural condition of the cave. To the greatest extent possible, and for the purpose of avoiding future damage to the cave, the commissioner shall specifically include, as a part of the subsurface interests acquired, all sand, gravel, rock, and any other rights that customarily are regarded as interests in surface estates.

Subd. 3. **APPROPRIATION.** \$162,000 is appropriated from the general fund to the commissioner of natural resources to be available until expended for the following purposes to implement the acquisition of Mystery Cave as part of Forestville state park. The following amounts are appropriated from the general fund to the commissioner for the purposes specified:

(a) <u>for additional equipment</u>	<u>\$ 30,000</u>
(b) <u>for maintenance and operation</u>	<u>\$132,000</u>

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The approved complement of the department of natural resources is increased by one position in the classified service.

Sec. 33. [124.491] CITATION.

Sections 34 to 38 may be cited as the "cooperative secondary facilities grant act."

Sec. 34. [124.492] POLICY AND PURPOSE.

Because of the rates of decline in school-aged population, population shifts and economic changes that the state has experienced in recent years and anticipates in future years, and because in some instances local school districts have not, and will not be able to provide the required construction funds through local property taxes, the purpose of the cooperative secondary facilities grant program is to provide an incentive to encourage cooperation in making available to all secondary students those educational programs, services and facilities that are most efficiently and effectively provided by a cooperative effort of several school districts. The policy and purpose of sections 35 to 37 is to use the credit of the state, to a limited degree, to provide grants to cooperating groups of school districts to improve and expand the educational opportunities and facilities available to their secondary students.

Sec. 35. [124.493] APPROVAL AUTHORITY; APPLICATION FORMS.

Subdivision 1. APPROVAL BY COMMISSIONER. To the extent money is available, the commissioner of education may approve not more than two pilot projects from applications submitted under section 36. The grant money must be used only to acquire, construct, remodel or improve the building or site of a cooperative secondary facility under contracts to be entered into within 15 months after the date on which each grant is awarded.

Subd. 2. APPLICATION FORMS; RULES. The commissioner of education shall prepare application forms. The state board of education shall adopt rules under chapter 14 to govern the application process set out in section 36.

Sec. 36. [124.494] GRANT APPLICATION PROCESS.

Subdivision 1. QUALIFICATION. Any group of school districts that meets the criteria required under subdivision 2 may apply for an incentive grant in an amount up to 75 percent of the approved construction costs of a cooperative secondary education facility.

Subd. 2. REVIEW BY COMMISSIONER. (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favor-

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able review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade twelve enrollments in each district of no more than 1,000 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least 240 pupils would be served in grades 10 to 12, 320 pupils would be served in grades 9 to 12, or 480 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) an education program is developed that provides for more learning opportunities and course offerings for students than is currently available in any single member district; and

(10) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

**Subd. 3. DISTRICT PROCEDURES.** A joint powers board of a secondary district established under subdivision 2 that intends to apply for a grant shall adopt a resolution stating the proposed costs of the project, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the grant is requested will be contracted for and completed. Applications for the state grants must be accompanied by (a) a copy of the resolution, (b) a certificate by the clerk and treasurer of the joint powers board showing the current outstanding indebtedness of each member district, and (c) a certificate by the county auditor of each county in which a portion of the joint powers district lies showing the information in the auditor's official records that is required to be used in computing the debt limit of the district under section 475.53, subdivision 4. The clerk's and treasurer's certificate shall show, as to each outstanding bond issue of each member district, the amount originally issued, the purpose for which issued, the date of issue, the amount remaining

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unpaid as of the date of the resolution, and the interest rates and due dates and amounts of principal thereon. Applications and necessary data must be in the form prescribed by the commissioner and the rules of the state board of education. When an application is received, the commissioner shall obtain from the commissioner of revenue, and from the public utilities commission when required, the information in their official records that is required to be used in computing the debt limit of the joint powers district under section 475.53, subdivision 4.

**Subd. 4. AWARD OF GRANTS.** The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On January 1 and July 1 of each year, the commissioner shall make a determination on all pending applications that have been on file with the commissioner more than one month. If the applicants are determined to be qualified by the commissioner and the total amount of the grants applied for does not exceed the amount available or that can be made available in the incentive grant account, all grants so applied for shall be approved, subject to verification by the joint powers districts as specified in subdivision 6. If the total amount of the applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount among the qualified applicant districts, according to the commissioner's judgment and discretion based upon their respective needs. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

**Subd. 5. REFERENDUM; BOND ISSUE.** Within 90 days after being awarded a grant under subdivision 4, the joint powers board shall submit the question of authorizing the borrowing of funds for the secondary facility to the voters of the joint powers district at a special election, which may be held in conjunction with the annual election of the school board members of the member districts. The question submitted shall state the total amount of funding needed from all sources. A majority of those voting in the affirmative on the question is sufficient to authorize the joint powers board to issue the bonds on public sale in accordance with chapter 475. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education. If the bonds are authorized by the voters, the commissioner shall notify the county auditor of each county in which the joint powers district is located that the grant amount certified under subdivision 4 is available and appropriated for payment of principal and interest on the bonds issued under this subdivision, and the auditor shall reduce the joint powers district's debt service levies accordingly. If a majority of those voting on the question do not vote in the affirmative, the grant must be canceled.

**Subd. 6. CONTRACT.** Each grant must be evidenced by a contract between the joint powers board and the state acting through the commissioner. It obligates the state to pay to the joint powers board an amount computed according to subdivision 4, upon receipt by the commissioner of a certified resolution of the joint powers board verifying that contracts have been entered into for construction or remodeling of the facilities for which the grant is awarded and

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that bonds of the joint powers district have been issued and sold in the amount necessary to pay all project costs in excess of the amount of the grant, and estimating the costs.

**Sec. 37. [124.495] STATE BOND AUTHORIZATION.**

To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$8,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

**Sec. 38. [124.496] REPORT TO THE LEGISLATURE.**

By January 15, 1989, the commissioner of education shall report to the legislature on the implementation of the cooperative secondary facilities grant program established in this act.

**Sec. 39. [129B.71] CITATION.**

Sections 129B.71 to 129B.75 may be cited as the "desegregation capital improvement grant act."

**Sec. 40. [129B.72] APPROVAL AUTHORITY; APPLICATION FORMS.**

Subdivision 1. APPROVAL BY COMMISSIONER. The commissioner of education may approve or disapprove applications under section 129B.73. The grant money must be used only to remodel or improve a building or site under contracts to be entered into within 15 months after the date each grant is awarded.

Subd. 2. APPLICATION FORMS; RULES. The commissioner of education shall prepare application forms. The state board of education shall adopt rules under chapter 14 to govern the application process set out in section 41.

**Sec. 41. [129B.73] GRANT APPLICATION PROCESS.**

Subdivision 1. QUALIFICATION. A school district that meets the criteria required under subdivision 2 may apply for a grant in an amount up to 50 percent of the approved costs of remodeling or improvement.

Subd. 2. REVIEW BY COMMISSIONER. (a) A school district that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to remodel or improve the building or site. The commissioner must not approve an application for a grant for a building or site unless the building or site receives a favorable review and comment under section 121.15 and is recommended by the commissioner as part of the district's approved desegregation plan.

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Subd. 3. AWARD OF GRANTS. The commissioner shall examine and consider all applications for grants, and if a district is found not qualified, the commissioner shall promptly notify the district board. If the total amount of the applications exceeds the amount that is or can be made available, the commissioner shall prorate the available amount among the qualified applicant districts, according to the commissioner's judgment and discretion based upon their respective needs. The commissioner shall promptly certify to each district the amount, if any, of the grant awarded to it.

Subd. 4. MATCHING REVENUE. Upon being awarded a grant under subdivision 3, the board shall determine the need to bond for additional revenue. If the board determines that there is no need to bond, it shall certify to the commissioner of education that other funds are available for the purpose. If a bond issue is required, the board shall submit, within 90 days, the question of authorizing the borrowing of funds for remodeling or improvements to the voters of the district at a special election, that may be held in conjunction with the annual election of the school board members. If a majority of those voting on the question do not vote in the affirmative, the grant must be canceled.

**Sec. 42. [129B.74] STATE BOND AUTHORIZATION.**

To provide money for the desegregation capital improvement grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$900,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

**Sec. 43. [129B.75] REPORT TO THE LEGISLATURE.**

By January 15 of each year, the commissioner of education shall report to the legislature on the implementation of the desegregation capital improvement grant program established in sections 129B.71 to 129B.74.

**Sec. 44. [240A.01] DEFINITIONS.**

Subdivision 1. APPLICABILITY. As used in sections 240A.01 to 240A.07, the words defined in this section have the meanings given them.

Subd. 2. COMMISSION. "Commission" means the Minnesota amateur sports commission.

Subd. 3. LOCAL GOVERNMENTS. "Local governments" means counties, towns, statutory or home rule charter cities, school districts, or any combination of them.

Subd. 4. SPORTS FACILITY OR SPORTS FACILITIES. "Sports facility" or "sports facilities" means real or personal property or both suitable for holding those amateur sports competitions determined by the commission.

**Sec. 45. [240A.02] MINNESOTA AMATEUR SPORTS COMMISSION.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

**Subdivision 1. MEMBERSHIP; COMPENSATION; CHAIR.** The Minnesota amateur sports commission consists of nine voting members, four of whom must be experienced in promoting amateur sports, appointed by the governor to three-year terms. Two legislators, one from each house appointed according to its rules, shall be nonvoting members. Compensation and removal of members and the filling of membership vacancies are as provided in section 15.0575. A member may be reappointed. The governor shall appoint the chair of the commission after consideration of the commission's recommendation.

**Subd. 2. MEETINGS.** The commission shall meet at least quarterly and at other times determined by the commission and shall adopt rules governing its proceedings.

**Subd. 3. STAFF.** The commission shall appoint an executive director, who may hire other employees authorized by the commission. The executive director and any other employees are in the unclassified service under section 43A.08.

**Sec. 46. [240A.03] GENERAL POWERS OF THE COMMISSION.**

**Subdivision 1. GENERAL.** The commission has the powers necessary and convenient to discharge the duties imposed by law, including but not limited to those provided in this section.

**Subd. 2. ACTIONS.** The commission may sue and be sued and is a public body within the meaning of chapter 562.

**Subd. 3. PROPERTY.** The commission may acquire by lease, purchase, gift, or devise all necessary right, title, and interest in and to real or personal property or both necessary to the purposes of amateur sports facilities.

**Subd. 4. CONSTRUCTION AND OPERATION.** The commission may own, operate, construct, repair, or refurbish, and enter into contracts for the same purposes for real or personal property or both necessary for amateur sports facilities.

**Subd. 5. EXEMPTION OF PROPERTY.** Real or personal property acquired, owned, leased, controlled, used, or occupied by the commission for the purposes of amateur sports facilities is declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and is exempt from ad valorem taxation by the state or any political subdivision of the state, provided that the properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any of the properties in any manner different from their use under sections 240A.01 to 240A.07 at the time may be considered in determining the special benefit received by the properties. Assessments are subject to confirmation by the commission, whose determination of the benefits is subject to court review. Notwithstanding the provisions of section 272.01, subdivision 2, or 273.19, real or personal property leased by the commission to

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another person for uses related to the purposes of sections 240A.01 to 240A.07 is exempt from taxation regardless of the length of the lease.

**Subd. 6. DISPOSITION OF PROPERTY.** The commission may sell or otherwise dispose of any real or personal property acquired by it that is no longer required for accomplishment of its purposes. The property shall be sold in the manner provided by section 458.196, insofar as practical and consistent with sections 473.551 to 473.595.

**Subd. 7. CONTRACTS.** The commission may contract for materials, supplies, and equipment with persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, construction manager, project manager, or contractor for both design and construction, with respect to all or any part of a project to build or remodel sports facilities.

**Subd. 8. GIFTS AND GRANTS.** The commission may accept gifts of money, property, or services; may apply for and accept grants or loans of money or other property from the United States, the state, a subdivision of the state, or a person for any of its purposes; may enter into an agreement required in connection with it; and may hold, use, and dispose of the money, property, or services in accordance with the terms of the gift, grant, loan, or agreement relating to it. The commission may also make grants, gifts, and bequests of money, property, or services and enter into contracts to carry out the same. Money received under this subdivision is annually appropriated to the commission.

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

**Subd. 10. USE AGREEMENTS.** The commission may lease, license, or enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control. A use agreement may provide that the other contracting party has exclusive use of the premises at the times agreed upon.

**Subd. 11. INSURANCE.** The commission may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may obtain insurance in the amounts it considers necessary to protect it against the liability of the commission or its officers and employees for personal injury or death and property damage or destruction, with the effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

**Subd. 12. RULES AND PROCEDURES.** The commission may adopt rules and procedures to implement its authority under sections 240A.01 to 240A.07.

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**Sec. 47. [240A.04] PROMOTION AND DEVELOPMENT OF AMATEUR SPORTS.**

In addition to the powers and duties granted under section 3, the commission shall:

- (1) promote the development of olympic training centers;
- (2) promote physical fitness by promoting participation in sports;
- (3) develop, foster, and coordinate physical fitness services and programs;
- (4) sponsor amateur sport workshops, clinics, and conferences;
- (5) provide recognition for outstanding developments, achievements, and contributions to amateur sports;
- (6) stimulate and promote amateur sport research;
- (7) collect, disseminate, and communicate amateur sport information;
- (8) promote amateur sport and physical fitness programs in schools and local communities;
- (9) develop programs to promote personal health and physical fitness by participation in amateur sports in cooperation with medical, dental, sports medicine, and similar professional societies;
- (10) promote the development of recreational amateur sport opportunities and activities in the state, including the means of facilitating acquisition, financing, construction, and rehabilitation of sports facilities for the holding of amateur sporting events;
- (11) promote national and international amateur sport competitions and events;
- (12) sanction or sponsor amateur sport competition;
- (13) take membership in regional or national amateur sports associations or organizations; and
- (14) promote the mainstreaming and normalization of people with physical disabilities and visual and hearing impairments in amateur sports.

**Sec. 48. [240A.05] SANCTION OF CERTAIN EVENTS.**

The commission may sponsor or sanction amateur sporting events that include athletes who participate in events sponsored or sanctioned by the Minnesota state high school league or any other governing body of sport.

**Sec. 49. [240A.06] STATE AMATEUR ATHLETIC GAMES.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. SPONSORSHIP REQUIRED. The commission shall sponsor and sanction a series of statewide amateur athletic games patterned after the winter and summer Olympic Games, with variations as required by facilities, equipment, and expertise, and as necessary to include people with physical disabilities and visual and hearing impairments. The games may be held annually beginning in 1989, if money and facilities are available, unless the time of the games would conflict with other sporting events as the commission determines.

Subd. 2. LIMITATIONS. The games must be designed to encourage the participation of athletes representing a broad range of age groups, skill levels, Minnesota communities, and people with physical disabilities and visual and hearing impairments. Primary participants must be residents of Minnesota. Regional competitions to determine participants in the games may be held throughout the state, and the top qualifiers in each sport or the regional competitions are qualified to participate in the state amateur athletic games. The games must be held at an appropriate site in the state.

Sec. 50. [240A.07] COOPERATION REQUIRED.

Local governments shall cooperate with the commission to the greatest extent practical in providing facilities for use in amateur sports and olympic training.

Sec. 51. INITIAL APPOINTMENTS.

Notwithstanding section 240A.02, the governor shall appoint the initial members of the commission as follows:

- (1) three members to one-year terms;
- (2) three members to two-year terms; and
- (3) three members to three-year terms.

Sec. 52. Minnesota Statutes 1986, section 297A.01, subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property other than manufactured homes used for residential purposes for a continuous period of 30 days or more, for a consideration in money or by exchange or barter. "Sales" also include the transfer of computer software, meaning information and directions which dictate the function to be performed by data processing equipment and which are sold without adaptation to the specific requirements of the purchaser. This type of computer software, whether contained on tape, discs, cards, or other devices, shall be considered tangible personal property;

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(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing or processing;

(c) The furnishing, preparing or serving for a consideration of food, meals or drinks, not including hospitals, sanatoriums, nursing homes or senior citizens homes, meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 through 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges, or the occasional meal thereof by a charitable or church organization. Notwithstanding section 297A.25, subdivision 2, taxable food or meals include, but are not limited to, the following:

- (i) heated food or drinks;
- (ii) sandwiches prepared by the retailer;
- (iii) single sales of prepackaged ice cream or ice milk novelties prepared by the retailer;
- (iv) hand-prepared or dispensed ice cream or ice milk products including cones, sundaes, and snow cones;
- (v) soft drinks and other beverages prepared or served by the retailer;
- (vi) gum;
- (vii) ice;
- (viii) all food sold in vending machines;
- (ix) party trays prepared by the retailers; and
- (x) all meals and single servings of packaged snack food, single cans or bottles of pop, sold in restaurants and bars;

(d) The granting of the privilege of admission to places of amusement or athletic events and the privilege of use of amusement devices or athletic facilities;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service and intrastate toll service; the tax imposed on amounts paid for telephone services is

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the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale;

(g) The furnishing for a consideration of cable television services, including charges for basic monthly service, charges for monthly premium service, and charges for any other similar television services;

(h) Notwithstanding subdivision 4, and section 297A.25, subdivision 9, the sales of horses including claiming sales and fees paid for breeding a stallion to a mare. This clause applies to sales and fees with respect to a horse to be used for racing whose birth has been recorded by the Jockey Club or the United States Trotting Association or the American Quarter Horse Association but shall not apply with respect to the sale of a horse bred and born in the state of Minnesota;

(i) The granting of membership in a club, association or other organization if:

(1) the club, association, or other organization makes available for the use of its members sports and athletic facilities (without regard to whether a separate charge is assessed for use of the facilities); and

(2) use of the sports and athletic facilities is not made available to the general public on the same basis as it is made available to members.

Granting of membership includes both one-time initiation fees and periodic membership dues. Sports and athletic facilities include golf courses, tennis, racquetball, handball and squash courts, basketball and volleyball facilities, running tracks, exercise equipment, swimming pools and other similar athletic or sports facilities. The provisions of this paragraph do not apply to camps or other recreation facilities owned and operated by an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, for educational and social activities for young people primarily age 18 and under. The provisions of this paragraph do not apply to an association incorporated under section 315.44.

Sec. 53. Minnesota Statutes 1986, section 297A.44, subdivision 1, is amended to read:

Subdivision 1. (a) Except as provided in paragraphs (b) and (c) all revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund.

(b) All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall

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be deposited in the agricultural resource loan guaranty fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty fund shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) All revenues, including interest and penalties, derived from the excise and use taxes imposed on sales and purchases included in section 48, paragraph (i), clauses (1) and (2), must be deposited by the commissioner of revenue in a separate and special fund, designated as the sports and health club sales tax revenue fund in the state treasury and credited as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 31, subdivision 3, paragraph (b); and

(2) after the requirements of paragraph (a) of this section have been met:

(i) no more than the amounts specifically appropriated to operate and maintain facilities financed under section 8, subdivision 3; must be credited to an amateur athletic facilities account set up for this purpose; and

(ii) the balance must be credited to the general fund.

#### Sec. 54. LOCAL BONDING AUTHORITY.

Subdivision 1. BONDING AUTHORITY. In addition to bonds authorized by other law, independent school district No. 625 may issue \$400,000 in general obligation bonds of the school district in 1987 or 1988 for capital repairs and improvements. The bonds issued under this section are not subject to Minnesota Statutes, sections 475.58, 475.59, or the first sentence of 475.53, subdivision 5. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475. The authority to issue bonds under this section is in addition to any bonding authority authorized by Minnesota Statutes, chapter 124, or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding limit of chapter 124 or any other law other than Minnesota Statutes, chapter 475.

The bonds must not be issued until the school district has conveyed to the city of Saint Paul, by recordable deed, all of the interest of independent school district No. 625 in property legally described as King's Park View, Block 2. The property is otherwise known as the Edgcombe school site and is bounded by Hamline Avenue, Pinehurst Avenue, Syndicate Street, and Ford Parkway. The school district may accept contributions, direct or indirect, related to the conveyance, from any source, provided that the amount of bonds authorized under this section must be reduced by the amount of contributions accepted except for contributions associated with the costs of issuing the bonds.

Subd. 2. TAX LEVY FOR DEBT SERVICE. To pay for the principal of and interest on bonds issued under subdivision 1, independent school district No. 625 must levy a tax annually in an amount sufficient under Minnesota Statutes, section 475.61, subdivisions 1 and 3, to pay the principal of and interest on the bonds. The tax authorized under this section is in addition to the taxes authorized to be levied under Minnesota Statutes, chapter 124A or 275, or other law. The tax authorized under this section is not subject to and must be disregarded in the calculation of any levies subject to limits on levies provided in Minnesota Statutes, chapter 124A or 275, or other law.

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**Sec. 55. PLANNING.**

In its planning for new program offerings at a particular institution, each public post-secondary governing board shall consider the availability of physical space and the adequacy of facilities at that institution. If the board determines that new space or facilities are required, it shall examine the feasibility of developing the program at a different institution within its system.

**Sec. 56. GREAT RIVER ROAD BONDS.**

The city of Minneapolis may issue \$3,000,000 in general obligation bonds of the city for land acquisition by the Minneapolis park and recreation board in connection with the great river road project. The bonds must be issued before December 31, 1987. The bonds issued under this subdivision are not included in the net indebtedness of the city as defined in Minnesota Statutes, section 475.51, subdivision 4.

**Sec. 57. EXPANDING USE OF RED RIVER DIKE FUNDS.**

The unobligated balance of the appropriations made in Laws 1981, chapter 361, section 3, subdivision 3, and Laws 1985, First Special Session chapter 15, section 4, subdivision 5, does not cancel pursuant to Minnesota Statutes, section 16A.28 or other law, but is available for grants for flood management projects or to evaluate the practicality and feasibility of establishing a coordinated diking system along both sides of the Red River of the North beginning at East Grand Forks and Grand Forks and extending north for the Minnesota counties of Polk, Marshall, and Kittson, and the North Dakota counties of Grand Forks, Walsh, and Pembina. The commissioner of natural resources shall make the grants available to the Lower Red River watershed management board to cooperate and work with the Minnesota counties and the North Dakota counties and local water management organizations.

**Sec. 58. FACILITIES; COSTS.**

The requirements of Laws 1983, chapter 344, section 13; Laws 1984, chapter 597, section 5, subdivision 4; and Laws 1985, First Special Session chapter 13, section 28, subdivision 6, that certain appropriations for various facilities be repaid by the facilities or other responsible bodies are canceled.

**Sec. 59. REPEALER.**

Sections 33 to 38 are repealed June 30, 1989.

**Sec. 60. EFFECTIVE DATE.**

This act is effective the day following final enactment.

**Sec. 61. MINNESOTA LEARNING CENTER FOR THE ARTS**

To the commissioner of administration  
to plan and prepare working

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drawings, acquire land, and prepare a  
site for the Minnesota learning  
center for the arts

4,000,000

The plan must separately list the total proposed expenditures for the interdisciplinary academic and arts program for pupils in the 11th and 12th grade. The plan shall also separately identify total proposed expenditures for at least four alternative methods of providing residential facilities including the use of existing facilities by contracting with public or private organizations, such as school districts, post-secondary institutions, or other organizations. The cost of providing a residential high school program and the costs of providing an arts learning center must be separate and identifiable.

Approved June 11, 1987

## CHAPTER 401—S.F.No. 1515

*An act relating to public administration; appropriating money for education and related purposes to the higher education coordinating board, state board of vocational technical education, state board for community colleges, state university board, University of Minnesota, and the Mayo medical foundation, with certain conditions; amending Minnesota Statutes 1986, sections 135A.03, subdivision 1; 135A.04; 135A.06; 136A.02, subdivision 6; 136A.04, subdivision 1; 136A.05; 136A.101, by adding a subdivision; 136A.111, by adding a subdivision; 136A.121, subdivisions 4 and 5; 136A.132, subdivisions 3, 6, and 7; 136A.233, subdivisions 1 and 2; 136A.85; 136A.86, subdivisions 1 and 2; 136A.87; 137.025, subdivision 1; 137.31, subdivision 3; and 645.445, subdivision 5; Laws 1983, chapter 334, section 7; proposing coding for new law in Minnesota Statutes, chapters 136 and 136C; repealing Minnesota Statutes 1986, section 116L.03, subdivision 6.*

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

### Section 1. HIGHER EDUCATION; APPROPRIATIONS.

The sums in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or other named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal year indicated for each purpose. The listing of an amount under the figure "1987," "1988," or "1989" in this act indicates that the amount is appropriated to be available for the year ending June 30, 1987, June 30, 1988, or June 30, 1989, respectively.

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