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HOUSE FILE NO. 1221

FIRST COMMITTEE ENGROSSMENT

March 2, 2009

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Referred by Chair to Transportation Finance and Policy Division.

March 26, 2009

Returned to the Committee on Finance as Amended.

A bill for an act

relating to transportation; bridges; establishing Stillwater lift bridge endowment
account; proposing coding for new law in Minnesota Statutes, chapter 165.

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

Section 1. **[165.15] STILLWATER LIFT BRIDGE ENDOWMENT ACCOUNT.**

Subdivision 1. Account established. (a) The Stillwater lift bridge endowment
account is established in the special revenue fund in the state treasury. The account may
consist of appropriations made by the state of Minnesota or Wisconsin and may include
federal funds. The account may also receive private contributions, gifts, or grants under
section 16A.013. Any interest or profit accruing from investment of these sums is credited
to the account.

Subd. 2. Use of funds. (a) Income derived from the investment of principal in the
account may be used by the commissioner of transportation for operations and routine
maintenance of the Stillwater lift bridge. For the purposes of this section:

(1) "Income" is the amount of interest on debt securities and dividends on equity
securities. Any gains or losses from the sale of securities must be added to the principal of
the fund.

(2) "Routine maintenance" means activities that are predictable and repetitive, but
not activities that would constitute major repairs or rehabilitation.

(b) Investment management fees incurred by the State Board of Investment are
eligible expenses for reimbursement from the account.

(c) The commissioner of transportation has authority to approve or deny expenditures
of funds in the account.

2.1 Subd. 3. **Appropriation.** Income derived from the investment of principal in the
2.2 account is appropriated annually to the commissioner of transportation for the purposes
2.3 described in this section.

2.4 Subd. 4. **Financial compliance.** The commissioner of transportation shall ensure
2.5 that the fund complies with the regulations in OMB circulars A87, Cost Principles for
2.6 State, Local and Indian Tribal Governments, and A122, Cost Principles for Non-Profit
2.7 Organizations, of the United States Office of Management and Budget (OMB).

2.8 Subd. 5. **Investment.** The State Board of Investment, in consultation with the
2.9 commissioner of transportation, shall invest money in the account under section 11A.24.

2.10 Subd. 6. **Demolition.** If the commissioner determines, in consultation with the State
2.11 Historic Preservation Office, that it is necessary to demolish the Stillwater lift bridge,
2.12 the principal in the account may be spent to pay for demolition of the bridge, and is
2.13 appropriated to the commissioner of transportation only for that purpose.

2.14 Subd. 7. **Audits.** The fund is subject to audit by the legislative auditor.