

CHAPTER 85B

LAKE SUPERIOR CENTER AUTHORITY

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85B.01 PURPOSE.

The legislature determines that it is in the public interest and an objective of the state that its citizens and the citizens of the world be better informed about the importance of preserving and restoring the large freshwater lakes of the world, including Lake Superior. The legislature determines that an enhanced public awareness of the vital role which the large freshwater lakes play in the ecosystem is an essential element in a wider program to provide for the protection and preservation of these lakes. The legislature also determines that the transfer of data and scientific findings about the large freshwater lakes of the world to the policymakers and citizens of the state, our nation, and the world is essential.

The legislature determines that as the largest surface of fresh water in the world, Lake Superior can function as a focal point for transferring information about these large lakes to the policymakers and the public, and that the establishment of a facility containing appropriate exhibits and other educational features to support these objectives and the establishment of programs related to them near the shore of Lake Superior in Duluth is in the public interest and of advantage and benefit to all of the citizens of the state.

The legislature is aware that Lake Superior Center, a Minnesota nonprofit corporation, is actively engaged in the development of a program and plan to meet these objectives and is actively engaged in assembling the public and private partnership required to secure the resources, international participation, and expertise required to create a freshwater education center.

The legislature finds that objectives of sections 85B.01 to 85B.08 can best be accomplished by forming a public corporation to be known as Lake Superior Center Authority and that Lake Superior Center Authority be given the powers, rights, privileges, and immunities provided in sections 85B.01 to 85B.08, including the power to cooperate and contract with Lake Superior Center to the extent and for the purposes provided for in sections 85B.01 to 85B.08.

History: 1990 c 535 s 1

85B.02 ORGANIZATION.

Subdivision 1. **Establishment.** The Lake Superior Center Authority is established as a public corporation. The business of the corporation must be conducted under the name "Lake Superior Center Authority."

Subd. 2. **Board of directors.** The corporation is governed by a board of five directors. The term of a director, except as otherwise provided below, is six years. One of the five directors is the commissioner of the Department of Natural Resources. The other four members of the board shall be appointed by the governor. Two members of the initial board of directors shall be appointed for terms of four years, and two for terms of two years. Vacancies on the board shall be filled by appointment of the governor. Board members shall not be compensated for their service as board members other than to be reimbursed for reasonable expenses incurred in connection with their duties as board members. This reimbursement shall be reviewed each year by the commissioner of finance.

Subd. 3. **Bylaws.** The board of directors shall adopt bylaws necessary for the conduct of the business of the corporation, consistent with sections 85B.01 to 85B.08. The corporation must publish the bylaws and amendments to the bylaws in the State Register.

Subd. 4. **Place of business.** The board shall locate and maintain the corporation's place of business within the state.

Subd. 5. **Chair.** The board shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 6. **Meetings.** The board shall meet at least twice each year and may hold additional meetings upon giving notice in accordance with the bylaws of the corporation. Board meetings are subject to chapter 13D.

Subd. 7. **Conflict of interest.** A director, employee, or officer of the corporation may not participate in or vote on a decision of the board relating to an organization in which the director has either a direct or indirect financial interest.

Subd. 8. **Economic interest statements.** Directors and officers of the corporation are public officials for the purpose of section 10A.09, and must file statements of economic interest with the state Campaign Finance and Public Disclosure Board.

Subd. 9. **No benefit to private individuals or corporations.** This corporation shall not afford pecuniary gain, incidental or otherwise, to any private individual, firm, or corporation (except the payment of reasonable fees for goods and services rendered and approved in accordance with the bylaws of the corporation) and no part of the net income or net earnings of the corporation shall, directly or indirectly, be distributable to or otherwise inure to the benefit of any individual.

History: 1990 c 535 s 2; 1997 c 202 art 2 s 63

85B.03 POWERS.

Subdivision 1. **General corporate powers.** (a) The corporation has the powers granted to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13, except that the corporation may not act as a general partner in any partnership; 14; 15; 16; 17; 18; and 22; and the powers necessary or convenient to exercise the enumerated powers.

(b) The state is not liable for the obligations of the corporation.

(c) Section 302A.041 applies to this chapter and the corporation in the same manner that it applies to business corporations established under chapter 302A.

Subd. 2. **Facility design; development and operation.** The corporation may enter into management contracts or lease agreements or both with Lake Superior Center, a Minnesota nonprofit corporation, to design, develop, and operate a facility to further the purposes of sections 85B.01 to 85B.08 in the city of Duluth, at the site determined by the board and on the terms that the board finds desirable. Notwithstanding the provisions of section 85B.02, subdivision 7, relating to the conflict of interest, a director or officer of the corporation who is also a director, officer, or member of Lake Superior Center, a Minnesota nonprofit corporation, and the corporation, may participate in and vote on the decision of the board as to the terms and conditions of management contracts or lease agreements between Lake Superior Center and the corporation.

Subd. 3. **Funds.** The corporation may accept and use gifts, grants, or contributions from any source, except that the corporation may not receive state general fund appropriations to support operation of the facility. If the facility experiences an operating deficit, the corporation and any Minnesota nonprofit corporation with which the corporation enters into management contracts or lease agreements shall rely upon private or local government sources to provide operating funds. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and invest or reinvest the money, securities, or other property given or bequeathed to it. The principal of these funds, the income from them, and all other revenues received by it from any nonstate source must be placed in the depositories the board determines and is subject to expenditure for the board's purposes. Expenditures of \$25,000 or more must be approved by the full board.

Subd. 4. **Animals; regulation.** The corporation shall comply with all federal laws and federal rules or regulations relating to the quarantine, transportation, examination, habitation, care, and treatment of wild animals. The Department of Natural Resources may prescribe rules supplemental to federal regulations, relating to the transportation, examination, care, and treatment of wild animals native to this state held or proposed to be acquired by the board and may inspect them as often and at the times it deems necessary.

Subd. 5. **Animals; sale.** The board may sell or exchange animals determined by it to be superfluous to operations, subject to state and federal regulations.

Subd. 6. **Advertising.** The board may provide for promotional and advertising programs to be developed and implemented either by its personnel or by contract with outside personnel and paid for out of funds other than bond revenues.

Subd. 7. **Admission fees.** The board or its agent may establish admission fees and other charges for use of its facilities.

History: 1990 c 535 s 3; 1996 c 463 s 49

85B.04 EMPLOYEES.

Persons employed by contractors or lessees are not state employees and may not participate in state retirement, deferred compensation, insurance, or other plans that apply to state employees generally and are not subject to regulation by the state Campaign Finance and Public Disclosure Board.

History: 1990 c 535 s 4; 1997 c 202 art 2 s 63

85B.05 ACCOUNTS; AUDITS.

The corporation may establish funds and accounts that it finds convenient. The board shall provide for and pay the cost of an independent annual audit of its official books and records by the state auditor. A copy of this audit shall be filed with the secretary of state.

History: 1990 c 535 s 5; 1999 c 99 s 22

85B.06 ANNUAL REPORT.

The board shall submit a report to the chairs of the senate Jobs, Energy and Community Development and the house Commerce, Jobs, and Economic Development Policy Committees of the legislature and the governor on the activities of the corporation and its contractors and lessees by February 1 of each year. The report must include at least the following:

- (1) a description of each of the programs that the corporation has provided or undertaken at some time during the previous year;
- (2) an identification of the sources of funding in the previous year for the corporation and its programs including federal, state and local government, foundations, gifts, donation, fees, and all other sources;
- (3) a description of the administrative expenses of the corporation during the previous year;
- (4) a listing of the assets and liabilities of the corporation at the end of the previous fiscal year;
- (5) a description of any changes made to the operational plan during the previous year; and
- (6) a description of any newly adopted or significant changes to bylaws, policies, rules, or programs created or administered by the corporation during the previous year.

Reports must be made to the legislature as required by section 3.195.

History: 1990 c 535 s 6

85B.07 PROPERTY TAX EXEMPTION.

Property of the corporation is exempt from taxation on its value in the same manner as property listed in section 272.02.

History: 1990 c 535 s 7

85B.08 DISSOLUTION.

Upon dissolution of the corporation for any reason, its wholly owned assets become state property. Partially owned assets become state property to the extent that state money was used to acquire them.

History: 1990 c 535 s 8