

1.1 CONFERENCE COMMITTEE REPORT ON H. F. No. 1671

1.2 A bill for an act

1.3 relating to the financing and operation of state and local government;  
1.4 appropriating money or reducing appropriations for state government, higher  
1.5 education and economic development, environment and natural resources,  
1.6 activities or programs of Department of Commerce, agriculture, veterans  
1.7 affairs, transportation, public safety, judiciary, Uniform Laws Commission,  
1.8 Private Detective Board, human rights, corrections, Sentencing Guidelines  
1.9 Commission, minority boards, public facilities authority, tourism, humanities,  
1.10 public broadcasting, zoos, science museum, and Housing Finance Agency;  
1.11 modifying loan, grant, and scholarship provisions; funding certain projects  
1.12 for veterans; increasing bond limits; establishing a central system office and  
1.13 governing credit transfers for the Minnesota State Colleges and Universities;  
1.14 requiring bond issues for certain projects; modifying investment disposition  
1.15 of mineral fund; modifying mineral fund payments in lieu of taxes; providing  
1.16 for or modifying certain provisions relating to membership of tourism council  
1.17 and film and TV reimbursement amounts; modifying provisions relating to  
1.18 continuing education for certain licensed occupations, securities transaction  
1.19 exemptions, mortgages, and operation of state government; modifying certain  
1.20 Boards of Barber Examiners and Cosmetology provisions; establishing a new  
1.21 trunk highway emergency relief account; amending provisions related to trunk  
1.22 highway bonding, hazardous materials permits, fire safety account, uses of public  
1.23 safety service fee, grants for emergency shelters, and in-service training for peace  
1.24 officers; authorizing county sentence to service programs to charge fees; changing  
1.25 provisions relating to agriculture and veterans affairs; changing provisions  
1.26 for expenses of governor-elect, disposal of old state-owned buildings, public  
1.27 access to parking spaces, fleet management, and lease purchase agreements;  
1.28 providing for operation of a state recycling center and a state Webmaster for state  
1.29 Web sites; providing for Web access to appropriations information; requiring  
1.30 two-sided printing for state use; requiring standards to enhance public access to  
1.31 state electronic data; providing for zero-based budgeting; creating a commission  
1.32 to reengineer delivery of government services; providing for transfers to Help  
1.33 America Vote Act account; changing and creating funds and accounts; modifying  
1.34 provisions for tax return preparers; requesting proposals for enhancing the  
1.35 state's tax collection process and revenues; modifying calculation of state aids  
1.36 and credits for local government; authorizing and adjusting fees; establishing  
1.37 a pilot project; making technical changes; requiring reports; providing for  
1.38 rulemaking; amending Minnesota Statutes 2008, sections 4.51; 16B.04,  
1.39 subdivision 2; 16B.24, subdivision 3; 16B.48, subdivision 2; 16E.04, subdivision  
1.40 2; 16E.05, by adding a subdivision; 18G.07; 79.34, subdivision 1; 80A.46;  
1.41 80A.65, subdivision 1; 97A.061, subdivision 1; 103G.705, subdivision 2;  
1.42 115A.15, subdivision 6; 116L.17, subdivision 2; 116U.25; 116U.26; 136A.121,  
1.43 subdivision 6; 136A.1701, subdivision 4; 136A.29, subdivision 9; 154.06;

2.1 154.065, subdivision 2; 154.07, by adding a subdivision; 154.15, by adding a  
 2.2 subdivision; 161.04, by adding a subdivision; 273.1384, by adding a subdivision;  
 2.3 297I.06, subdivision 3; 326B.148, subdivision 1; 403.11, subdivision 1;  
 2.4 471.6175, subdivision 4; 477A.013, subdivision 9; 477A.03, subdivisions 2a, 2b;  
 2.5 477A.12, subdivision 1; 611A.32, subdivisions 1, 2; 626.8458, subdivision 5;  
 2.6 641.12, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections  
 2.7 16A.152, subdivision 2; 16A.82; 16E.02, subdivision 1; 45.30, subdivision 6;  
 2.8 136A.121, subdivision 9; 136F.98, subdivision 1; 154.002; 154.003; 155A.23, by  
 2.9 adding a subdivision; 155A.24, subdivision 2, by adding subdivisions; 155A.25;  
 2.10 190.19, subdivision 2a; 270C.145; 273.111, subdivision 9; 275.70, subdivision 5;  
 2.11 289A.08, subdivision 16; 298.294; 299A.45, subdivision 1; 357.021, subdivision  
 2.12 7; Laws 2007, chapter 45, article 1, section 3, subdivisions 4, as amended, 5,  
 2.13 as amended; Laws 2009, chapter 37, article 2, section 13; Laws 2009, chapter  
 2.14 78, article 1, section 3, subdivision 2; article 7, section 2; Laws 2009, chapter  
 2.15 83, article 1, sections 10, subdivisions 4, 7; 11; 14, subdivision 2; Laws 2009,  
 2.16 chapter 94, article 1, section 3, subdivision 5; article 3, section 2, subdivision 3;  
 2.17 Laws 2009, chapter 95, article 1, sections 3, subdivisions 6, 21; 5, subdivision  
 2.18 2; Laws 2009, chapter 101, article 1, section 31; proposing coding for new law  
 2.19 in Minnesota Statutes, chapters 10; 15B; 16A; 16B; 97A; 136A; 136F; 477A;  
 2.20 repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 136A.127,  
 2.21 subdivisions 1, 3, 5, 6, 7, 10, 11; 154.07, subdivision 5; 176.135, subdivision 1b;  
 2.22 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18;  
 2.23 477A.03, subdivision 5; Minnesota Statutes 2009 Supplement, sections 135A.61;  
 2.24 136A.121, subdivision 9b; 136A.127, subdivisions 2, 4, 9, 9b, 10a, 14.

2.25 March 28, 2010

2.26 The Honorable Margaret Anderson Kelliher  
 2.27 Speaker of the House of Representatives

2.28 The Honorable James P. Metzen  
 2.29 President of the Senate

2.30 We, the undersigned conferees for H. F. No. 1671 report that we have agreed upon  
 2.31 the items in dispute and recommend as follows:

2.32 That the Senate recede from its amendments and that H. F. No. 1671 be further  
 2.33 amended as follows:

2.34 Delete everything after the enacting clause and insert:

2.35 **"ARTICLE 1**

2.36 **SUMMARY**

2.37 Section 1. **GENERAL FUND SUMMARY.**

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.40 <u>Higher Education</u>	\$ 1,427,000	\$ (48,427,000)	\$ (47,000,000)
2.41 <u>Environment and Natural</u>			
2.42 <u>Resources</u>	(5,300,000)	(7,457,000)	(12,757,000)
2.43 <u>Energy</u>	(890,000)	(322,000)	(1,212,000)
2.44 <u>Agriculture</u>	(2,780,000)	(3,374,000)	(5,754,000)
2.45 <u>Veterans Affairs</u>	-0-	200,000	200,000

3.1	<u>Economic Development</u>	<u>(2,531,000)</u>	<u>(4,589,000)</u>	<u>(7,120,000)</u>
3.2	<u>Transportation</u>	<u>-0-</u>	<u>(14,650,000)</u>	<u>(14,650,000)</u>
3.3	<u>Public Safety</u>	<u>(8,043,000)</u>	<u>(14,608,000)</u>	<u>(22,651,000)</u>
3.4	<u>State Government</u>	<u>(3,545,000)</u>	<u>(2,345,000)</u>	<u>(5,890,000)</u>
3.5	<u>Tax Aids and Credits</u>	<u>-0-</u>	<u>(111,279,000)</u>	<u>(111,279,000)</u>
3.6	<b><u>Subtotal of Appropriations</u></b>	<b><u>(21,662,000)</u></b>	<b><u>(206,851,000)</u></b>	<b><u>(228,513,000)</u></b>
3.7	<u>Transfers In</u>	<u>20,482,000</u>	<u>34,684,000</u>	<u>(55,166,000)</u>
3.8	<b><u>Total</u></b>	<b><u>\$ (42,144,000) \$</u></b>	<b><u>(241,535,000) \$</u></b>	<b><u>(283,679,000)</u></b>

3.9 **ARTICLE 2**

3.10 **HIGHER EDUCATION**

3.11 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

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

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

3.18		<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>Total</u></b>
3.19	<u>Minnesota Office of Higher</u>			
3.20	<u>Education</u>	<u>\$ 1,427,000 \$</u>	<u>(1,840,000) \$</u>	<u>(413,000)</u>
3.21	<u>Board of Trustees of the</u>			
3.22	<u>Minnesota State Colleges and</u>			
3.23	<u>Universities</u>	<u>-0-</u>	<u>(10,467,000)</u>	<u>(10,467,000)</u>
3.24	<u>Board of Regents of the</u>			
3.25	<u>University of Minnesota</u>	<u>-0-</u>	<u>(36,120,000)</u>	<u>(36,120,000)</u>
3.26	<b><u>Total</u></b>	<b><u>\$ 1,427,000 \$</u></b>	<b><u>(48,427,000) \$</u></b>	<b><u>(47,000,000)</u></b>

3.27 Sec. 2. **APPROPRIATIONS.**

3.28 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 3.29 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to  
 3.30 the agencies and for the purposes specified in this article. The appropriations are from the  
 3.31 general fund, or another named fund, and are available for the fiscal years indicated for  
 3.32 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 3.33 to or subtraction from the appropriation listed under them is available for the fiscal year  
 3.34 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 3.35 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 3.36 day following final enactment.

4.1		<u>APPROPRIATIONS</u>	
4.2		<u>Available for the Year</u>	
4.3		<u>Ending June 30</u>	
4.4		<u>2010</u>	<u>2011</u>
4.5	<b>Sec. 3. <u>OFFICE OF HIGHER EDUCATION</u></b>		
4.6	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$ <u>1,427,000</u></b>	<b>\$ <u>(1,840,000)</u></b>
4.7	<u>The appropriation additions or reductions</u>		
4.8	<u>for each purpose are shown in the following</u>		
4.9	<u>subdivisions.</u>		
4.10	<b><u>Subd. 2. State Work-Study</u></b>	<u>-0-</u>	<u>(1,768,000)</u>
4.11	<u>This is a onetime reduction.</u>		
4.12	<b><u>Subd. 3. Technical and Community College</u></b>		
4.13	<b><u>Emergency Grants</u></b>	<u>-0-</u>	<u>(50,000)</u>
4.14	<b><u>Subd. 4. Interstate Tuition Reciprocity</u></b>	<u>1,487,000</u>	<u>264,000</u>
4.15	<u>This is a onetime appropriation.</u>		
4.16	<b><u>Subd. 5. Agency Administration</u></b>	<u>(60,000)</u>	<u>(81,000)</u>
4.17	<b><u>Subd. 6. MnLink Gateway and Minitex</u></b>	<u>-0-</u>	<u>(205,000)</u>
4.18	<u>This is a onetime reduction.</u>		
4.19	<b>Sec. 4. <u>BOARD OF TRUSTEES OF THE</u></b>		
4.20	<b><u>MINNESOTA STATE COLLEGES AND</u></b>		
4.21	<b><u>UNIVERSITIES</u></b>		
4.22	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$ <u>-0-</u></b>	<b>\$ <u>(10,467,000)</u></b>
4.23	<u>The appropriation additions or reductions</u>		
4.24	<u>for each purpose are shown in the following</u>		
4.25	<u>subdivisions.</u>		
4.26	<u>The Board of Trustees must make a</u>		
4.27	<u>good-faith effort to make the reductions</u>		
4.28	<u>required by this section at campuses and the</u>		
4.29	<u>central office in a manner that minimizes</u>		
4.30	<u>reductions related to providing direct services</u>		
4.31	<u>to students and that maximizes reductions for</u>		
5.1	<u>administrative services not providing direct</u>		
5.2	<u>services to students.</u>		

5.3 Subd. 2. **Central Office and Shared Services**  
 5.4 **Unit** -0- (500,000)

5.5 Subd. 3. **Operations and Maintenance** -0- (9,967,000)

5.6 For fiscal years 2012 and 2013, the base for  
 5.7 operations and maintenance is \$592,792,000  
 5.8 each year.

5.9 Subd. 4. **Cook County Higher Education**

5.10 \$40,000 in fiscal year 2010 and \$40,000 in  
 5.11 fiscal year 2011 appropriated by Laws 2009,  
 5.12 chapter 95, article 1, section 4, to the board  
 5.13 of trustees for operations and maintenance  
 5.14 are for Cook County higher education. This  
 5.15 subdivision is effective the day following  
 5.16 final enactment.

5.17 Sec. 5. **BOARD OF REGENTS OF THE**  
 5.18 **UNIVERSITY OF MINNESOTA**

5.19 Subdivision 1. **Total Appropriation** \$ -0- \$ (36,120,000)

5.20 The amounts that must be reduced or  
 5.21 added for each purpose are specified in the  
 5.22 following subdivisions.

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

5.24 This reduction is from operations and  
 5.25 maintenance. The Board of Regents must  
 5.26 make a good-faith effort to make the  
 5.27 reductions required by this section in a  
 5.28 manner that minimizes reductions related  
 5.29 to providing direct services to students and  
 5.30 that maximizes reductions for administrative  
 5.31 services not providing direct services to  
 5.32 students. The Board of Regents is requested  
 5.33 to consider, if feasible, making voluntary  
 6.1 for its lowest paid employees any furlough  
 6.2 program designed to meet budget shortfalls.

6.3 For fiscal years 2012 and 2013, the base for  
 6.4 operations and maintenance is \$578,370,000  
 6.5 each year.

6.6 **Subd. 3. Special Appropriations**

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

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

6.9 \$18,000 in fiscal year 2011 is a reduction to  
 6.10 the appropriation to support up to 12 resident  
 6.11 physicians in the St. Cloud Hospital family  
 6.12 practice residency program.

6.13 Of the appropriation in Laws 2009, chapter  
 6.14 95, article 1, section 5, subdivision 5,  
 6.15 paragraph (b), for Health Sciences, \$645,000  
 6.16 each year is for graduate family medicine  
 6.17 education programs at Hennepin County  
 6.18 Medical Center.

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

6.20 **(d) System Special** -0- (328,000)

6.21 **(e) University of Minnesota and Mayo**  
 6.22 **Foundation Partnership** -0- (427,000)

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

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

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

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

7.5 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such  
7.6 terms and conditions as the office may prescribe. ~~The~~ Under the SELF IV program, the  
7.7 principal amount of a loan to an undergraduate student for a single academic year shall  
7.8 not exceed \$6,000 for ~~grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.~~  
7.9 ~~Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not~~  
7.10 ~~exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed~~  
7.11 ~~\$7,500 effective July 1, 2006~~ \$7,500 per grade level. The aggregate principal amount of  
7.12 all loans made ~~under this section~~ subject to this paragraph to an undergraduate student  
7.13 shall not exceed ~~\$34,500 through June 30, 2007, and \$37,500 after June 30, 2007.~~ The  
7.14 principal amount of a loan to a graduate student for a single academic year shall not  
7.15 exceed \$9,000. The aggregate principal amount of all loans made ~~under this section~~  
7.16 subject to this paragraph to a student as an undergraduate and graduate student shall not  
7.17 exceed ~~\$52,500 through June 30, 2007, and \$55,500 after June 30, 2007.~~ The amount of  
7.18 the loan may not exceed the cost of attendance less all other financial aid, including PLUS  
7.19 loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF  
7.20 loan debt must not exceed the borrowing maximums in paragraph (b).

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

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

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

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

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

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

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

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

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

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

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

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

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

7.34 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled  
7.35 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed  
8.1 \$10,000 per grade level. For all other eligible students, the principal amount of the loan  
8.2 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made

8.3 subject to this paragraph to a student as an undergraduate and graduate student must not  
8.4 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less  
8.5 all other financial aid, including PLUS loans or other similar parent loans borrowed on  
8.6 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing  
8.7 maximums in paragraph (d).

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

- 8.11 (i) grade level 1, \$10,000;
- 8.12 (ii) grade level 2, \$20,000;
- 8.13 (iii) grade level 3, \$30,000;
- 8.14 (iv) grade level 4, \$40,000; and
- 8.15 (v) grade level 5, \$50,000.

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

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

- 8.20 (i) grade level 1, \$7,500;
- 8.21 (ii) grade level 2, \$15,000;
- 8.22 (iii) grade level 3, \$22,500;
- 8.23 (iv) grade level 4, \$30,000; and
- 8.24 (v) grade level 5, \$37,500.

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

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

8.31 (b) For SELF IV loans ~~from phases after SELF III~~, eligible students with aggregate  
8.32 principal loan balances from all SELF phases that are less than \$18,750 shall have a  
8.33 repayment period not exceeding ten years from the eligible student's graduation or  
8.34 termination date. For SELF IV loans ~~from phases after SELF III~~, eligible students with  
8.35 aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have  
9.1 a repayment period not exceeding 15 years from the eligible student's graduation or

9.2 termination date. For SELF IV loans ~~from phases after SELF III~~, the loans shall enter  
9.3 repayment no later than seven years after the first disbursement date on the loan.

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

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

9.8 (2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years  
9.9 from the eligible student's graduation or termination date; and

9.10 (3) \$40,000 or greater, must have a repayment period not exceeding 20 years  
9.11 from the eligible student's graduation or termination date. For SELF loans from phases  
9.12 after SELF IV, the loans must enter repayment no later than nine years after the first  
9.13 disbursement date of the loan.

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

9.15 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered  
9.16 to issue revenue bonds whose aggregate principal amount at any time shall not exceed  
9.17 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue  
9.18 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,  
9.19 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,  
9.20 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

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

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

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

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

9.29 <u>associate degree</u>	<u>\$2,000</u>
9.30 <u>baccalaureate degree</u>	<u>\$2,500</u>
9.31 <u>master's degree</u>	<u>\$3,000</u>
9.32 <u>doctorate degree</u>	<u>\$3,500</u>

9.33 (c) A new school that will offer more than one degree per level during its first  
9.34 year must pay registration fees in an amount equal to the fee for the first degree at each

10.1 degree level under paragraph (b), plus fees for each additional nondegree program or  
 10.2 degree as follows:

10.3	<u>nondegree program</u>	<u>\$250</u>
10.4	<u>additional associate degree</u>	<u>\$250</u>
10.5	<u>additional baccalaureate degree</u>	<u>\$500</u>
10.6	<u>additional master's degree</u>	<u>\$750</u>
10.7	<u>additional doctorate degree</u>	<u>\$1,000</u>

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

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

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

10.14	<u>nondegree program that is part of existing degree</u>	<u>-0-</u>
10.15	<u>nondegree program that is not a part of an existing degree</u>	<u>\$250 each</u>
10.16	<u>majors, specializations, emphasis areas, concentrations, and other</u>	
10.17	<u>similar areas of emphasis</u>	<u>\$250 each</u>
10.18	<u>associate degrees</u>	<u>\$500 each</u>
10.19	<u>baccalaureate degrees</u>	<u>\$500 each</u>
10.20	<u>master's degrees</u>	<u>\$750 each</u>
10.21	<u>doctorate degrees</u>	<u>\$2,000 each</u>

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

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

- 10.27 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant
- 10.28 if the office determines that a fact-finding visit is not required;
- 10.29 (2) \$300 for each day or part thereof on site per team member; and
- 10.30 (3) the actual cost of customary meals, lodging, and related travel expenses incurred
- 10.31 by team members.

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

10.34 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State  
 10.35 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90

11.1 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~  
11.2 \$300,000,000, and payable from the revenue appropriated to the fund established by  
11.3 section 136F.94, and use the proceeds together with other public or private money that  
11.4 may otherwise become available to acquire land, and to acquire, construct, complete,  
11.5 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,  
11.6 student union, food service, parking purposes, or for any other similar revenue-producing  
11.7 building or buildings of such type and character as the board finds desirable for the good  
11.8 and benefit of the state colleges and universities. Before issuing the bonds or any part  
11.9 of them, the board shall consult with and obtain the advisory recommendations of the  
11.10 chairs of the house of representatives Ways and Means Committee and the senate Finance  
11.11 Committee about the facilities to be financed by the bonds.

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

11.13 **141.255 FEES.**

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

11.16 (1) ~~\$1,500~~ \$2,500 for a school that will offer no more than one program during  
11.17 its first year of operation;

11.18 (2) \$750 for a school licensed exclusively due to the use of the term "college,"  
11.19 "university," "academy," or "institute" in its name, or licensed exclusively in order to  
11.20 participate in state grant or SELF loan financial aid programs; and

11.21 ~~(2) \$2,000 for a school that will offer two or more nondegree level programs~~

11.22 (3) \$2,500, plus \$500 for each additional program offered by the school, for a school  
11.23 during its first year of operation; and

11.24 ~~(3) \$2,500 for a school that will offer two or more degree level programs during~~  
11.25 ~~its first year of operation.~~

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

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

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

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

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

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

12.3 (4) for a school licensed by another state agency and also licensed with the office  
12.4 exclusively in order to participate in state student aid programs, the license renewal fee is  
12.5 \$750.

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

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

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

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

12.17 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant  
12.18 if the office determines that a fact-finding visit is not required;

12.19 (2) \$300 for each day or part thereof on site per team member; and

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

12.22 Subd. 6. **Modification fee.** The fee for modification of any existing program is  
12.23 \$100 and is due if there is:

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

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

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

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

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

12.34 (1) \$250 per location, for locations two to five ~~locations~~; and

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

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

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

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

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

13.8 For scholarships under Minnesota Statutes,  
13.9 section 136A.127. The office shall transfer  
13.10 the appropriation for fiscal year 2011 to the  
13.11 appropriation for state grants.

13.12 For fiscal years 2012 and 2013, the base  
13.13 for the Achieve Scholarship Program is  
13.14 \$2,350,000 each year.

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

13.16 Subd. 12. **Technical and Community College**  
13.17 **Emergency Grants** 150,000 150,000

13.18 For transfer to the financial aid offices  
13.19 at each of the colleges of the Minnesota  
13.20 State Colleges and Universities to provide  
13.21 emergency aid grants to technical and  
13.22 community college students who are  
13.23 experiencing extraordinary economic  
13.24 circumstances that may result in the students  
13.25 dropping out of school without completing  
13.26 the term or their program. This is a onetime  
13.27 appropriation.

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

13.29 Subd. 21. **Transfers**

13.30 The Minnesota Office of Higher Education  
13.31 may transfer unencumbered balances from

14.1 the appropriations in this section to the state  
14.2 grant appropriation, the interstate tuition  
14.3 reciprocity appropriation, the child care  
14.4 grant appropriation, the Indian scholarship  
14.5 appropriation, the state work-study  
14.6 appropriation, the achieve scholarship  
14.7 appropriation, the public safety officers'  
14.8 survivors appropriation, the get ready  
14.9 program, and the Minnesota college savings  
14.10 plan appropriation. Transfers from the  
14.11 state grant, child care, or state work-study  
14.12 appropriations may only be made to the  
14.13 extent there is a projected surplus in the  
14.14 appropriation. A transfer may be made  
14.15 only with prior written notice to the chairs  
14.16 of the senate and house of representatives  
14.17 committees with jurisdiction over higher  
14.18 education finance.

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

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

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

14.22 (a) This appropriation includes funding for  
14.23 operation and maintenance of the system.

14.24 (b) The Board of Regents shall submit  
14.25 expenditure reduction plans by March 15,  
14.26 2010, to the committees of the legislature  
14.27 with responsibility for higher education  
14.28 finance to achieve the 2012-2013 base  
14.29 established in this section. The plan must  
14.30 focus on protecting direct instruction.

14.31 (c) Appropriations under this subdivision  
14.32 may be used for a new scholarship under  
14.33 Minnesota Statutes, section 137.0225, to

15.1 complement the University's Founders  
15.2 scholarship.

15.3 (d) This appropriation includes amounts for  
15.4 an Ojibwe Indian language program on the  
15.5 Duluth campus.

15.6 (e) This appropriation includes money for the  
15.7 Dakota language teacher training immersion  
15.8 program on the Twin Cities campus to  
15.9 prepare teachers to teach in Dakota language  
15.10 immersion programs.

15.11 (f) This appropriation includes money for the  
15.12 Veterinary Diagnostic Laboratory to preserve  
15.13 accreditation.

15.14 (g) This appropriation includes money in  
15.15 fiscal year 2010 for a onetime grant to the  
15.16 Minnesota Wildlife Rehabilitation Center ~~for~~  
15.17 ~~their uncompensated expenses~~ in an amount  
15.18 equal to the loan balance as of March 11,  
15.19 2010, for expenses related to the center's  
15.20 move from the campus.

15.21 (h) For fiscal years 2012 and 2013, the  
15.22 base for operations and maintenance is  
15.23 \$596,930,000 each year.

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

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

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

16.1 Sec. 20. **ACHIEVE SCHOLARSHIP PROGRAM FISCAL YEAR 2011**

16.2 **MODIFICATIONS.**

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

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

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

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

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

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

16.19 Sec. 21. **REPEALER.**

16.20 Minnesota Statutes 2008, sections 136A.1701, subdivision 5; 136A.69, subdivision  
 16.21 2; and 141.255, subdivision 3, are repealed.

16.22 **ARTICLE 3**

16.23 **ENVIRONMENT AND NATURAL RESOURCES**

16.24 Section 1. **SUMMARY OF APPROPRIATIONS.**

16.25 The amounts shown in this section summarize direct appropriations, by fund, made  
 16.26 in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
16.27 <u>General</u>	\$ (3,162,000)	\$ (7,457,000)	\$ (10,619,000)
16.28 <u>Environmental</u>	-0-	535,000	535,000
16.29 <b><u>Total</u></b>	<b>\$ (3,162,000)</b>	<b>\$ (6,922,000)</b>	<b>\$ (10,084,000)</b>

16.31 Sec. 2. **APPROPRIATIONS.**

16.32 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 16.33 in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 1, to  
 16.34 the agencies and for the purposes specified in this article. The appropriations are from the

17.1 general fund, or another named fund, and are available for the fiscal years indicated for  
 17.2 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 17.3 to or subtraction from the appropriation listed under them is available for the fiscal year  
 17.4 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 17.5 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 17.6 day following final enactment.

17.7		<b><u>APPROPRIATIONS</u></b>	
17.8		<b><u>Available for the Year</u></b>	
17.9		<b><u>Ending June 30</u></b>	
17.10		<b><u>2010</u></b>	<b><u>2011</u></b>

17.11 **Sec. 3. POLLUTION CONTROL AGENCY**

17.12	<b><u>Subdivision 1. Total Appropriations</u></b>	<b><u>(352,000)</u></b>	<b><u>(629,000)</u></b>
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17.13	<u>Appropriations by Fund</u>		
17.14		<u>2010</u>	<u>2011</u>
17.15	<u>General</u>	<u>(352,000)</u>	<u>(1,164,000)</u>
17.16	<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>

17.17 The appropriation additions or reductions  
 17.18 for each purpose are shown in the following  
 17.19 subdivisions.

17.20 In order to leverage nonstate money or to  
 17.21 address high priority needs identified by the  
 17.22 commissioner, the commissioner may shift  
 17.23 appropriations in Laws 2009, chapter 37,  
 17.24 article 1, section 3, available in one fiscal  
 17.25 year to the other fiscal year within each  
 17.26 program. Any adjustments made under this  
 17.27 paragraph do not affect the agency base for  
 17.28 the programs affected.

17.29	<b><u>Subd. 2. Water</u></b>	<b><u>(257,000)</u></b>	<b><u>(407,000)</u></b>
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17.30	<u>Appropriations by Fund</u>		
17.31	<u>General</u>	<u>(257,000)</u>	<u>(942,000)</u>
17.32	<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>

17.33 The commissioner shall recover the cost  
 17.34 of attorney general services related to

- 18.1 environmental assessment worksheets from  
 18.2 the project proposers.
- 18.3 \$485,000 in 2011 is a reduction in the  
 18.4 appropriation for general water program  
 18.5 operations.
- 18.6 \$9,000 in 2010 and \$21,000 in 2011  
 18.7 are reductions in the appropriations for  
 18.8 community technical assistance and  
 18.9 education.
- 18.10 \$485,000 in 2011 is appropriated from the  
 18.11 environmental fund for attorney general  
 18.12 costs in water program operations.
- 18.13 \$77,000 in 2010 and \$181,000 in 2011 are  
 18.14 reductions in the appropriations for the clean  
 18.15 water partnership program.
- 18.16 \$71,000 in 2010 and \$205,000 in 2011 are  
 18.17 reductions in the appropriations for the  
 18.18 county feedlot grant program.
- 18.19 \$100,000 in 2010 is a reduction in the  
 18.20 appropriation for stormwater compliance  
 18.21 grants.
- 18.22 \$50,000 in 2011 is a reduction in the  
 18.23 appropriation for grants to the Red River  
 18.24 Watershed Management Board for the river  
 18.25 watch program.
- 18.26 \$50,000 in 2011 is appropriated from the  
 18.27 environmental fund for grants to the Red  
 18.28 River Watershed Management Board for the  
 18.29 river watch program.
- 18.30 **Subd. 3. Environmental Assistance and**  
 18.31 **Cross-Media** (47,000) (109,000)
- 18.32 **Subd. 4. Administrative Support** (48,000) (113,000)
- 18.33 **Subd. 6. Transfers In**

19.1 (a) The amounts appropriated from the  
 19.2 agency indirect costs account in the special  
 19.3 revenue fund are reduced by \$328,000 in  
 19.4 fiscal year 2010 and \$462,000 in fiscal year  
 19.5 2011, and those amounts must be transferred  
 19.6 to the general fund by June 30, 2011. The  
 19.7 appropriation reductions are onetime.

19.8 (b) The commissioner of management and  
 19.9 budget shall transfer \$8,000,000 in fiscal year  
 19.10 2011 from the closed landfill investment fund  
 19.11 in Minnesota Statutes, section 115B.421, to  
 19.12 the general fund. The commissioner shall  
 19.13 transfer \$4,000,000 on July 1, 2013, and  
 19.14 \$4,000,000 on July 1, 2014, from the general  
 19.15 fund to the closed landfill investment fund.  
 19.16 For the July 1, 2014, transfer to the closed  
 19.17 landfill investment fund, the commissioner  
 19.18 shall determine the total amount of interest  
 19.19 and other earnings that would have accrued  
 19.20 to the fund if the transfers to the general fund  
 19.21 under this paragraph had not been made and  
 19.22 add this amount to the transfer. The amounts  
 19.23 necessary for these transfers are appropriated  
 19.24 from the general fund in the fiscal years  
 19.25 specified for the transfers.

19.26 Sec. 4. **NATURAL RESOURCES**

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

19.28 The appropriation additions or reductions  
 19.29 for each purpose are shown in the following  
 19.30 subdivisions.

19.31 In order to leverage nonstate money, or to  
 19.32 address high priority needs identified by the  
 19.33 commissioner, the commissioner may shift  
 19.34 appropriations in Laws 2009, chapter 37,

20.1 article 1, section 4, available in one fiscal  
 20.2 year to the other fiscal year within each  
 20.3 program. Any adjustments made under this  
 20.4 paragraph do not affect the agency base for  
 20.5 the programs affected.

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

20.7 \$101,000 in 2010 and \$237,000 in 2011 are  
 20.8 reductions in the appropriations for land and  
 20.9 mineral resources management operations.

20.10 \$61,000 in 2010 and \$91,000 in 2011 are  
 20.11 reductions in the appropriations for the iron  
 20.12 ore cooperative research program.

20.13 \$6,000 in 2010 and \$6,000 in 2011 are  
 20.14 reductions in the appropriations for minerals  
 20.15 cooperative research.

20.16 \$54,000 in 2011 is a reduction in the  
 20.17 appropriations for issuing mining permits in  
 20.18 Laws 2009, chapter 88, article 12, section 22.

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

20.20 \$268,000 in 2010 and \$626,000 in 2011 are  
 20.21 reductions in the appropriations for water  
 20.22 resource management operations.

20.23 \$7,000 in 2011 is a reduction in the  
 20.24 appropriation for grants to the Mississippi  
 20.25 Headwaters Board.

20.26 \$154,000 in 2010 and \$11,000 in 2011 are  
 20.27 reductions in the appropriation for the Red  
 20.28 River flood damage reduction grants.

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

20.30 \$587,000 in 2010 and \$1,295,000 in 2011  
 20.31 are reductions in the appropriations for forest  
 20.32 management. Of this amount, \$88,000 in  
 20.33 2010 and \$132,000 in 2011 are onetime.

21.1	<u>\$72,000 in 2010 and \$72,000 in 2011</u>		
21.2	<u>are reductions in the appropriations for</u>		
21.3	<u>prevention costs of emergency firefighting.</u>		
21.4	<u>\$11,000 in 2010 and \$17,000 in 2011 are</u>		
21.5	<u>reductions in the appropriations for the</u>		
21.6	<u>FORIST system.</u>		
21.7	<u>\$20,000 in 2011 is a reduction in the</u>		
21.8	<u>appropriation for grants to the Forest</u>		
21.9	<u>Resources Council.</u>		
21.10	<b><u>Subd. 5. Parks and Trails Management</u></b>	<u>(420,000)</u>	<u>(980,000)</u>
21.11	<u>\$420,000 in 2010 and \$980,000 in 2011 are</u>		
21.12	<u>reductions in the appropriations for parks</u>		
21.13	<u>and trails management.</u>		
21.14	<b><u>Subd. 6. Fish and Wildlife Management</u></b>	<u>-0-</u>	<u>(225,000)</u>
21.15	<u>\$225,000 in 2011 is a reduction in the</u>		
21.16	<u>appropriation for wildlife health programs.</u>		
21.17	<b><u>Subd. 7. Ecological Services</u></b>	<u>(131,000)</u>	<u>(307,000)</u>
21.18	<u>\$103,000 in 2010 and \$241,000 in 2011</u>		
21.19	<u>are reductions in the appropriations for</u>		
21.20	<u>ecological services operations.</u>		
21.21	<u>\$28,000 in 2010 and \$66,000 in 2011 are</u>		
21.22	<u>reductions in the appropriations for the</u>		
21.23	<u>prevention of the spread of invasive species.</u>		
21.24	<b><u>Subd. 8. Enforcement</u></b>	<u>(135,000)</u>	<u>(345,000)</u>
21.25	<u>The commissioner shall reduce overtime</u>		
21.26	<u>before laying off enforcement staff.</u>		
21.27	<b><u>Subd. 9. Operations Support</u></b>	<u>(62,000)</u>	<u>(146,000)</u>
21.28	<b><u>Subd. 10. Transfers In</u></b>		
21.29	<u>(a) By June 30, 2010, the commissioner of</u>		
21.30	<u>management and budget shall transfer any</u>		
21.31	<u>remaining balance, estimated to be \$98,000,</u>		
21.32	<u>from the stream protection and improvement</u>		

22.1 fund under Minnesota Statutes, section  
22.2 103G.705, to the general fund. Beginning  
22.3 in fiscal year 2011, all repayment of loans  
22.4 made and administrative fees assessed under  
22.5 Minnesota Statutes, section 103G.705,  
22.6 estimated to be \$195,000 in 2011, must be  
22.7 transferred to the general fund.

22.8 (b) The balance of surcharges on criminal and  
22.9 traffic offenders, estimated to be \$900,000,  
22.10 and credited to the game and fish fund  
22.11 under Minnesota Statutes, section 357.021,  
22.12 subdivision 7, and collected before June 30,  
22.13 2010, must be transferred to the general fund.

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

22.19 (d) Before June 30, 2011, the commissioner  
22.20 of management and budget shall transfer  
22.21 \$1,000,000 from the fleet management  
22.22 account in the special revenue fund  
22.23 established under Minnesota Statutes, section  
22.24 84.0856, to the general fund.

22.25 Sec. 5. **BOARD OF WATER AND SOIL**  
22.26 **RESOURCES**

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

22.28 The appropriation additions or reductions for  
22.29 each purpose are specified in the following  
22.30 subdivisions.

22.31 Notwithstanding Minnesota Statutes,  
22.32 sections 103B.3369 and 103C.501, in order  
22.33 to leverage nonstate money or to address  
22.34 high-priority needs identified by board

23.1 resolution, the board may shift appropriations  
23.2 in Laws 2009, chapter 37, article 1, section 5,  
23.3 available in one fiscal year to the other fiscal  
23.4 year within a program. Any appropriations  
23.5 for grants in Laws 2009, chapter 37, article 1,  
23.6 section 5, that are carried forward from fiscal  
23.7 year 2010 to fiscal year 2011 are available  
23.8 for natural resources block grants to local  
23.9 governments and general purpose grants to  
23.10 soil and water conservation districts. Any  
23.11 adjustments made under this paragraph do  
23.12 not affect the agency base for the programs  
23.13 affected.

23.14 Subd. 2. **Appropriation Reductions**

23.15 \$71,000 in 2010 and \$167,000 in 2011  
23.16 are reductions in the appropriations for  
23.17 administration.

23.18 \$20,000 in 2010 and \$46,000 in 2011 are  
23.19 reductions in the appropriation for Wetland  
23.20 Conservation Act oversight.

23.21 \$160,000 in 2010 and \$374,000 in 2011 are  
23.22 reductions in the appropriations for natural  
23.23 resources block grants to local governments.

23.24 \$135,000 in 2010 and \$315,000 in 2011 are  
23.25 reductions in the appropriations for general  
23.26 purpose grants to soil and water conservation  
23.27 districts.

23.28 \$38,000 in 2010 and \$90,000 in 2011 are  
23.29 reductions in the appropriations for cost-share  
23.30 grants to soil and water conservation districts.

23.31 \$137,000 in 2010 and \$187,000 in 2011 are  
23.32 reductions in cost-share grants to establish  
23.33 and maintain riparian vegetative buffers.

24.1 \$19,000 in 2010 and \$45,000 in 2011 are  
24.2 reductions in the appropriations for feedlot  
24.3 water quality grants.

24.4 \$11,000 in 2010 and \$17,000 in 2011 are  
24.5 reductions in the appropriation for assistance  
24.6 to local drainage officials.

24.7 \$100,000 in 2011 is a reduction in the  
24.8 appropriation for cost-share grants for  
24.9 drainage records modernization.

24.10 \$6,000 in 2011 is a reduction in the  
24.11 appropriation for the grant to the Red River  
24.12 Basin Commission.

24.13 \$6,000 in 2011 is a reduction in the  
24.14 appropriation for the grant to the Minnesota  
24.15 River Basin Joint Powers Board.

24.16 \$10,000 in 2011 is a reduction in the  
24.17 appropriation for a grant to Area II,  
24.18 Minnesota River Basin Projects for flood  
24.19 plain management.

24.20 **Subd. 3. Carryforward Cancellations**

24.21 **(a) Clean Water Legacy**

24.22 The appropriation in Laws 2007, chapter 57,  
24.23 article 1, section 5, for clean water legacy  
24.24 programs and grants is reduced by \$775,000  
24.25 and that amount is canceled to the general  
24.26 fund.

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

24.28 The appropriation in Laws 2007, chapter 57,  
24.29 article 1, section 5, for grants for establishing  
24.30 and maintaining vegetation buffers is reduced  
24.31 by \$100,000 and that amount is canceled to  
24.32 the general fund.

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

25.1 The appropriation in Laws 2007, chapter 57,  
25.2 article 1, section 5, for grants for cost-sharing  
25.3 contract for erosion control and water quality  
25.4 management is reduced by \$250,000 and that  
25.5 amount is canceled to the general fund.

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

25.7 The appropriation in Laws 2007, First  
25.8 Special Session chapter 2, article 1, section  
25.9 8, transferred to the appropriation in Laws  
25.10 2007, First Special Session chapter 2, article  
25.11 1, section 6, subdivision 3, for cost-share  
25.12 flood programs is reduced by \$628,000 and  
25.13 that amount is canceled to the general fund.

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

25.15 The appropriation in Laws 2008, chapter  
25.16 363, article 5, section 5, for cost-share flood  
25.17 work is reduced by \$50,000 and that amount  
25.18 is canceled to the general fund.

25.19 **Subd. 4. Returned Grants**

25.20 Beginning July 1, 2010, all returned grant  
25.21 money originating from general fund grant  
25.22 programs will be deposited into individual  
25.23 accounts in the special revenue fund and held  
25.24 for eventual transfer back to the general fund.  
25.25 On December 15, 2010, and on December  
25.26 15 of each year thereafter, \$310,000 of the  
25.27 receipts in this special revenue fund will be  
25.28 transferred to the general fund. If less than  
25.29 \$310,000 is available on the transfer date, an  
25.30 additional transfer on June 15 sufficient to  
25.31 make the \$310,000 annual obligation will  
25.32 be made.

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



27.1 appropriations, cancellations of appropriations, and transfers of appropriations for the  
 27.2 fiscal year ending June 30, 2010, are effective the day following final enactment.

27.3		<b><u>APPROPRIATIONS</u></b>	
27.4		<b><u>Available for the Year</u></b>	
27.5		<b><u>Ending June 30</u></b>	
27.6		<b><u>2010</u></b>	<b><u>2011</u></b>

27.7 **Sec. 3. DEPARTMENT OF COMMERCE**

27.8	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>85,000</u></b>	<b><u>\$</u></b>	<b><u>(354,000)</u></b>
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27.9	<u>Appropriations by Fund</u>				
27.10		<u>2010</u>	<u>2011</u>		
27.11	<u>General</u>	<u>110,000</u>	<u>(322,000)</u>		
27.12	<u>Petroleum Tank</u>				
27.13	<u>Release Cleanup</u>	<u>(25,000)</u>	<u>(32,000)</u>		

27.14 The amounts that may be spent for each  
 27.15 purpose are specified in the following  
 27.16 subdivisions.

27.17	<u>Subd. 2. Administrative Services</u>	<u>(66,000)</u>	<u>(126,000)</u>
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27.18	<u>Subd. 3. Market Assurance</u>	<u>(124,000)</u>	<u>(196,000)</u>
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27.19	<u>Subd. 4. Nationwide Mortgage Licensing</u>		
27.20	<u>System and Registry Access</u>	<u>400,000</u>	<u>-0-</u>

27.21	<u>Subd. 5. Petroleum Tank Release Cleanup</u>		
27.22	<u>Board</u>	<u>(25,000)</u>	<u>(32,000)</u>

27.23 These reductions are from the petroleum tank  
 27.24 release cleanup fund.

27.25	<b>Sec. 4. <u>DEPARTMENT OF</u></b>				
27.26	<b><u>COMMERCE-OFFICE OF ENERGY</u></b>				
27.27	<b><u>SECURITY</u></b>	<b><u>\$</u></b>	<b><u>(100,000)</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>

27.28 The appropriation additions or reductions  
 27.29 for each purpose are shown in the following  
 27.30 paragraph.

27.31 \$100,000 the first year is a reduction in the  
 27.32 appropriation for E85 cost-share grants.

27.33 **Sec. 5. CANCELLATIONS; DEPARTMENT**  
 27.34 **OF COMMERCE**

28.1 Subdivision 1. **E-85 Grants**

28.2 The appropriation in Laws 2007, chapter 57,  
28.3 article 2, section 3, subdivision 6, as amended  
28.4 by Laws 2008, chapter 363, article 6, section  
28.5 3, subdivision 4, for E-85 cost-share grants,  
28.6 is reduced by \$350,000 and is canceled to  
28.7 the general fund.

28.8 Subd. 2. **Renewable Hydrogen Initiative**  
28.9 **Grants**

28.10 The remaining balance of the appropriation  
28.11 in Laws 2007, chapter 57, article 2, section  
28.12 3, subdivision 6, as amended by Laws 2008,  
28.13 chapter 363, article 6, section 3, subdivision  
28.14 4, for renewable hydrogen initiative grants,  
28.15 estimated to be \$650,000, is canceled to the  
28.16 general fund.

28.17 Subd. 3. **Transfers In**

28.18 Before June 30, 2010, the commissioner  
28.19 of management and budget shall transfer  
28.20 \$1,969,000 to the general fund. After July  
28.21 1, 2010, and before June 30, 2011, the  
28.22 commissioner of management and budget  
28.23 shall transfer \$1,032,000 to the general  
28.24 fund. These transfers are from the petroleum  
28.25 tank release cleanup fund established in  
28.26 Minnesota Statutes, section 115C.08.

28.27 Sec. 6. **TRANSFERS IN**

28.28 (a) For the purposes of this section,  
28.29 "commissioner" means the commissioner of  
28.30 management and budget.

28.31 (b) In the first year, the commissioner  
28.32 shall transfer \$3,024,000 from the special  
28.33 revenue fund to the general fund. In the

29.1 second year, the commissioner shall transfer  
29.2 \$1,993,000 from the special revenue fund to  
29.3 the general fund. The transfers must be from  
29.4 the following appropriation reductions and  
29.5 accounts within the special revenue fund:

29.6 (1) \$246,000 the first year and \$270,000 the  
29.7 second year are from the telecommunications  
29.8 access Minnesota fund established in  
29.9 Minnesota Statutes, section 237.52;

29.10 (2) \$238,000 the first year is from the  
29.11 assessments collected under Minnesota  
29.12 Statutes, section 216C.052, for the reliability  
29.13 administrator;

29.14 (3) \$200,000 the first year and \$200,000  
29.15 the second year are from the Department  
29.16 of Commerce license technology surcharge  
29.17 account established in Minnesota Statutes,  
29.18 section 45.24;

29.19 (4) \$381,000 the first year and \$260,000  
29.20 the second year are from the energy  
29.21 and conservation account established in  
29.22 Minnesota Statutes, section 216B.241.  
29.23 Of this amount, (i) \$43,000 the first year  
29.24 and \$17,000 the second year are from  
29.25 the assessments for technical assistance  
29.26 in Minnesota Statutes, section 216B.241,  
29.27 subdivision 1d; (ii) \$316,000 the first year  
29.28 and \$213,000 the second year are from  
29.29 the assessments for applied research and  
29.30 development grants in Minnesota Statutes,  
29.31 section 216B.241, subdivision 1e; and (iii)  
29.32 \$22,000 the first year and \$30,000 the second  
29.33 year are from the assessment for facilities  
29.34 energy efficiency in Minnesota Statutes,  
29.35 section 216B.241, subdivision 1f;

- 30.1 (5) \$64,000 the first year and \$48,000 the  
30.2 second year are from the insurance fraud  
30.3 prevention account established in Minnesota  
30.4 Statutes, section 45.0135;
- 30.5 (6) \$1,133,000 the first year and \$1,111,000  
30.6 the second year are from the automobile theft  
30.7 prevention account established in Minnesota  
30.8 Statutes, section 168A.40;
- 30.9 (7) \$549,000 the first year and \$5,000  
30.10 the second year are from the real estate  
30.11 education, research and recovery fund  
30.12 established in Minnesota Statutes, section  
30.13 82.43;
- 30.14 (8) \$100,000 the first year is from the  
30.15 consumer education account established in  
30.16 Minnesota Statutes, section 58.10;
- 30.17 (9) \$11,000 the first year and \$15,000  
30.18 the second year are from the fees and  
30.19 assessments collected under Minnesota  
30.20 Statutes, section 216E.18;
- 30.21 (10) the remaining balance in the first  
30.22 year, estimated to be \$19,000, is from the  
30.23 routing of certain pipelines under Minnesota  
30.24 Statutes, section 216G.02;
- 30.25 (11) \$4,000 the first year and \$9,000 the  
30.26 second year are from the joint exercise of  
30.27 powers agreements with the Department of  
30.28 Health for regulating health maintenance  
30.29 organizations;
- 30.30 (12) \$75,000 the first year and \$75,000 the  
30.31 second year are from the liquefied petroleum  
30.32 gas account established in Minnesota  
30.33 Statutes, section 239.785;

31.1 (13) \$4,000 in the first year is from the  
31.2 petroleum inspection fee established in  
31.3 Minnesota Statutes, section 239.101, for  
31.4 renewable energy equipment grants.

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

31.6 By June 30, 2010, the commissioner of  
31.7 management and budget shall transfer  
31.8 \$14,000,000 in assets of the workers'  
31.9 compensation assigned risk plan created  
31.10 under Minnesota Statutes, section 79.252, to  
31.11 the general fund.

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

31.14 Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner in  
31.15 advance. A course that is required by federal criteria or a reciprocity agreement to receive  
31.16 a substantive review will be approved or disapproved on the basis of its compliance with  
31.17 the provisions of laws and rules relating to the appropriate industry. At the commissioner's  
31.18 discretion, a course that is not required by federal criteria or a reciprocity agreement to  
31.19 receive a substantive review may be approved based on a qualified provider's certification  
31.20 on a form specified by the commissioner that the course complies with the provisions of  
31.21 this chapter and the laws and rules relating to the appropriate industry. For the purposes  
31.22 of this section, a "qualified provider" is one of the following: (1) a degree-granting  
31.23 institution of higher learning located within this state; (2) a private school licensed by the  
31.24 Minnesota Office of Higher Education; or (3) when conducting courses for its members, a  
31.25 bona fide trade association that staffs and maintains in this state a physical location that  
31.26 contains course and student records and that has done so for not less than three years.  
31.27 The commissioner may review any approved course and may cancel its approval with  
31.28 regard to all future offerings. The commissioner must make the final determination as to  
31.29 accreditation and assignment of credit hours for courses. Courses must be at least one hour  
31.30 in length, except courses for real estate appraisers must be at least two hours in length.

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

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

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

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

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

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

32.13 **80A.46 SECTION 202; EXEMPT TRANSACTIONS.**

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

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

32.19 (2) a nonissuer transaction by or through a broker-dealer registered, or exempt from  
32.20 registration under this chapter, and a resale transaction by a sponsor of a unit investment  
32.21 trust registered under the Investment Company Act of 1940, in a security of a class that  
32.22 has been outstanding in the hands of the public for at least 90 days, if, at the date of  
32.23 the transaction:

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

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

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

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

- 33.1 (i) a description of the business and operations of the issuer;
- 33.2 (ii) the names of the issuer's executive officers and the names of the issuer's
- 33.3 directors, if any;
- 33.4 (iii) an audited balance sheet of the issuer as of a date within 18 months before the
- 33.5 date of the transaction or, in the case of a reorganization or merger when the parties to
- 33.6 the reorganization or merger each had an audited balance sheet, a pro forma balance
- 33.7 sheet for the combined organization; and
- 33.8 (iv) an audited income statement for each of the issuer's two immediately previous
- 33.9 fiscal years or for the period of existence of the issuer, whichever is shorter, or, in the case
- 33.10 of a reorganization or merger when each party to the reorganization or merger had audited
- 33.11 income statements, a pro forma income statement; and
- 33.12 (E) any one of the following requirements is met:
- 33.13 (i) the issuer of the security has a class of equity securities listed on a national
- 33.14 securities exchange registered under Section 6 of the Securities Exchange Act of 1934
- 33.15 or designated for trading on the National Association of Securities Dealers Automated
- 33.16 Quotation System;
- 33.17 (ii) the issuer of the security is a unit investment trust registered under the Investment
- 33.18 Company Act of 1940;
- 33.19 (iii) the issuer of the security, including its predecessors, has been engaged in
- 33.20 continuous business for at least three years; or
- 33.21 (iv) the issuer of the security has total assets of at least \$2,000,000 based on an
- 33.22 audited balance sheet as of a date within 18 months before the date of the transaction or, in
- 33.23 the case of a reorganization or merger when the parties to the reorganization or merger
- 33.24 each had such an audited balance sheet, a pro forma balance sheet for the combined
- 33.25 organization;
- 33.26 (3) a nonissuer transaction by or through a broker-dealer registered or exempt from
- 33.27 registration under this chapter in a security of a foreign issuer that is a margin security
- 33.28 defined in regulations or rules adopted by the Board of Governors of the Federal Reserve
- 33.29 System;
- 33.30 (4) a nonissuer transaction by or through a broker-dealer registered or exempt
- 33.31 from registration under this chapter in an outstanding security if the guarantor of the
- 33.32 security files reports with the Securities and Exchange Commission under the reporting
- 33.33 requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.
- 33.34 Sections 78m or 78o(d));
- 33.35 (5) a nonissuer transaction by or through a broker-dealer registered or exempt from
- 33.36 registration under this chapter in a security that:

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

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

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

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

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

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

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

34.19 (9) a transaction in a security, whether or not the security or transaction is otherwise  
34.20 exempt, in exchange for one or more bona fide outstanding securities, claims, or property  
34.21 interests, or partly in such exchange and partly for cash, if the terms and conditions of  
34.22 the issuance and exchange or the delivery and exchange and the fairness of the terms and  
34.23 conditions have been approved by the administrator after a hearing;

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

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

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

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

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

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

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

34.36 (A) an institutional investor;

- 35.1 (B) an accredited investor;
- 35.2 (C) a federal covered investment adviser; or
- 35.3 (D) any other person exempted by rule adopted or order issued under this chapter;

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

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

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

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

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

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

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

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

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

35.34 (B) a stop order of which the offeror is aware has not been issued against the offeror  
35.35 by the administrator or the Securities and Exchange Commission, and an audit, inspection,

36.1 or proceeding that is public and that may culminate in a stop order is not known by the  
36.2 offeror to be pending;

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

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

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

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

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

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

36.20 (20) an offer or sale of a security to a person not a resident of this state and not  
36.21 present in this state if the offer or sale does not constitute a violation of the laws of the  
36.22 state or foreign jurisdiction in which the offeree or purchaser is present and is not part of  
36.23 an unlawful plan or scheme to evade this chapter;

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

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

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

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

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

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

37.9 (22) a transaction involving:

37.10 (A) a stock dividend or equivalent equity distribution, whether the corporation or  
37.11 other business organization distributing the dividend or equivalent equity distribution is  
37.12 the issuer or not, if nothing of value is given by stockholders or other equity holders for  
37.13 the dividend or equivalent equity distribution other than the surrender of a right to a cash  
37.14 or property dividend if each stockholder or other equity holder may elect to take the  
37.15 dividend or equivalent equity distribution in cash, property, or stock;

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

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

37.21 (23) a nonissuer transaction in an outstanding security by or through a broker-dealer  
37.22 registered or exempt from registration under this chapter, if the issuer is a reporting  
37.23 issuer in a foreign jurisdiction designated by this paragraph or by rule adopted or order  
37.24 issued under this chapter; has been subject to continuous reporting requirements in the  
37.25 foreign jurisdiction for not less than 180 days before the transaction; and the security is  
37.26 listed on the foreign jurisdiction's securities exchange that has been designated by this  
37.27 paragraph or by rule adopted or order issued under this chapter, or is a security of the same  
37.28 issuer that is of senior or substantially equal rank to the listed security or is a warrant or  
37.29 right to purchase or subscribe to any of the foregoing. For purposes of this paragraph,  
37.30 Canada, together with its provinces and territories, is a designated foreign jurisdiction  
37.31 and The Toronto Stock Exchange, Inc., is a designated securities exchange. After an  
37.32 administrative hearing in compliance with chapter 14, the administrator, by rule adopted  
37.33 or order issued under this chapter, may revoke the designation of a securities exchange  
37.34 under this paragraph, if the administrator finds that revocation is necessary or appropriate  
37.35 in the public interest and for the protection of investors;

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

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

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

38.18 (i) the issuer, before the completion of the sale of the securities, provides each  
38.19 offeree or purchaser disclosure materials that, to the extent material to an understanding of  
38.20 the issuer, its business, and the securities being offered, substantially meet the disclosure  
38.21 conditions and limitations found in rule 502(b) of Regulation D promulgated by the  
38.22 Securities and Exchange Commission, Code of Federal Regulations, title 17, section  
38.23 230.502; and

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

38.29 (C) a cooperative may, at or about the same time as offers or sales are being  
38.30 completed in reliance upon the exemptions from registration found in this subpart and as  
38.31 part of a common plan of financing, offer or sell its securities in reliance upon any other  
38.32 exemption from registration available under this chapter. The offer or sale of securities in  
38.33 reliance upon the exemptions found in this subpart will not be considered or deemed a part  
38.34 of or be integrated with any offer or sale of securities conducted by the cooperative in  
38.35 reliance upon any other exemption from registration available under this chapter, nor will  
38.36 offers or sales of securities by the cooperative in reliance upon any other exemption from

39.1 registration available under this chapter be considered or deemed a part of or be integrated  
 39.2 with any offer or sale conducted by the cooperative in reliance upon this paragraph.

39.3 Sec. 10. ASSESSMENT.

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

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

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

39.14 **ARTICLE 5**

39.15 **AGRICULTURE**

39.16 Section 1. SUMMARY OF APPROPRIATIONS.

39.17 The amounts shown in this section summarize direct appropriations, by fund, made  
 39.18 in this article.

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

39.21 Sec. 2. APPROPRIATIONS.

39.22 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 39.23 in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 1, to  
 39.24 the agencies and for the purposes specified in this article. The appropriations are from the  
 39.25 general fund or another named fund and are available for the fiscal years indicated for  
 39.26 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 39.27 to or subtraction from the appropriation listed under them is available for the fiscal year  
 39.28 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 39.29 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 39.30 day following final enactment.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
39.31		
39.32		
39.33		
39.34		



- 41.1 Laws 2001, First Special Session chapter 2,  
41.2 section 9, subdivision 2.
- 41.3 \$1,000 in 2011 is a reduction from the  
41.4 appropriation for a grant to the Minnesota  
41.5 Livestock Breeders Association.
- 41.6 \$15,000 in 2011 is a reduction from the  
41.7 appropriation for a grant to the Minnesota  
41.8 Agricultural Education and Leadership  
41.9 Council.
- 41.10 \$3,000 in 2011 is a reduction from the  
41.11 appropriation for the Northern Crops  
41.12 Institute.
- 41.13 \$4,000 in 2010 and \$4,000 in 2011 are  
41.14 reductions from the appropriation for grants  
41.15 to the Minnesota Turf Seed Council for  
41.16 basic and applied research on the improved  
41.17 production of forage and turf seed related to  
41.18 new and improved varieties.
- 41.19 \$3,000 in 2010 and \$3,000 in 2011 are  
41.20 reductions from the appropriation for grants  
41.21 to the Minnesota Turf Seed Council for basic  
41.22 and applied agronomic research on native  
41.23 plants including plant breeding, nutrient  
41.24 management, pest management, disease  
41.25 management yield, and viability.
- 41.26 \$60,000 in 2010 is a reduction from the  
41.27 appropriation for the agricultural growth,  
41.28 research, and innovation program.
- 41.29 \$6,000 in 2011 is a reduction from the  
41.30 appropriation for transfer to the Board of  
41.31 Trustees of the Minnesota State Colleges and  
41.32 Universities for mental health counseling  
41.33 support to farm families and business  
41.34 operators through farm business management

42.1 programs at Central Lakes College and  
42.2 Ridgewater College.

42.3 \$1,000 in 2011 is a reduction from the  
42.4 appropriation for a grant to the Minnesota  
42.5 Horticultural Society.

42.6 \$4,000 in 2010 is a reduction from the  
42.7 appropriation for transfer to the University  
42.8 of Minnesota Extension Service for  
42.9 farm-to-school grants to school districts in  
42.10 Minneapolis, Moorhead, White Earth, and  
42.11 Willmar.

42.12 \$28,000 in 2010 and \$234,000 in 2011 and  
42.13 \$684,000 in 2012 and \$684,000 in 2013  
42.14 are reductions due to efficiencies and other  
42.15 cost savings realized by various methods  
42.16 including, but not limited to, renegotiating  
42.17 leases and other contracts and resource  
42.18 reorganization or consolidation within the  
42.19 department or in conjunction with other  
42.20 public entities. The commissioner may  
42.21 allocate these reductions to programs.

42.22 Notwithstanding Minnesota Statutes, section  
42.23 16A.28, the appropriation encumbered on or  
42.24 before June 30, 2009, as grants for NextGen  
42.25 bioenergy projects in Laws 2007, chapter 45,  
42.26 article 1, section 3, subdivision 4, is available  
42.27 until June 30, 2011.

42.28 **Subd. 6. Transfers In**

42.29 Notwithstanding any other law to the  
42.30 contrary, the commissioner of management  
42.31 and budget shall transfer \$1,046,000 from  
42.32 the agriculture chemical response and  
42.33 reimbursement account in the agricultural  
42.34 fund to the general fund by June 15, 2011.



44.1 Minnesota to veterans and their families who  
44.2 are homeless or in danger of homelessness,  
44.3 including housing, utility, employment, and  
44.4 legal assistance, according to guidelines  
44.5 established by the commissioner. In  
44.6 order to avoid duplication of services,  
44.7 the commissioner must ensure that this  
44.8 assistance will be coordinated with all other  
44.9 available programs for veterans. This is a  
44.10 onetime appropriation.

44.11 \$100,000 in the second year is for  
44.12 compensation for honor guards at the  
44.13 funerals of veterans in accordance with  
44.14 the program established in Minnesota  
44.15 Statutes, section 197.231. This is a onetime  
44.16 appropriation.

44.17 \$200,000 in fiscal year 2010 and \$200,000  
44.18 in fiscal year 2011 are from the Support our  
44.19 Troops account established in Minnesota  
44.20 Statutes, section 190.19, for an increase in  
44.21 the CORE grant program.

44.22 Sec. 4. **VETERANS HOMES**

44.23 Of the appropriation in Laws 2009, chapter  
44.24 94, article 3, section 2, subdivision 3, or from  
44.25 funds carried forward from fiscal year 2009:

44.26 (1) \$1,000,000 in fiscal year 2011 is for  
44.27 operational expenses related to the 21-bed  
44.28 addition at the Fergus Falls Veterans Home;  
44.29 and

44.30 (2) \$113,000 in fiscal year 2011 is for start-up  
44.31 expenses related to the opening of an adult  
44.32 daycare facility at the Minneapolis Veterans  
44.33 Home.

45.1 Sec. 5. REPORT TO THE LEGISLATURE

45.2 By January 15, 2011, the commissioner shall  
45.3 report to the chairs and ranking minority  
45.4 members of the legislative committees and  
45.5 divisions with jurisdiction over veterans  
45.6 affairs policy and finance regarding any  
45.7 unexpended appropriations, revenues, or  
45.8 other actual or projected carryover money  
45.9 provided directly or indirectly through any  
45.10 provision in this article.

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

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

- 45.15 (1) grants to veterans service organizations;  
45.16 (2) outreach to underserved veterans; ~~and~~  
45.17 (3) providing services and programs for veterans and their families; and  
45.18 (4) transfers to the vehicle services account for Gold Star license plates under  
45.19 section 168.1253.

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

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

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

45.23 **Veterans Homes Special Revenue Account.**

45.24 The general fund appropriations made to  
45.25 the department may be transferred to a  
45.26 veterans homes special revenue account in  
45.27 the special revenue fund in the same manner  
45.28 as other receipts are deposited according  
45.29 to Minnesota Statutes, section 198.34, and  
45.30 are appropriated to the department for the  
45.31 operation of veterans homes facilities and  
45.32 programs.

46.1 **Repair and Betterment.** Of this  
46.2 appropriation, \$1,000,000 in fiscal year  
46.3 2010 and \$500,000 in fiscal year 2011  
46.4 are to be used for repair, maintenance,  
46.5 rehabilitation, and betterment activities at  
46.6 facilities statewide.

46.7 **Hastings Veterans Home.** \$220,000 each  
46.8 year is for increases in the mental health  
46.9 program at the Hastings Veterans Home.

46.10 ~~**Food.** \$92,000 in fiscal year 2010 and~~  
46.11 ~~\$189,000 in fiscal year 2011 are for increases~~  
46.12 ~~in food costs at the Minnesota veterans~~  
46.13 ~~homes.~~

46.14 ~~**Pharmaceuticals.** \$287,000 in fiscal year~~  
46.15 ~~2010 and \$617,000 in fiscal year 2011 are for~~  
46.16 ~~increases in pharmaceutical costs.~~

46.17 ~~**Fuel and Utilities.** \$277,000 in fiscal year~~  
46.18 ~~2010 and \$593,000 in fiscal year 2011 are~~  
46.19 ~~for increases in fuel and utility costs at the~~  
46.20 ~~Minnesota veterans homes.~~

46.21 **Medicare Part D.** \$141,000 in fiscal year  
46.22 2010 and \$141,000 in fiscal year 2011 are  
46.23 for implementation of Minnesota Statutes,  
46.24 section 198.003, subdivision 7.

46.25 **ARTICLE 7**

46.26 **ECONOMIC DEVELOPMENT**

46.27 Section 1. **SUMMARY OF APPROPRIATIONS.**

46.28 The amounts shown in this section summarize direct appropriations, by fund, made  
46.29 in this article.

		<u>2010</u>		<u>2011</u>		<u>Total</u>
46.30						
46.31	<u>General</u>	\$	<u>(2,531,000)</u>	\$	<u>(4,589,000)</u>	\$ <u>(7,120,000)</u>

46.32 Sec. 2. **APPROPRIATIONS.**



48.1	<b><u>Subd. 3. Workforce Development</u></b>	<u>(384,000)</u>	<u>(910,000)</u>
48.2	<u>(a) \$250,000 in 2010 and \$250,000 in</u>		
48.3	<u>2011 are from the appropriation for the</u>		
48.4	<u>Minnesota job skills partnership program</u>		
48.5	<u>under Minnesota Statutes, sections 116L.01</u>		
48.6	<u>to 116L.17.</u>		
48.7	<u>(b) \$119,000 in 2011 is from the appropriation</u>		
48.8	<u>for State Services for the Blind activities.</u>		
48.9	<u>(c) \$71,000 in 2010 and \$119,000 in 2011 are</u>		
48.10	<u>from the appropriation for grants to Centers</u>		
48.11	<u>for Independent Living.</u>		
48.12	<u>(d) \$22,000 in 2010 and \$375,000 in 2011</u>		
48.13	<u>are from the appropriation for extended</u>		
48.14	<u>employment services under Minnesota</u>		
48.15	<u>Statutes, section 268A.15. Notwithstanding</u>		
48.16	<u>Minnesota Rules, parts 3300.2030 to</u>		
48.17	<u>3300.2055, the commissioner may adjust</u>		
48.18	<u>contracts with eligible extended employment</u>		
48.19	<u>providers in order to achieve required</u>		
48.20	<u>reductions through June 30, 2011. The</u>		
48.21	<u>general fund base for extended employment</u>		
48.22	<u>services is \$5,405,000 in fiscal year 2012 and</u>		
48.23	<u>\$5,405,000 in fiscal year 2013.</u>		
48.24	<u>(e) \$41,000 in 2010 and \$47,000 in 2011 are</u>		
48.25	<u>from the appropriation for grants to programs</u>		
48.26	<u>that provide employment support services to</u>		
48.27	<u>persons with mental illness under Minnesota</u>		
48.28	<u>Statutes, sections 268A.13 and 268A.14.</u>		
48.29	<b><u>Subd. 4. State-Funded Administration</u></b>	<u>(35,000)</u>	<u>(90,000)</u>
48.30	<b><u>Subd. 5. Carryforward</u></b>	<u>(1,000,000)</u>	<u>-0-</u>
48.31	<u>The carryforward reduction is for the job</u>		
48.32	<u>skills partnership program.</u>		
48.33	<b><u>Subd. 6. Transfers and Cancellations</u></b>		

49.1 (a) \$2,500,000 in 2010 and \$2,500,000 in  
 49.2 2011 are transferred from the petroleum  
 49.3 tank release cleanup fund under Minnesota  
 49.4 Statutes, section 115C.08, to the general  
 49.5 fund.

49.6 (b) \$80,000 in 2010 is transferred from the  
 49.7 unemployment insurance state administration  
 49.8 account in the special revenue fund under  
 49.9 Minnesota Statutes, section 268.196,  
 49.10 subdivision 1, to the general fund.

49.11 (c) \$160,000 in 2010 is transferred from  
 49.12 the capital access program account in the  
 49.13 special revenue fund under Minnesota  
 49.14 Statutes, section 116J.876, subdivision 4, to  
 49.15 the general fund.

49.16 (d) The remaining balance from the Laws  
 49.17 2007, chapter 135, article 1, section 3,  
 49.18 appropriation for a grant to Le Sueur County  
 49.19 is canceled.

49.20 **Sec. 4. DEPARTMENT OF LABOR AND**  
 49.21 **INDUSTRY; TRANSFERS**

**\$**                      **-0-** **\$**                      **-0-**

49.22 By June 30, 2010, the commissioner of  
 49.23 management and budget shall transfer  
 49.24 \$1,425,000 from the assigned risk safety  
 49.25 account in the worker's compensation fund to  
 49.26 the general fund.

49.27 **Sec. 5. BUREAU OF MEDIATION**  
 49.28 **SERVICES**

**\$**                      **(50,000)** **\$**                      **(83,000)**

49.29 **Sec. 6. ACCOUNTANCY BOARD**

**\$**                      **(15,000)** **\$**                      **(25,000)**

49.30 **Sec. 7. BOARD OF ARCHITECTURE,**  
 49.31 **ENGINEERING, SURVEYING, AND**  
 49.32 **LANDSCAPING**

**\$**                      **(24,000)** **\$**                      **(41,000)**

50.1	Sec. 8. <b><u>BOARD OF COSMETOLOGIST</u></b>			
50.2	<b><u>EXAMINERS</u></b>	\$	<u>-0-</u>	\$ <u>395,000</u>
50.3	Sec. 9. <b><u>BOARD OF BARBER EXAMINERS</u></b>	\$	<u>-0-</u>	\$ <u>69,000</u>
50.4	Sec. 10. <b><u>COMBATIVE SPORTS</u></b>			
50.5	<b><u>COMMISSION</u></b>	\$	<u>-0-</u>	\$ <u>-0-</u>
50.6	Sec. 11. <b><u>HOUSING FINANCE AGENCY</u></b>			
50.7	Subdivision 1. <b><u>Total Appropriation</u></b>	\$	<u>(2,061,000)</u>	\$ <u>(2,156,000)</u>
50.8	<u>The amounts that may be spent or must be</u>			
50.9	<u>reduced for each purpose are specified in the</u>			
50.10	<u>following subdivisions.</u>			
50.11	Subd. 2. <b><u>Affordable Rental Investment Fund</u></b>		<u>(2,061,000)</u>	<u>(1,156,000)</u>
50.12	<u>These reductions are from the appropriation</u>			
50.13	<u>for the affordable rental investment fund</u>			
50.14	<u>program under Minnesota Statutes, section</u>			
50.15	<u>462A.21, subdivision 8b.</u>			
50.16	<u>In fiscal year 2010, the Housing Finance</u>			
50.17	<u>Agency shall transfer \$2,061,000 from the</u>			
50.18	<u>affordable rental investment fund program in</u>			
50.19	<u>the housing development fund, to the general</u>			
50.20	<u>fund.</u>			
50.21	<u>The base appropriation for the affordable</u>			
50.22	<u>rental investment fund program for fiscal</u>			
50.23	<u>years 2012 and 2013 is \$7,546,000 for each</u>			
50.24	<u>year.</u>			
50.25	Subd. 3. <b><u>Housing Rehabilitation</u></b>		<u>-0-</u>	<u>(1,000,000)</u>
50.26	<u>This reduction is from the appropriation</u>			
50.27	<u>for the housing rehabilitation program</u>			
50.28	<u>under Minnesota Statutes, section 462A.05,</u>			
50.29	<u>subdivision 14, for rental housing</u>			
50.30	<u>developments.</u>			

51.1 The base appropriation for the housing  
 51.2 rehabilitation program for fiscal years 2012  
 51.3 and 2013 is \$3,287,000 for each year.

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

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

51.6 (a) \$251,000 in 2010 and \$300,000 in  
 51.7 2011 are reductions to Explore Minnesota  
 51.8 Tourism. Of the reduction in 2010, \$13,000  
 51.9 is a reduction in the carryforward from fiscal  
 51.10 year 2009.

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

51.13 Sec. 14. **MINNESOTA HISTORICAL**  
 51.14 **SOCIETY** \$ (210,000) \$ (490,000)

51.15 **(a) Education and Outreach**

51.16 \$120,000 in 2010 and \$280,000 in 2011 are  
 51.17 reductions to education and outreach.

51.18 **(b) Preservation and Access**

51.19 \$90,000 in 2010 and \$210,000 in 2011 are  
 51.20 reductions to the preservation and access  
 51.21 program.

51.22 Sec. 15. **BOARD OF THE ARTS** \$ (259,000) \$ (284,000)

51.23 **(a) Operations and Services**

51.24 \$20,000 in 2010 and \$21,000 in 2011 are  
 51.25 reductions to operations and services.

51.26 **(b) Grants Program**

51.27 \$165,000 in 2010 and \$182,000 in 2011 are  
 51.28 reductions to the grants program.

51.29 **(c) Regional Arts Council**

52.1 \$74,000 in 2010 and \$81,000 in 2011 are  
 52.2 reductions to the Regional Arts Council.

52.3 **Sec. 16. MINNESOTA HUMANITIES**  
 52.4 **CENTER**

**\$                      -0- \$                      -0-**

52.5 **Sec. 17. PUBLIC BROADCASTING**

**\$                      (66,000) \$                      (83,000)**

52.6 (a) \$38,000 in 2010 and \$48,000 in 2011  
 52.7 are reductions to matching grants for public  
 52.8 television.

52.9 (b) \$7,000 in 2010 and \$10,000 in 2011 are  
 52.10 reductions to public television equipment  
 52.11 grants.

52.12 (c) \$1,000 in 2010 and \$1,000 in 2011 are  
 52.13 reductions to the grant to the Twin Cities  
 52.14 regional cable channel.

52.15 (d) \$9,000 in 2010 and \$9,000 in 2011 are  
 52.16 reductions to the community service grants  
 52.17 to public educational radio stations.

52.18 (e) \$3,000 in 2010 and \$3,000 in 2011 are  
 52.19 reductions to the equipment grants to public  
 52.20 educational radio stations.

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

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

52.25 **Subd. 2. Business and Community**  
 52.26 **Development**

**8,980,000                      8,980,000**

52.27                      **Appropriations by Fund**

52.28	General	7,941,000	7,941,000
52.29	Remediation	700,000	700,000
52.30	Workforce		
52.31	Development	339,000	339,000

53.1 (a) \$700,000 the first year and \$700,000 the  
53.2 second year are from the remediation fund for  
53.3 contaminated site cleanup and development  
53.4 grants under Minnesota Statutes, section  
53.5 116J.554. This appropriation is available  
53.6 until expended.

53.7 (b) \$200,000 each year is from the general  
53.8 fund for a grant to WomenVenture for  
53.9 women's business development programs  
53.10 and for programs that encourage and assist  
53.11 women to enter nontraditional careers in the  
53.12 trades; manual and technical occupations;  
53.13 science, technology, engineering, and  
53.14 mathematics-related occupations; and green  
53.15 jobs. This appropriation may be matched  
53.16 dollar for dollar with any resources available  
53.17 from the federal government for these  
53.18 purposes with priority given to initiatives  
53.19 that have a goal of increasing by at least ten  
53.20 percent the number of women in occupations  
53.21 where women currently comprise less than 25  
53.22 percent of the workforce. The appropriation  
53.23 is available until expended.

53.24 (c) \$105,000 each year is from the general  
53.25 fund and \$50,000 each year is from the  
53.26 workforce development fund for a grant to  
53.27 the Metropolitan Economic Development  
53.28 Association for continuing minority business  
53.29 development programs in the metropolitan  
53.30 area. This appropriation must be used for the  
53.31 sole purpose of providing free or reduced  
53.32 fee business consulting services to minority  
53.33 entrepreneurs and contractors.

53.34 (d)(1) \$500,000 each year is from the  
53.35 general fund for a grant to BioBusiness

54.1 Alliance of Minnesota for bioscience  
54.2 business development programs to promote  
54.3 and position the state as a global leader  
54.4 in bioscience business activities. This  
54.5 appropriation is added to the department's  
54.6 base. These funds may be used to create,  
54.7 recruit, retain, and expand biobusiness  
54.8 activity in Minnesota; implement the  
54.9 destination 2025 statewide plan; update  
54.10 a statewide assessment of the bioscience  
54.11 industry and the competitive position of  
54.12 Minnesota-based bioscience businesses  
54.13 relative to other states and other nations;  
54.14 and develop and implement business and  
54.15 scenario-planning models to create, recruit,  
54.16 retain, and expand biobusiness activity in  
54.17 Minnesota.

54.18 (2) The BioBusiness Alliance must report  
54.19 each year by February 15 to the committees  
54.20 of the house of representatives and the senate  
54.21 having jurisdiction over bioscience industry  
54.22 activity in Minnesota on the use of funds;  
54.23 the number of bioscience businesses and  
54.24 jobs created, recruited, retained, or expanded  
54.25 in the state since the last reporting period;  
54.26 the competitive position of the biobusiness  
54.27 industry; and utilization rates and results of  
54.28 the business and scenario-planning models  
54.29 and outcomes resulting from utilization of  
54.30 the business and scenario-planning models.

54.31 (e)(1) Of the money available in the  
54.32 Minnesota Investment Fund, Minnesota  
54.33 Statutes, section 116J.8731, to the  
54.34 commissioner of the Department of  
54.35 Employment and Economic Development,  
54.36 up to \$3,000,000 is appropriated in fiscal year

55.1 2010 for a loan to an aircraft manufacturing  
55.2 and assembly company, associated with the  
55.3 aerospace industry, for equipment utilized  
55.4 to establish an aircraft completion center  
55.5 at the Minneapolis-St. Paul International  
55.6 Airport. The finishing center must use the  
55.7 state's vocational training programs designed  
55.8 specifically for aircraft maintenance training,  
55.9 and to the extent possible, work to recruit  
55.10 employees from these programs. The center  
55.11 must create at least 200 new manufacturing  
55.12 jobs within 24 months of receiving the  
55.13 loan, and create not less than 500 new  
55.14 manufacturing jobs over a five-year period  
55.15 in Minnesota.

55.16 (2) This loan is not subject to loan limitations  
55.17 under Minnesota Statutes, section 116J.8731,  
55.18 subdivision 5. Any match requirements  
55.19 under Minnesota Statutes, section 116J.8731,  
55.20 subdivision 3, may be made from current  
55.21 resources. This is a onetime appropriation  
55.22 and is effective the day following final  
55.23 enactment.

55.24 (f) \$65,000 each year is from the general  
55.25 fund for a grant to the Minnesota Inventors  
55.26 Congress, of which at least \$6,500 must be  
55.27 used for youth inventors.

55.28 (g) \$200,000 the first year and \$200,000 the  
55.29 second year are for the Office of Science and  
55.30 Technology. This is a onetime appropriation.

55.31 (h) \$500,000 the first year and \$500,000 the  
55.32 second year are for a grant to Enterprise  
55.33 Minnesota, Inc., for the small business  
55.34 growth acceleration program under  
55.35 Minnesota Statutes, section 116O.115. This

56.1 is a onetime appropriation and is available  
56.2 until expended.

56.3 (i)(1) \$100,000 each year is from the  
56.4 workforce development fund for a grant  
56.5 under Minnesota Statutes, section 116J.421,  
56.6 to the Rural Policy and Development  
56.7 Center at St. Peter, Minnesota. The grant  
56.8 shall be used for research and policy  
56.9 analysis on emerging economic and social  
56.10 issues in rural Minnesota, to serve as a  
56.11 policy resource center for rural Minnesota  
56.12 communities, to encourage collaboration  
56.13 across higher education institutions, to  
56.14 provide interdisciplinary team approaches  
56.15 to research and problem-solving in rural  
56.16 communities, and to administer overall  
56.17 operations of the center.

56.18 (2) The grant shall be provided upon the  
56.19 condition that each state-appropriated  
56.20 dollar be matched with a nonstate dollar.  
56.21 Acceptable matching funds are nonstate  
56.22 contributions that the center has received and  
56.23 have not been used to match previous state  
56.24 grants. Any funds not spent the first year are  
56.25 available the second year.

56.26 (j) Notwithstanding Minnesota Statutes,  
56.27 section 268.18, subdivision 2, \$414,000 of  
56.28 funds collected for unemployment insurance  
56.29 administration under this subdivision is  
56.30 appropriated as follows: \$250,000 to Lake  
56.31 County for ice storm damage; \$64,000 is for  
56.32 the city of Green Isle for reimbursement of  
56.33 fire relief efforts and other expenses incurred  
56.34 as a result of the fire in the city of Green Isle;  
56.35 and \$100,000 is to develop the construction

57.1 mitigation pilot program to make grants for  
57.2 up to five projects statewide available to local  
57.3 government units to mitigate the impacts of  
57.4 transportation construction on local small  
57.5 business. These are onetime appropriations  
57.6 and are available until expended.

57.7 (k) Up to \$10,000,000 is appropriated from  
57.8 the Minnesota minerals 21st century fund to  
57.9 the commissioner of Iron Range resources  
57.10 and rehabilitation to make ~~a grant~~ grants  
57.11 or forgivable ~~loan~~ loans to ~~a manufacturer~~  
57.12 manufacturers of windmill blades, other  
57.13 renewable energy manufacturing, or biomass  
57.14 products at ~~a facility~~ facilities to be located  
57.15 within the taconite tax relief area defined  
57.16 in Minnesota Statutes, section 273.134. No  
57.17 match is required for the renewable energy  
57.18 manufacturing or biomass projects.

57.19 (l) \$1,000,000 is appropriated from the  
57.20 Minnesota minerals 21st century fund to  
57.21 the Board of Trustees of the Minnesota  
57.22 State Colleges and Universities for a grant  
57.23 to the Northeast Higher Education District  
57.24 for planning, design, and construction of  
57.25 classrooms and housing facilities for upper  
57.26 division students in the engineering program.

57.27 (m)(1) \$189,000 each year is appropriated  
57.28 from the workforce development fund for  
57.29 grants of \$63,000 to eligible organizations  
57.30 each year to assist in the development of  
57.31 entrepreneurs and small businesses. Each  
57.32 state grant dollar must be matched with \$1  
57.33 of nonstate funds. Any balance in the first  
57.34 year does not cancel but is available in the  
57.35 second year.

58.1 (2) Three grants must be awarded to  
58.2 continue or to develop a program. One  
58.3 grant must be awarded to the Riverbend  
58.4 Center for Entrepreneurial Facilitation  
58.5 in Blue Earth County, and two to other  
58.6 organizations serving Faribault and Martin  
58.7 Counties. Grant recipients must report to the  
58.8 commissioner by February 1 of each year  
58.9 that the organization receives a grant with the  
58.10 number of customers served; the number of  
58.11 businesses started, stabilized, or expanded;  
58.12 the number of jobs created and retained; and  
58.13 business success rates. The commissioner  
58.14 must report to the house of representatives  
58.15 and senate committees with jurisdiction  
58.16 over economic development finance on the  
58.17 effectiveness of these programs for assisting  
58.18 in the development of entrepreneurs and  
58.19 small businesses.

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

58.21 Sec. 19. **ADJUSTMENT.**

58.22 The amounts appropriated in Laws 2009, chapter 78, article 1, section 3,  
58.23 subdivision 3, paragraph (aa), for adult and displaced worker programs, are available  
58.24 for the appropriated purposes until April 1, 2010, and after that date are also available  
58.25 for the purposes of serving formula individual dislocated workers from small layoffs  
58.26 under Minnesota Statutes, section 116L.17. None of these amounts may be used  
58.27 for administrative costs by either the commissioner of employment and economic  
58.28 development or the local workforce investment boards.

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

58.30 Sec. 20. **APPROPRIATIONS MADE ONLY ONCE.**

58.31 If the appropriations made in this article are enacted more than once in the 2010  
58.32 regular session, these appropriations must be given effect only once.

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

59.1 **ARTICLE 8**

59.2 **MISCELLANEOUS ECONOMIC DEVELOPMENT**

59.3 Section 1. Minnesota Statutes 2009 Supplement, section 115C.08, subdivision 4, is  
59.4 amended to read:

59.5 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

59.6 (1) to administer the petroleum tank release cleanup program established in this  
59.7 chapter;

59.8 (2) for agency administrative costs under sections 116.46 to 116.50, sections  
59.9 115C.03 to 115C.06, and costs of corrective action taken by the agency under section  
59.10 115C.03, including investigations;

59.11 (3) for costs of recovering expenses of corrective actions under section 115C.04;

59.12 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

59.13 (5) for agency administrative costs of enforcing rules governing the construction,  
59.14 installation, operation, and closure of aboveground and underground petroleum storage  
59.15 tanks;

59.16 (6) for reimbursement of the environmental response, compensation, and compliance  
59.17 account under subdivision 5 and section 115B.26, subdivision 4;

59.18 (7) for administrative and staff costs as set by the board to administer the petroleum  
59.19 tank release program established in this chapter;

59.20 (8) for corrective action performance audits under section 115C.093;

59.21 (9) for contamination cleanup grants, as provided in paragraph (c); and

59.22 (10) to assess and remove abandoned underground storage tanks under section  
59.23 115C.094 and, if a release is discovered, to pay for the specific consultant and contractor  
59.24 services costs necessary to complete the tank removal project, including, but not limited  
59.25 to, excavation soil sampling, groundwater sampling, soil disposal, and completion of an  
59.26 excavation report.

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

59.29 (c) In fiscal years 2010 and 2011, \$3,700,000 is annually appropriated from the fund  
59.30 to the commissioner of employment and economic development for contamination cleanup  
59.31 grants under section 116J.554. Beginning in fiscal year 2012 and each year thereafter,  
59.32 \$6,200,000 is annually appropriated from the fund to the commissioner of employment  
59.33 and economic development for contamination cleanup grants under section 116J.554. Of  
59.34 this amount, the commissioner may spend up to \$225,000 annually for administration  
59.35 of the contamination cleanup grant program. The appropriation does not cancel and is  
59.36 available until expended. The appropriation shall not be withdrawn from the fund nor the

60.1 fund balance reduced until the funds are requested by the commissioner of employment  
60.2 and economic development. The commissioner shall schedule requests for withdrawals  
60.3 from the fund to minimize the necessity to impose the fee authorized by subdivision 2.  
60.4 Unless otherwise provided, the appropriation in this paragraph may be used for:

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

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

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

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

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

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

60.28 (c) Following the initial allocation, the board may consider additional allocations  
60.29 to provide services to individual dislocated workers. The board's decision to allocate  
60.30 additional funds shall be based on relevant economic indicators including: the number  
60.31 of substantial layoffs to date, notices of substantial layoffs for the remainder of the fiscal  
60.32 year, evidence of declining industries, the number of permanently separated individuals  
60.33 applying for unemployment benefits by workforce service area, and the number of  
60.34 individuals exhausting unemployment benefits by workforce service area. The board must  
60.35 also consider expenditures of allocations to workforce service areas under paragraph (b)

61.1 made during the first two quarters of the fiscal year and federal resources that have been  
61.2 or are likely to be allocated to Minnesota for the purposes of serving dislocated workers  
61.3 affected by substantial layoffs or plant closings; except that this sentence does not apply  
61.4 in fiscal year 2011.

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

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

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

61.9 **154.002 OFFICERS; COMPENSATION; FEES; EXPENSES.**

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

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

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

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

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

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

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

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

61.29 **154.003 FEES.**

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

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

- 62.1 (1) examination and certificate, registered barber, ~~\$65~~ \$85;
- 62.2 (2) examination and certificate, apprentice, ~~\$60~~ \$80;
- 62.3 (3) examination, instructor, ~~\$160~~ \$180;
- 62.4 (4) certificate, instructor, ~~\$45~~ \$65;
- 62.5 (5) temporary teacher or apprentice permit, ~~\$60~~ \$80;
- 62.6 (6) renewal of license, registered barber, ~~\$60~~ \$80;
- 62.7 (7) renewal of license, apprentice, ~~\$50~~ \$70;
- 62.8 (8) renewal of license, instructor, ~~\$60~~ \$80;
- 62.9 (9) renewal of temporary teacher permit, ~~\$45~~ \$65;
- 62.10 (10) student permit, ~~\$25~~ \$45;
- 62.11 (11) initial shop registration, ~~\$65~~ \$85;
- 62.12 (12) initial school registration, ~~\$1,010~~ \$1,030;
- 62.13 (13) renewal shop registration, ~~\$65~~ \$85;
- 62.14 (14) renewal school registration, ~~\$260~~ \$280;
- 62.15 (15) restoration of registered barber license, ~~\$75~~ \$95;
- 62.16 (16) restoration of apprentice license, ~~\$70~~ \$90;
- 62.17 (17) restoration of shop registration, ~~\$85~~ \$105;
- 62.18 (18) change of ownership or location, ~~\$35~~ \$55;
- 62.19 (19) duplicate license, ~~\$20~~ \$40; and
- 62.20 (20) home study course, ~~\$75~~; and \$95.
- 62.21 ~~(21) registration of hair braiders, \$20 per year.~~

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

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

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

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

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

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

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

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

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

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

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

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

63.16 **155A.25 COSMETOLOGY FEES; LICENSE EXPIRATION DATE.**

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

63.19 (a) Three-year license fees:

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

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

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

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

63.25 (b) Penalties:

63.26 (1) reinspection fee, variable;

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

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

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

63.31 (c) Administrative fees:

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

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

- 64.1 (3) name change, \$20;
- 64.2 (4) letter of license verification, \$30;
- 64.3 (5) duplicate license, \$20;
- 64.4 (6) processing fee, \$10; ~~and~~
- 64.5 (7) special event permit, \$75 per year; and
- 64.6 (8) registration of hair braiders, \$20 per year.

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

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

64.12 (a) Three-year license fees:

64.13 (1) cosmetologist, manicurist, or esthetician:

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

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

64.18 (2) instructor or manager:

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

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

64.23 (3) salon:

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

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

64.28 (4) school:

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

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

64.33 (b) Penalties:

64.34 (1) reinspection fee, variable;

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

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

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

65.4 (c) Administrative fees:

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

65.6 (2) name change, \$20;

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

65.8 (4) duplicate license, \$20;

65.9 (5) processing fee, \$10;

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

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

65.12 Subd. 1b. **Fees disposition; appropriation.** (a) All fees established in subdivisions  
65.13 1 and 1a must be paid to the executive secretary of the board.

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

65.16 Subd. 2. **Refunds.** Refunds shall be given in the following situations: overpayment;  
65.17 death or permanent disability before the effective date of a license; or an individual's  
65.18 ineligibility for licensure. Applicants determined ineligible to receive a license will be  
65.19 refunded the license fee minus any processing fee and minus any application fee this  
65.20 section requires.

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

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

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

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

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

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

66.2 Subdivision 1. **Computation.** To defray the costs of administering sections  
66.3 326B.101 to 326B.194, a surcharge is imposed on all permits issued by municipalities in  
66.4 connection with the construction of or addition or alteration to buildings and equipment or  
66.5 appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge  
66.6 receipts to award grants for code research and development and education.

66.7 If the fee for the permit issued is fixed in amount the surcharge is equivalent to  
66.8 one-half mill (.0005) of the fee or 50 cents, except that effective July 1, 2010, until June  
66.9 30, 2011, the permit surcharge is equivalent to one-half mill (.0005) of the fee or \$5,  
66.10 whichever amount is greater. For all other permits, the surcharge is as follows:

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

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

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

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

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

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

66.24 Sec. 11. **RULEMAKING.**

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

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

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

67.2 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

67.3 (a) The film production jobs program is created. The program shall be operated  
67.4 by the Minnesota Film and TV Board with administrative oversight and control by the  
67.5 director of Explore Minnesota Tourism. The program shall make payment to producers  
67.6 of feature films, national television or Internet programs, documentaries, music videos,  
67.7 and commercials that directly create new film jobs in Minnesota. To be eligible for a  
67.8 payment, a producer must submit documentation to the Minnesota Film and TV Board of  
67.9 expenditures for production costs incurred in Minnesota that are directly attributable to the  
67.10 production in Minnesota of a film product.

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

67.17 (b) For the purposes of this section:

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

67.19 (i) a story and scenario to be used for a film;

67.20 (ii) salaries of talent, management, and labor, including payments to personal  
67.21 services corporations for the services of a performing artist;

67.22 (iii) set construction and operations, wardrobe, accessories, and related services;

67.23 (iv) photography, sound synchronization, lighting, and related services;

67.24 (v) editing and related services;

67.25 (vi) rental of facilities and equipment; or

67.26 (vii) other direct costs of producing the film in accordance with generally accepted  
67.27 entertainment industry practice; and

67.28 (2) "film" means a feature film, television or Internet show, documentary, music  
67.29 video, or television commercial, whether on film, video, or digital media. Film does not  
67.30 include news, current events, public programming, or a program that includes weather  
67.31 or market reports; a talk show; a production with respect to a questionnaire or contest; a  
67.32 sports event or sports activity; a gala presentation or awards show; a finished production  
67.33 that solicits funds; or a production for which the production company is required under  
67.34 United States Code, title 18, section 2257, to maintain records with respect to a performer  
67.35 portrayed in a single-media or multimedia program.

68.1 (c) Notwithstanding any other law to the contrary, the Minnesota Film and TV  
68.2 Board may make reimbursements of: (1) up to 20 percent of film production costs for  
68.3 films that locate production outside the metropolitan area, as defined in section 473.121,  
68.4 subdivision 2, or that incur production costs in excess of \$5,000,000 in Minnesota the  
68.5 metropolitan area within a 12-month period; or (2) up to 15 percent of film production  
68.6 costs for films that incur production costs of \$5,000,000 or less in the metropolitan area  
68.7 within a 12-month period.

68.8 **ARTICLE 9**

68.9 **MINERALS**

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

68.11 **298.294 INVESTMENT OF FUND.**

68.12 (a) The trust fund established by section 298.292 shall be invested pursuant to law  
68.13 by the State Board of Investment and the net interest, dividends, and other earnings arising  
68.14 from the investments shall be transferred, except as provided in paragraph (b), on the first  
68.15 day of each month to the trust and shall be included and become part of the trust fund.  
68.16 The amounts transferred, including the interest, dividends, and other earnings earned  
68.17 prior to July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year  
68.18 1983, which is appropriated April 21, 1983, are appropriated from the trust fund to the  
68.19 commissioner of Iron Range resources and rehabilitation for deposit in a separate account  
68.20 for expenditure for the purposes set forth in section 298.292. Amounts appropriated  
68.21 pursuant to this section shall not cancel but shall remain available unless expended.

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

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

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

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

69.2 Sec. 2. **IRON RANGE RESOURCES AND REHABILITATION; EARLY**  
69.3 **SEPARATION INCENTIVE PROGRAM AUTHORIZATION.**

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

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

69.10 (1) employer-paid postseparation health, medical, and dental insurance until age  
69.11 65; and

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

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

69.17 (d) The commissioner of Iron Range resources and rehabilitation, consistent with the  
69.18 established program provisions under paragraph (b), and with the eligibility requirements  
69.19 under paragraph (c), may designate specific programs or employees as eligible to be  
69.20 offered the incentive program.

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

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

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

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

69.29 Sec. 3. **2010 DISTRIBUTIONS ONLY.**

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

69.33 (1) 0.764 cent per ton must be paid to Northern Minnesota Dental to provide  
69.34 incentives for at least two dentists to establish dental practices in high-need areas of the  
69.35 taconite tax relief area;

- 70.1           (2) 0.955 cent per ton must be paid to the city of Virginia for repairs and geothermal  
70.2 heat at the Olcott Park Greenhouse/Virginia Commons project;
- 70.3           (3) 0.796 cent per ton must be paid to the city of Virginia for health and safety  
70.4 repairs at the Miners Memorial;
- 70.5           (4) 1.114 cents per ton must be paid to the city of Eveleth for the reconstruction  
70.6 of Highway 142/Grant and Park Avenues;
- 70.7           (5) 0.478 cent per ton must be paid to the Greenway Joint Recreation Board for  
70.8 upgrades and capital improvements to the public arena in Coleraine;
- 70.9           (6) 0.796 cent per ton must be paid to the city of Calumet for water treatment and  
70.10 pumphouse modifications;
- 70.11           (7) 0.159 cent per ton must be paid to the city of Bovey for residential and  
70.12 commercial claims for water damage due to water and flood-related damage caused by  
70.13 the Canisteo Pit;
- 70.14           (8) 0.637 cent per ton must be paid to the city of Nashwauk for a community and  
70.15 child care center;
- 70.16           (9) 0.637 cent per ton must be paid to the city of Keewatin for water and sewer  
70.17 upgrades;
- 70.18           (10) 0.637 cent per ton must be paid to the city of Marble for the city hall and  
70.19 library project;
- 70.20           (11) 0.955 cent per ton must be paid to the city of Grand Rapids for extension of  
70.21 water and sewer services for Lakewood Housing;
- 70.22           (12) 0.159 cent per ton must be paid to the city of Grand Rapids for exhibits at  
70.23 the Children's Museum;
- 70.24           (13) 0.637 cent per ton must be paid to the city of Grand Rapids for Block 20/21 soil  
70.25 corrections. This amount must be matched by local sources;
- 70.26           (14) 0.605 cent per ton must be paid to the city of Aitkin for three water loops;
- 70.27           (15) 0.048 cent per ton must be paid to the city of Aitkin for signage;
- 70.28           (16) 0.159 cent per ton must be paid to Aitkin County for a trail;
- 70.29           (17) 0.637 cent per ton must be paid to the city of Cohasset for the Beiers Road  
70.30 railroad crossing;
- 70.31           (18) 0.088 cent per ton must be paid to the town of Clinton for expansion and  
70.32 striping of the community center parking lot;
- 70.33           (19) 0.398 cent per ton must be paid to the city of Kinney for water line replacement;
- 70.34           (20) 0.796 cent per ton must be paid to the city of Gilbert for infrastructure  
70.35 improvements, milling, and overlay for Summit Street between Alaska Avenue and  
70.36 Highway 135;

- 71.1           (21) 0.318 cent per ton must be paid to the city of Gilbert for sanitary sewer main  
71.2 replacements and improvements in the Northeast Lower Alley area;
- 71.3           (22) 0.637 cent per ton must be paid to the town of White for replacement of the  
71.4 Stepetz Road culvert;
- 71.5           (23) 0.796 cent per ton must be paid to the city of Buhl for reconstruction of Sharon  
71.6 Street and associated infrastructure;
- 71.7           (24) 0.796 cent per ton must be paid to the city of Mountain Iron for site  
71.8 improvements at the Park Ridge development;
- 71.9           (25) 0.796 cent per ton must be paid to the city of Mountain Iron for infrastructure  
71.10 and site preparation for its renewable and sustainable energy park;
- 71.11           (26) 0.637 cent per ton must be paid to the city of Biwabik for sanitary sewer  
71.12 improvements;
- 71.13           (27) 0.796 cent per ton must be paid to the city of Aurora for alley and road  
71.14 rebuilding for the Summit Addition;
- 71.15           (28) 0.955 cent per ton must be paid to the city of Silver Bay for bioenergy facility  
71.16 improvements;
- 71.17           (29) 0.318 cent per ton must be paid to the city of Grand Marais for water and  
71.18 sewer infrastructure improvements;
- 71.19           (30) 0.318 cent per ton must be paid to the city of Orr for airport, water, and sewer  
71.20 improvements;
- 71.21           (31) 0.716 cent per ton must be paid to the city of Cook for street and bridge  
71.22 improvements and industrial park land purchase;
- 71.23           (32) 0.955 cent per ton must be paid to the city of Ely for street, water, and sewer  
71.24 improvements;
- 71.25           (33) 0.318 cent per ton must be paid to the city of Tower for water and sewer  
71.26 improvements;
- 71.27           (34) 0.955 cent per ton must be paid to the city of Two Harbors for water and sewer  
71.28 improvements;
- 71.29           (35) 0.637 cent per ton must be paid to the city of Babbitt for water and sewer  
71.30 improvements;
- 71.31           (36) 0.096 cent per ton must be paid to the township of Duluth for infrastructure  
71.32 improvements;
- 71.33           (37) 0.096 cent per ton must be paid to the township of Tofte for infrastructure  
71.34 improvements;
- 71.35           (38) 3.184 cents per ton must be paid to the city of Hibbing for sewer improvements;

72.1 (39) 1.273 cents per ton must be paid to the city of Chisholm for NW Area Project  
 72.2 infrastructure improvements;

72.3 (40) 0.318 cent per ton must be paid to the city of Chisholm for health and safety  
 72.4 improvements at the athletic facility;

72.5 (41) 0.796 cent per ton must be paid to the city of Hoyt Lakes for residential street  
 72.6 improvements;

72.7 (42) 0.796 cent per ton must be paid to the Bois Forte Indian Reservation for  
 72.8 infrastructure related to a housing development;

72.9 (43) 0.159 cent per ton must be paid to Balkan Township for building improvements;

72.10 (44) 0.159 cent per ton must be paid to the city of Grand Rapids for a grant to  
 72.11 a nonprofit for a signage kiosk;

72.12 (45) 0.318 cent per ton must be paid to the city of Crane Lake for sanitary sewer  
 72.13 lines and adjacent development near County State-Aid Highway 24; and

72.14 (46) 0.159 cent per ton must be paid to the city of Chisholm to rehabilitate historic  
 72.15 wall infrastructure around the athletic complex.

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

72.18 **ARTICLE 10**

72.19 **TRANSPORTATION**

72.20 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

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

72.27 Sec. 2. **APPROPRIATIONS.**

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



74.1 This appropriation is for state road  
 74.2 construction, and is added to appropriations  
 74.3 under Laws 2009, chapter 36, article 1,  
 74.4 section 3, subdivision 3, paragraph (b),  
 74.5 clause (2). This additional appropriation  
 74.6 is funded by additional federal highway  
 74.7 aid of \$112,000,000 above that specified in  
 74.8 Laws 2009, chapter 36, article 1, section 3,  
 74.9 subdivision 3, paragraph (b), clause (2). This  
 74.10 is a onetime appropriation.

74.11 **(b) Federal Emergency Relief Account** -0- 5,000,000

74.12 This appropriation is for deposit in the  
 74.13 trunk highway emergency relief account,  
 74.14 as defined in Minnesota Statutes, section  
 74.15 161.04, subdivision 5, for the purposes of  
 74.16 that account. This is a onetime appropriation.

74.17 **Sec. 4. METROPOLITAN COUNCIL** \$ -0- \$ **(12,915,000)**

74.18 This reduction is from the appropriation from  
 74.19 the general fund for bus system operations  
 74.20 in Laws 2009, chapter 36, article 1, section  
 74.21 4, subdivision 2.

74.22 The base appropriation from the general fund  
 74.23 for fiscal years 2012 and 2013 is \$61,302,000  
 74.24 for each year.

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

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

74.31 (b) Reimbursements by the Federal Highway Administration for emergency relief  
 74.32 payments made from the trunk highway emergency relief account must be credited to the  
 74.33 account. Interest accrued on the account must be credited to the account. Notwithstanding

75.1 section 16A.28, money in the account is available until spent. If the balance of the account  
 75.2 at the end of a fiscal year is greater than \$10,000,000, the amount above \$10,000,000  
 75.3 must be canceled to the trunk highway fund.

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

75.10 **Sec. 6. REPEALER.**

75.11 Minnesota Statutes 2008, sections 13.721, subdivision 4; and 221.0355, subdivisions  
 75.12 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, and 18, are repealed.

75.13 **ARTICLE 11**

75.14 **PUBLIC SAFETY**

75.15 **Section 1. SUMMARY OF APPROPRIATIONS.**

75.16 The amounts shown in this section summarize direct appropriations, by fund, made  
 75.17 in this article.

		<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
75.18						
75.19	<u>General</u>	\$ (8,043,000)	\$	(14,608,000)	\$	(22,651,000)
75.20	<u>Special Revenue</u>	\$ (8,000)	\$	2,083,000	\$	2,075,000
75.21	<b><u>Total</u></b>	<b>\$ (8,051,000)</b>	<b>\$</b>	<b>(12,525,000)</b>	<b>\$</b>	<b>(20,576,000)</b>

75.22 **Sec. 2. APPROPRIATIONS.**

75.23 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 75.24 in parentheses, subtracted from the appropriations in Laws 2009, chapter 83, article 1, to  
 75.25 the agencies and for the purposes specified in this article. The appropriations are from the  
 75.26 general fund, or another named fund, and are available for the fiscal years indicated for  
 75.27 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 75.28 to or subtraction from the appropriation listed under them is available for the fiscal year  
 75.29 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 75.30 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 75.31 day following final enactment.

75.32 **APPROPRIATIONS**  
 75.33 **Available for the Year**

	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
76.1		
76.2		
76.3	<b>Sec. 3. <u>SUPREME COURT</u></b>	
76.4	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ (479,000)</u></b>
		<b><u>\$ (972,000)</u></b>
76.5	<u>The appropriation reductions for each</u>	
76.6	<u>purpose are specified in the following</u>	
76.7	<u>subdivisions.</u>	
76.8	<b><u>Subd. 2. Supreme Court Operations</u></b>	<b><u>(339,000)</u></b>
		<b><u>(688,000)</u></b>
76.9	<b><u>Subd. 3. Civil Legal Services</u></b>	<b><u>(140,000)</u></b>
		<b><u>(284,000)</u></b>
76.10	<b>Sec. 4. <u>COURT OF APPEALS</u></b>	<b><u>\$ (107,000)</u></b>
		<b><u>\$ (217,000)</u></b>
76.11	<b>Sec. 5. <u>TRIAL COURTS</u></b>	<b><u>\$ (2,732,000)</u></b>
		<b><u>\$ (5,549,000)</u></b>
76.12	<u>Existing drug courts shall be maintained at</u>	
76.13	<u>their current levels.</u>	
76.14	<b>Sec. 6. <u>TAX COURT</u></b>	<b><u>\$ (12,000)</u></b>
		<b><u>\$ (25,000)</u></b>
76.15	<b>Sec. 7. <u>UNIFORM LAWS COMMISSION</u></b>	<b><u>\$ -0-</u></b>
		<b><u>\$ (2,000)</u></b>
76.16	<b>Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u></b>	<b><u>\$ (10,000)</u></b>
		<b><u>\$ (14,000)</u></b>
76.17	<b>Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u></b>	<b><u>\$ (591,000)</u></b>
		<b><u>\$ (1,302,000)</u></b>
76.18	<b>Sec. 10. <u>PUBLIC SAFETY</u></b>	
76.19	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ (1,038,000)</u></b>
		<b><u>\$ 1,517,000</u></b>
76.20	<u>Appropriations by Fund</u>	
76.21	<u>General</u>	<u>(1,038,000)</u>
		<u>(483,000)</u>
76.22	<u>Special Revenue</u>	<u>-0-</u>
		<u>2,000,000</u>
76.23	<u>The appropriation additions or reductions for</u>	
76.24	<u>each purpose are specified in the following</u>	
76.25	<u>subdivisions.</u>	
76.26	<b><u>Subd. 2. Emergency Management</u></b>	
76.27	<b><u>(a) State Match</u></b>	<b><u>-0-</u></b>
		<b><u>1,600,000</u></b>

77.1	<u>This onetime appropriation is to provide a</u>		
77.2	<u>match for FEMA money received for natural</u>		
77.3	<u>disaster assistance payments and is added</u>		
77.4	<u>to appropriations in Laws 2009, chapter 83,</u>		
77.5	<u>article 1, section 10, subdivision 2.</u>		
77.6	<b><u>(b) General Reduction</u></b>	<u>(29,000)</u>	<u>(57,000)</u>
77.7	<b><u>Subd. 3. Criminal Apprehension</u></b>	<u>(539,000)</u>	<u>(1,075,000)</u>
77.8	<u>The commissioner may not eliminate or leave</u>		
77.9	<u>open positions for forensic lab scientists in</u>		
77.10	<u>order to balance the department's budget.</u>		
77.11	<b><u>Subd. 4. Fire Marshal</u></b>	<u>-0-</u>	<u>2,000,000</u>
77.12	<u>This onetime appropriation is from the fire</u>		
77.13	<u>safety account in the special revenue fund</u>		
77.14	<u>and is for fire safety purposes as determined</u>		
77.15	<u>by the commissioner with the advice of the</u>		
77.16	<u>Fire Service Advisory Committee.</u>		
77.17	<u>This appropriation is available until June 30,</u>		
77.18	<u>2012.</u>		
77.19	<b><u>Subd. 5. Gambling and Alcohol Enforcement</u></b>	<u>(25,000)</u>	<u>(49,000)</u>
77.20	<b><u>Subd. 6. Office of Justice Programs</u></b>	<u>(445,000)</u>	<u>(902,000)</u>
77.21	<u>Of the fiscal year 2011 reduction in this</u>		
77.22	<u>subdivision, funding for the following</u>		
77.23	<u>programs must not be reduced by more than</u>		
77.24	<u>1.5 percent: (1) battered women's shelters</u>		
77.25	<u>and domestic violence programs; (2) general</u>		
77.26	<u>crime victim programs; (3) sexual assault</u>		
77.27	<u>victim programs; and (4) youth intervention</u>		
77.28	<u>programs. This 1.5 percent reduction is in</u>		
77.29	<u>addition to the three percent reduction in</u>		
77.30	<u>Laws 2009, chapter 83, article 1, section 10,</u>		
77.31	<u>subdivision 6.</u>		
77.32	<b><u>Sec. 11. PRIVATE DETECTIVE BOARD</u></b>	<b><u>\$ (2,000)</u></b>	<b><u>\$ (3,000)</u></b>

78.1	Sec. 12. <b><u>HUMAN RIGHTS</u></b>	<b><u>\$</u></b>	<b><u>(59,000)</u></b>	<b><u>\$</u></b>	<b><u>(103,000)</u></b>
78.2	Sec. 13. <b><u>CORRECTIONS</u></b>				
78.3	Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>(3,002,000)</u></b>	<b><u>\$</u></b>	<b><u>(5,920,000)</u></b>
78.4	<u>The appropriation reductions for each</u>				
78.5	<u>purpose are specified in the following</u>				
78.6	<u>subdivisions.</u>				
78.7	Subd. 2. <b><u>Agency-wide Reduction</u></b>		<b><u>(2,236,000)</u></b>		<b><u>(4,388,000)</u></b>
78.8	<u>This reduction may be applied agency wide.</u>				
78.9	<u>No portion of this reduction may come</u>				
78.10	<u>from the elimination of correctional officer</u>				
78.11	<u>positions, offender reentry programs, or</u>				
78.12	<u>discharge planning for mentally ill offenders.</u>				
78.13	Subd. 3. <b><u>Community Services</u></b>		<b><u>(766,000)</u></b>		<b><u>(1,532,000)</u></b>
78.14	<u>The commissioner must fund the equivalent</u>				
78.15	<u>of 25 percent of state-funded sentencing</u>				
78.16	<u>to service programs. The 25 percent</u>				
78.17	<u>must be calculated based on fiscal year</u>				
78.18	<u>2010 state-funded sentencing to service</u>				
78.19	<u>expenditures.</u>				
78.20	Subd. 4. <b><u>Transfers</u></b>				
78.21	<b><u>(a) MINNCOR. Notwithstanding Minnesota</u></b>				
78.22	<b><u>Statutes, section 241.27, the commissioner</u></b>				
78.23	<b><u>of management and budget shall transfer</u></b>				
78.24	<b><u>\$574,000 the first year and \$1,170,000 the</u></b>				
78.25	<b><u>second year from the Minnesota correctional</u></b>				
78.26	<b><u>industries revolving fund to the general fund.</u></b>				
78.27	<b><u>These are onetime transfers. These transfers</u></b>				
78.28	<b><u>are in addition to those in Laws 2009, chapter</u></b>				
78.29	<b><u>83, article 1, section 14, subdivision 2,</u></b>				
78.30	<b><u>paragraph (g).</u></b>				
78.31	<b><u>(b) Various Special Revenue Accounts.</u></b>				
78.32	<b><u>Notwithstanding any law to the contrary,</u></b>				

79.1 the commissioner of management and  
79.2 budget shall transfer \$201,000 the first year  
79.3 and \$402,000 the second year from the  
79.4 Department of Corrections' special revenue  
79.5 accounts to the general fund. These are  
79.6 onetime transfers. The commissioner of  
79.7 corrections shall adjust expenditures to stay  
79.8 within the remaining revenues.

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

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

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

79.17            (1) the cash flow account established in subdivision 1 until that account reaches  
79.18 \$350,000,000;

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

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

79.25            (4) the amount necessary to restore all or a portion of the net aid reductions under  
79.26 section 127A.441 and to reduce the property tax revenue recognition shift under section  
79.27 123B.75, subdivision 5, paragraph (b), and Laws 2003, First Special Session chapter 9,  
79.28 article 5, section 34, as amended by Laws 2003, First Special Session chapter 23, section  
79.29 20, by the same amount; ~~and~~

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

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

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

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

80.10 Sec. 16. Minnesota Statutes 2008, section 2971.06, subdivision 3, is amended to read:

80.11 Subd. 3. **Fire safety account, annual transfers, allocation.** A special account, to  
80.12 be known as the fire safety account, is created in the state treasury. The account consists  
80.13 of the proceeds under subdivisions 1 and 2. \$468,000 in fiscal year 2008, \$4,268,000  
80.14 in fiscal year 2009, \$9,268,000 in fiscal year 2010, \$5,968,000 in fiscal year 2011, and  
80.15 ~~\$2,268,000~~ \$2,368,000 in each year thereafter is transferred from the fire safety account in  
80.16 the special revenue fund to the general fund to offset the loss of revenue caused by the  
80.17 repeal of the one-half of one percent tax on fire insurance premiums.

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

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

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

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

80.28 (2) a proposed budget;

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

80.31 ~~(3)~~ (4) evidence of an ability to integrate into the proposed program the uniform  
80.32 method of data collection and program evaluation established under sections 611A.33  
80.33 and 611A.34;

81.1 ~~(4)~~ (5) evidence of an ability to represent the interests of battered women and  
 81.2 domestic abuse victims and their children to local law enforcement agencies and courts,  
 81.3 county welfare agencies, and local boards or departments of health;

81.4 ~~(5)~~ (6) evidence of an ability to do outreach to unserved and underserved populations  
 81.5 and to provide culturally and linguistically appropriate services; and

81.6 ~~(6)~~ (7) any other content the commissioner may require by rule adopted under  
 81.7 chapter 14, after considering the recommendations of the advisory council.

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

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

81.13 Subd. 5. **In-service training in police pursuits required.** The chief law  
 81.14 enforcement officer of every state and local law enforcement agency shall provide  
 81.15 in-service training in emergency vehicle operations and in the conduct of police pursuits  
 81.16 to every peace officer and part-time peace officer employed by the agency who the  
 81.17 chief law enforcement officer determines may be involved in a police pursuit given the  
 81.18 officer's responsibilities. The training shall comply with learning objectives developed  
 81.19 and approved by the board and shall consist of at least eight hours of classroom and  
 81.20 skills-based training every ~~three~~ four years.

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

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

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

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

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

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

81.30		<del>8,125,000</del>	<del>8,125,000</del>
81.31	Subd. 4. <b>Fire Marshal</b>	<u>15,025,000</u>	<u>13,725,000</u>

82.1 This appropriation is from the fire safety  
 82.2 account in the special revenue fund.  
 82.3 Of this amount, ~~\$5,857,000 each~~ \$5,757,000  
 82.4 the first year and \$7,757,000 the second year  
 82.5 ~~is~~ are for activities under Minnesota Statutes,  
 82.6 section 299F.012, and ~~\$2,268,000 each~~  
 82.7 \$9,268,000 the first year and \$5,968,000 the  
 82.8 second year ~~is~~ are for transfer to the general  
 82.9 fund under Minnesota Statutes, section  
 82.10 297I.06, subdivision 3.

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

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

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

82.15 (a) **Excess Amounts Transferred.** This  
 82.16 appropriation is from the peace officer  
 82.17 training account in the special revenue fund.  
 82.18 Any new receipts credited to that account  
 82.19 in the first year in excess of ~~\$4,012,000~~  
 82.20 \$4,004,000 must be transferred and credited  
 82.21 to the general fund. Any new receipts  
 82.22 credited to that account in the second year  
 82.23 in excess of ~~\$4,012,000~~ \$4,095,000 must be  
 82.24 transferred and credited to the general fund.

82.25 (b) **Peace Officer Training**  
 82.26 **Reimbursements.** ~~\$2,859,000 each~~  
 82.27 the first year and \$2,959,000 the second  
 82.28 year ~~is~~ are for reimbursements to local  
 82.29 governments for peace officer training  
 82.30 costs. The base budget for this activity  
 82.31 is \$2,859,000 for fiscal year 2012 and  
 82.32 \$2,859,000 for fiscal year 2013.

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

83.2 No portion of this appropriation may be  
 83.3 used for the purchase of motor vehicles  
 83.4 or out-of-state travel that is not directly  
 83.5 connected with and necessary to carry out  
 83.6 the core functions of the board.

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

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

83.9	Subd. 2. <b>Correctional Institutions</b>	334,341,000	338,199,000
83.10	Appropriations by Fund		
83.11	General	295,761,000	337,619,000
83.12	Special Revenue	580,000	580,000
83.13	Federal	38,000,000	0

83.14 \$38,000,000 the first year is from the fiscal  
 83.15 stabilization account in the federal fund. This  
 83.16 is a onetime appropriation.

83.17 The general fund base for this program shall  
 83.18 be \$326,085,000 in fiscal year 2012 and  
 83.19 \$330,430,000 in fiscal year 2013.

83.20 **(a) Treatment Alternatives; Report.** By

83.21 December 15, 2009, the commissioner  
 83.22 must submit an electronic report to the  
 83.23 chairs and ranking minority members of  
 83.24 the house of representatives and senate  
 83.25 committees with jurisdiction over public  
 83.26 safety policy and finance concerning  
 83.27 alternative chemical dependency treatment  
 83.28 opportunities. The report must identify  
 83.29 alternatives that represent best practices in  
 83.30 chemical dependency treatment of offenders.  
 83.31 The report must contain suggestions for  
 83.32 reducing the length of time between  
 83.33 offender commitment to the custody of the  
 83.34 commissioner and graduation from chemical

84.1 dependency treatment. To the extent  
84.2 possible, the report shall identify options  
84.3 that will (1) reduce the cost of treatment;  
84.4 (2) expand the number of treatment beds;  
84.5 (3) improve treatment outcomes; and (4)  
84.6 lower the rate of substance abuse relapse and  
84.7 criminal recidivism.

84.8 **(b) Challenge Incarceration; Maximum**  
84.9 **Occupancy.** The commissioner shall work to  
84.10 fill all available challenge incarceration beds  
84.11 for both male and female offenders. If the  
84.12 commissioner fails to fill at least 90 percent  
84.13 of the available challenge incarceration beds  
84.14 by December 1, 2009, the commissioner  
84.15 must submit a report to the chairs and  
84.16 ranking minority members of the house of  
84.17 representatives and senate committees with  
84.18 jurisdiction over public safety policy and  
84.19 finance by January 15, 2010, explaining what  
84.20 steps the commissioner has taken to fill the  
84.21 beds and why those steps failed to reach the  
84.22 goal established by the legislature.

84.23 **(c) Institutional Efficiencies.** The  
84.24 commissioner shall strive for institutional  
84.25 efficiencies and must reduce the fiscal year  
84.26 2008 average adult facility per diem of  
84.27 \$89.77 by one percent. The base is cut by  
84.28 \$2,850,000 in the first year and \$2,850,000  
84.29 in the second year to reflect a one percent  
84.30 reduction in the projected adult facility per  
84.31 diem. In reducing the projected adult facility  
84.32 per diem, the commissioner must consider  
84.33 the following:

84.34 (1) cooperating with the state of Wisconsin  
84.35 to obtain economies of scale;

- 85.1 (2) increasing the bed capacity of the  
85.2 challenge incarceration program;
- 85.3 (3) increasing the number of nonviolent drug  
85.4 offenders who are granted conditional release  
85.5 under Minnesota Statutes, section 244.055;
- 85.6 (4) increasing the use of compassionate  
85.7 release or less costly detention alternatives  
85.8 for elderly and infirm offenders;
- 85.9 (5) discontinuing the department's practice  
85.10 of annually assigning a warden to serve as  
85.11 a legislative liaison during the legislative  
85.12 session;
- 85.13 (6) consolidating staff from correctional  
85.14 institutions in geographical proximity to each  
85.15 other to achieve efficiencies and cost savings,  
85.16 including wardens, deputy wardens, and  
85.17 human resources, technology, and employee  
85.18 development personnel;
- 85.19 (7) consolidating the department's human  
85.20 resources, technology, and employee  
85.21 development functions in a centralized  
85.22 location;
- 85.23 (8) implementing corrections best practices;  
85.24 and
- 85.25 (9) implementing cost-saving measures used  
85.26 by other states and the federal government.
- 85.27 The commissioner must not eliminate  
85.28 correctional officer positions or implement  
85.29 any other measure that will jeopardize public  
85.30 safety to achieve the mandated cost savings.  
85.31 ~~The commissioner also must not eliminate~~  
85.32 ~~treatment beds to achieve the mandated cost~~  
85.33 ~~savings.~~

86.1 (d) **Per Diem Reduction.** If the  
86.2 commissioner fails to reduce the per diem by  
86.3 one percent, the commissioner must:

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

86.6 (2) submit a report by February 15,  
86.7 2010, to the chairs and ranking minority  
86.8 members of the house of representatives  
86.9 and senate committees with jurisdiction  
86.10 over public safety policy and finance that  
86.11 contains descriptions of what efforts the  
86.12 commissioner made to reduce the per diem,  
86.13 explanations for why those steps failed to  
86.14 reduce the per diem by one percent, proposed  
86.15 legislative options that would assist the  
86.16 commissioner in reducing the adult facility  
86.17 per diem, and descriptions of the specific  
86.18 actions the commissioner took to reduce  
86.19 funding in operations support.

86.20 If the commissioner reduces the per diem  
86.21 by more than one percent, the commissioner  
86.22 must use the savings to provide treatment to  
86.23 offenders.

86.24 ~~(e) **Reductions to Certain Programming**~~  
86.25 ~~**Prohibited.** When allocating reductions~~  
86.26 ~~in services and programming under this~~  
86.27 ~~appropriation, the commissioner may not~~  
86.28 ~~make reductions to inmate educational~~  
86.29 ~~programs, chemical dependency programs,~~  
86.30 ~~or reentry programs.~~

86.31 ~~(f)~~ (e) **Drug Court Bed Savings.** The  
86.32 commissioner must consider the bed impact  
86.33 savings of drug courts in formulating its  
86.34 prison bed projections.

87.1 ~~(g)~~ **(f) Transfer.** Notwithstanding Minnesota  
 87.2 Statutes, section 241.27, the commissioner  
 87.3 of finance shall transfer \$1,000,000 the first  
 87.4 year and \$1,000,000 the second year from the  
 87.5 Minnesota Correctional Industries revolving  
 87.6 fund to the general fund.

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

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

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

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

87.14 **ARTICLE 12**

87.15 **STATE GOVERNMENT**

87.16 Section 1. **SUMMARY OF APPROPRIATIONS.**

87.17 The amounts shown in this section summarize direct appropriations, by fund, made  
 87.18 in this article.

		<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
87.19						
87.20	<u>General</u>	\$ (3,545,000)	\$	(2,345,000)	\$	(5,890,000)
87.21	<u>Special Revenue</u>	(19,000)	\$	(29,000)		(48,000)
87.22	<b><u>Total</u></b>	<b><u>\$ (3,564,000)</u></b>		<b><u>(2,374,000)</u></b>	\$	<b><u>(5,938,000)</u></b>

87.23 Sec. 2. **APPROPRIATIONS.**

87.24 The sums shown in the columns marked "APPROPRIATIONS" are added to or, if  
 87.25 shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 101,  
 87.26 article 1, to the agencies and for the purposes specified in this article. The appropriations  
 87.27 are from the general fund, or another named fund, and are available for the fiscal years  
 87.28 indicated for each purpose. The figures "2010" and "2011" used in this article mean  
 87.29 that the addition to or subtraction from the appropriation listed under them is available  
 87.30 for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental  
 87.31 appropriations and reductions to appropriations for the fiscal year ending June 30, 2010,  
 87.32 are effective the day following final enactment.

88.1		<b><u>APPROPRIATIONS</u></b>	
88.2		<b><u>Available for the Year</u></b>	
88.3		<b><u>Ending June 30</u></b>	
88.4		<b><u>2010</u></b>	<b><u>2011</u></b>
88.5	<b>Sec. 3. <u>LEGISLATURE</u></b>		
88.6	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$ (221,000)</b>	<b>\$ (1,352,000)</b>
88.7	<b><u>Subd. 2. Senate</u></b>	<b><u>-0-</u></b>	<b><u>(445,000)</u></b>
88.8	<u>\$205,000 in fiscal year 2010 and \$223,000</u>		
88.9	<u>in fiscal year 2011 is canceled to the general</u>		
88.10	<u>fund from the senate carryforward account</u>		
88.11	<u>established under Minnesota Statutes, section</u>		
88.12	<u>16A.281. These are onetime transfers.</u>		
88.13	<b><u>Subd. 3. House of Representatives</u></b>	<b><u>-0-</u></b>	<b><u>(599,000)</u></b>
88.14	<u>\$395,000 in fiscal year 2010 and \$299,000</u>		
88.15	<u>in fiscal year 2011 is canceled to the general</u>		
88.16	<u>fund from the house of representatives</u>		
88.17	<u>carryforward account established under</u>		
88.18	<u>Minnesota Statutes, section 16A.281. These</u>		
88.19	<u>are onetime transfers.</u>		
88.20	<u>During the biennium ending June 30, 2011,</u>		
88.21	<u>any revenues received by the house of</u>		
88.22	<u>representatives from voluntary donations</u>		
88.23	<u>to support broadcast or print media are</u>		
88.24	<u>appropriated to the house of representatives.</u>		
88.25	<b><u>Subd. 4. Legislative Coordinating Commission</u></b>	<b><u>(221,000)</u></b>	<b><u>(308,000)</u></b>
88.26	<u>\$154,000 in fiscal year 2011 is canceled</u>		
88.27	<u>to the general fund from the carryforward</u>		
88.28	<u>accounts in the Legislative Coordinating</u>		
88.29	<u>Commission established under Minnesota</u>		
88.30	<u>Statutes, section 16A.281. This is a onetime</u>		
88.31	<u>transfer.</u>		
88.32	<b>Sec. 4. <u>GOVERNOR AND LIEUTENANT</u></b>		
88.33	<b><u>GOVERNOR</u></b>	<b>\$ (64,000)</b>	<b>\$ (146,000)</b>

89.1 \$10,000 in fiscal year 2010 and \$32,000  
 89.2 in fiscal year 2011 are transferred from  
 89.3 the interagency agreements account in the  
 89.4 special revenue fund to the general fund.  
 89.5 These are onetime transfers.

89.6 Sec. 5. STATE AUDITOR \$ (32,000) \$ (78,000)

89.7 Sec. 6. ATTORNEY GENERAL \$ (436,000) \$ (954,000)

89.8 Sec. 7. SECRETARY OF STATE \$ (104,000) \$ (250,000)

89.9 Sec. 8. CAMPAIGN FINANCE AND PUBLIC  
 89.10 DISCLOSURE BOARD \$ (28,000) \$ (8,000)

89.11 The base budget for the Campaign Finance  
 89.12 and Public Disclosure Board is \$726,000 in  
 89.13 fiscal year 2012 and \$726,000 in fiscal year  
 89.14 2013.

89.15 Sec. 9. INVESTMENT BOARD \$ (2,000) \$ (5,000)

89.16 Sec. 10. OFFICE OF ENTERPRISE  
 89.17 TECHNOLOGY \$ (111,000) \$ (169,000)

89.18 These reductions are from the enterprise  
 89.19 planning and management program.

89.20 Sec. 11. ADMINISTRATIVE HEARINGS \$ (8,000) \$ (8,000)

89.21 Sec. 12. ADMINISTRATION \$ -0- \$ (419,000)

89.22 (a) These reductions are from the government  
 89.23 and citizens services program. \$8,000 of  
 89.24 the reductions in fiscal year 2011 is  
 89.25 from the transfer to the commissioner  
 89.26 of human services for a grant to the  
 89.27 Council of Developmental Disabilities. The  
 89.28 appropriation for this grant shall be included  
 89.29 in the base budget for the commissioner of



91.1 information systems division account in the  
91.2 special revenue fund to the general fund.  
91.3 These are onetime transfers.

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

91.5 (a) \$6,727,000 in 2011 is for additional  
91.6 activities to identify and collect tax liabilities  
91.7 from individuals and businesses that currently  
91.8 do not pay all taxes owed. \$235,000 of  
91.9 this appropriation is for a training and  
91.10 mentoring initiative for personnel paid from  
91.11 this appropriation. This initiative is expected  
91.12 to result in new general fund revenues of  
91.13 \$26,865,000 for the biennium ending June  
91.14 30, 2011.

91.15 (b) The department must report to the chairs  
91.16 and ranking minority members of the house  
91.17 of representative Ways and Means and senate  
91.18 Finance Committees by March 15, 2011,  
91.19 and January 15, 2012, on the following  
91.20 performance indicators:

91.21 (1) the number of corporations noncompliant  
91.22 with the corporate tax system each year and  
91.23 the percentage and dollar amounts of valid  
91.24 tax liabilities collected;

91.25 (2) the number of businesses noncompliant  
91.26 with the sales and use tax system and the  
91.27 percentage and dollar amount of the valid tax  
91.28 liabilities collected; and

91.29 (3) the number of individual noncompliant  
91.30 cases resolved and the percentage and dollar  
91.31 amount of valid tax liabilities collected.

91.32 (c) The reports must also identify base-level  
91.33 expenditures and staff positions related to

92.1 compliance and audit activities, including  
 92.2 baseline information as of January 1, 2009.  
 92.3 The information must be provided at the  
 92.4 budget activity level.

92.5 Sec. 16. RACING COMMISSION \$ (19,000) \$ (29,000)

92.6 \$19,000 in fiscal year 2010 and \$29,000 in  
 92.7 fiscal year 2011 are transferred from the  
 92.8 racing and card playing regulation accounts  
 92.9 in the special revenue fund to the general  
 92.10 fund. These are onetime transfers.

92.11 Sec. 17. AMATEUR SPORTS COMMISSION \$ (4,000) \$ (9,000)

92.12 Sec. 18. COUNCIL ON BLACK  
 92.13 MINNESOTANS \$ (5,000) \$ (9,000)

92.14 Sec. 19. COUNCIL ON CHICANO/LATINO  
 92.15 AFFAIRS \$ (6,000) \$ (9,000)

92.16 Sec. 20. COUNCIL ON ASIAN-PACIFIC  
 92.17 MINNESOTANS \$ (5,000) \$ (8,000)

92.18 Sec. 21. INDIAN AFFAIRS COUNCIL \$ (9,000) \$ (14,000)

92.19 Sec. 22. GENERAL CONTINGENT  
 92.20 ACCOUNTS \$ (750,000) \$ -0-

92.21 This reduction is from the appropriation for  
 92.22 potential state matching requirements under  
 92.23 the American Reinvestment and Recovery  
 92.24 Act of 2009.

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

92.26 **4.51 EXPENSES OF GOVERNOR-ELECT.**

92.27 Subdivision 1. Definitions. This section applies after a state general election  
 92.28 in which a person who is not the current governor is elected to take office as the next  
 92.29 governor. The commissioner of administration must request a transfer from the general  
 92.30 fund contingent account of an amount equal to 1.5 percent of the amount appropriated

93.1 ~~for operation of the Office of the Governor and Lieutenant Governor for the current~~  
93.2 ~~fiscal year. This request is subject to the review and advice of the Legislative Advisory~~  
93.3 ~~Commission pursuant to section 3.30. If the transfer is approved, the commissioner of~~  
93.4 ~~administration must make this amount available to the governor-elect before he or she~~  
93.5 ~~takes office. The commissioner must provide office space for the governor-elect and for~~  
93.6 ~~any employees the governor-elect hires. (a) "Governor-elect" means the person who is~~  
93.7 ~~not currently governor and is the apparent successful candidate for the office of governor~~  
93.8 ~~following a general election.~~

93.9 (b) "Commissioner" means the commissioner of the Department of Management  
93.10 and Budget.

93.11 Subd. 2. **Transition expenses.** In the fiscal year of a gubernatorial election and  
93.12 subject to availability of funds, the commissioner shall transfer up to \$162,000 from the  
93.13 general contingent account in the general fund to the Department of Management and  
93.14 Budget. This transfer is subject to the review and advice of the Legislative Advisory  
93.15 Commission pursuant to section 3.30. In consultation with the governor-elect, the  
93.16 commissioner shall use the transferred funds to pay expenses of the governor-elect  
93.17 associated with preparing for the assumption of official duties as governor. The  
93.18 commissioner may use the transferred funds for expenses necessary and prudent for  
93.19 establishment of a transition office prior to the election and for dissolution of the office if  
93.20 the incumbent governor is reelected or after the inauguration of a new governor. Expenses  
93.21 of the governor-elect may include suitable office space and equipment, communications  
93.22 and technology support, consulting services, compensation and travel costs, and other  
93.23 reasonable expenses. Compensation rates for temporary employees hired to support the  
93.24 governor-elect and rates paid for consulting services for the governor-elect shall be  
93.25 determined by the governor-elect.

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

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

93.32 **16A.82 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

93.33 ~~\$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000 in~~  
93.34 ~~each fiscal year 2012 through 2019~~ The following amounts are appropriated from the  
93.35 general fund to the commissioner to make payments under a lease-purchase agreement

94.1 as defined in section 16A.81 for replacement of the state's accounting and procurement  
 94.2 systems, provided that the state is not obligated to continue such appropriation of funds or  
 94.3 to make lease payments in any future fiscal year.

94.4	<u>Fiscal year 2010</u>	<u>\$ 2,828,038</u>
94.5	<u>Fiscal year 2011</u>	<u>\$ 3,063,950</u>
94.6	<u>Fiscal year 2012</u>	<u>\$ 8,967,850</u>
94.7	<u>Fiscal year 2013</u>	<u>\$ 8,968,950</u>
94.8	<u>Fiscal year 2014</u>	<u>\$ 8,970,850</u>
94.9	<u>Fiscal year 2015</u>	<u>\$ 8,971,150</u>
94.10	<u>Fiscal year 2016</u>	<u>\$ 8,966,450</u>
94.11	<u>Fiscal year 2017</u>	<u>\$ 8,967,500</u>
94.12	<u>Fiscal year 2018</u>	<u>\$ 8,970,750</u>
94.13	<u>Fiscal year 2019</u>	<u>\$ 8,968,500</u>

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

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

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

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

94.22 (1) supervise, control, review, and approve all state contracts and purchasing;

94.23 (2) provide agencies with supplies and equipment and operate all central store or  
 94.24 supply rooms serving more than one agency;

94.25 (3) investigate and study the management and organization of agencies, and  
 94.26 reorganize them when necessary to ensure their effective and efficient operation;

94.27 (4) manage and control state property, real and personal;

94.28 (5) maintain and operate all state buildings, as described in section 16B.24,  
 94.29 subdivision 1;

94.30 (6) supervise, control, review, and approve all capital improvements to state  
 94.31 buildings and the capitol building and grounds;

94.32 (7) provide central duplicating, printing, and mail facilities;

94.33 (8) oversee publication of official documents and provide for their sale;

94.34 (9) manage and operate parking facilities for state employees and a central motor  
 94.35 pool for travel on state business;

95.1 (10) provide rental space within the capitol complex for a private day care center for  
95.2 children of state employees. The commissioner shall contract for services as provided  
95.3 in this chapter; ~~and~~

95.4 (11) settle state employee workers' compensation claims; and

95.5 (12) operate a state recycling center.

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

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

95.8 Subd. 2. **Purpose of funds.** Money in the state treasury credited to the general  
95.9 services revolving fund and money that is deposited in the fund is appropriated annually to  
95.10 the commissioner for the following purposes:

95.11 (1) to operate a central store and equipment service;

95.12 (2) to operate the central mailing service, including purchasing postage and related  
95.13 items and refunding postage deposits;

95.14 (3) to operate a documents service as prescribed by section 16B.51;

95.15 (4) to provide services for the maintenance, operation, and upkeep of buildings and  
95.16 grounds managed by the commissioner of administration;

95.17 (5) to operate a materials handling service, including interagency mail and product  
95.18 delivery, solid waste removal, courier service, equipment rental, and vehicle and  
95.19 equipment maintenance;

95.20 (6) to provide analytical, statistical, and organizational development services to  
95.21 state agencies, local units of government, metropolitan and regional agencies, and school  
95.22 districts;

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

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

95.32 (9) to operate a state recycling center.

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

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

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

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

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

96.12 **270C.145 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

96.13 ~~\$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each~~  
96.14 ~~fiscal year 2012 through 2019 is~~ The following amounts are appropriated from the general  
96.15 fund to the commissioner to make payments under a lease-purchase agreement as defined  
96.16 in section 16A.81 for completing the purchase and development of an integrated tax  
96.17 software package; provided that the state is not obligated to continue the appropriation of  
96.18 funds or to make lease payments in any future fiscal year.

96.19	<u>Fiscal year 2010</u>	<u>\$ 670,213</u>
96.20	<u>Fiscal year 2011</u>	<u>\$ 748,550</u>
96.21	<u>Fiscal year 2012</u>	<u>\$ 2,250,150</u>
96.22	<u>Fiscal year 2013</u>	<u>\$ 2,251,550</u>
96.23	<u>Fiscal year 2014</u>	<u>\$ 2,250,350</u>
96.24	<u>Fiscal year 2015</u>	<u>\$ 2,251,550</u>
96.25	<u>Fiscal year 2016</u>	<u>\$ 2,249,950</u>
96.26	<u>Fiscal year 2017</u>	<u>\$ 2,251,250</u>
96.27	<u>Fiscal year 2018</u>	<u>\$ 2,249,000</u>
96.28	<u>Fiscal year 2019</u>	<u>\$ 2,247,000</u>

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

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

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

97.1 Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee**  
97.2 **imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision  
97.3 13, paragraph (f), who ~~prepared~~ is a tax return preparer for purposes of section 6011(e)  
97.4 of the Internal Revenue Code, and who reasonably expects to prepare more than ~~100~~  
97.5 ten Minnesota individual income tax returns for the prior calendar year must file all  
97.6 Minnesota individual income tax returns prepared for ~~the current~~ that calendar year by  
97.7 electronic means.

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

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

97.15 **EFFECTIVE DATE.** This section is effective for tax returns filed after December  
97.16 31, 2010.

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

97.18 Subd. 4. **Account maintenance.** (a) A political subdivision or other public entity  
97.19 may establish a trust account to be held under the supervision of the trust administrator for  
97.20 the purposes of this section. A trust administrator shall establish a separate account for  
97.21 each participating political subdivision or public entity. The trust administrator may charge  
97.22 participating political subdivisions and public entities fees for reasonable administrative  
97.23 costs. The amount of any fees charged by the Public Employees Retirement Association is  
97.24 appropriated to the association from the account. A trust administrator may establish other  
97.25 reasonable terms and conditions for creation and maintenance of these accounts.

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

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

98.1 **EFFECTIVE DATE.** This section is effective retroactively from December 31,  
98.2 2009.

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

98.4 By July 30, 2010, the commissioner of management and budget must allocate  
98.5 a reduction of \$3,000,000 for the fiscal year ending June 30, 2011, to the operating  
98.6 budgets of executive branch state agencies, as defined in Minnesota Statutes, section  
98.7 16A.011, subdivision 12a. To the extent possible, this reduction must be achieved through  
98.8 estimated savings in expenditures for space, out-of-state travel, fleet management, energy  
98.9 usage in state buildings, contracts for professional or technical services, and through  
98.10 increased employee telecommuting, and through consolidation of information technology  
98.11 functions, or through other operational efficiencies. If expenditure reductions are achieved  
98.12 in dedicated funds other than those established in the state constitution or protected by  
98.13 federal law, the commissioner of management and budget may transfer the amount of  
98.14 the savings to the general fund. Executive branch state agencies must cooperate with  
98.15 the commissioner of management and budget in developing and implementing these  
98.16 reductions. Any amount of the reduction that cannot be achieved through savings in the  
98.17 expenditure types described in this section must be allocated to executive state agency  
98.18 operating budgets by the commissioner. Reductions in fiscal year 2011 must cancel to  
98.19 the general fund and shall be reflected as reductions in agency base budgets for fiscal  
98.20 years 2012 and 2013. The commissioner of management and budget must report to the  
98.21 chairs and ranking minority members of the senate Finance Committee and the house  
98.22 of representatives Ways and Means and Finance Committees regarding the amount of  
98.23 reductions in spending by each agency under this section.

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

98.25 (a) If the secretary of state determines that this state is otherwise eligible to receive  
98.26 an additional payment of federal money under the Help America Vote Act, Public Law  
98.27 107-252, the secretary must certify to the commissioner of management and budget the  
98.28 amount, if any, needed to meet the matching requirement of section 253(b)(5) of the Help  
98.29 America Vote Act. In the certification, the secretary shall specify the portion of the match  
98.30 that should be taken from an unencumbered general fund appropriation to the Office of the  
98.31 Secretary of State not designated for a different purpose. Upon receipt of that certification,  
98.32 or as soon as an unencumbered general fund appropriation becomes available, whichever  
98.33 occurs later, the commissioner must transfer the specified amount to the Help America  
98.34 Vote Act account.

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

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

99.3 **ARTICLE 13**

99.4 **PROPERTY TAX AIDS AND CREDITS**

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

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

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

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

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

99.29 Subd. 6. **Credit reduction.** In 2011 and each year thereafter, the market value  
99.30 credit reimbursement amount for each taxing jurisdiction determined under this section  
99.31 is reduced by the dollar amount of the reduction in market value credit reimbursements  
99.32 for that taxing jurisdiction in 2010 due to unallotment reductions announced prior to  
99.33 February 28, 2010, under section 16A.152. No taxing jurisdiction's market value credit

100.1 reimbursements are reduced to less than zero under this subdivision. The commissioner of  
100.2 revenue shall pay the annual market value credit reimbursement amounts, after reduction  
100.3 under this subdivision, to the affected taxing jurisdictions as provided in this section.

100.4 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and  
100.5 thereafter.

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

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

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

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

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

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

100.18 (iii) certificates of indebtedness used to fund current expenses or to pay the costs of  
100.19 extraordinary expenditures that result from a public emergency; or

100.20 (iv) certificates of indebtedness used to fund an insufficiency in tax receipts or  
100.21 an insufficiency in other revenue sources;

100.22 (3) to provide for the bonded indebtedness portion of payments made to another  
100.23 political subdivision of the state of Minnesota;

100.24 (4) to fund payments made to the Minnesota State Armory Building Commission  
100.25 under section 193.145, subdivision 2, to retire the principal and interest on armory  
100.26 construction bonds;

100.27 (5) property taxes approved by voters which are levied against the referendum  
100.28 market value as provided under section 275.61;

100.29 (6) to fund matching requirements needed to qualify for federal or state grants or  
100.30 programs to the extent that either (i) the matching requirement exceeds the matching  
100.31 requirement in calendar year 2001, or (ii) it is a new matching requirement that did not  
100.32 exist prior to 2002;

100.33 (7) to pay the expenses reasonably and necessarily incurred in preparing for or  
100.34 repairing the effects of natural disaster including the occurrence or threat of widespread  
100.35 or severe damage, injury, or loss of life or property resulting from natural causes, in

101.1 accordance with standards formulated by the Emergency Services Division of the state  
101.2 Department of Public Safety, as allowed by the commissioner of revenue under section  
101.3 275.74, subdivision 2;

101.4 (8) pay amounts required to correct an error in the levy certified to the county  
101.5 auditor by a city or county in a levy year, but only to the extent that when added to the  
101.6 preceding year's levy it is not in excess of an applicable statutory, special law or charter  
101.7 limitation, or the limitation imposed on the governmental subdivision by sections 275.70  
101.8 to 275.74 in the preceding levy year;

101.9 (9) to pay an abatement under section 469.1815;

101.10 (10) to pay any costs attributable to increases in the employer contribution rates  
101.11 under chapter 353, or locally administered pension plans, that are effective after June  
101.12 30, 2001;

101.13 (11) to pay the operating or maintenance costs of a county jail as authorized in  
101.14 section 641.01 or 641.262, or of a correctional facility as defined in section 241.021,  
101.15 subdivision 1, paragraph (f), to the extent that the county can demonstrate to the  
101.16 commissioner of revenue that the amount has been included in the county budget as  
101.17 a direct result of a rule, minimum requirement, minimum standard, or directive of the  
101.18 Department of Corrections, or to pay the operating or maintenance costs of a regional jail  
101.19 as authorized in section 641.262. For purposes of this clause, a district court order is  
101.20 not a rule, minimum requirement, minimum standard, or directive of the Department of  
101.21 Corrections. If the county utilizes this special levy, except to pay operating or maintenance  
101.22 costs of a new regional jail facility under sections 641.262 to 641.264 which will not  
101.23 replace an existing jail facility, any amount levied by the county in the previous levy year  
101.24 for the purposes specified under this clause and included in the county's previous year's  
101.25 levy limitation computed under section 275.71, shall be deducted from the levy limit  
101.26 base under section 275.71, subdivision 2, when determining the county's current year  
101.27 levy limitation. The county shall provide the necessary information to the commissioner  
101.28 of revenue for making this determination;

101.29 (12) to pay for operation of a lake improvement district, as authorized under section  
101.30 103B.555. If the county utilizes this special levy, any amount levied by the county in the  
101.31 previous levy year for the purposes specified under this clause and included in the county's  
101.32 previous year's levy limitation computed under section 275.71 shall be deducted from  
101.33 the levy limit base under section 275.71, subdivision 2, when determining the county's  
101.34 current year levy limitation. The county shall provide the necessary information to the  
101.35 commissioner of revenue for making this determination;

102.1 (13) to repay a state or federal loan used to fund the direct or indirect required  
102.2 spending by the local government due to a state or federal transportation project or other  
102.3 state or federal capital project. This authority may only be used if the project is not a  
102.4 local government initiative;

102.5 (14) to pay for court administration costs as required under section 273.1398,  
102.6 subdivision 4b, less the (i) county's share of transferred fines and fees collected by the  
102.7 district courts in the county for calendar year 2001 and (ii) the aid amount certified to be  
102.8 paid to the county in 2004 under section 273.1398, subdivision 4c; however, for taxes  
102.9 levied to pay for these costs in the year in which the court financing is transferred to the  
102.10 state, the amount under this clause is limited to the amount of aid the county is certified to  
102.11 receive under section 273.1398, subdivision 4a;

102.12 (15) to fund a police or firefighters relief association as required under section 69.77  
102.13 to the extent that the required amount exceeds the amount levied for this purpose in 2001;

102.14 (16) for purposes of a storm sewer improvement district under section 444.20;

102.15 (17) to pay for the maintenance and support of a city or county society for the  
102.16 prevention of cruelty to animals under section 343.11, but not to exceed in any year  
102.17 \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most  
102.18 recent federal census, whichever is greater. If the city or county uses this special levy, any  
102.19 amount levied by the city or county in the previous levy year for the purposes specified  
102.20 in this clause and included in the city's or county's previous year's levy limit computed  
102.21 under section 275.71, must be deducted from the levy limit base under section 275.71,  
102.22 subdivision 2, in determining the city's or county's current year levy limit;

102.23 (18) for counties, to pay for the increase in their share of health and human service  
102.24 costs caused by reductions in federal health and human services grants effective after  
102.25 September 30, 2007;

102.26 (19) for a city, for the costs reasonably and necessarily incurred for securing,  
102.27 maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by  
102.28 the commissioner of revenue under section 275.74, subdivision 2. A city must have either  
102.29 (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a foreclosure rate in 2007 in  
102.30 the city or in a zip code area of the city that is at least 50 percent higher than the average  
102.31 foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2,  
102.32 to use this special levy. For purposes of this paragraph, "foreclosure rate" means the  
102.33 number of foreclosures, as indicated by sheriff sales records, divided by the number of  
102.34 households in the city in 2007;

103.1 (20) for a city, for the unreimbursed costs of redeployed traffic-control agents and  
103.2 lost traffic citation revenue due to the collapse of the Interstate 35W bridge, as certified  
103.3 to the Federal Highway Administration;

103.4 (21) to pay costs attributable to wages and benefits for sheriff, police, and fire  
103.5 personnel. If a local governmental unit did not use this special levy in the previous year its  
103.6 levy limit base under section 275.71 shall be reduced by the amount equal to the amount it  
103.7 levied for the purposes specified in this clause in the previous year;

103.8 (22) an amount equal to any reductions in the certified aids or credits payable  
103.9 under sections 477A.011 to 477A.014, and section 273.1384, due to unallotment under  
103.10 section 16A.152 or reductions under another provision of law. The amount of the levy  
103.11 allowed under this clause is equal to the amount unallotted or reduced in the calendar year  
103.12 in which the tax is levied unless the unallotment or reduction amount is not known by  
103.13 September 1 of the levy year, and the local government has not adjusted its levy under  
103.14 section 275.065, subdivision 6, or 275.07, subdivision 6, in which case the unallotment  
103.15 or reduction amount may be levied in the following year;

103.16 (23) to pay for the difference between one-half of the costs of confining sex offenders  
103.17 undergoing the civil commitment process and any state payments for this purpose pursuant  
103.18 to section 253B.185, subdivision 5;

103.19 (24) for a county to pay the costs of the first year of maintaining and operating a new  
103.20 facility or new expansion, either of which contains courts, corrections, dispatch, criminal  
103.21 investigation labs, or other public safety facilities and for which all or a portion of the  
103.22 funding for the site acquisition, building design, site preparation, construction, and related  
103.23 equipment was issued or authorized prior to the imposition of levy limits in 2008. The  
103.24 levy limit base shall then be increased by an amount equal to the new facility's first full  
103.25 year's operating costs as described in this clause; and

103.26 (25) for the estimated amount of reduction to ~~credits~~ market value credit  
103.27 reimbursements under section 273.1384 for credits payable in the year in which the levy is  
103.28 payable.

103.29 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and  
103.30 thereafter.

103.31 Sec. 4. Minnesota Statutes 2009 Supplement, section 477A.011, subdivision 36,  
103.32 is amended to read:

103.33 Subd. 36. **City aid base.** (a) Except as otherwise provided in this subdivision,  
103.34 "city aid base" is zero.

104.1 (b) The city aid base for any city with a population less than 500 is increased by  
104.2 \$40,000 for aids payable in calendar year 1995 and thereafter, and the maximum amount  
104.3 of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also  
104.4 increased by \$40,000 for aids payable in calendar year 1995 only, provided that:

104.5 (i) the average total tax capacity rate for taxes payable in 1995 exceeds 200 percent;

104.6 (ii) the city portion of the tax capacity rate exceeds 100 percent; and

104.7 (iii) its city aid base is less than \$60 per capita.

104.8 (c) The city aid base for a city is increased by \$20,000 in 1998 and thereafter and  
104.9 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
104.10 paragraph (c), is also increased by \$20,000 in calendar year 1998 only, provided that:

104.11 (i) the city has a population in 1994 of 2,500 or more;

104.12 (ii) the city is located in a county, outside of the metropolitan area, which contains a  
104.13 city of the first class;

104.14 (iii) the city's net tax capacity used in calculating its 1996 aid under section  
104.15 477A.013 is less than \$400 per capita; and

104.16 (iv) at least four percent of the total net tax capacity, for taxes payable in 1996, of  
104.17 property located in the city is classified as railroad property.

104.18 (d) The city aid base for a city is increased by \$200,000 in 1999 and thereafter and  
104.19 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
104.20 paragraph (c), is also increased by \$200,000 in calendar year 1999 only, provided that:

104.21 (i) the city was incorporated as a statutory city after December 1, 1993;

104.22 (ii) its city aid base does not exceed \$5,600; and

104.23 (iii) the city had a population in 1996 of 5,000 or more.

104.24 (e) The city aid base for a city is increased by \$150,000 for aids payable in 2000 and  
104.25 thereafter, and the maximum amount of total aid it may receive under section 477A.013,  
104.26 subdivision 9, paragraph (c), is also increased by \$150,000 in calendar year 2000 only,  
104.27 provided that:

104.28 (1) the city has a population that is greater than 1,000 and less than 2,500;

104.29 (2) its commercial and industrial percentage for aids payable in 1999 is greater  
104.30 than 45 percent; and

104.31 (3) the total market value of all commercial and industrial property in the city  
104.32 for assessment year 1999 is at least 15 percent less than the total market value of all  
104.33 commercial and industrial property in the city for assessment year 1998.

104.34 (f) The city aid base for a city is increased by \$200,000 in 2000 and thereafter, and  
104.35 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
104.36 paragraph (c), is also increased by \$200,000 in calendar year 2000 only, provided that:

105.1 (1) the city had a population in 1997 of 2,500 or more;

105.2 (2) the net tax capacity of the city used in calculating its 1999 aid under section  
105.3 477A.013 is less than \$650 per capita;

105.4 (3) the pre-1940 housing percentage of the city used in calculating 1999 aid under  
105.5 section 477A.013 is greater than 12 percent;

105.6 (4) the 1999 local government aid of the city under section 477A.013 is less than  
105.7 20 percent of the amount that the formula aid of the city would have been if the need  
105.8 increase percentage was 100 percent; and

105.9 (5) the city aid base of the city used in calculating aid under section 477A.013  
105.10 is less than \$7 per capita.

105.11 (g) The city aid base for a city is increased by \$102,000 in 2000 and thereafter, and  
105.12 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
105.13 paragraph (c), is also increased by \$102,000 in calendar year 2000 only, provided that:

105.14 (1) the city has a population in 1997 of 2,000 or more;

105.15 (2) the net tax capacity of the city used in calculating its 1999 aid under section  
105.16 477A.013 is less than \$455 per capita;

105.17 (3) the net levy of the city used in calculating 1999 aid under section 477A.013 is  
105.18 greater than \$195 per capita; and

105.19 (4) the 1999 local government aid of the city under section 477A.013 is less than  
105.20 38 percent of the amount that the formula aid of the city would have been if the need  
105.21 increase percentage was 100 percent.

105.22 (h) The city aid base for a city is increased by \$32,000 in 2001 and thereafter, and  
105.23 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
105.24 paragraph (c), is also increased by \$32,000 in calendar year 2001 only, provided that:

105.25 (1) the city has a population in 1998 that is greater than 200 but less than 500;

105.26 (2) the city's revenue need used in calculating aids payable in 2000 was greater  
105.27 than \$200 per capita;

105.28 (3) the city net tax capacity for the city used in calculating aids available in 2000  
105.29 was equal to or less than \$200 per capita;

105.30 (4) the city aid base of the city used in calculating aid under section 477A.013  
105.31 is less than \$65 per capita; and

105.32 (5) the city's formula aid for aids payable in 2000 was greater than zero.

105.33 (i) The city aid base for a city is increased by \$7,200 in 2001 and thereafter, and  
105.34 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
105.35 paragraph (c), is also increased by \$7,200 in calendar year 2001 only, provided that:

105.36 (1) the city had a population in 1998 that is greater than 200 but less than 500;

106.1 (2) the city's commercial industrial percentage used in calculating aids payable in  
106.2 2000 was less than ten percent;

106.3 (3) more than 25 percent of the city's population was 60 years old or older according  
106.4 to the 1990 census;

106.5 (4) the city aid base of the city used in calculating aid under section 477A.013  
106.6 is less than \$15 per capita; and

106.7 (5) the city's formula aid for aids payable in 2000 was greater than zero.

106.8 (j) The city aid base for a city is increased by \$45,000 in 2001 and thereafter and  
106.9 by an additional \$50,000 in calendar years 2002 to 2011, and the maximum amount of  
106.10 total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also  
106.11 increased by \$45,000 in calendar year 2001 only, and by \$50,000 in calendar year 2002  
106.12 only, provided that:

106.13 (1) the net tax capacity of the city used in calculating its 2000 aid under section  
106.14 477A.013 is less than \$810 per capita;

106.15 (2) the population of the city declined more than two percent between 1988 and 1998;

106.16 (3) the net levy of the city used in calculating 2000 aid under section 477A.013 is  
106.17 greater than \$240 per capita; and

106.18 (4) the city received less than \$36 per capita in aid under section 477A.013,  
106.19 subdivision 9, for aids payable in 2000.

106.20 (k) The city aid base for a city with a population of 10,000 or more which is located  
106.21 outside of the seven-county metropolitan area is increased in 2002 and thereafter, and the  
106.22 maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
106.23 paragraph (b) or (c), is also increased in calendar year 2002 only, by an amount equal to  
106.24 the lesser of:

106.25 (1)(i) the total population of the city, as determined by the United States Bureau of  
106.26 the Census, in the 2000 census, (ii) minus 5,000, (iii) times 60; or

106.27 (2) \$2,500,000.

106.28 (l) The city aid base is increased by \$50,000 in 2002 and thereafter, and the  
106.29 maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
106.30 paragraph (c), is also increased by \$50,000 in calendar year 2002 only, provided that:

106.31 (1) the city is located in the seven-county metropolitan area;

106.32 (2) its population in 2000 is between 10,000 and 20,000; and

106.33 (3) its commercial industrial percentage, as calculated for city aid payable in 2001,  
106.34 was greater than 25 percent.

106.35 (m) The city aid base for a city is increased by \$150,000 in calendar years 2002 to  
106.36 2011 and by an additional \$75,000 in calendar years 2009 to 2014 and the maximum

107.1 amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is  
107.2 also increased by \$150,000 in calendar year 2002 only and by \$75,000 in calendar year  
107.3 2009 only, provided that:

- 107.4 (1) the city had a population of at least 3,000 but no more than 4,000 in 1999;
- 107.5 (2) its home county is located within the seven-county metropolitan area;
- 107.6 (3) its pre-1940 housing percentage is less than 15 percent; and
- 107.7 (4) its city net tax capacity per capita for taxes payable in 2000 is less than \$900  
107.8 per capita.

107.9 (n) The city aid base for a city is increased by \$200,000 beginning in calendar  
107.10 year 2003 and the maximum amount of total aid it may receive under section 477A.013,  
107.11 subdivision 9, paragraph (c), is also increased by \$200,000 in calendar year 2003 only,  
107.12 provided that the city qualified for an increase in homestead and agricultural credit aid  
107.13 under Laws 1995, chapter 264, article 8, section 18.

107.14 (o) The city aid base for a city is increased by \$200,000 in 2004 only and the  
107.15 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is  
107.16 also increased by \$200,000 in calendar year 2004 only, if the city is the site of a nuclear  
107.17 dry cask storage facility.

107.18 (p) The city aid base for a city is increased by \$10,000 in 2004 and thereafter and the  
107.19 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
107.20 by \$10,000 in calendar year 2004 only, if the city was included in a federal major disaster  
107.21 designation issued on April 1, 1998, and its pre-1940 housing stock was decreased by  
107.22 more than 40 percent between 1990 and 2000.

107.23 (q) The city aid base for a city is increased by \$30,000 in 2009 and thereafter and the  
107.24 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
107.25 by \$25,000 in calendar year 2006 only if the city had a population in 2003 of at least 1,000  
107.26 and has a state park for which the city provides rescue services and which comprised at  
107.27 least 14 percent of the total geographic area included within the city boundaries in 2000.

107.28 (r) The city aid base for a city is increased by \$80,000 in 2009 and thereafter and  
107.29 the minimum and maximum amount of total aid it may receive under section 477A.013,  
107.30 subdivision 9, is also increased by \$80,000 in calendar year 2009 only, if:

- 107.31 (1) as of May 1, 2006, at least 25 percent of the tax capacity of the city is proposed  
107.32 to be placed in trust status as tax-exempt Indian land;
- 107.33 (2) the placement of the land is being challenged administratively or in court; and
- 107.34 (3) due to the challenge, the land proposed to be placed in trust is still on the tax  
107.35 rolls as of May 1, 2006.

108.1 (s) The city aid base for a city is increased by \$100,000 in 2007 and thereafter and  
108.2 the minimum and maximum total amount of aid it may receive under this section is also  
108.3 increased in calendar year 2007 only, provided that:

- 108.4 (1) the city has a 2004 estimated population greater than 200 but less than 2,000;  
108.5 (2) its city net tax capacity for aids payable in 2006 was less than \$300 per capita;  
108.6 (3) the ratio of its pay 2005 tax levy compared to its city net tax capacity for aids  
108.7 payable in 2006 was greater than 110 percent; and  
108.8 (4) it is located in a county where at least 15,000 acres of land are classified as  
108.9 tax-exempt Indian reservations according to the 2004 abstract of tax-exempt property.

108.10 (t) The city aid base for a city is increased by \$30,000 in 2009 only, and the  
108.11 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
108.12 by \$30,000 in calendar year 2009, only if the city had a population in 2005 of less than  
108.13 3,000 and the city's boundaries as of 2007 were formed by the consolidation of two cities  
108.14 and one township in 2002.

108.15 (u) The city aid base for a city is increased by \$100,000 in 2009 and thereafter, and  
108.16 the maximum total aid it may receive under section 477A.013, subdivision 9, is also  
108.17 increased by \$100,000 in calendar year 2009 only, if the city had a city net tax capacity for  
108.18 aids payable in 2007 of less than \$150 per capita and the city experienced flooding on  
108.19 March 14, 2007, that resulted in evacuation of at least 40 homes.

108.20 (v) The city aid base for a city is increased by \$100,000 in 2009 to 2013, and the  
108.21 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
108.22 by \$100,000 in calendar year 2009 only, if the city:

- 108.23 (1) is located outside of the Minneapolis-St. Paul standard metropolitan statistical  
108.24 area;  
108.25 (2) has a 2005 population greater than 7,000 but less than 8,000; and  
108.26 (3) has a 2005 net tax capacity per capita of less than \$500.

108.27 (w) The city aid base is increased by \$25,000 in calendar years 2009 to 2013 and the  
108.28 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is  
108.29 increased by \$25,000 in calendar year 2009 only, provided that:

- 108.30 (1) the city is located in the seven-county metropolitan area;  
108.31 (2) its population in 2006 is less than 200; and  
108.32 (3) the percentage of its housing stock built before 1940, according to the 2000  
108.33 United States Census, is greater than 40 percent.

108.34 (x) The city aid base is increased by \$90,000 in calendar year 2009 only and the  
108.35 minimum and maximum total amount of aid it may receive under section 477A.013,  
108.36 subdivision 9, is also increased by \$90,000 in calendar year 2009 only, provided that the

109.1 city is located in the seven-county metropolitan area, has a 2006 population between 5,000  
109.2 and 7,000 and has a 1997 population of over 7,000.

109.3 (y) In calendar year 2010 only, the city aid base for a city is increased by \$225,000 if  
109.4 it was eligible for a \$450,000 payment in calendar year 2008 under Minnesota Statutes  
109.5 2006, section 477A.011, subdivision 36, paragraph (e), and the second half of the payment  
109.6 under that paragraph in December 2008 was canceled due to the governor's unallotment.  
109.7 The payment under this paragraph is not subject to any aid reductions under section  
109.8 477A.0133 or any future unallotment of the city aid under section 16A.152.

109.9 (z) The city aid base and the maximum total aid the city may receive under section  
109.10 477A.013, subdivision 9, is increased by \$25,000 in calendar year 2010 only if:

109.11 (1) the city is a first class city in the seven-county metropolitan area with a  
109.12 population below 300,000; and

109.13 (2) the city has made an equivalent grant to its local growers' association to  
109.14 reimburse up to \$1,000 each for membership fees and retail leases for members of the  
109.15 association who farm in and around Dakota County and who incurred crop damage as a  
109.16 result of the hail storm in that area on July 10, 2008.

109.17 The payment under this paragraph is not subject to any aid reductions under section  
109.18 477A.0133 or any future unallotment of the city aid under section 16A.152.

109.19 (aa) The city aid base for a city is increased by \$106,964 in 2011 only and the  
109.20 minimum and maximum amount of total aid it may receive under section 477A.013,  
109.21 subdivision 9, is also increased by \$106,964 in calendar year 2011 only, if the city had a  
109.22 population as defined in Minnesota Statutes, section 477A.011, subdivision 3, that was in  
109.23 excess of 1,000 in 2007 and that was less than 1,000 in 2008.

109.24 Sec. 5. Minnesota Statutes 2008, section 477A.013, subdivision 9, is amended to read:

109.25 Subd. 9. **City aid distribution.** (a) In calendar year 2009 and thereafter, each  
109.26 city shall receive an aid distribution equal to the sum of (1) the city formula aid under  
109.27 subdivision 8, and (2) its city aid base.

109.28 (b) For aids payable in ~~2009~~ 2011 only, the total aid in the previous year for any city  
109.29 shall ~~not exceed the sum of (1) 35 percent of the city's net levy for the year prior to the~~  
109.30 ~~aid distribution, plus (2) its total aid in the previous year~~ mean the amount of aid it was  
109.31 certified to receive for aids payable in 2010 under this section minus the amount of its aid  
109.32 reduction under section 477A.0133. For aids payable in 2012 and thereafter, the total aid  
109.33 in the previous year for any city means the amount of aid it was certified to receive under  
109.34 this section in the previous payable year.

110.1 (c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed  
110.2 the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution  
110.3 plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total  
110.4 aid for any city with a population of 2,500 or more may not be less than its total aid under  
110.5 this section in the previous year minus the lesser of \$10 multiplied by its population, or ten  
110.6 percent of its net levy in the year prior to the aid distribution.

110.7 (d) For aids payable in 2010 and thereafter, the total aid for a city with a population  
110.8 less than 2,500 must not be less than the amount it was certified to receive in the  
110.9 previous year minus the lesser of \$10 multiplied by its population, or five percent of its  
110.10 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a  
110.11 population less than 2,500 must not be less than what it received under this section in the  
110.12 previous year unless its total aid in calendar year 2008 was aid under section 477A.011,  
110.13 subdivision 36, paragraph (s), in which case its minimum aid is zero.

110.14 (e) A city's aid loss under this section may not exceed \$300,000 in any year in  
110.15 which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or  
110.16 greater than the appropriation under that subdivision in the previous year, unless the  
110.17 city has an adjustment in its city net tax capacity under the process described in section  
110.18 469.174, subdivision 28.

110.19 (f) If a city's net tax capacity used in calculating aid under this section has decreased  
110.20 in any year by more than 25 percent from its net tax capacity in the previous year due to  
110.21 property becoming tax-exempt Indian land, the city's maximum allowed aid increase  
110.22 under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the  
110.23 year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease  
110.24 resulting from the property becoming tax exempt.

110.25 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year  
110.26 2011 and thereafter.

110.27 **Sec. 6. [477A.0133] ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

110.28 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms  
110.29 have the meanings given them in this subdivision.

110.30 (b) The "2010 revenue base" for a county is the sum of the county's certified property  
110.31 tax levy for taxes payable in 2010, plus the amount of county program aid under section  
110.32 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite  
110.33 aids under sections 298.28 and 298.282 that the county was certified to receive in 2010  
110.34 including any amounts required to be placed in a special fund for distribution in a later year.

111.1 (c) The "2010 revenue base" for a statutory or home rule charter city is the sum of  
111.2 the city's certified property tax levy for taxes payable in 2010, plus the amount of local  
111.3 government aid under section 477A.013, subdivision 9, that the city was certified to  
111.4 receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that  
111.5 the city was certified to receive in 2010 including any amounts required to be placed in a  
111.6 special fund for distribution in a later year.

111.7 Subd. 2. **2010 reductions; counties and cities.** The commissioner of revenue  
111.8 must compute additional 2010 aid and credit reimbursement reduction amounts for each  
111.9 county and city under this section, after implementing any reduction of county program  
111.10 aid under section 477A.0124, local government aid under section 477A.013, or market  
111.11 value credit reimbursements under section 273.1384, to reflect the reduction of allotments  
111.12 under section 16A.152.

111.13 The additional reduction amounts under this section are limited to the sum of the  
111.14 amount of county program aid under section 477A.0124, local government aid under  
111.15 section 477A.013, and market value credit reimbursements under section 273.1384  
111.16 payable to the county or city in 2010 before the reductions in this section, but after the  
111.17 reductions for unallotments.

111.18 The reduction amount under this section is applied first to reduce the amount  
111.19 payable to the county or city in 2010 as market value credit reimbursements under section  
111.20 273.1384, and then if necessary, to reduce the amount payable as either county program  
111.21 aid under section 477A.0124 in the case of a county, or local government aid under section  
111.22 477A.013 in the case of a city.

111.23 No aid or reimbursement amount is reduced to less than zero under this section.

111.24 The additional 2010 aid reduction amount for a county is equal to 1.82767 percent  
111.25 of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city  
111.26 is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28  
111.27 multiplied by the city's 2008 population.

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

111.29 Sec. 7. Minnesota Statutes 2008, section 477A.03, subdivision 2a, is amended to read:

111.30 Subd. 2a. **Cities.** For aids payable in ~~2009~~ 2011 and thereafter, the total aid  
111.31 paid under section 477A.013, subdivision 9, is ~~\$526,148,487, subject to adjustment in~~  
111.32 ~~subdivision 5~~ \$527,100,646.

111.33 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and  
111.34 thereafter.

112.1 Sec. 8. Minnesota Statutes 2008, section 477A.03, subdivision 2b, is amended to read:

112.2 Subd. 2b. **Counties.** (a) For aids payable in ~~2009~~ 2011 and thereafter, the total aid  
112.3 payable under section 477A.0124, subdivision 3, is ~~\$111,500,000 minus one-half of the~~  
112.4 ~~total aid amount determined under section 477A.0124, subdivision 5, paragraph (b),~~  
112.5 ~~subject to adjustment in subdivision 5~~ \$96,395,000. Each calendar year, \$500,000 shall be  
112.6 retained by the commissioner of revenue to make reimbursements to the commissioner of  
112.7 management and budget for payments made under section 611.27. For calendar year 2004,  
112.8 the amount shall be in addition to the payments authorized under section 477A.0124,  
112.9 subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted  
112.10 from the appropriation under this paragraph. The reimbursements shall be to defray the  
112.11 additional costs associated with court-ordered counsel under section 611.27. Any retained  
112.12 amounts not used for reimbursement in a year shall be included in the next distribution  
112.13 of county need aid that is certified to the county auditors for the purpose of property tax  
112.14 reduction for the next taxes payable year.

112.15 (b) For aids payable in ~~2009~~ 2011 and thereafter, the total aid under section  
112.16 477A.0124, subdivision 4, is ~~\$116,132,923 minus one-half of the total aid amount~~  
112.17 ~~determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment~~  
112.18 ~~in subdivision 5~~ \$101,309,575. The commissioner of management and budget shall  
112.19 bill the commissioner of revenue for the cost of preparation of local impact notes as  
112.20 required by section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter.  
112.21 The commissioner of education shall bill the commissioner of revenue for the cost of  
112.22 preparation of local impact notes for school districts as required by section 3.987, not  
112.23 to exceed \$7,000 in fiscal year 2004 and thereafter. The commissioner of revenue  
112.24 shall deduct the amounts billed under this paragraph from the appropriation under this  
112.25 paragraph. The amounts deducted are appropriated to the commissioner of management  
112.26 and budget and the commissioner of education for the preparation of local impact notes.

112.27 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and  
112.28 thereafter.

112.29 Sec. 9. Laws 2008, chapter 366, article 2, section 12, is amended to read:

112.30 Sec. 12. **STUDY OF AIDS TO LOCAL GOVERNMENTS.**

112.31 The chairs of the senate and house of representatives committees with jurisdiction  
112.32 over taxes shall each appoint five members to a study group of the tax committees to  
112.33 examine the current system of aids to local governments and make recommendations on  
112.34 improvements to the system. Of the five members appointed by each chair, two must be  
112.35 members of the tax committee, one of whom is a majority party member and one of

113.1 whom is a minority party member. The remaining members must represent local units of  
113.2 government. The chairs of the divisions of the tax committees having jurisdiction over  
113.3 property taxes shall also be members and shall serve as cochairs of the study group.  
113.4 The study shall include, but not be limited to, consideration of existing disparities in  
113.5 the distribution of local government aid, an analysis of current law need and capacity  
113.6 factors as well as alternative need factors, alternative analytical methods for determining  
113.7 correlations between factors and need, the formula used to calculate aid for small cities,  
113.8 and volatility in the local government aid distribution. The group must report on its  
113.9 specific recommendations to the legislature by December 15, ~~2010~~ 2012.

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

113.11 Sec. 10. **REPEALER.**

113.12 (a) Minnesota Statutes 2008, section 477A.03, subdivision 5, is repealed.

113.13 (b) Laws 2009, chapter 88, article 12, section 21, is repealed.

113.14 **EFFECTIVE DATE.** Paragraph (a) is effective for aids payable in 2011 and  
113.15 thereafter. Paragraph (b) is effective retroactively from July 1, 2009."

113.16 Delete the title and insert:

113.17 "A bill for an act  
113.18 relating to the financing and operation of state and local government; making  
113.19 supplemental appropriations, reductions in appropriations, and funds transfers  
113.20 for higher education, environment and natural resources, energy and commerce,  
113.21 agriculture, veterans affairs, economic development, transportation, public  
113.22 safety, judiciary, and state government; modifying certain statutory provisions  
113.23 and laws; providing for certain programs; fixing, authorizing, modifying, and  
113.24 limiting fees and assessments; modifying mineral fund provisions; creating  
113.25 certain accounts; modifying calculation of state aids and credits for local  
113.26 government; requiring reports; requiring rulemaking; appropriating money;  
113.27 amending Minnesota Statutes 2008, sections 4.51; 16B.04, subdivision 2;  
113.28 16B.48, subdivision 2; 80A.46; 115A.15, subdivision 6; 116L.17, subdivision  
113.29 2; 116U.26; 136A.1701, subdivisions 4, 7; 136A.29, subdivision 9; 136A.69,  
113.30 subdivisions 1, 3, 4; 141.255; 161.04, by adding a subdivision; 273.1384, by  
113.31 adding a subdivision; 297I.06, subdivision 3; 326B.148, subdivision 1; 471.6175,  
113.32 subdivision 4; 477A.013, subdivision 9; 477A.03, subdivisions 2a, 2b; 611A.32,  
113.33 subdivision 2; 626.8458, subdivision 5; 641.12, by adding a subdivision;  
113.34 Minnesota Statutes 2009 Supplement, sections 16A.152, subdivision 2; 16A.82;  
113.35 45.30, subdivision 6; 115C.08, subdivision 4; 136A.121, subdivision 9; 136F.98,  
113.36 subdivision 1; 154.002; 154.003; 155A.23, by adding a subdivision; 155A.24,  
113.37 subdivision 2, by adding subdivisions; 155A.25; 190.19, subdivision 2a;  
113.38 270C.145; 273.111, subdivision 9; 275.70, subdivision 5; 289A.08, subdivision  
113.39 16; 298.294; 477A.011, subdivision 36; Laws 2008, chapter 366, article 2,  
113.40 section 12; Laws 2009, chapter 78, article 1, section 3, subdivision 2; article 7,  
113.41 section 2; Laws 2009, chapter 83, article 1, sections 10, subdivision 4; 11; 14,  
113.42 subdivision 2; Laws 2009, chapter 94, article 3, section 2, subdivision 3; Laws  
113.43 2009, chapter 95, article 1, sections 3, subdivisions 6, 12, 21; 5, subdivision 2;  
113.44 proposing coding for new law in Minnesota Statutes, chapter 477A; repealing  
113.45 Minnesota Statutes 2008, sections 13.721, subdivision 4; 103G.705, subdivision

- 114.1 2; 136A.1701, subdivision 5; 136A.69, subdivision 2; 141.255, subdivision 3;
- 114.2 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18;
- 114.3 477A.03, subdivision 5; Laws 2009, chapter 88, article 12, section 21."

115.1 We request the adoption of this report and repassage of the bill.

115.2 House Conferees:

115.3 .....  
115.4 Lyndon Carlson Ann Lenczewski

115.5 .....  
115.6 Michael Paymar Loren Solberg

115.7 .....  
115.8 Pat Garofalo

115.9 Senate Conferees:

115.10 .....  
115.11 Richard Cohen Thomas Bakk

115.12 .....  
115.13 Linda Higgins Jim Vickerman

115.14 .....  
115.15 Steve Murphy