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HOUSE OF REPRESENTATIVES

**EIGHTY-SIXTH
SESSION**

HOUSE FILE No. 1671

March 12, 2009

Authored by Carlson, Pelowski, Kahn and Murphy, M.

The bill was read for the first time and referred to the Committee on Commerce and Labor

March 26, 2009

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Finance

March 15, 2010

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Ways and Means

March 18, 2010

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

March 22, 2010

Fiscal Calendar

Amended

Read Third Time as Amended

Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

A bill for an act

relating to the financing and operation of state and local government;
appropriating money or reducing appropriations for state government, higher
education and economic development, environment and natural resources,
activities or programs of Department of Commerce, agriculture, veterans
affairs, transportation, public safety, judiciary, Uniform Laws Commission,
Private Detective Board, human rights, corrections, Sentencing Guidelines
Commission, minority boards, public facilities authority, tourism, humanities,
public broadcasting, zoos, science museum, and Housing Finance Agency;
modifying loan, grant, and scholarship provisions; funding certain projects
for veterans; increasing bond limits; establishing a central system office and
governing credit transfers for the Minnesota State Colleges and Universities;
requiring bond issues for certain projects; modifying investment disposition
of mineral fund; modifying mineral fund payments in lieu of taxes; providing
for or modifying certain provisions relating to membership of tourism council
and film and TV reimbursement amounts; modifying provisions relating to
continuing education for certain licensed occupations, securities transaction
exemptions, mortgages, and operation of state government; modifying certain
Boards of Barber Examiners and Cosmetology provisions; establishing a new
trunk highway emergency relief account; amending provisions related to trunk
highway bonding, hazardous materials permits, fire safety account, uses of public
safety service fee, grants for emergency shelters, and in-service training for peace
officers; authorizing county sentence to service programs to charge fees; changing
provisions relating to agriculture and veterans affairs; changing provisions
for expenses of governor-elect, disposal of old state-owned buildings, public
access to parking spaces, fleet management, and lease purchase agreements;
providing for operation of a state recycling center and a state Webmaster for state
Web sites; providing for Web access to appropriations information; requiring
two-sided printing for state use; requiring standards to enhance public access to
state electronic data; providing for zero-based budgeting; creating a commission
to reengineer delivery of government services; providing for transfers to Help
America Vote Act account; changing and creating funds and accounts; modifying
provisions for tax return preparers; requesting proposals for enhancing the
state's tax collection process and revenues; modifying calculation of state aids
and credits for local government; authorizing and adjusting fees; establishing
a pilot project; making technical changes; requiring reports; providing for
rulemaking; amending Minnesota Statutes 2008, sections 4.51; 16B.04,
subdivision 2; 16B.24, subdivision 3; 16B.48, subdivision 2; 16E.04, subdivision
2; 16E.05, by adding a subdivision; 18G.07; 79.34, subdivision 1; 80A.46;

80A.65, subdivision 1; 97A.061, subdivision 1; 103G.705, subdivision 2; 115A.15, subdivision 6; 116L.17, subdivision 2; 116U.25; 116U.26; 136A.121, subdivision 6; 136A.1701, subdivision 4; 136A.29, subdivision 9; 154.06; 154.065, subdivision 2; 154.07, by adding a subdivision; 154.15, by adding a subdivision; 161.04, by adding a subdivision; 273.1384, by adding a subdivision; 297I.06, subdivision 3; 326B.148, subdivision 1; 403.11, subdivision 1; 471.6175, subdivision 4; 477A.013, subdivision 9; 477A.03, subdivisions 2a, 2b; 477A.12, subdivision 1; 611A.32, subdivisions 1, 2; 626.8458, subdivision 5; 641.12, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections 16A.152, subdivision 2; 16A.82; 16E.02, subdivision 1; 45.30, subdivision 6; 136A.121, subdivision 9; 136F.98, subdivision 1; 154.002; 154.003; 155A.23, by adding a subdivision; 155A.24, subdivision 2, by adding subdivisions; 155A.25; 190.19, subdivision 2a; 270C.145; 273.111, subdivision 9; 275.70, subdivision 5; 289A.08, subdivision 16; 298.294; 299A.45, subdivision 1; 357.021, subdivision 7; Laws 2007, chapter 45, article 1, section 3, subdivisions 4, as amended, 5, as amended; Laws 2009, chapter 37, article 2, section 13; Laws 2009, chapter 78, article 1, section 3, subdivision 2; article 7, section 2; Laws 2009, chapter 83, article 1, sections 10, subdivisions 4, 7; 11; 14, subdivision 2; Laws 2009, chapter 94, article 1, section 3, subdivision 5; article 3, section 2, subdivision 3; Laws 2009, chapter 95, article 1, sections 3, subdivisions 6, 21; 5, subdivision 2; Laws 2009, chapter 101, article 1, section 31; proposing coding for new law in Minnesota Statutes, chapters 10; 15B; 16A; 16B; 97A; 136A; 136F; 477A; repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 136A.127, subdivisions 1, 3, 5, 6, 7, 10, 11; 154.07, subdivision 5; 176.135, subdivision 1b; 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18; 477A.03, subdivision 5; Minnesota Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision 9b; 136A.127, subdivisions 2, 4, 9, 9b, 10a, 14.

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

ARTICLE 1

HIGHER EDUCATION

Section 1. SUMMARY OF APPROPRIATIONS.

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

		<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$	<u>1,410,000</u>	<u>(48,155,000)</u>	<u>(46,745,000)</u>
<u>Total</u>	\$	<u>1,410,000</u>	<u>(48,155,000)</u>	<u>(46,745,000)</u>

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

		<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>Minnesota Office of Higher Education</u>	\$	<u>1,410,000</u>	<u>(1,568,000)</u>	<u>(158,000)</u>
<u>Board of Trustees of the Minnesota State Colleges and Universities</u>		<u>-0-</u>	<u>(10,467,000)</u>	<u>(10,467,000)</u>

3.1	<u>Board of Regents of the</u>				
3.2	<u>University of Minnesota</u>		<u>-0-</u>	<u>(36,120,000)</u>	<u>(36,120,000)</u>
3.3	<u>Total</u>	\$	<u>1,410,000</u>	\$	<u>(48,155,000)</u>

3.4 Sec. 2. **APPROPRIATIONS.**

3.5 The sums shown in the columns marked "Appropriations" are added to or, if shown
3.6 in parentheses, subtracted from the appropriations in Laws 2009, chapter 95, article 1, to
3.7 the agencies and for the purposes specified in this article. The appropriations are from the
3.8 general fund, or another named fund, and are available for the fiscal years indicated for
3.9 each purpose. The figures "2010" and "2011" used in this article mean that the addition
3.10 to or subtraction from the appropriation listed under them is available for the fiscal year
3.11 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
3.12 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
3.13 day following final enactment.

3.14		<u>APPROPRIATIONS</u>	
3.15		<u>Available for the Year</u>	
3.16		<u>Ending June 30</u>	
3.17		<u>2010</u>	<u>2011</u>

3.18 Sec. 3. **OFFICE OF HIGHER EDUCATION**

3.19	<u>Subdivision 1. Total Appropriation</u>	\$	<u>1,410,000</u>	\$	<u>(1,568,000)</u>
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3.20 The amounts that may be spent for each
3.21 purpose are specified in the following
3.22 subdivisions.

3.23	<u>Subd. 2. State Grants</u>		<u>-0-</u>		<u>(1,487,000)</u>
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3.24 The tuition maximum for fiscal year 2011
3.25 for students in two-year programs and for
3.26 students in private, for-profit, four-year
3.27 programs is \$5,364.

3.28 Financial aid changes in this article are
3.29 expected to achieve savings available to
3.30 the state grant program for fiscal year 2011
3.31 as a result of reducing tuition maximums,
3.32 eliminating eligibility for a ninth semester,
3.33 and eliminating the high school-to-college
3.34 developmental transition program grants.

5.1 of trustees for operations and maintenance is
5.2 for Cook County higher education.

5.3 **Sec. 5. BOARD OF REGENTS OF THE**
5.4 **UNIVERSITY OF MINNESOTA**

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

5.6 The amounts that must be reduced or
5.7 added for each purpose are specified in the
5.8 following subdivisions.

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

5.10 The legislature intends that reductions under
5.11 this subdivision are achieved through at least
5.12 a ten percent reduction to administrative
5.13 budgets, distributed proportionately to the
5.14 Twin Cities campus and the other campuses
5.15 of the University of Minnesota. Remaining
5.16 reductions must be made to minimize the
5.17 impact on students and instruction.

5.18 Reductions under this subdivision must not
5.19 be allocated to the University of Minnesota
5.20 and Mayo Foundation Partnership.

5.21 For fiscal years 2012 and 2013, the base for
5.22 operations and maintenance is \$566,882,000
5.23 each year.

5.24 **Subd. 3. Special Appropriations**

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

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

5.27 \$18,000 in fiscal year 2011 is a reduction to
5.28 the appropriation to support up to 12 resident
5.29 physicians in the St. Cloud Hospital family
5.30 practice residency program.

5.31 Reductions under this paragraph for
5.32 the graduate family medicine education
5.33 programs at Hennepin County Medical

6.1 Center must be proportional to other
 6.2 reductions under this paragraph.

6.3 (c) Institute of Technology -0- (74,000)

6.4 (d) System Special -0- (328,000)

6.5 (e) University of Minnesota and Mayo
 6.6 Foundation Partnership -0- (427,000)

6.7 Sec. 6. Minnesota Statutes 2008, section 136A.121, subdivision 6, is amended to read:

6.8 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of
 6.9 allowances specified in law for living and miscellaneous expenses, and an allowance
 6.10 for tuition and fees equal to the lesser of the average tuition and fees charged by the
 6.11 institution, ~~or~~ the tuition and fee maximums established in law, or for students in two-year
 6.12 or four-year private, for-profit programs, the maximum tuition and fee amount for a public
 6.13 two-year institution.

6.14 (b) For a student registering for less than full time, the office shall prorate the cost of
 6.15 attendance to the actual number of credits for which the student is enrolled.

6.16 (c) The recognized cost of attendance for a student who is confined to a Minnesota
 6.17 correctional institution shall consist of the tuition and fee component in paragraph (a),
 6.18 with no allowance for living and miscellaneous expenses.

6.19 (d) For the purpose of this subdivision, "fees" include only those fees that are
 6.20 mandatory and charged to full-time resident students attending the institution. Fees do
 6.21 not include charges for tools, equipment, computers, or other similar materials where the
 6.22 student retains ownership. Fees include charges for these materials if the institution retains
 6.23 ownership. Fees do not include optional or punitive fees.

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

6.25 Sec. 7. Minnesota Statutes 2009 Supplement, section 136A.121, subdivision 9, is
 6.26 amended to read:

6.27 Subd. 9. **Awards.** An undergraduate student who meets the office's requirements
 6.28 is eligible to apply for and receive a grant in any year of undergraduate study unless the
 6.29 student has obtained a baccalaureate degree or previously has been enrolled full time or
 6.30 the equivalent for ~~nine~~ eight semesters or the equivalent, excluding courses taken from a
 6.31 Minnesota school or postsecondary institution which is not participating in the state grant
 6.32 program and from which a student transferred no credit. A student who withdraws from
 6.33 enrollment for active military service, or for a major illness, while under the care of a

medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

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

Sec. 8. **[136A.129] LEGISLATIVE NOTICE.**

The office shall notify the chairs of the legislative committees with primary jurisdiction over higher education finance of any proposed material change to the administration of any of the grant or financial aid programs in sections 136A.095 to 136A.128.

Sec. 9. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

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

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

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

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

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

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

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

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

- 8.1 ~~(2) effective July 1, 2007:~~
8.2 ~~(i)~~ grade level 1, \$7,500;
8.3 ~~(ii)~~ (2) grade level 2, \$15,000;
8.4 ~~(iii)~~ (3) grade level 3, \$22,500;
8.5 ~~(iv)~~ (4) grade level 4, \$30,000; and
8.6 ~~(v)~~ (5) grade level 5, \$37,500.

8.7 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled
8.8 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed
8.9 \$10,000 per grade level. For all other eligible students, the principal amount of the loan
8.10 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans
8.11 made under this section to a student as an undergraduate and graduate student must not
8.12 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less
8.13 all other financial aid, including PLUS loans or other similar parent loans borrowed on
8.14 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing
8.15 maximums in paragraph (d).

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

- 8.19 (i) grade level 1, \$10,000;
8.20 (ii) grade level 2, \$20,000;
8.21 (iii) grade level 3, \$30,000;
8.22 (iv) grade level 4, \$40,000; and
8.23 (v) grade level 5, \$50,000.

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

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

- 8.28 (i) grade level 1, \$7,500;
8.29 (ii) grade level 2, \$15,000;
8.30 (iii) grade level 3, \$22,500;
8.31 (iv) grade level 4, \$30,000; and
8.32 (v) grade level 5, \$37,500.

8.33 Sec. 10. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

8.34 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered
8.35 to issue revenue bonds whose aggregate principal amount at any time shall not exceed

9.1 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue
 9.2 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,
 9.3 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,
 9.4 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

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

9.6 Sec. 11. **[136F.08] CENTRAL SYSTEM OFFICE.**

9.7 **Subdivision 1. Establishment.** A central system office is established for the
 9.8 Minnesota State Colleges and Universities to provide central support to the institutions
 9.9 enrolling students and to assist the board in fulfilling its missions under section 136F.05.
 9.10 The central office must not assume responsibility for services that are most effectively
 9.11 and efficiently provided at the institution level. The central system office is under the
 9.12 direction of the chancellor.

9.13 **Subd. 2. General duties.** The central system office must coordinate system level
 9.14 responsibilities for financial management, personnel management, facilities management,
 9.15 information technology, credit transfer, legal affairs, government relations, and auditing.
 9.16 The central system office shall coordinate its services with the services provided at the
 9.17 institution level so as not to duplicate any functions that are provided by institutions.

9.18 Sec. 12. **[136F.302] CREDIT TRANSFER.**

9.19 The board of trustees must develop and maintain a systemwide effective and
 9.20 efficient mechanism for seamless student transfer between system institutions that has a
 9.21 goal of minimal loss of credits for transferring students. The Degree Audit and Reporting
 9.22 System (DARS) and u.select database (and successor databases) housed within the office
 9.23 of the chancellor shall be the official repository of course equivalencies between system
 9.24 colleges and universities. Each system college and university shall be responsible for
 9.25 ensuring the accuracy and completeness of course equivalencies listed for courses offered
 9.26 by that college or university. The development and maintenance of the system must, at a
 9.27 minimum, address the following:

- 9.28 (1) alignment of institution curriculum and its communication to stakeholders;
- 9.29 (2) transfer between similar programs;
- 9.30 (3) documentation for transfer-related agreements between institutions;
- 9.31 (4) systemwide transfer information on the Internet that is easily accessible and
 9.32 maintained in a current and accurate status;
- 9.33 (5) training for campus-level staff to provide accurate and consistent advice to
 9.34 students;

10.1 (6) institutional rather than student obligation to provide prompt required
10.2 documentation for course equivalency determinations; and
10.3 (7) consistency of transfer policies among institutions in compliance with a system
10.4 policy.

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

10.7 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State
10.8 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90
10.9 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~
10.10 \$275,000,000, and payable from the revenue appropriated to the fund established by
10.11 section 136F.94, and use the proceeds together with other public or private money that
10.12 may otherwise become available to acquire land, and to acquire, construct, complete,
10.13 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,
10.14 student union, food service, parking purposes, or for any other similar revenue-producing
10.15 building or buildings of such type and character as the board finds desirable for the good
10.16 and benefit of the state colleges and universities. Before issuing the bonds or any part
10.17 of them, the board shall consult with and obtain the advisory recommendations of the
10.18 chairs of the house of representatives Ways and Means Committee and the senate Finance
10.19 Committee about the facilities to be financed by the bonds.

10.20 Sec. 14. Minnesota Statutes 2009 Supplement, section 299A.45, subdivision 1, is
10.21 amended to read:

10.22 Subdivision 1. **Eligibility.** A person is eligible to receive educational benefits under
10.23 this section if the person:

10.24 (1) is certified under section 299A.44 and in compliance with this section and rules
10.25 of the commissioner of public safety and the Minnesota Office of Higher Education;

10.26 (2) is enrolled in an undergraduate degree or certificate program after June 30, 1990,
10.27 at an eligible Minnesota institution as provided in section 136A.101, subdivision 4;

10.28 (3) has not received a baccalaureate degree or been enrolled full time for ~~nine~~
10.29 eight semesters or the equivalent, except that a student who withdraws from enrollment
10.30 for active military service is entitled to an additional semester or the equivalent of
10.31 eligibility; and

10.32 (4) is related in one of the following ways to a public safety officer killed in the
10.33 line of duty on or after January 1, 1973:

10.34 (i) as a dependent child less than 23 years of age;

11.1 (ii) as a surviving spouse; or

11.2 (iii) as a dependent child less than 30 years of age who has served on active military
11.3 duty 181 consecutive days or more and has been honorably discharged or released to the
11.4 dependent child's reserve or National Guard unit.

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

11.6	Subd. 6. Achieve Scholarship Program	4,350,000	4,350,000
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11.7 For scholarships under Minnesota Statutes,
11.8 section 136A.127, the office shall transfer
11.9 the appropriation for fiscal year 2011 to the
11.10 appropriation for state grants.

11.11 Sec. 16. Laws 2009, chapter 95, article 1, section 3, subdivision 21, is amended to read:

11.12 Subd. 21. **Transfers**

11.13 The Minnesota Office of Higher Education
11.14 may transfer unencumbered balances from
11.15 the appropriations in this section to the state
11.16 grant appropriation, the interstate tuition
11.17 reciprocity appropriation, the child care
11.18 grant appropriation, the Indian scholarship
11.19 appropriation, the state work-study
11.20 appropriation, the achieve scholarship
11.21 appropriation, the public safety officers'
11.22 survivors appropriation, and the Minnesota
11.23 college savings plan appropriation. Transfers
11.24 from the state grant, child care, or state
11.25 work-study appropriations may only be made
11.26 to the extent there is a projected surplus in
11.27 the appropriation. A transfer may be made
11.28 only with prior written notice to the chairs
11.29 of the senate and house of representatives
11.30 committees with jurisdiction over higher
11.31 education finance.

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

12.1 Sec. 17. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

12.2	Subd. 2. Operations and Maintenance	550,345,000	604,239,000
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12.3 (a) This appropriation includes funding for
12.4 operation and maintenance of the system.

12.5 (b) The Board of Regents shall submit
12.6 expenditure reduction plans by March 15,
12.7 2010, to the committees of the legislature
12.8 with responsibility for higher education
12.9 finance to achieve the 2012-2013 base
12.10 established in this section. The plan must
12.11 focus on protecting direct instruction.

12.12 (c) Appropriations under this subdivision
12.13 may be used for a new scholarship under
12.14 Minnesota Statutes, section 137.0225, to
12.15 complement the University's Founders
12.16 scholarship.

12.17 (d) This appropriation includes amounts for
12.18 an Ojibwe Indian language program on the
12.19 Duluth campus.

12.20 (e) This appropriation includes money for the
12.21 Dakota language teacher training immersion
12.22 program on the Twin Cities campus to
12.23 prepare teachers to teach in Dakota language
12.24 immersion programs.

12.25 (f) This appropriation includes money for the
12.26 Veterinary Diagnostic Laboratory to preserve
12.27 accreditation.

12.28 (g) This appropriation includes money in
12.29 fiscal year 2010 for a onetime grant to the
12.30 Minnesota Wildlife Rehabilitation Center ~~for~~
12.31 ~~their uncompensated expenses in an amount~~
12.32 equal to the loan balance as of March 11,
12.33 2010, for expenses related to the center's
12.34 move from the campus.

13.1 (h) For fiscal years 2012 and 2013, the
13.2 base for operations and maintenance is
13.3 \$596,930,000 each year.

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

13.5 Sec. 18. **OFFICE OF HIGHER EDUCATION CARRYFORWARD.**

13.6 Notwithstanding Minnesota Statutes, section 136A.125, subdivision 7, or 136A.233,
13.7 subdivision 1, the Office of Higher Education may carry forward to fiscal year 2011, funds
13.8 allocated to an institution for the child care and work study programs that exceed the actual
13.9 need and were refunded to the office from fiscal year 2010. Notwithstanding Minnesota
13.10 Statutes, section 136A.125, subdivision 4c, funds carried forward for the child care
13.11 program in fiscal year 2011 may be used to expand the number of recipients in the program.

13.12 Sec. 19. **REPORT OF CREDIT TRANSFER ACTIVITIES.**

13.13 The Board of Trustees of the Minnesota State Colleges and Universities shall report
13.14 on February 15, 2011, and annually thereafter through 2015, on its activities to achieve
13.15 the credit transfer goals of Minnesota Statutes, section 136F.302, and the results of those
13.16 activities. The report shall be made to the chairs and ranking minority members of the
13.17 legislative committees with primary jurisdiction over higher education policy and finance.
13.18 The goals of Minnesota Statutes, section 136F.302, should be fully achieved as soon as
13.19 possible, but no later than the start of the 2015-2016 academic year.

13.20 Sec. 20. **MNSCU REVENUE BONDS FOR STATE UNIVERSITIES.**

13.21 Notwithstanding Minnesota Statutes, section 136F.98, subdivision 1, for fiscal years
13.22 2010 and 2011, the board of trustees must use the increase in the aggregate revenue bond
13.23 limit in Minnesota Statutes, section 136F.98, subdivision 1, to issue revenue bonds for
13.24 eligible projects at state universities.

13.25 Sec. 21. **PILOT PROJECT; LOCAL DEPOSIT OF RESERVES OF**
13.26 **MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

13.27 Subdivision 1. **Establishment.** To increase the distribution of potential economic
13.28 benefit of deposits of reserve funds of the institutions of the Minnesota State Colleges and
13.29 Universities, a pilot project is established to transfer certain reserve deposits of selected
13.30 institutions from the state treasury to a community financial institution. Notwithstanding
13.31 Minnesota Statutes, section 16A.27, on July 1, 2010, the commissioner of management
13.32 and budget shall transfer the board-required reserve funds of colleges and universities

14.1 selected by the board of trustees under subdivision 2, to a community financial institution
14.2 designated for each of the participating colleges and universities.

14.3 Subd. 2. **Participating colleges and universities.** By June 11, 2010, colleges and
14.4 universities must apply to the Board of Trustees of the Minnesota State Colleges and
14.5 Universities for participation in the pilot project. Each applicant must designate one or
14.6 more community financial institutions for the deposit of board-required reserves, with the
14.7 terms of the deposit for each designated community financial institution. The designated
14.8 community financial institution must be located within 25 miles of a participating campus.
14.9 From the applicants, the board shall select eight postsecondary institutions to participate in
14.10 the local deposit pilot project. In making its selection, the board must consider the size
14.11 of the institution's reserves and the terms offered by the designated community financial
14.12 institutions. Two-year and four-year institutions must be selected to participate in the pilot
14.13 project and at least five of the selected institutions must be located in greater Minnesota.

14.14 By June 25, 2010, the board must notify the commissioner of management and
14.15 budget of the participating colleges and universities and the associated community
14.16 financial institutions.

14.17 Subd. 3. **Community financial institution.** As used in this section, "community
14.18 financial institution" means a federally insured bank or credit union, chartered as a bank
14.19 or credit union by the state of Minnesota or the United States, that is headquartered in
14.20 Minnesota and that has no more than \$2,500,000,000 in assets.

14.21 Subd. 4. **Evaluation and report.** The commissioner of management and budget and
14.22 the board of trustees shall independently evaluate the effectiveness or harm of the local
14.23 deposit pilot project in increasing the use of community financial institutions and providing
14.24 wider distribution of the economic benefit of the deposit of postsecondary reserves. Each
14.25 evaluation must include the participating colleges, universities, and community financial
14.26 institutions. The commissioner and the board shall report the results of the pilot project
14.27 evaluation to the appropriate committees of the legislature by December 1, 2011, with
14.28 recommendations on the future implementation of the pilot project.

14.29 **Sec. 22. APPROPRIATION REDUCTIONS.**

14.30 Any reduction in appropriations for the biennium ending June 30, 2011, for the
14.31 central system office of Minnesota State Colleges and Universities must not be passed
14.32 through to any institution or campus. The board of trustees must not charge any institution
14.33 for appropriation reductions made to the central office.

14.34 **Sec. 23. REPEALER.**

15.1 (a) Minnesota Statutes 2008, section 136A.127, subdivisions 1, 3, 5, 6, 7, 10, and
15.2 11, are repealed.

15.3 (b) Minnesota Statutes 2009 Supplement, sections 135A.61; 136A.121, subdivision
15.4 9b; and 136A.127, subdivisions 2, 4, 9, 9b, 10a, and 14, are repealed.

ARTICLE 2

ENVIRONMENT AND NATURAL RESOURCES

Section 1. **SUMMARY OF APPROPRIATIONS.**

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

15.10			<u>2010</u>		<u>2011</u>		<u>Total</u>
15.11	<u>General</u>	\$	(4,032,000)	\$	(6,044,000)	\$	(10,076,000)
15.12	<u>Environmental</u>		-0-		535,000		535,000
15.13	<u>Game and Fish</u>		-0-		250,000		250,000
15.14	Total	\$	(4,032,000)	\$	(5,259,000)	\$	(9,291,000)

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 **2011**

Sec. 3. POLLUTION CONTROL AGENCY

15.30	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(535,000)</u>	\$	<u>(630,000)</u>
15.31	<u>Appropriations by Fund</u>				
15.32	<u>General</u>		<u>(535,000)</u>		<u>(1,165,000)</u>
15.33	Environmental		-0-		535,000

16.1 The appropriation additions or reductions
 16.2 for each purpose are shown in the following
 16.3 subdivisions.

16.4 In order to leverage nonstate money or to
 16.5 address high priority needs identified by the
 16.6 commissioner, the commissioner may shift
 16.7 appropriations in Laws 2009, chapter 37,
 16.8 article 1, section 3, available in one fiscal
 16.9 year to the other fiscal year. Any adjustments
 16.10 made under this paragraph do not affect the
 16.11 agency base for the programs affected.

16.12	<u>Subd. 2. Water</u>	<u>(392,000)</u>	<u>(456,000)</u>
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16.13	<u>Appropriations by Fund</u>		
16.14	<u>General</u>	<u>(392,000)</u>	<u>(991,000)</u>
16.15	<u>Environmental</u>	<u>-0-</u>	<u>535,000</u>

16.16 The commissioner shall recover the cost
 16.17 of attorney general services related to
 16.18 environmental assessment worksheets from
 16.19 the project proposers.

16.20 \$485,000 in 2011 is a reduction in the
 16.21 appropriation for general water program
 16.22 operations.

16.23 \$485,000 is appropriated from the
 16.24 environmental fund for attorney general
 16.25 costs in water program operations.

16.26 \$140,000 in 2010 and \$304,000 in 2011 are
 16.27 reductions in the appropriations for the clean
 16.28 water partnership program.

16.29 \$152,000 in 2010 and \$152,000 in 2011
 16.30 are reductions in the appropriations for the
 16.31 county feedlot grant program.

16.32 \$100,000 in 2010 is a reduction in the
 16.33 appropriation for stormwater compliance
 16.34 grants.

17.1 \$50,000 in 2011 is a reduction in the

17.2 appropriation for grants to the Red River

17.3 Watershed Management Board for the river

17.4 watch program.

17.5 \$50,000 in 2011 is appropriated from the

17.6 environmental fund for grants to the Red

17.7 River Watershed Management Board for the

17.8 river watch program.

17.9 Subd. 3. **Environmental Assistance and**

17.10 **Cross-Media** (61,000) (95,000)

17.11 Subd. 4. **Administrative Support** (82,000) (79,000)

17.12 Sec. 4. **NATURAL RESOURCES**

17.13 Subdivision 1. **Total Appropriation** \$ (2,501,000) \$ (3,184,000)

17.14 Appropriations by Fund

17.15 General (2,501,000) (3,434,000)

17.16 Game and Fish -0- 250,000

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 4, available in one fiscal

17.25 year to the other fiscal year. Any adjustments

17.26 made under this paragraph do not affect the

17.27 agency base for the programs affected.

17.28 Subd. 2. **Lands and Minerals** (315,000) (333,000)

17.29 \$124,000 in 2010 and \$124,000 in 2011 are

17.30 reductions in the appropriations for land and

17.31 mineral resources management operations.

17.32 \$67,000 in 2010 and \$85,000 in 2011 are

17.33 reductions in the appropriations for the iron

17.34 ore cooperative research program.

18.1	<u>\$6,000 in 2010 and \$6,000 in 2011 are</u>		
18.2	<u>reductions in the appropriations for minerals</u>		
18.3	<u>cooperative research.</u>		
18.4	<u>\$115,000 in 2010 and \$115,000 in 2011 are</u>		
18.5	<u>reductions in the appropriations for issuing</u>		
18.6	<u>mining permits in Laws 2009, chapter 88,</u>		
18.7	<u>article 12, section 22.</u>		
18.8	<u>\$3,000 in 2010 and \$3,000 in 2011 are</u>		
18.9	<u>reductions in the appropriations for minerals</u>		
18.10	<u>diversification.</u>		
18.11	<u>Subd. 3. Water Resource Management</u>	<u>(447,000)</u>	<u>(533,000)</u>
18.12	<u>\$447,000 in 2010 and \$447,000 in 2011 are</u>		
18.13	<u>reductions in the appropriations for water</u>		
18.14	<u>resource management operations.</u>		
18.15	<u>\$60,000 in 2011 is a reduction in the</u>		
18.16	<u>appropriation for grants to the Mississippi</u>		
18.17	<u>Headwaters Board.</u>		
18.18	<u>\$5,000 in 2011 is a reduction in the</u>		
18.19	<u>appropriation for the payment to the Leech</u>		
18.20	<u>Lake Band of Chippewa Indians.</u>		
18.21	<u>\$10,000 in 2011 is a reduction in the</u>		
18.22	<u>appropriation for the construction of ring</u>		
18.23	<u>dikes.</u>		
18.24	<u>\$11,000 in 2011 is a reduction in the</u>		
18.25	<u>appropriation for the Red River flood damage</u>		
18.26	<u>reduction grants.</u>		
18.27	<u>Subd. 4. Forest Management</u>	<u>(815,000)</u>	<u>(665,000)</u>
18.28	<u>Appropriations by Fund</u>		
18.29	<u>General</u>	<u>(815,000)</u>	<u>(915,000)</u>
18.30	<u>Game and Fish</u>	<u>-0-</u>	<u>250,000</u>
18.31	<u>\$617,000 in 2010 and \$617,000 in 2011 are</u>		
18.32	<u>reductions in the appropriations for forest</u>		
18.33	<u>management.</u>		

19.1	<u>\$82,000 in 2010 and \$82,000 in 2011 are</u>		
19.2	<u>reductions in the appropriations to maintain</u>		
19.3	<u>forest management operations.</u>		
19.4	<u>\$72,000 in 2010 and \$72,000 in 2011</u>		
19.5	<u>are reductions in the appropriations for</u>		
19.6	<u>prevention, presuppression, and suppression</u>		
19.7	<u>costs of emergency firefighting.</u>		
19.8	<u>\$14,000 in 2010 and \$14,000 in 2011 are</u>		
19.9	<u>reductions in the appropriations for the</u>		
19.10	<u>FORIST system.</u>		
19.11	<u>\$30,000 in 2010 and \$130,000 in 2011 are</u>		
19.12	<u>reductions in the appropriations for grants to</u>		
19.13	<u>the Forest Resources Council.</u>		
19.14	<u>\$250,000 in fiscal year 2011 is appropriated</u>		
19.15	<u>from the game and fish fund to maintain and</u>		
19.16	<u>expand the ecological classification system</u>		
19.17	<u>program on state forest lands. This is a</u>		
19.18	<u>onetime appropriation.</u>		
19.19	<u>Subd. 5. Parks and Trails Management</u>	<u>(565,000)</u>	<u>(565,000)</u>
19.20	<u>\$490,000 in 2010 and \$490,000 in 2011 are</u>		
19.21	<u>reductions in the appropriations for parks</u>		
19.22	<u>management.</u>		
19.23	<u>\$75,000 in 2010 and \$75,000 in 2011 are</u>		
19.24	<u>reductions in the appropriations for trails and</u>		
19.25	<u>waterways management.</u>		
19.26	<u>Subd. 6. Fish and Wildlife Management</u>	<u>-0-</u>	<u>(400,000)</u>
19.27	<u>\$400,000 in 2011 is a reduction in the</u>		
19.28	<u>appropriation for wildlife health programs.</u>		
19.29	<u>Subd. 7. Ecological Services</u>	<u>(213,000)</u>	<u>(188,000)</u>
19.30	<u>\$168,000 in 2010 and \$168,000 in 2011</u>		
19.31	<u>are reductions in the appropriations for</u>		
19.32	<u>ecological services operations.</u>		

20.1	<u>\$45,000 in 2010 and \$20,000 in 2011 are</u>		
20.2	<u>reductions in the appropriations for the</u>		
20.3	<u>prevention of the spread of invasive species.</u>		
20.4	<u>Subd. 8. Enforcement</u>	<u>(136,000)</u>	<u>(400,000)</u>
20.5	<u>Subd. 9. Operations Support</u>	<u>(10,000)</u>	<u>(100,000)</u>
20.6	<u>Sec. 5. BOARD OF WATER AND SOIL</u>		
20.7	<u>RESOURCES</u>	<u>\$ (884,000)</u>	<u>\$ (1,145,000)</u>
20.8	<u>\$119,000 in 2010 and \$119,000 in 2011</u>		
20.9	<u>are reductions in the appropriations for</u>		
20.10	<u>administration.</u>		
20.11	<u>\$33,000 in 2010 and \$33,000 in 2011 are</u>		
20.12	<u>reductions in the appropriations for Wetland</u>		
20.13	<u>Conservation Act oversight.</u>		
20.14	<u>\$14,000 in 2010 and \$14,000 in 2011</u>		
20.15	<u>are reductions in the appropriations for</u>		
20.16	<u>assistance to local drainage officials.</u>		
20.17	<u>\$258,000 in 2010 and \$251,000 in 2011 are</u>		
20.18	<u>reductions in the appropriations for natural</u>		
20.19	<u>resources block grants to local governments.</u>		
20.20	<u>\$228,000 in 2010 and \$312,000 in 2011 are</u>		
20.21	<u>reductions in the appropriations for general</u>		
20.22	<u>purpose grants to soil and water conservation</u>		
20.23	<u>districts.</u>		
20.24	<u>\$32,000 in 2010 and \$32,000 in 2011</u>		
20.25	<u>are reductions in the appropriations for</u>		
20.26	<u>cost-share feedlot grants.</u>		
20.27	<u>\$105,000 in 2010 and \$72,000 in 2011</u>		
20.28	<u>are reductions in the appropriations for</u>		
20.29	<u>cost-share grants.</u>		
20.30	<u>\$67,000 in 2010 and \$58,000 in 2011</u>		
20.31	<u>are reductions in the appropriations for</u>		
20.32	<u>cost-share grants to establish and maintain</u>		
20.33	<u>riparian vegetative buffers.</u>		

21.1 \$7,000 in 2010 and \$7,000 in 2011 are
21.2 reductions in the appropriations for county
21.3 cooperative weed management programs.

21.4 \$7,000 in 2010 and \$7,000 in 2011 are
21.5 reductions in the appropriations for transfers
21.6 to the Department of Natural Resources for
21.7 enforcement of the Wetland Conservation
21.8 Act.

21.9 \$7,000 in 2010 and \$7,000 in 2011 are
21.10 reductions in the appropriations for grants to
21.11 local units of government in the 11-county
21.12 metropolitan area for response to Wetland
21.13 Conservation Act violations.

21.14 \$7,000 in 2010 and \$7,000 in 2011 are
21.15 reductions in the appropriations for cost-share
21.16 grants for drainage records modernization.

21.17 \$6,000 in 2011 is a reduction in the
21.18 appropriation for the grant to the Red River
21.19 Basin Commission.

21.20 \$90,000 in 2011 is a reduction in the
21.21 appropriation for the grant to the Minnesota
21.22 River Basin Joint Powers Board.

21.23 \$130,000 in 2011 is a reduction in the
21.24 appropriation for a grant to Area II,
21.25 Minnesota River Basin Projects for flood
21.26 plain management.

21.27 Notwithstanding Minnesota Statutes,
21.28 sections 103B.3369 and 103C.501, in order
21.29 to leverage nonstate money or to address
21.30 high priority needs identified by board
21.31 resolution, the board may shift appropriations
21.32 in Laws 2009, chapter 37, article 1, section
21.33 5, available in one fiscal year to the other
21.34 fiscal year. Any adjustments made under this

22.1 paragraph do not affect the agency base for
22.2 the programs affected.

22.3 Sec. 6. **METROPOLITAN COUNCIL** \$ **(112,000)** \$ **(300,000)**

22.4 \$112,000 in 2010 and \$300,000 in 2011

22.5 are reductions in the appropriations for

22.6 metropolitan parks and trails.

22.7 The commissioner of management and

22.8 budget, in consultation with the council, may

22.9 shift these reductions from the first fiscal

22.10 year to the second fiscal year if sufficient

22.11 funds are not available for reduction in the

22.12 first fiscal year. Any adjustments made under

22.13 this paragraph do not affect the appropriation

22.14 base.

22.15 Sec. 7. **TRANSFERS AND**

22.16 **CANCELLATIONS.**

22.17 **Subdivision 1. Department of Natural**

22.18 **Resources**

22.19 (a) The appropriation in Laws 2007, First

22.20 Special Session chapter 2, article 1, section 5,

22.21 for cost-share flood programs in southeastern

22.22 Minnesota is reduced by \$335,000 and that

22.23 amount is canceled to the general fund.

22.24 (b) The balance of surcharges on criminal and

22.25 traffic offenders, estimated to be \$900,000,

22.26 and credited to the game and fish fund

22.27 under Minnesota Statutes, section 357.021,

22.28 subdivision 7, and collected prior to June 30,

22.29 2010, must be transferred to the general fund.

22.30 (c) By June 30, 2010, the commissioner of

22.31 management and budget shall transfer any

22.32 remaining balance, estimated to be \$98,000,

22.33 from the stream protection and improvement

22.34 fund under Minnesota Statutes, section

23.1 103G.705, to the general fund. Beginning
23.2 in fiscal year 2011, all repayment of loans
23.3 made and administrative fees assessed under
23.4 Minnesota Statutes, section 103G.705, must
23.5 be transferred to the general fund.

23.6 **Subd. 2. Board of Water and Soil Resources**

23.7 (a) The amounts appropriated from the
23.8 returned grant accounts in the special revenue
23.9 fund are reduced by \$310,000, and that
23.10 amount must be transferred to the general
23.11 fund by June 30, 2011.

23.12 (b) The appropriation in Laws 2008, chapter
23.13 363, article 5, section 5, for cost-share
23.14 flood work is reduced by \$245,000, and that
23.15 amount is canceled to the general fund.

23.16 (c) The appropriation in Laws 2007, chapter
23.17 57, article 1, section 5, for clean water legacy
23.18 programs and grants is reduced by \$775,000,
23.19 and that amount is canceled to the general
23.20 fund.

23.21 (d) The appropriation in Laws 2007, First
23.22 Special Session chapter 2, article 1, section 8,
23.23 for cost-share flood programs in southeastern
23.24 Minnesota is reduced by \$553,000, and that
23.25 amount is canceled to the general fund.

23.26 Sec. 8. Minnesota Statutes 2008, section 97A.061, subdivision 1, is amended to read:

23.27 Subdivision 1. **Applicability; amount.** (a) The commissioner shall annually make a
23.28 payment to each county having public hunting areas and game refuges. Money to make
23.29 the payments is annually appropriated for that purpose from the general fund. Except as
23.30 provided in paragraph (b), this section does not apply to state trust fund land and other
23.31 state land not purchased for game refuge or public hunting purposes. Except as provided
23.32 in paragraph (b), the payment shall be 87 percent for fiscal year 2011 and 93.5 percent
23.33 thereafter of the greatest of:

24.1 (1) 35 percent of the gross receipts from all special use permits and leases of land
24.2 acquired for public hunting and game refuges;

24.3 (2) 50 cents per acre on land purchased actually used for public hunting or game
24.4 refuges; or

24.5 (3) three-fourths of one percent of the appraised value of purchased land actually
24.6 used for public hunting and game refuges.

24.7 (b) The payment shall be 50 percent of the dollar amount adjusted for inflation as
24.8 determined under section 477A.12, subdivision 1, paragraph (a), clause (1), multiplied
24.9 by the number of acres of land in the county that are owned by another state agency for
24.10 military purposes and designated as a game refuge under section 97A.085.

24.11 (c) The payment must be reduced by the amount paid under subdivision 3 for
24.12 croplands managed for wild geese.

24.13 (d) The appraised value is the purchase price for five years after acquisition.
24.14 The appraised value shall be determined by the county assessor every five years after
24.15 acquisition.

24.16 Sec. 9. **[97A.072] PEACE OFFICER TRAINING ACCOUNT.**

24.17 Subdivision 1. **Account established; sources.** The peace officer training account is
24.18 created in the game and fish fund in the state treasury. Revenue from the portion of the
24.19 surcharges assessed to criminal and traffic offenders in section 357.021, subdivision 7,
24.20 clause (1), shall be deposited in the account and is appropriated to the commissioner.
24.21 Money in the account may be spent only for the purposes provided in subdivision 2.

24.22 Subd. 2. **Purposes of account.** Money in the peace officer training account
24.23 may only be spent by the commissioner for peace officer training for employees of the
24.24 Department of Natural Resources who are licensed under sections 626.84 to 626.863
24.25 to enforce game and fish laws.

24.26 Sec. 10. Minnesota Statutes 2008, section 103G.705, subdivision 2, is amended to read:

24.27 Subd. 2. **Stream protection and improvement fund.** There is established in the
24.28 state treasury a stream protection and redevelopment fund. All repayments of loans
24.29 made and administrative fees assessed under subdivision 1 must be deposited in this
24.30 fund. Interest earned on money in the fund accrues to the fund and money in the fund
24.31 is appropriated to the commissioner of natural resources for purposes of the stream
24.32 protection and redevelopment program, including costs incurred by the commissioner to
24.33 establish and administer the program. Beginning in fiscal year 2010, all repayments of
24.34 loans made and administrative fees assessed under subdivision 1 must be transferred

25.1 to the general fund. This includes any balance within the fund from repayments and
25.2 administrative fees assessed prior to July 1, 2009.

25.3 Sec. 11. Minnesota Statutes 2009 Supplement, section 357.021, subdivision 7, is
25.4 amended to read:

25.5 Subd. 7. **Disbursement of surcharges by commissioner of management and**
25.6 **budget.** (a) Except as provided in paragraphs (b), (c), and (d), the commissioner of
25.7 management and budget shall disburse surcharges received under subdivision 6 and
25.8 section 97A.065, subdivision 2, as follows:

25.9 (1) beginning July 1, 2010, one percent shall be credited to the peace officer training
25.10 account in the game and fish fund and appropriated to the commissioner of natural
25.11 resources to provide peace officer training for employees of the Department of Natural
25.12 Resources who are licensed under sections 626.84 to 626.863, and who possess peace
25.13 officer authority for the purpose of enforcing game and fish laws;

25.14 (2) 39 percent shall be credited to the peace officers training account in the special
25.15 revenue fund; and

25.16 (3) 60 percent shall be credited to the general fund.

25.17 (b) The commissioner of management and budget shall credit \$3 of each surcharge
25.18 received under subdivision 6 and section 97A.065, subdivision 2, to the general fund.

25.19 (c) In addition to any amounts credited under paragraph (a), the commissioner of
25.20 management and budget shall credit \$47 of each surcharge received under subdivision 6
25.21 and section 97A.065, subdivision 2, and the \$12 parking surcharge, to the general fund.

25.22 (d) If the Ramsey County Board of Commissioners authorizes imposition of the
25.23 additional \$1 surcharge provided for in subdivision 6, paragraph (a), the court administrator
25.24 in the Second Judicial District shall transmit the surcharge to the commissioner of
25.25 management and budget. The \$1 special surcharge is deposited in a Ramsey County
25.26 surcharge account in the special revenue fund and amounts in the account are appropriated
25.27 to the trial courts for the administration of the petty misdemeanor diversion program
25.28 operated by the Second Judicial District Ramsey County Violations Bureau.

25.29 Sec. 12. Minnesota Statutes 2008, section 477A.12, subdivision 1, is amended to read:

25.30 Subdivision 1. **Types of land; payments.** (a) As an offset for expenses incurred by
25.31 counties and towns in support of natural resources lands, 87 percent for fiscal year 2011
25.32 and 93.5 percent thereafter of the following amounts are annually appropriated to the
25.33 commissioner of natural resources from the general fund for transfer to the commissioner

of revenue. The commissioner of revenue shall pay the transferred funds to counties as required by sections 477A.11 to 477A.145. The amounts are:

(1) for acquired natural resources land, \$3, as adjusted for inflation under section 477A.145, multiplied by the total number of acres of acquired natural resources land or, at the county's option three-fourths of one percent of the appraised value of all acquired natural resources land in the county, whichever is greater;

(2) 75 cents, as adjusted for inflation under section 477A.145, multiplied by the number of acres of county-administered other natural resources land;

(3) 75 cents, as adjusted for inflation under section 477A.145, multiplied by the total number of acres of land utilization project land; and

(4) 37.5 cents, as adjusted for inflation under section 477A.145, multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year prior to the payment year.

(b) The amount determined under paragraph (a), clause (1), is payable for land that is acquired from a private owner and owned by the Department of Transportation for the purpose of replacing wetland losses caused by transportation projects, but only if the county contains more than 500 acres of such land at the time the certification is made under subdivision 2.

ARTICLE 3

ZOOS AND SCIENCE MUSEUM

Section 1. SUMMARY OF APPROPRIATIONS.

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

		<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$	<u>(26,000)</u>	\$ <u>(234,000)</u>	\$ <u>(260,000)</u>

Sec. 2. APPROPRIATIONS.

The dollar amounts in the columns under "Appropriations" are added to, or, if shown in parentheses, subtracted from appropriations enacted in the 2009 regular legislative session. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium"

27.1 is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the
27.2 fiscal year ending June 30, 2010, are effective the day following final enactment.

27.3		<u>APPROPRIATIONS</u>		
27.4		<u>Available for the Year</u>		
27.5		<u>Ending June 30</u>		
27.6		<u>2010</u>	<u>2011</u>	
27.7	Sec. 3. <u>ZOOLOGICAL BOARD</u>	\$	<u>(26,000)</u>	\$ <u>(216,000)</u>
27.8	Sec. 4. <u>SCIENCE MUSEUM OF</u>			
27.9	<u>MINNESOTA</u>	\$	<u>-0-</u>	\$ <u>(18,000)</u>

27.10 **ARTICLE 4**

27.11 **ENERGY**

27.12 Section 1. **SUMMARY OF APPROPRIATIONS.**

27.13 The amounts in this section summarize direct appropriations, or reductions in
27.14 appropriations, by fund, made in this article.

27.15		<u>2010</u>	<u>2011</u>	<u>Total</u>
27.16	<u>General</u>	\$ <u>110,000</u>	\$ <u>(322,000)</u>	\$ <u>(212,000)</u>
27.17	<u>Petroleum Tank Cleanup</u>	<u>(25,000)</u>	<u>(32,000)</u>	<u>(57,000)</u>
27.18	<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>	<u>(177,000)</u>
27.19	<u>Total</u>	\$ <u>(54,000)</u>	\$ <u>(392,000)</u>	\$ <u>(446,000)</u>

27.20 Sec. 2. **APPROPRIATIONS.**

27.21 The dollar amounts in the columns under "Appropriations" are added to or, if shown
27.22 in parentheses, subtracted from appropriations enacted in Laws 2009, chapter 37, article
27.23 2, unless otherwise stated. The appropriations and reductions in appropriations are from
27.24 the general fund, or another named fund, and are for the fiscal years indicated for each
27.25 purpose. The figures "2010" and "2011" mean that the appropriations or reductions in
27.26 appropriations listed under them are for the fiscal year ending June 30, 2010, or June
27.27 30, 2011, respectively. The "first year" is fiscal year 2010. The "second year" is fiscal
27.28 year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations, reductions in
27.29 appropriations, cancellations of appropriations, and transfers of appropriations for the
27.30 fiscal year ending June 30, 2010, are effective the day following final enactment.

27.31		<u>APPROPRIATIONS</u>		
27.32		<u>Available for the Year</u>		
27.33		<u>Ending June 30</u>		
27.34		<u>2010</u>	<u>2011</u>	

28.1 Sec. 3. DEPARTMENT OF COMMERCE

28.2 Subdivision 1. Total Appropriation \$ (54,000) \$ (392,000)

28.3	<u>Appropriations by Fund</u>		
28.4		<u>2010</u>	<u>2011</u>
28.5	<u>General</u>	<u>110,000</u>	<u>(322,000)</u>
28.6	<u>Petroleum Tank</u>		
28.7	<u>Release Cleanup</u>	<u>(25,000)</u>	<u>(32,000)</u>
28.8	<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>

28.9 The amounts that may be spent for each
28.10 purpose are specified in the following
28.11 subdivisions.

28.12	<u>Subd. 2. Administrative Services</u>	<u>(66,000)</u>	<u>(126,000)</u>
28.13	<u>Subd. 3. Market Assurance</u>	<u>(124,000)</u>	<u>(196,000)</u>
28.14	<u>Subd. 4. Financial Institutions</u>	<u>400,000</u>	

28.15 \$400,000 the first year is a onetime
28.16 appropriation for accessing the national
28.17 mortgage licensing system (NMLS) as
28.18 required by the federal Secure and Fair
28.19 Enforcement (SAFE) for Mortgage Licensing
28.20 Act, United States Code, title 12, chapter 51.

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

28.23 These reductions are from the petroleum tank
28.24 release cleanup fund.

28.25	<u>Subd. 6. Office of Energy Security</u>	<u>(239,000)</u>	<u>(38,000)</u>
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28.26	<u>Appropriations by Fund</u>		
28.27		<u>2010</u>	<u>2011</u>
28.28	<u>General</u>	<u>(100,000)</u>	<u>-0-</u>
28.29	<u>Special Revenue</u>	<u>(139,000)</u>	<u>(38,000)</u>

28.30 (a) \$100,000 the first year is a reduction in
28.31 the appropriation for E85 cost-share grants.

28.32 (b) \$18,000 the first year is a reduction in
28.33 the grant to the Board of Regents of the
28.34 University of Minnesota for the Natural

29.1 Resources and Research Institute at the
29.2 University of Minnesota, Duluth, to develop
29.3 statewide heat flow maps. This reduction
29.4 is from the appropriation from the special
29.5 revenue fund.

29.6 (c) \$31,000 the first year and \$38,000 the
29.7 second year are reductions in funding of
29.8 community energy technical assistance
29.9 and outreach on renewable energy and
29.10 energy efficiency, as described in Minnesota
29.11 Statutes, section 216C.385. These reductions
29.12 are from the appropriations from the special
29.13 revenue fund.

29.14 (d) \$90,000 the first year is a reduction in
29.15 the grant to the Board of Trustees of the
29.16 Minnesota State Colleges and Universities
29.17 for the International Renewable Energy
29.18 Technology Institute (IRETI). This reduction
29.19 is from the appropriation from the special
29.20 revenue fund.

29.21 **Sec. 4. CANCELLATIONS; GENERAL**
29.22 **FUND**

29.23 (a) Of the unexpended balance from previous
29.24 appropriations from the general fund to
29.25 the commissioner of commerce for E85
29.26 cost-share grants, \$350,000 is canceled.

29.27 (b) Of the unexpended balance from the
29.28 appropriation from the general fund to
29.29 the commissioner of commerce for the
29.30 renewable hydrogen initiative in Minnesota
29.31 Statutes, section 216B.813, \$550,000 is
29.32 canceled.

29.33 **Sec. 5. CANCELLATIONS; SPECIAL**
29.34 **REVENUE FUND**

30.1 (a) Of the unexpended balance from the
30.2 appropriation from the special revenue
30.3 fund to the commissioner of commerce in
30.4 Laws 2007, chapter 57, article 2, section 3,
30.5 subdivision 6, for biogas recovery grants,
30.6 \$250,000 is canceled.

30.7 (b) Of the unexpended balance from the
30.8 appropriation from the special revenue
30.9 fund to the commissioner of commerce in
30.10 Laws 2007, chapter 57, article 2, section
30.11 3, subdivision 6, for automotive research
30.12 grants, \$39,000 is canceled.

30.13 (c) Of the unexpended balance from the
30.14 appropriation from the special revenue
30.15 fund to the commissioner of commerce in
30.16 Laws 2007, chapter 57, article 2, section 3,
30.17 subdivision 6, for the hydrogen road map,
30.18 \$50,000 is canceled.

30.19 (d) Of the unexpended balance from the
30.20 appropriation from the special revenue
30.21 fund to the commissioner of commerce in
30.22 Laws 2007, chapter 57, article 2, section 3,
30.23 subdivision 6, for renewable energy grants,
30.24 \$40,000 is canceled.

30.25 (e) Of the unexpended balance from the
30.26 appropriation from the special revenue
30.27 fund to the commissioner of commerce in
30.28 Laws 2008, chapter 363, article 6, section
30.29 3, subdivision 4, for green economy and
30.30 manufacturing, \$8,000 is canceled.

30.31 (f) Of the unexpended balance from the
30.32 appropriation from the special revenue fund
30.33 to the commissioner of commerce in Laws
30.34 2008, chapter 340, section 5, for studies
30.35 and activities associated with the legislative

31.1 greenhouse gas accord advisory group,

31.2 \$13,000 is canceled.

31.3 **Sec. 6. TRANSFER; PETROLEUM TANK**
31.4 **RELEASE CLEANUP FUND**

31.5 Before June 30, 2010, the commissioner

31.6 of management and budget shall transfer

31.7 \$1,969,000 to the general fund. After July

31.8 1, 2010, and before June 30, 2011, the

31.9 commissioner of management and budget

31.10 shall transfer \$1,032,000 to the general

31.11 fund. These transfers are from the petroleum

31.12 tank release cleanup fund established in

31.13 Minnesota Statutes, chapter 115C.

31.14 **Sec. 7. TRANSFERS; SPECIAL REVENUE**
31.15 **FUND**

31.16 (a) For the purposes of this section,

31.17 "commissioner" means the commissioner of

31.18 management and budget.

31.19 (b) In the first year, the commissioner

31.20 shall transfer \$3,066,000 from the special

31.21 revenue fund to the general fund. In the

31.22 second year, the commissioner shall transfer

31.23 \$2,102,000 from the special revenue fund to

31.24 the general fund. The transfers must be from

31.25 the following appropriation reductions and

31.26 accounts within the special revenue fund:

31.27 (1) \$539,000 the first year and \$38,000 the

31.28 second year are from the special revenue fund

31.29 appropriations reductions and cancellations

31.30 in this article;

31.31 (2) \$246,000 the first year and \$270,000 the

31.32 second year are from the telecommunications

31.33 access Minnesota fund established in

31.34 Minnesota Statutes, section 237.52;

32.1 (3) \$238,000 the first year is from the
32.2 assessments collected under Minnesota
32.3 Statutes, section 216C.052, for the reliability
32.4 administrator;

32.5 (4) \$100,000 the first year and \$100,000
32.6 the second year are from the Department of
32.7 Commerce technology account established
32.8 in Minnesota Statutes, section 45.24;

32.9 (5) \$697,000 the first year and \$622,000
32.10 the second year are from the energy
32.11 and conservation account established in
32.12 Minnesota Statutes, section 216B.241. Of
32.13 this amount, (i) \$100,000 the first year
32.14 and \$17,000 the second year are from
32.15 the assessments for technical assistance
32.16 in Minnesota Statutes, section 216B.241,
32.17 subdivision 1d; (ii) \$575,000 the first year
32.18 and \$575,000 the second year are from
32.19 the assessments for applied research and
32.20 development grants in Minnesota Statutes,
32.21 section 216B.241, subdivision 1e; and (iii)
32.22 \$22,000 the first year and \$30,000 the second
32.23 year are from the assessment for facilities
32.24 energy efficiency in Minnesota Statutes,
32.25 section 216B.241, subdivision 1f;

32.26 (6) \$64,000 the first year and \$48,000 the
32.27 second year are from the insurance fraud
32.28 prevention account established in Minnesota
32.29 Statutes, section 45.0135;

32.30 (7) \$420,000 the first year and \$420,000 the
32.31 second year are from the automobile theft
32.32 prevention account established in Minnesota
32.33 Statutes, section 168A.40;

32.34 (8) \$49,000 the first year and \$5,000
32.35 the second year are from the real estate

- 33.1 education, research and recovery fund
- 33.2 established in Minnesota Statutes, section
- 33.3 82.43;
- 33.4 (9) \$100,000 the first year is from the
- 33.5 consumer education account established in
- 33.6 Minnesota Statutes, section 58.10;
- 33.7 (10) \$11,000 the first year and \$15,000
- 33.8 the second year are from the fees and
- 33.9 assessments collected under Minnesota
- 33.10 Statutes, section 216E.18;
- 33.11 (11) the remaining balance in the first
- 33.12 year, estimated to be \$19,000, is from the
- 33.13 routing of certain pipelines under Minnesota
- 33.14 Statutes, section 216G.02;
- 33.15 (12) \$4,000 the first year and \$9,000 the
- 33.16 second year are from the joint exercise of
- 33.17 powers agreements with the Department of
- 33.18 Health for regulating health maintenance
- 33.19 organizations;
- 33.20 (13) \$75,000 the first year and \$75,000 the
- 33.21 second year are from the liquefied petroleum
- 33.22 gas account established in Minnesota
- 33.23 Statutes, section 239.785;
- 33.24 (14) \$500,000 the first year and \$500,000 the
- 33.25 second year are from the telephone assistance
- 33.26 fund established in Minnesota Statutes,
- 33.27 section 237.701; and
- 33.28 (15) \$4,000 in the first year is from the
- 33.29 petroleum inspection fee established in
- 33.30 Minnesota Statutes, section 239.101, for
- 33.31 renewable energy equipment grants.
- 33.32 Sec. 8. **TRANSFER; ASSIGNED RISK PLAN**

34.1 By June 30, 2010, the commissioner of
34.2 management and budget shall transfer
34.3 \$15,000,000 in assets of the workers'
34.4 compensation assigned risk plan created
34.5 under Minnesota Statutes, section 79.252, to
34.6 the general fund.

34.7 Sec. 9. Minnesota Statutes 2009 Supplement, section 45.30, subdivision 6, is amended
34.8 to read:

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

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

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

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

34.33 (c) Approval must be granted for a subsequent offering of identical continuing
34.34 education courses without requiring a new application. The commissioner must deny

35.1 future offerings of courses if they are found not to be in compliance with the laws relating
35.2 to course approval.

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

35.7 Sec. 10. Minnesota Statutes 2008, section 80A.46, is amended to read:

35.8 **80A.46 SECTION 202; EXEMPT TRANSACTIONS.**

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

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

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

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

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

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

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

35.31 (i) a description of the business and operations of the issuer;

35.32 (ii) the names of the issuer's executive officers and the names of the issuer's
35.33 directors, if any;

35.34 (iii) an audited balance sheet of the issuer as of a date within 18 months before the
35.35 date of the transaction or, in the case of a reorganization or merger when the parties to

36.1 the reorganization or merger each had an audited balance sheet, a pro forma balance
36.2 sheet for the combined organization; and

36.3 (iv) an audited income statement for each of the issuer's two immediately previous
36.4 fiscal years or for the period of existence of the issuer, whichever is shorter, or, in the case
36.5 of a reorganization or merger when each party to the reorganization or merger had audited
36.6 income statements, a pro forma income statement; and

36.7 (E) any one of the following requirements is met:

36.8 (i) the issuer of the security has a class of equity securities listed on a national
36.9 securities exchange registered under Section 6 of the Securities Exchange Act of 1934
36.10 or designated for trading on the National Association of Securities Dealers Automated
36.11 Quotation System;

36.12 (ii) the issuer of the security is a unit investment trust registered under the Investment
36.13 Company Act of 1940;

36.14 (iii) the issuer of the security, including its predecessors, has been engaged in
36.15 continuous business for at least three years; or

36.16 (iv) the issuer of the security has total assets of at least \$2,000,000 based on an
36.17 audited balance sheet as of a date within 18 months before the date of the transaction or, in
36.18 the case of a reorganization or merger when the parties to the reorganization or merger
36.19 each had such an audited balance sheet, a pro forma balance sheet for the combined
36.20 organization;

36.21 (3) a nonissuer transaction by or through a broker-dealer registered or exempt from
36.22 registration under this chapter in a security of a foreign issuer that is a margin security
36.23 defined in regulations or rules adopted by the Board of Governors of the Federal Reserve
36.24 System;

36.25 (4) a nonissuer transaction by or through a broker-dealer registered or exempt
36.26 from registration under this chapter in an outstanding security if the guarantor of the
36.27 security files reports with the Securities and Exchange Commission under the reporting
36.28 requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.
36.29 Sections 78m or 78o(d));

36.30 (5) a nonissuer transaction by or through a broker-dealer registered or exempt from
36.31 registration under this chapter in a security that:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37.33 (A) an institutional investor;

37.34 (B) an accredited investor;

37.35 (C) a federal covered investment adviser; or

37.36 (D) any other person exempted by rule adopted or order issued under this chapter;

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

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

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

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

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

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

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

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

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

38.31 (B) a stop order of which the offeror is aware has not been issued against the offeror
38.32 by the administrator or the Securities and Exchange Commission, and an audit, inspection,
38.33 or proceeding that is public and that may culminate in a stop order is not known by the
38.34 offeror to be pending;

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

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

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

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

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

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

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

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

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

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

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

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

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

40.6 (22) a transaction involving:

40.7 (A) a stock dividend or equivalent equity distribution, whether the corporation or
40.8 other business organization distributing the dividend or equivalent equity distribution is
40.9 the issuer or not, if nothing of value is given by stockholders or other equity holders for
40.10 the dividend or equivalent equity distribution other than the surrender of a right to a cash
40.11 or property dividend if each stockholder or other equity holder may elect to take the
40.12 dividend or equivalent equity distribution in cash, property, or stock;

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

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

40.18 (23) a nonissuer transaction in an outstanding security by or through a broker-dealer
40.19 registered or exempt from registration under this chapter, if the issuer is a reporting
40.20 issuer in a foreign jurisdiction designated by this paragraph or by rule adopted or order
40.21 issued under this chapter; has been subject to continuous reporting requirements in the
40.22 foreign jurisdiction for not less than 180 days before the transaction; and the security is
40.23 listed on the foreign jurisdiction's securities exchange that has been designated by this
40.24 paragraph or by rule adopted or order issued under this chapter, or is a security of the same
40.25 issuer that is of senior or substantially equal rank to the listed security or is a warrant or
40.26 right to purchase or subscribe to any of the foregoing. For purposes of this paragraph,
40.27 Canada, together with its provinces and territories, is a designated foreign jurisdiction
40.28 and The Toronto Stock Exchange, Inc., is a designated securities exchange. After an
40.29 administrative hearing in compliance with chapter 14, the administrator, by rule adopted
40.30 or order issued under this chapter, may revoke the designation of a securities exchange
40.31 under this paragraph, if the administrator finds that revocation is necessary or appropriate
40.32 in the public interest and for the protection of investors;

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

40.35 (25)(A) the offer and sale by a cooperative organized under chapter 308A, or
40.36 under the laws of another state, of its securities when the securities are offered and sold

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

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

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

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

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

Sec. 11. Minnesota Statutes 2008, section 80A.65, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.54, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of ~~1/20~~ 1/10 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the administrator, the issuer shall submit an amended notice filing to the administrator under section 80A.50, together with a fee of ~~1/20~~ 1/10 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the administrator as provided in this section and section 80A.50. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Fees collected under this subdivision are exempted under section 16A.1285, subdivision 2.

Sec. 12. Laws 2009, chapter 37, article 2, section 13, is amended to read:

Sec. 13. APPROPRIATIONS; CANCELLATIONS.

(a) The remaining balance of the fiscal year 2009 special revenue fund appropriation for the Green Jobs Task Force under Laws 2008, chapter 363, article 6, section 3,

subdivision 4, is transferred and appropriated to the commissioner of employment and economic development for the purposes of green enterprise assistance under Minnesota Statutes, section 116J.438. This appropriation is available until spent.

(b) The unencumbered balance of the fiscal year 2008 appropriation to the commissioner of commerce for the rural and energy development revolving loan fund under Laws 2007, chapter 57, article 2, section 3, subdivision 6, is canceled and reappropriated to the commissioner of commerce as follows:

(1) \$1,500,000 is for a grant to the Board of Trustees of the Minnesota State Colleges and Universities for the International Renewable Energy Technology Institute (IRETI) to be located at Minnesota State University, Mankato, as a public and private partnership to support applied research in renewable energy and energy efficiency to aid in the transfer of technology from Sweden to Minnesota and to support technology commercialization from companies located in Minnesota and throughout the world; and

(2) the remaining balance is for a grant to the Board of Regents of the University of Minnesota for the initiative for renewable energy and the environment to fund start up costs related to a national solar testing and certification laboratory to test, rate, and certify the performance of equipment and devices that utilize solar energy for heating and cooling air and water and for generating electricity.

This appropriation is available until expended.

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

Sec. 13. **ASSESSMENT.**

(a) The commissioner of commerce may levy a pro rata assessment on institutions licensed under Minnesota Statutes, chapter 58, to recover the costs to the Department of Commerce for administering the licensing and registration requirements of Minnesota Statutes, section 58A.10.

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

(c) This section expires December 1, 2010.

ARTICLE 5

AGRICULTURE

Section 1. APPROPRIATIONS.

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

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 2. AGRICULTURE

<u>Subdivision 1. Total Appropriation</u>	\$	<u>(1,895,000)</u>	\$	<u>(3,411,000)</u>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

<u>Subd. 2. Protection Services</u>		<u>(168,000)</u>		<u>(1,626,000)</u>
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These reductions include elimination of noncrop invasive species programs and efforts including gypsy moth and emerald ash borer. The commissioner of agriculture must coordinate with the commissioner of natural resources and the commissioners may take actions necessary to retain eligibility for federal invasive species funding, including but not limited to, transferring resources.

<u>Subd. 3. Agricultural Marketing and Development</u>		<u>(127,000)</u>		<u>(8,000)</u>
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45.1 \$6,000 in 2010 is a reduction for grants to
45.2 farmers for demonstration projects involving
45.3 sustainable agriculture, as authorized in
45.4 Minnesota Statutes, section 17.116.

45.5 \$113,000 in 2010 is a reduction from Laws
45.6 2006, chapter 282, article 10, section 4, for
45.7 the agricultural best management program.

45.8 Subd. 4. **Bioenergy and Value-Added**
45.9 **Agriculture**

(1,102,000)

(1,153,000)

45.10 \$1,102,000 in 2010 and \$1,153,000 in 2011
45.11 are reductions from the appropriation for
45.12 ethanol producer payments. These are
45.13 onetime reductions.

45.14 Subd. 5. **Administration and Financial**
45.15 **Assistance**

(498,000)

(624,000)

45.16 \$23,000 in 2010 and \$52,000 in 2011
45.17 are reductions from the appropriation for
45.18 the dairy development and profitability
45.19 enhancement and dairy business planning
45.20 grant programs established under Laws 1997,
45.21 chapter 216, section 7, subdivision 2, and
45.22 Laws 2001, First Special Session chapter 2,
45.23 section 9, subdivision 2.

45.24 \$1,000 in 2011 is a reduction from the
45.25 appropriation for a grant to the Minnesota
45.26 Livestock Breeders Association.

45.27 \$15,000 in 2011 is a reduction from the
45.28 appropriation for a grant to the Minnesota
45.29 Agricultural Education and Leadership
45.30 Council.

45.31 \$4,000 in 2011 is a reduction from the
45.32 appropriation for the Northern Crops
45.33 Institute.

45.34 \$4,000 in 2010 and \$5,000 in 2011 are
45.35 reductions from the appropriation for grants

46.1 to the Minnesota Turf Seed Council for
46.2 basic and applied research on the improved
46.3 production of forage and turf seed related to
46.4 new and improved varieties.

46.5 \$3,000 in 2010 and \$4,000 in 2011 are
46.6 reductions from the appropriation for grants
46.7 to the Minnesota Turf Seed Council for basic
46.8 and applied agronomic research on native
46.9 plants including plant breeding, nutrient
46.10 management, pest management, disease
46.11 management yield, and viability.

46.12 \$60,000 in 2010 is a reduction from the
46.13 appropriation for the agricultural growth,
46.14 research, and innovation program.

46.15 \$8,000 in 2011 is a reduction from the
46.16 appropriation for transfer to the Board of
46.17 Trustees of the Minnesota State Colleges and
46.18 Universities for mental health counseling
46.19 support to farm families and business
46.20 operators through farm business management
46.21 programs at Central Lakes College and
46.22 Ridgewater College.

46.23 \$1,000 in 2011 is a reduction from the
46.24 appropriation for a grant to the Minnesota
46.25 Horticultural Society.

46.26 \$4,000 in 2010 is a reduction from the
46.27 appropriation for transfer to the University
46.28 of Minnesota Extension Service for
46.29 farm-to-school grants to school districts in
46.30 Minneapolis, Moorhead, White Earth, and
46.31 Willmar.

46.32 \$300,000 in 2010 and \$300,000 in 2011
46.33 are reductions due to efficiencies and other
46.34 cost savings realized by various methods
46.35 including, but not limited to, renegotiating

47.1 leases and other contracts and resource
47.2 reorganization or consolidation within the
47.3 department or in conjunction with other
47.4 public entities. The commissioner may
47.5 allocate these reductions to programs. If
47.6 the commissioner cannot realize \$300,000
47.7 in savings in each fiscal year from these
47.8 methods, the commissioner shall achieve the
47.9 reductions required under this provision by
47.10 eliminating employees in the unclassified
47.11 service or reducing the department's
47.12 operations and maintenance budget.

47.13 Subd. 6. **Transfers In**

47.14 Notwithstanding any other law to the
47.15 contrary, the commissioner of management
47.16 and budget shall transfer \$405,000 from
47.17 the agricultural fund to the general fund
47.18 by July 15, 2010. By July 15, 2011, the
47.19 commissioner of management and budget
47.20 will transfer \$629,000 from the agricultural
47.21 fund to the general fund.

47.22 Notwithstanding any other law to the
47.23 contrary, the commissioner of management
47.24 and budget shall transfer \$6,000 from the
47.25 miscellaneous special revenue fund to the
47.26 general fund by July 15, 2010. By July 15,
47.27 2011, the commissioner of management
47.28 and budget shall transfer \$6,000 from the
47.29 miscellaneous special revenue fund to the
47.30 general fund.

47.31	Sec. 3. <u>BOARD OF ANIMAL HEALTH</u>	<u>\$</u>	<u>(87,000)</u>	<u>\$</u>	<u>(141,000)</u>
47.32	<u>\$87,000 in 2010 and \$141,000 in 2011 is</u>				
47.33	<u>from the appropriation for general operations.</u>				

Sec. 4. **AGRICULTURAL UTILIZATION****RESEARCH INSTITUTE**

\$

(120,000) \$**(250,000)**

Sec. 5. Minnesota Statutes 2008, section 18G.07, is amended to read:

18G.07 TREE CARE AND TREE TRIMMING COMPANY ~~REGISTRY~~
REGISTRATION.

Subdivision 1. **Creation of registry.** The commissioner shall maintain a list of all persons and companies that provide tree care or tree trimming services in Minnesota. All tree care providers, tree trimmers, and persons who remove trees, limbs, branches, brush, or shrubs for hire must ~~provide the following information to~~ be registered by the commissioner.

Subd. 1a. **Registration.** (a) Tree care or tree trimming companies must register annually by providing the following to the commissioner:

(1) accurate and up-to-date business name, address, and telephone number;

(2) a complete list of all Minnesota counties in which they work; and

(3) ~~a complete list of persons in the business who are certified by the International Society of Arborists~~ a nonrefundable fee of \$25 for initial application or renewing basic registration.

(b) Registration expires December 31, must be renewed annually, and the fee remitted by January 31 of the year for which it is issued. In addition, a penalty of ten percent of the fee due must be charged for each month, or portion of a month, that the fee is delinquent up to a maximum of 30 percent for any application for renewal postmarked after December 31.

Subd. 2. **Information dissemination.** The commissioner shall provide registered tree care companies with information and data regarding any existing or potential regulated forest pest infestations within the state.

Subd. 3. **Violation.** It is unlawful for a person to provide tree care or tree trimming services in Minnesota for hire without being registered with the commissioner.

Sec. 6. Laws 2007, chapter 45, article 1, section 3, subdivision 4, as amended by Laws 2008, chapter 297, article 1, section 64; and Laws 2008, chapter 363, article 7, section 6, is amended to read:

Subd. 4. **Bioenergy and Value-Added**
Agricultural Products

19,918,000

15,168,000

\$15,168,000 the first year and \$15,168,000

the second year are for ethanol producer

49.1 payments under Minnesota Statutes, section
49.2 41A.09. If the total amount for which all
49.3 producers are eligible in a quarter exceeds
49.4 the amount available for payments, the
49.5 commissioner shall make payments on a
49.6 pro rata basis. If the appropriation exceeds
49.7 the total amount for which all producers
49.8 are eligible in a fiscal year for scheduled
49.9 payments and for deficiencies in payments
49.10 during previous fiscal years, the balance
49.11 in the appropriation is available to the
49.12 commissioner for value-added agricultural
49.13 programs including the value-added
49.14 agricultural product processing and
49.15 marketing grant program under Minnesota
49.16 Statutes, section 17.101, subdivision 5. The
49.17 appropriation remains available until spent.

49.18 \$3,000,000 the first year is for grants to
49.19 bioenergy projects. The NextGen Energy
49.20 Board shall make recommendations to
49.21 the commissioner on grants for owners of
49.22 Minnesota facilities producing bioenergy,
49.23 organizations that provide for on-station,
49.24 on-farm field scale research and outreach to
49.25 develop and test the agronomic and economic
49.26 requirements of diverse stands of prairie
49.27 plants and other perennials for bioenergy
49.28 systems, or certain nongovernmental
49.29 entities. For the purposes of this paragraph,
49.30 "bioenergy" includes transportation fuels
49.31 derived from cellulosic material as well as
49.32 the generation of energy for commercial heat,
49.33 industrial process heat, or electrical power
49.34 from cellulosic material via gasification
49.35 or other processes. The board must give
49.36 priority to a bioenergy facility that is at

50.1 least 60 percent owned and controlled by
50.2 farmers, as defined in Minnesota Statutes,
50.3 section 500.24, subdivision 2, paragraph
50.4 (n), or natural persons residing in the
50.5 county or counties contiguous to where the
50.6 facility is located. Grants are limited to 50
50.7 percent of the cost of research, technical
50.8 assistance, or equipment related to bioenergy
50.9 production or \$1,000,000, whichever is
50.10 less. Grants to nongovernmental entities
50.11 for the development of business plans and
50.12 structures related to community ownership
50.13 of eligible bioenergy facilities together may
50.14 not exceed \$150,000. The board shall make
50.15 a good faith effort to select projects that have
50.16 merit and when taken together represent a
50.17 variety of bioenergy technologies, biomass
50.18 feedstocks, and geographic regions of the
50.19 state. Projects must have a qualified engineer
50.20 certification on the technology and fuel
50.21 source. Grantees shall provide reports at
50.22 the request of the commissioner and must
50.23 actively participate in the Agricultural
50.24 Utilization Research Institute's Renewable
50.25 Energy Roundtable. No later than February
50.26 1, 2009, the commissioner shall report on
50.27 the projects funded under this appropriation
50.28 to the house and senate committees with
50.29 jurisdiction over agriculture finance. The
50.30 commissioner's costs in administering the
50.31 program may be paid from the appropriation.
50.32 ~~Any unencumbered balance does not cancel~~
50.33 ~~at the end of the first year and is available~~
50.34 ~~in the second year~~ This appropriation is
50.35 available until June 30, 2011.

51.1 \$200,000 the first year is for a grant to the
51.2 Minnesota Turf Seed Council for basic
51.3 and applied agronomic research on native
51.4 plants, including plant breeding, nutrient
51.5 management, pest management, disease
51.6 management, yield, and viability. The grant
51.7 recipient may subcontract with a qualified
51.8 third party for some or all of the basic
51.9 or applied research. The grant recipient
51.10 must actively participate in the Agricultural
51.11 Utilization Research Institute's Renewable
51.12 Energy Roundtable and no later than
51.13 February 1, 2009, must report to the house
51.14 and senate committees with jurisdiction
51.15 over agriculture finance. This is a onetime
51.16 appropriation and is available until spent.

51.17 \$200,000 the first year is for a grant to a joint
51.18 venture combined heat and power energy
51.19 facility located in Scott or LeSueur County
51.20 for the creation of a centrally located biomass
51.21 fuel supply depot with the capability of
51.22 unloading, processing, testing, scaling, and
51.23 storing renewable biomass fuels. The grant
51.24 must be matched by at least \$3 of nonstate
51.25 funds for every \$1 of state funds. The grant
51.26 recipient must actively participate in the
51.27 Agricultural Utilization Research Institute's
51.28 Renewable Energy Roundtable and no
51.29 later than February 1, 2009, must report
51.30 to the house and senate committees with
51.31 jurisdiction over agriculture finance. This is
51.32 a onetime appropriation and is available until
51.33 spent.

51.34 \$300,000 the first year is for a grant to the
51.35 Bois Forte Band of Chippewa for a feasibility
51.36 study of a renewable energy biofuels

52.1 demonstration facility on the Bois Forte
52.2 Reservation in St. Louis and Koochiching
52.3 Counties. The grant shall be used by the Bois
52.4 Forte Band to conduct a detailed feasibility
52.5 study of the economic and technical viability
52.6 of developing a multistream renewable
52.7 energy biofuels demonstration facility
52.8 on Bois Forte Reservation land to utilize
52.9 existing forest resources, woody biomass,
52.10 and cellulosic material to produce biofuels or
52.11 bioenergy. The grant recipient must actively
52.12 participate in the Agricultural Utilization
52.13 Research Institute's Renewable Energy
52.14 Roundtable and no later than February 1,
52.15 2009, must report to the house and senate
52.16 committees with jurisdiction over agriculture
52.17 finance. This is a onetime appropriation and
52.18 is available until spent.

52.19 \$300,000 the first year is for a grant to
52.20 the White Earth Band of Chippewa for a
52.21 feasibility study of a renewable energy
52.22 biofuels production, research, and production
52.23 facility on the White Earth Reservation in
52.24 Mahnomen County. The grant must be used
52.25 by the White Earth Band and the University
52.26 of Minnesota to conduct a detailed feasibility
52.27 study of the economic and technical viability
52.28 of (1) developing a multistream renewable
52.29 energy biofuels demonstration facility on
52.30 White Earth Reservation land to utilize
52.31 existing forest resources, woody biomass,
52.32 and cellulosic material to produce biofuels or
52.33 bioenergy, and (2) developing, harvesting,
52.34 and marketing native prairie plants and seeds
52.35 for bioenergy production. The grant recipient
52.36 must actively participate in the Agricultural

53.1 Utilization Research Institute's Renewable
53.2 Energy Roundtable and no later than
53.3 February 1, 2009, must report to the house
53.4 and senate committees with jurisdiction
53.5 over agriculture finance. This is a onetime
53.6 appropriation and is available until spent.

53.7 \$200,000 the first year is for a grant to the Elk
53.8 River Economic Development Authority for
53.9 upfront engineering and a feasibility study
53.10 of the Elk River renewable fuels facility.
53.11 The facility must use a plasma gasification
53.12 process to convert primarily cellulosic
53.13 material, but may also use plastics and other
53.14 components from municipal solid waste, as
53.15 feedstock for the production of methanol
53.16 for use in biodiesel production facilities.
53.17 Any unencumbered balance in fiscal year
53.18 2008 does not cancel but is available for
53.19 fiscal year 2009. Notwithstanding Minnesota
53.20 Statutes, section 16A.285, the agency must
53.21 not transfer this appropriation. The grant
53.22 recipient must actively participate in the
53.23 Agricultural Utilization Research Institute's
53.24 Renewable Energy Roundtable and no
53.25 later than February 1, 2009, must report
53.26 to the house and senate committees with
53.27 jurisdiction over agriculture finance. This is
53.28 a onetime appropriation and is available until
53.29 spent.

53.30 \$200,000 the first year is for a grant to
53.31 Chisago County to conduct a detailed
53.32 feasibility study of the economic and
53.33 technical viability of developing a
53.34 multistream renewable energy biofuels
53.35 demonstration facility in Chisago, Isanti,
53.36 or Pine County to utilize existing forest

54.1 resources, woody biomass, and cellulosic
54.2 material to produce biofuels or bioenergy.
54.3 Chisago County may expend funds to Isanti
54.4 and Pine Counties and the University of
54.5 Minnesota for any costs incurred as part
54.6 of the study. The feasibility study must
54.7 consider the capacity of: (1) the seed bank
54.8 at Wild River State Park to expand the
54.9 existing prairie grass, woody biomass, and
54.10 cellulosic material resources in Chisago,
54.11 Isanti, and Pine Counties; (2) willing and
54.12 interested landowners in Chisago, Isanti, and
54.13 Pine Counties to grow cellulosic materials;
54.14 and (3) the Minnesota Conservation Corps,
54.15 the sentence to serve program, and other
54.16 existing workforce programs in east central
54.17 Minnesota to contribute labor to these efforts.
54.18 The grant recipient must actively participate
54.19 in the Agricultural Utilization Research
54.20 Institute's Renewable Energy Roundtable and
54.21 no later than February 1, 2009, must report
54.22 to the house and senate committees with
54.23 jurisdiction over agriculture finance. This is
54.24 a onetime appropriation and is available until
54.25 spent.

54.26 Sec. 7. Laws 2007, chapter 45, article 1, section 3, subdivision 5, as amended by Laws
54.27 2008, chapter 297, article 1, section 65, is amended to read:

54.28	Subd. 5. Administration and Financial		
54.29	Assistance	7,338,000	6,751,000

54.30 \$1,005,000 the first year and \$1,005,000
54.31 the second year are for continuation of
54.32 the dairy development and profitability
54.33 enhancement and dairy business planning
54.34 grant programs established under Laws 1997,
54.35 chapter 216, section 7, subdivision 2, and

55.1 Laws 2001, First Special Session chapter 2,
55.2 section 9, subdivision 2 . The commissioner
55.3 may allocate the available sums among
55.4 permissible activities, including efforts to
55.5 improve the quality of milk produced in the
55.6 state in the proportions that the commissioner
55.7 deems most beneficial to Minnesota's dairy
55.8 farmers. The commissioner must submit a
55.9 work plan detailing plans for expenditures
55.10 under this program to the chairs of the
55.11 house and senate committees dealing with
55.12 agricultural policy and budget on or before
55.13 the start of each fiscal year. If significant
55.14 changes are made to the plans in the course
55.15 of the year, the commissioner must notify the
55.16 chairs.

55.17 \$50,000 the first year and \$50,000 the
55.18 second year are for the Northern Crops
55.19 Institute. These appropriations may be spent
55.20 to purchase equipment.

55.21 \$19,000 the first year and \$19,000 the
55.22 second year are for a grant to the Minnesota
55.23 Livestock Breeders Association.

55.24 \$250,000 the first year and \$250,000 the
55.25 second year are for grants to the Minnesota
55.26 Agricultural Education Leadership Council
55.27 for programs of the council under Minnesota
55.28 Statutes, chapter 41D.

55.29 \$600,000 the first year is for grants for
55.30 fertilizer research as awarded by the
55.31 Minnesota Agricultural Fertilizer Research
55.32 and Education Council under Minnesota
55.33 Statutes, section 18C.71. The amount
55.34 available to the commissioner pursuant
55.35 to Minnesota Statutes, section 18C.70,

56.1 subdivision 2, for administration of this
56.2 activity is available until February 1, 2009,
56.3 by which time the commissioner shall
56.4 report to the house and senate committees
56.5 with jurisdiction over agriculture finance.
56.6 The report must include the progress and
56.7 outcome of funded projects as well as the
56.8 sentiment of the council concerning the need
56.9 for additional research funded through an
56.10 industry checkoff fee. The amount available
56.11 for grants is available until June 30, 2011.

56.12 \$465,000 the first year and \$465,000 the
56.13 second year are for payments to county and
56.14 district agricultural societies and associations
56.15 under Minnesota Statutes, section 38.02,
56.16 subdivision 1. Aid payments to county and
56.17 district agricultural societies and associations
56.18 shall be disbursed not later than July 15 of
56.19 each year. These payments are the amount of
56.20 aid owed by the state for an annual fair held
56.21 in the previous calendar year.

56.22 \$65,000 the first year and \$65,000 the second
56.23 year are for annual grants to the Minnesota
56.24 Turf Seed Council for basic and applied
56.25 research on the improved production of
56.26 forage and turf seed related to new and
56.27 improved varieties. The grant recipient may
56.28 subcontract with a qualified third party for
56.29 some or all of the basic and applied research.

56.30 \$500,000 the first year and \$500,000 the
56.31 second year are for grants to Second Harvest
56.32 Heartland on behalf of Minnesota's six
56.33 Second Harvest food banks for the purchase
56.34 of milk for distribution to Minnesota's food
56.35 shelves and other charitable organizations

57.1 that are eligible to receive food from the food
57.2 banks. Milk purchased under the grants must
57.3 be acquired from Minnesota milk processors
57.4 and based on low-cost bids. The milk must be
57.5 allocated to each Second Harvest food bank
57.6 serving Minnesota according to the formula
57.7 used in the distribution of United States
57.8 Department of Agriculture commodities
57.9 under The Emergency Food Assistance
57.10 Program (TEFAP). Second Harvest
57.11 Heartland must submit quarterly reports
57.12 to the commissioner on forms prescribed
57.13 by the commissioner. The reports must
57.14 include, but are not limited to, information
57.15 on the expenditure of funds, the amount
57.16 of milk purchased, and the organizations
57.17 to which the milk was distributed. Second
57.18 Harvest Heartland may enter into contracts
57.19 or agreements with food banks for shared
57.20 funding or reimbursement of the direct
57.21 purchase of milk. Each food bank receiving
57.22 money from this appropriation may use up to
57.23 two percent of the grant for administrative
57.24 expenses.

57.25 \$100,000 the first year and \$100,000 the
57.26 second year are for transfer to the Board of
57.27 Trustees of the Minnesota State Colleges and
57.28 Universities for mental health counseling
57.29 support to farm families and business
57.30 operators through farm business management
57.31 programs at Central Lakes College and
57.32 Ridgewater College.

57.33 \$18,000 the first year and \$18,000 the
57.34 second year are for grants to the Minnesota
57.35 Horticultural Society.

58.1 \$50,000 is for a grant to the University of
58.2 Minnesota, Department of Horticultural
58.3 Science, Enology Laboratory, to upgrade
58.4 and purchase instrumentation to allow
58.5 rapid and accurate measurement of enology
58.6 components. This is a onetime appropriation
58.7 and is available until expended.

58.8 Sec. 8. Laws 2009, chapter 94, article 1, section 3, subdivision 5, is amended to read:

58.9	Subd. 5. Administration and Financial		
58.10	Assistance	8,177,000	7,037,000

58.11	Appropriations by Fund		
58.12		2010	2011
58.13	General	7,377,000	6,237,000
58.14	Agricultural	800,000	800,000

58.15 \$780,000 the first year and \$755,000 the
58.16 second year are for continuation of the dairy
58.17 development and profitability enhancement
58.18 and dairy business planning grant programs
58.19 established under Laws 1997, chapter
58.20 216, section 7, subdivision 2, and Laws
58.21 2001, First Special Session chapter 2,
58.22 section 9, subdivision 2. The commissioner
58.23 may allocate the available sums among
58.24 permissible activities, including efforts to
58.25 improve the quality of milk produced in the
58.26 state in the proportions that the commissioner
58.27 deems most beneficial to Minnesota's dairy
58.28 farmers. The commissioner must submit a
58.29 work plan detailing plans for expenditures
58.30 under this program to the chairs of the house
58.31 of representatives and senate committees
58.32 dealing with agricultural policy and budget
58.33 on or before the start of each fiscal year. If
58.34 significant changes are made to the plans

59.1 in the course of the year, the commissioner
59.2 must notify the chairs.

59.3 \$50,000 the first year and \$50,000 the
59.4 second year are for the Northern Crops
59.5 Institute. These appropriations may be spent
59.6 to purchase equipment.

59.7 \$19,000 the first year and \$19,000 the
59.8 second year are for a grant to the Minnesota
59.9 Livestock Breeders Association.

59.10 \$250,000 the first year and \$250,000 the
59.11 second year are for grants to the Minnesota
59.12 Agricultural Education and Leadership
59.13 Council for programs of the council under
59.14 Minnesota Statutes, chapter 41D.

59.15 \$474,000 the first year and \$474,000 the
59.16 second year are for payments to county and
59.17 district agricultural societies and associations
59.18 under Minnesota Statutes, section 38.02,
59.19 subdivision 1. Aid payments to county and
59.20 district agricultural societies and associations
59.21 shall be disbursed no later than July 15 of
59.22 each year. These payments are the amount of
59.23 aid from the state for an annual fair held in
59.24 the previous calendar year.

59.25 \$1,000 the first year and \$1,000 the second
59.26 year are for grants to the Minnesota State
59.27 Poultry Association.

59.28 \$65,000 the first year and \$65,000 the second
59.29 year are for annual grants to the Minnesota
59.30 Turf Seed Council for basic and applied
59.31 research on the improved production of
59.32 forage and turf seed related to new and
59.33 improved varieties. The grant recipient may
59.34 subcontract with a qualified third party for
59.35 some or all of the basic and applied research.

60.1 \$50,000 the first year and \$50,000 the
60.2 second year are for annual grants to the
60.3 Minnesota Turf Seed Council for basic
60.4 and applied agronomic research on native
60.5 plants, including plant breeding, nutrient
60.6 management, pest management, disease
60.7 management, yield, and viability. The grant
60.8 recipient may subcontract with a qualified
60.9 third party for some or all of the basic
60.10 or applied research. The grant recipient
60.11 must actively participate in the Agricultural
60.12 Utilization Research Institute's Renewable
60.13 Energy Roundtable and no later than
60.14 February 1, 2011, must report to the house of
60.15 representatives and senate committees with
60.16 jurisdiction over agriculture finance.

60.17 \$500,000 the first year and \$500,000 the
60.18 second year are for grants to Second Harvest
60.19 Heartland on behalf of Minnesota's six
60.20 Second Harvest food banks for the purchase
60.21 of milk for distribution to Minnesota's food
60.22 shelves and other charitable organizations
60.23 that are eligible to receive food from the food
60.24 banks. Milk purchased under the grants must
60.25 be acquired from Minnesota milk processors
60.26 and based on low-cost bids. The milk must be
60.27 allocated to each Second Harvest food bank
60.28 serving Minnesota according to the formula
60.29 used in the distribution of United States
60.30 Department of Agriculture commodities
60.31 under The Emergency Food Assistance
60.32 Program (TEFAP). Second Harvest
60.33 Heartland must submit quarterly reports
60.34 to the commissioner on forms prescribed
60.35 by the commissioner. The reports must
60.36 include, but are not limited to, information

61.1 on the expenditure of funds, the amount
61.2 of milk purchased, and the organizations
61.3 to which the milk was distributed. Second
61.4 Harvest Heartland may enter into contracts
61.5 or agreements with food banks for shared
61.6 funding or reimbursement of the direct
61.7 purchase of milk. Each food bank receiving
61.8 money from this appropriation may use up to
61.9 two percent of the grant for administrative
61.10 expenses.

61.11 \$1,000,000 the first year is for the agricultural
61.12 growth, research, and innovation program
61.13 in Minnesota Statutes, section 41A.12.
61.14 Priority must be given to livestock programs
61.15 under Minnesota Statutes, section 17.118.
61.16 Priority for livestock grants shall be given
61.17 to persons who are beginning livestock
61.18 producers and livestock producers who are
61.19 rebuilding after a disaster that was due to
61.20 natural or other unintended conditions. The
61.21 commissioner may use up to 4.5 percent
61.22 of this appropriation for costs incurred to
61.23 administer the program. Any unencumbered
61.24 balance does not cancel at the end of the first
61.25 year and is available in the second year.

61.26 \$100,000 the first year and \$100,000 the
61.27 second year are for transfer to the Board of
61.28 Trustees of the Minnesota State Colleges and
61.29 Universities for mental health counseling
61.30 support to farm families and business
61.31 operators through farm business management
61.32 programs at Central Lakes College and
61.33 Ridgewater College.

62.1 \$18,000 the first year and \$18,000 the
62.2 second year are for grants to the Minnesota
62.3 Horticultural Society.

62.4 Notwithstanding Minnesota Statutes,
62.5 section 18C.131, \$800,000 the first year
62.6 and \$800,000 the second year are from the
62.7 fertilizer account in the agricultural fund
62.8 for grants for fertilizer research as awarded
62.9 by the Minnesota Agricultural Fertilizer
62.10 Research and Education Council under
62.11 Minnesota Statutes, section 18C.71. The
62.12 amount appropriated in either fiscal year must
62.13 not exceed 57 percent of the inspection fee
62.14 revenue collected under Minnesota Statutes,
62.15 section 18C.425, subdivision 6, during the
62.16 previous fiscal year. No later than February
62.17 1, 2011, the commissioner shall report to
62.18 the legislative committees with jurisdiction
62.19 over agriculture finance. The report must
62.20 include the progress and outcome of funded
62.21 projects as well as the sentiment of the
62.22 council concerning the need for additional
62.23 research funds. The appropriation for the
62.24 first year is available until June 30, 2013,
62.25 and the appropriation for the second year is
62.26 available until June 30, 2014.

62.27 \$60,000 the first year is for a transfer to the
62.28 University of Minnesota Extension Service
62.29 for farm-to-school grants to school districts
62.30 in Minneapolis, Moorhead, White Earth, and
62.31 Willmar.

62.32 *\$30,000 is for star farms program*
62.33 *development. The commissioner, in*
62.34 *consultation with other state and local*
62.35 *agencies, farm groups, conservation*

63.1 *groups, legislators, and other interested*
 63.2 *persons, shall develop a proposal for a star*
 63.3 *farms program. By January 15, 2010, the*
 63.4 *commissioner shall submit the proposal to*
 63.5 *the legislative committees and divisions*
 63.6 *with jurisdiction over agriculture and*
 63.7 *environmental policy and finance. This is a*
 63.8 *onetime appropriation. * (The preceding*
 63.9 **paragraph beginning "\$30,000 is for star**
 63.10 **farms program" was indicated as vetoed**
 63.11 **by the governor.)**

63.12 \$25,000 the first year is for the administration
 63.13 of the Feeding Minnesota Task Force, under
 63.14 new Minnesota Statutes, section 31.97. This
 63.15 is a onetime appropriation.

63.16 **ARTICLE 6**

63.17 **VETERANS AFFAIRS**

63.18 Section 1. **APPROPRIATIONS.**

63.19 The sums shown in the columns marked "Appropriations" are added to, or if shown
 63.20 in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 3, to
 63.21 the agencies and for the purposes specified in this article. The appropriations are from the
 63.22 general fund, or another named fund, and are available for the fiscal years indicated for
 63.23 each purpose. The figures "2010" and "2011" used in this article mean that the addition
 63.24 to or subtraction from the appropriation listed under them is available for the fiscal year
 63.25 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and
 63.26 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the
 63.27 day following final enactment.

63.28 <u>APPROPRIATIONS</u>	
63.29 <u>Available for the Year</u>	
63.30 <u>Ending June 30</u>	
63.31 <u>2010</u>	<u>2011</u>

63.32	Sec. 2. <u>VETERANS AFFAIRS</u>	\$	<u>-0-</u>	\$	<u>250,000</u>
63.33	<u>\$250,000 in fiscal year 2011 is for a grant</u>				
63.34	<u>to the Minnesota Assistance Council for</u>				

64.1 Veterans to provide assistance throughout
64.2 Minnesota to veterans and their families who
64.3 are homeless or in danger of homelessness,
64.4 including housing, utility, employment, and
64.5 legal assistance, according to guidelines
64.6 established by the commissioner. In
64.7 order to avoid duplication of services,
64.8 the commissioner must ensure that this
64.9 assistance will be coordinated with all other
64.10 available programs for veterans. This is a
64.11 onetime appropriation.

64.12 Of the appropriation in Laws 2009, chapter
64.13 94, article 3, section 2, subdivision 2:

64.14 (1) \$100,000 in fiscal year 2011 is for
64.15 compensation for honor guards at the
64.16 funerals of veterans in accordance with the
64.17 program established in Minnesota Statutes,
64.18 section 197.231; and

64.19 (2) \$200,000 in fiscal year 2010 and
64.20 \$200,000 in fiscal year 2011 are from the
64.21 Support our Troops account for an increase
64.22 in the CORE grant program.

64.23 Sec. 3. **VETERANS HOMES**

64.24 Of the appropriation in Laws 2009, chapter
64.25 94, article 3, section 2, subdivision 3, or from
64.26 funds carried forward from fiscal year 2009:

64.27 (1) \$1,000,000 in fiscal year 2011 is for
64.28 operational expenses related to the 21-bed
64.29 addition at the Fergus Falls Veterans Home;
64.30 and

64.31 (2) \$113,000 in fiscal year 2011 is for start-up
64.32 expenses related to the opening of an adult
64.33 daycare facility at the Minneapolis Veterans
64.34 Home.

65.1 Sec. 4. **REPORT TO THE LEGISLATURE**

65.2 By January 15, 2011, the commissioner shall
65.3 report to the chairs and ranking minority
65.4 members of the legislative committees and
65.5 divisions with jurisdiction over veterans
65.6 affairs policy and finance regarding any
65.7 unexpended appropriations, revenues, or
65.8 other actual or projected carryover money
65.9 provided directly or indirectly through any
65.10 provision in this article.

65.11 Sec. 5. Minnesota Statutes 2009 Supplement, section 190.19, subdivision 2a, is
65.12 amended to read:

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

- 65.15 (1) grants to veterans service organizations;
65.16 (2) outreach to underserved veterans; ~~and~~
65.17 (3) providing services and programs for veterans and their families; and
65.18 (4) transfers to the vehicle services account for Gold Star license plates under
65.19 section 168.1253.

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

65.21 Sec. 6. Laws 2009, chapter 94, article 3, section 2, subdivision 3, is amended to read:

65.22 Subd. 3. Veterans Homes	43,673,000	43,916,000
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65.23 **Veterans Homes Special Revenue Account.**

65.24 The general fund appropriations made to
65.25 the department may be transferred to a
65.26 veterans homes special revenue account in
65.27 the special revenue fund in the same manner
65.28 as other receipts are deposited according
65.29 to Minnesota Statutes, section 198.34, and
65.30 are appropriated to the department for the
65.31 operation of veterans homes facilities and
65.32 programs.

66.1 **Repair and Betterment.** Of this
66.2 appropriation, \$1,000,000 in fiscal year
66.3 2010 and \$500,000 in fiscal year 2011
66.4 are to be used for repair, maintenance,
66.5 rehabilitation, and betterment activities at
66.6 facilities statewide.

66.7 **Hastings Veterans Home.** \$220,000 each
66.8 year is for increases in the mental health
66.9 program at the Hastings Veterans Home.

66.10 ~~**Food:** \$92,000 in fiscal year 2010 and~~
66.11 ~~\$189,000 in fiscal year 2011 are for increases~~
66.12 ~~in food costs at the Minnesota veterans~~
66.13 ~~homes.~~

66.14 ~~**Pharmaceuticals.** \$287,000 in fiscal year~~
66.15 ~~2010 and \$617,000 in fiscal year 2011 are for~~
66.16 ~~increases in pharmaceutical costs.~~

66.17 ~~**Fuel and Utilities.** \$277,000 in fiscal year~~
66.18 ~~2010 and \$593,000 in fiscal year 2011 are~~
66.19 ~~for increases in fuel and utility costs at the~~
66.20 ~~Minnesota veterans homes.~~

66.21 **Medicare Part D.** \$141,000 in fiscal year
66.22 2010 and \$141,000 in fiscal year 2011 are
66.23 for implementation of Minnesota Statutes,
66.24 section 198.003, subdivision 7.

ARTICLE 7

ECONOMIC DEVELOPMENT

Section 1. **SUMMARY OF APPROPRIATIONS.**

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

66.30			<u>2010</u>		<u>2011</u>		<u>Total</u>
66.31	<u>General</u>	\$	(1,500,000)	\$	(1,615,000)	\$	(3,115,000)
66.32	Total	\$	(1,500,000)	\$	(1,615,000)	\$	(3,115,000)

Sec. 2. APPROPRIATIONS.

67.1 The sums shown in the columns marked "Appropriations" are added to or, if shown
67.2 in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1,
67.3 unless otherwise specified, to the agencies and for the purposes specified in this article.
67.4 The appropriations are from the general fund, or another named fund, and are available for
67.5 the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this
67.6 article mean that the addition to or subtraction from the appropriation listed under them
67.7 are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively.
67.8 Supplemental appropriations and reductions to appropriations for the fiscal year ending
67.9 June 30, 2010, are effective the day following final enactment.

67.10			<u>APPROPRIATIONS</u>	
67.11			<u>Available for the Year</u>	
67.12			<u>Ending June 30</u>	
67.13			<u>2010</u>	<u>2011</u>

67.14 Sec. 3. **EMPLOYMENT AND ECONOMIC**
67.15 **DEVELOPMENT**

67.16	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>(1,500,000)</u>	<u>\$</u>	<u>(1,847,000)</u>
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67.17 The appropriation reductions for each
67.18 purpose are specified in the following
67.19 subdivisions.

67.20	<u>Subd. 2. Business and Community</u>				
67.21	<u>Development</u>		<u>-0-</u>		<u>(690,000)</u>

67.22 (a) \$100,000 in 2011 is from the
67.23 appropriation for a grant to BioBusiness
67.24 Alliance of Minnesota.

67.25 (b) \$15,000 in 2011 is from the appropriation
67.26 for a grant to the Minnesota Inventors
67.27 Congress.

67.28 (c) The general fund base for business and
67.29 community development is \$6,551,000 in
67.30 fiscal year 2012 and \$6,551,000 in fiscal year
67.31 2013.

67.32	<u>Subd. 3. Workforce Development</u>	<u>-0-</u>	<u>(857,000)</u>
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67.33 (a) \$400,000 in 2011 is from the appropriation
67.34 for the Minnesota job skills partnership

68.1 program under Minnesota Statutes, sections
68.2 116L.01 to 116L.17.

68.3 (b) \$119,000 in 2011 is from the appropriation
68.4 for State Services for the Blind activities.

68.5 (c) \$67,000 in 2011 is from the appropriation
68.6 for grants to Centers for Independent Living.

68.7 (d) \$222,000 in 2011 is from the
68.8 appropriation for extended employment
68.9 services under Minnesota Statutes, section
68.10 268A.15. Notwithstanding Minnesota
68.11 Rules, parts 3300.2030 to 3300.2055, the
68.12 commissioner may adjust contracts with
68.13 eligible extended employment providers in
68.14 order to achieve required reductions through
68.15 June 30, 2011. The general fund base for
68.16 extended employment services is \$5,405,000
68.17 in fiscal year 2012 and \$5,405,000 in fiscal
68.18 year 2013.

68.19 (e) \$49,000 in 2011 is from the appropriation
68.20 for grants to programs that provide
68.21 employment support services to persons with
68.22 mental illness under Minnesota Statutes,
68.23 sections 268A.13 and 268A.14. \$2,000
68.24 in each year is from the appropriation for
68.25 administrative expenses.

68.26 (f) The general fund base for workforce
68.27 development is \$29,181,000 in fiscal year
68.28 2012 and \$29,181,000 in fiscal year 2013.

68.29 Subd. 4. **State-Funded Administration** -0- (300,000)

68.30 The general fund base for state-funded
68.31 administration is \$2,126,000 in fiscal year
68.32 2012 and \$2,126,000 in fiscal year 2013.

68.33 Subd. 5. **Carryforward** (1,500,000) -0-

69.1 The carryforward reduction is for the job
69.2 skills partnership program.

69.3 **Subd. 6. Transfers and Cancellations**

69.4 (a) \$367,000 in 2010 and \$367,000 in
69.5 2011 are transferred from the contaminated
69.6 cleanup grants appropriation in the petroleum
69.7 tank release cleanup fund under Minnesota
69.8 Statutes, section 115C.08, subdivision 4, to
69.9 the general fund.

69.10 (b) \$80,000 in 2010 is transferred from the
69.11 unemployment insurance state administration
69.12 account in the special revenue fund under
69.13 Minnesota Statutes, section 268.196,
69.14 subdivision 1, to the general fund.

69.15 (c) \$160,000 in 2010 is transferred from
69.16 the capital access program account in the
69.17 special revenue fund under Minnesota
69.18 Statutes, section 116J.876, subdivision 4, to
69.19 the general fund.

69.20 (d) The remaining balance from the Laws
69.21 2007, chapter 135, article 1, section 3,
69.22 appropriation for a grant to Le Sueur County
69.23 is canceled.

69.24 **Sec. 4. DEPARTMENT OF LABOR AND**
69.25 **INDUSTRY; TRANSFERS**

\$

-0- **\$**

-0-

69.26 (a) By June 30, 2010, the commissioner
69.27 of management and budget shall transfer
69.28 \$700,000 from the contractor recovery
69.29 account in the special revenue fund to the
69.30 general fund.

69.31 (b) By June 30, 2010, the commissioner
69.32 of management and budget shall transfer
69.33 \$725,000 from the assigned risk safety

70.1 account in the worker's compensation fund to
70.2 the general fund.

70.3	Sec. 5. <u>BUREAU OF MEDIATION</u>			
70.4	<u>SERVICES</u>	\$	<u>-0-</u>	\$ <u>(53,000)</u>

70.5 (a) \$47,000 in 2011 is from the appropriation
70.6 for mediation services.

70.7 (b) \$6,000 in 2011 is from the appropriation
70.8 for labor management cooperation grants.

70.9	Sec. 6. <u>BOARD OF ACCOUNTANCY</u>	\$	<u>-0-</u>	\$ <u>-0-</u>
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70.10	Sec. 7. <u>BOARD OF ARCHITECTURE,</u>			
70.11	<u>ENGINEERING, LAND SURVEYING,</u>			
70.12	<u>LANDSCAPE ARCHITECTURE,</u>			
70.13	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	\$	<u>-0-</u>	\$ <u>-0-</u>

70.14	Sec. 8. <u>BOARD OF COSMETOLOGIST</u>			
70.15	<u>EXAMINERS</u>	\$	<u>-0-</u>	\$ <u>225,000</u>

70.16	Sec. 9. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>-0-</u>	\$ <u>60,000</u>
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70.17	Sec. 10. <u>COMBATIVE SPORTS</u>			
70.18	<u>COMMISSION</u>	\$	<u>-0-</u>	\$ <u>-0-</u>

70.19 Sec. 11. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

70.20	Subd. 2. Business and Community			
70.21	Development	8,980,000		8,980,000

70.22	Appropriations by Fund			
70.23	General	7,941,000	7,941,000	
70.24	Remediation	700,000	700,000	
70.25	Workforce			
70.26	Development	339,000	339,000	

70.27 (a) \$700,000 the first year and \$700,000 the
70.28 second year are from the remediation fund for
70.29 contaminated site cleanup and development
70.30 grants under Minnesota Statutes, section
70.31 116J.554. This appropriation is available
70.32 until expended.

71.1 (b) \$200,000 each year is from the general
71.2 fund for a grant to WomenVenture for
71.3 women's business development programs
71.4 and for programs that encourage and assist
71.5 women to enter nontraditional careers in the
71.6 trades; manual and technical occupations;
71.7 science, technology, engineering, and
71.8 mathematics-related occupations; and green
71.9 jobs. This appropriation may be matched
71.10 dollar for dollar with any resources available
71.11 from the federal government for these
71.12 purposes with priority given to initiatives
71.13 that have a goal of increasing by at least ten
71.14 percent the number of women in occupations
71.15 where women currently comprise less than 25
71.16 percent of the workforce. The appropriation
71.17 is available until expended.

71.18 (c) \$105,000 each year is from the general
71.19 fund and \$50,000 each year is from the
71.20 workforce development fund for a grant to
71.21 the Metropolitan Economic Development
71.22 Association for continuing minority business
71.23 development programs in the metropolitan
71.24 area. This appropriation must be used for the
71.25 sole purpose of providing free or reduced
71.26 fee business consulting services to minority
71.27 entrepreneurs and contractors.

71.28 (d)(1) \$500,000 each year is from the
71.29 general fund for a grant to BioBusiness
71.30 Alliance of Minnesota for bioscience
71.31 business development programs to promote
71.32 and position the state as a global leader
71.33 in bioscience business activities. This
71.34 appropriation is added to the department's
71.35 base. These funds may be used to create,
71.36 recruit, retain, and expand biobusiness

72.1 activity in Minnesota; implement the
72.2 destination 2025 statewide plan; update
72.3 a statewide assessment of the bioscience
72.4 industry and the competitive position of
72.5 Minnesota-based bioscience businesses
72.6 relative to other states and other nations;
72.7 and develop and implement business and
72.8 scenario-planning models to create, recruit,
72.9 retain, and expand biobusiness activity in
72.10 Minnesota.

72.11 (2) The BioBusiness Alliance must report
72.12 each year by February 15 to the committees
72.13 of the house of representatives and the senate
72.14 having jurisdiction over bioscience industry
72.15 activity in Minnesota on the use of funds;
72.16 the number of bioscience businesses and
72.17 jobs created, recruited, retained, or expanded
72.18 in the state since the last reporting period;
72.19 the competitive position of the biobusiness
72.20 industry; and utilization rates and results of
72.21 the business and scenario-planning models
72.22 and outcomes resulting from utilization of
72.23 the business and scenario-planning models.

72.24 (e)(1) Of the money available in the
72.25 Minnesota Investment Fund, Minnesota
72.26 Statutes, section 116J.8731, to the
72.27 commissioner of the Department of
72.28 Employment and Economic Development,
72.29 up to \$3,000,000 is appropriated in fiscal year
72.30 2010 for a loan to an aircraft manufacturing
72.31 and assembly company, associated with the
72.32 aerospace industry, for equipment utilized
72.33 to establish an aircraft completion center
72.34 at the Minneapolis-St. Paul International
72.35 Airport. The finishing center must use the
72.36 state's vocational training programs designed

73.1 specifically for aircraft maintenance training,
73.2 and to the extent possible, work to recruit
73.3 employees from these programs. The center
73.4 must create at least 200 new manufacturing
73.5 jobs within 24 months of receiving the
73.6 loan, and create not less than 500 new
73.7 manufacturing jobs over a five-year period
73.8 in Minnesota.

73.9 (2) This loan is not subject to loan limitations
73.10 under Minnesota Statutes, section 116J.8731,
73.11 subdivision 5. Any match requirements
73.12 under Minnesota Statutes, section 116J.8731,
73.13 subdivision 3, may be made from current
73.14 resources. This is a onetime appropriation
73.15 and is effective the day following final
73.16 enactment.

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

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

73.24 (h) \$500,000 the first year and \$500,000 the
73.25 second year are for a grant to Enterprise
73.26 Minnesota, Inc., for the small business
73.27 growth acceleration program under
73.28 Minnesota Statutes, section 116O.115. This
73.29 is a onetime appropriation and is available
73.30 until expended.

73.31 (i)(1) \$100,000 each year is from the
73.32 workforce development fund for a grant
73.33 under Minnesota Statutes, section 116J.421,
73.34 to the Rural Policy and Development
73.35 Center at St. Peter, Minnesota. The grant

74.1 shall be used for research and policy
74.2 analysis on emerging economic and social
74.3 issues in rural Minnesota, to serve as a
74.4 policy resource center for rural Minnesota
74.5 communities, to encourage collaboration
74.6 across higher education institutions, to
74.7 provide interdisciplinary team approaches
74.8 to research and problem-solving in rural
74.9 communities, and to administer overall
74.10 operations of the center.

74.11 (2) The grant shall be provided upon the
74.12 condition that each state-appropriated
74.13 dollar be matched with a nonstate dollar.
74.14 Acceptable matching funds are nonstate
74.15 contributions that the center has received and
74.16 have not been used to match previous state
74.17 grants. Any funds not spent the first year are
74.18 available the second year.

74.19 (j) Notwithstanding Minnesota Statutes,
74.20 section 268.18, subdivision 2, \$414,000 of
74.21 funds collected for unemployment insurance
74.22 administration under this subdivision is
74.23 appropriated as follows: \$250,000 to Lake
74.24 County for ice storm damage; \$64,000 is for
74.25 the city of Green Isle for reimbursement of
74.26 fire relief efforts and other expenses incurred
74.27 as a result of the fire in the city of Green Isle;
74.28 and \$100,000 is to develop the construction
74.29 mitigation pilot program to make grants for
74.30 up to five projects statewide available to local
74.31 government units to mitigate the impacts of
74.32 transportation construction on local small
74.33 business. These are onetime appropriations
74.34 and are available until expended.

75.1 (k) Up to \$10,000,000 is appropriated from
75.2 the Minnesota minerals 21st century fund to
75.3 the commissioner of Iron Range resources
75.4 and rehabilitation to make ~~a grant~~ grants
75.5 or forgivable ~~loan~~ loans to ~~a manufacturer~~
75.6 manufacturers of windmill blades, other
75.7 renewable energy manufacturing, or biomass
75.8 products at ~~a facility~~ facilities to be located
75.9 within the taconite tax relief area defined
75.10 in Minnesota Statutes, section 273.134. No
75.11 match is required for the renewable energy
75.12 manufacturing or biomass projects.

75.13 (l) \$1,000,000 is appropriated from the
75.14 Minnesota minerals 21st century fund to
75.15 the Board of Trustees of the Minnesota
75.16 State Colleges and Universities for a grant
75.17 to the Northeast Higher Education District
75.18 for planning, design, and construction of
75.19 classrooms and housing facilities for upper
75.20 division students in the engineering program.

75.21 (m)(1) \$189,000 each year is appropriated
75.22 from the workforce development fund for
75.23 grants of \$63,000 to eligible organizations
75.24 each year to assist in the development of
75.25 entrepreneurs and small businesses. Each
75.26 state grant dollar must be matched with \$1
75.27 of nonstate funds. Any balance in the first
75.28 year does not cancel but is available in the
75.29 second year.

75.30 (2) Three grants must be awarded to
75.31 continue or to develop a program. One
75.32 grant must be awarded to the Riverbend
75.33 Center for Entrepreneurial Facilitation
75.34 in Blue Earth County, and two to other
75.35 organizations serving Faribault and Martin

76.1 Counties. Grant recipients must report to the
76.2 commissioner by February 1 of each year
76.3 that the organization receives a grant with the
76.4 number of customers served; the number of
76.5 businesses started, stabilized, or expanded;
76.6 the number of jobs created and retained; and
76.7 business success rates. The commissioner
76.8 must report to the house of representatives
76.9 and senate committees with jurisdiction
76.10 over economic development finance on the
76.11 effectiveness of these programs for assisting
76.12 in the development of entrepreneurs and
76.13 small businesses.

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

76.15 Sec. 12. **ADJUSTMENT.**

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

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

76.24 Sec. 13. **APPROPRIATIONS MADE ONLY ONCE.**

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

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

76.28 **ARTICLE 8**

76.29 **MISCELLANEOUS ECONOMIC DEVELOPMENT**

76.30 Section 1. Minnesota Statutes 2008, section 116L.17, subdivision 2, is amended to read:

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

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

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

77.11 (c) Following the initial allocation, the board may consider additional allocations
77.12 to provide services to individual dislocated workers. The board's decision to allocate
77.13 additional funds shall be based on relevant economic indicators including: the number
77.14 of substantial layoffs to date, notices of substantial layoffs for the remainder of the fiscal
77.15 year, evidence of declining industries, the number of permanently separated individuals
77.16 applying for unemployment benefits by workforce service area, and the number of
77.17 individuals exhausting unemployment benefits by workforce service area. The board must
77.18 also consider expenditures of allocations to workforce service areas under paragraph (b)
77.19 made during the first two quarters of the fiscal year and federal resources that have been
77.20 or are likely to be allocated to Minnesota for the purposes of serving dislocated workers
77.21 affected by substantial layoffs or plant closings; except that this sentence does not apply
77.22 in fiscal year 2011.

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

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

77.26 Sec. 2. Minnesota Statutes 2009 Supplement, section 154.002, is amended to read:

77.27 **154.002 OFFICERS; COMPENSATION; FEES; EXPENSES.**

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

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

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

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

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

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

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

78.13 Sec. 3. Minnesota Statutes 2009 Supplement, section 154.003, is amended to read:

78.14 **154.003 FEES.**

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

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

78.19 (1) examination and certificate, registered barber, ~~\$65~~ \$85;

78.20 (2) examination and certificate, apprentice, ~~\$60~~ \$80;

78.21 (3) examination, instructor, ~~\$160~~ \$180;

78.22 (4) certificate, instructor, ~~\$45~~ \$65;

78.23 (5) temporary teacher or apprentice permit, ~~\$60~~ \$80;

78.24 (6) renewal of license, registered barber, ~~\$60~~ \$80;

78.25 (7) renewal of license, apprentice, ~~\$50~~ \$70;

78.26 (8) renewal of license, instructor, ~~\$60~~ \$80;

78.27 (9) renewal of temporary teacher permit, ~~\$45~~ \$65;

78.28 (10) student permit, ~~\$25~~ \$45;

78.29 (11) initial shop registration, ~~\$65~~ \$85;

78.30 (12) initial school registration, ~~\$1,010~~ \$1,030;

78.31 (13) renewal shop registration, ~~\$65~~ \$85;

78.32 (14) renewal school registration, ~~\$260~~ \$280;

78.33 (15) restoration of registered barber license, ~~\$75~~ \$95;

78.34 (16) restoration of apprentice license, ~~\$70~~ \$90;

- 79.1 (17) restoration of shop registration, ~~\$85~~ \$105;
- 79.2 (18) change of ownership or location, ~~\$35~~ \$55;
- 79.3 (19) duplicate license, ~~\$20~~ \$40; and
- 79.4 (20) home study course, ~~\$75~~, and \$95.
- 79.5 ~~(21) registration of hair braiders, \$20 per year.~~

79.6 Sec. 4. Minnesota Statutes 2008, section 154.06, is amended to read:

79.7 **154.06 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**

79.8 **REGISTERED APPRENTICE.**

79.9 Subdivision 1. **Qualifications; duration of registration.** (a) A person is qualified to

79.10 receive a certificate of registration as a registered apprentice:

- 79.11 (1) who has completed at least ten grades of an approved school;
- 79.12 (2) who has graduated from a barber school approved by the board; and
- 79.13 (3) who has passed an examination conducted by the board to determine fitness to
- 79.14 practice as a registered apprentice.

79.15 (b) An applicant for a certificate of registration to practice as an apprentice who fails

79.16 to pass the examination conducted by the board is required to complete a further course

79.17 of study of at least 500 hours, of not more than eight hours in any one working day,

79.18 in a barber school approved by the board.

79.19 (c) A certificate of registration of an apprentice shall be valid for four years from the

79.20 date the certificate of registration is issued by the board and shall not be renewed. During

79.21 the four-year period the certificate of registration shall remain in full force and effect only

79.22 if the apprentice complies with all the provisions of sections 154.001, 154.002, 154.003,

79.23 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, including the payment of

79.24 an annual fee, and the rules of the board.

79.25 Subd. 2. **Limited extension of registration.** (a) If a registered apprentice, during

79.26 the term in which the certificate of registration is in effect, enters full-time active duty in

79.27 the armed forces of the United States of America, the expiration date of the certificate

79.28 of registration shall be extended by a period of time equal to the period or periods of

79.29 active duty.

79.30 (b) This paragraph applies when a person graduates from a barber school approved

79.31 by the board and is issued a certificate of registration while incarcerated by the Department

79.32 of Corrections or the Federal Bureau of Prisons. The expiration date of the certificate shall

79.33 be extended once so that it expires four years from the date of the person's first release

79.34 from a correctional facility after becoming a registered apprentice.

80.1 Sec. 5. Minnesota Statutes 2008, section 154.065, subdivision 2, is amended to read:

80.2 Subd. 2. **Qualifications.** A person is qualified to receive a certificate of registration
80.3 as an instructor of barbering who:

80.4 (1) is a graduate from an approved high school, or its equivalent, as determined by
80.5 examination by the Department of Education;

80.6 (2) ~~has qualified for a teacher's or instructor's vocational certificate~~ successfully
80.7 completed at least 38 hours of training in a program or programs approved by the board and
80.8 that will provide the knowledge and skills necessary to instruct in the field of barbering;

80.9 (3) ~~has at least three years experience as~~ is currently a registered barber in this state;
80.10 ~~or its equivalent as determined by the board~~ with at least 1,400 hours of experience as
80.11 a registered barber; and

80.12 (4) has passed an examination conducted by the board to determine fitness to
80.13 instruct in barbering.

80.14 A certificate of registration under this section is provisional until a teacher's or
80.15 instructor's vocational certificate has been issued by the Department of Education. A
80.16 provisional certificate of registration is valid for 30 days and is not renewable.

80.17 Sec. 6. Minnesota Statutes 2008, section 154.07, is amended by adding a subdivision
80.18 to read:

80.19 Subd. 7. **Transfer students.** When a student has paid or made arrangement to pay
80.20 all applicable tuition fees to a barbering school, that school shall certify a student's hours
80.21 to another school within ten days of the student's written request. The former school may
80.22 charge a nominal fee for providing this certification and transfer of hours.

80.23 Sec. 7. Minnesota Statutes 2008, section 154.15, is amended by adding a subdivision
80.24 to read:

80.25 Subd. 3. **Continuing education required for registered instructors.** (a) A
80.26 registered instructor of barbering may not renew a certificate of registration without
80.27 satisfying the following continuing education requirements:

80.28 (1) a registered instructor must submit proof of at least five continuing education
80.29 credits earned since the original certification or latest renewal, whichever is latest, unless
80.30 the registered instructor has failed to renew as described in subdivision 2; and

80.31 (2) a registered instructor who fails to renew may not be reinstated under subdivision
80.32 2 without proof of at least five continuing education credits earned since the original
80.33 certification or latest renewal, whichever is latest, plus an additional 2.5 credits for each

81.1 six months, or portion thereof, in excess of the date of the original failure to renew,
81.2 calculated from the date that the board receives the application for renewal.

81.3 (b) For purposes of this subdivision, a registered instructor may earn continuing
81.4 education credits as follows:

81.5 (1) one credit for every five hours of service as a voting member on a board,
81.6 commission, task force, or nonprofit organization;

81.7 (2) one credit for each credit earned for completing a class or course at a
81.8 postsecondary institution, a degree-granting college or university, or a trade and technical
81.9 school that grants associate degrees; and

81.10 (3) one credit for every five hours of attendance at a trade show or formal class
81.11 offered by an organization related to barbering or cosmetology.

81.12 Sec. 8. Minnesota Statutes 2009 Supplement, section 155A.23, is amended by adding a
81.13 subdivision to read:

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

81.16 Sec. 9. Minnesota Statutes 2009 Supplement, section 155A.24, subdivision 2, is
81.17 amended to read:

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

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

81.23 Sec. 10. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding
81.24 a subdivision to read:

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

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

82.1 Sec. 11. Minnesota Statutes 2009 Supplement, section 155A.24, is amended by adding
82.2 a subdivision to read:

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

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

82.7 Sec. 12. Minnesota Statutes 2009 Supplement, section 155A.25, is amended to read:

82.8 **155A.25 COSMETOLOGY FEES; LICENSE EXPIRATION DATE.**

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

82.11 (a) Three-year license fees:

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

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

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

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

82.17 (b) Penalties:

82.18 (1) reinspection fee, variable;

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

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

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

82.23 (c) Administrative fees:

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

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

82.26 (3) name change, \$20;

82.27 (4) letter of license verification, \$30;

82.28 (5) duplicate license, \$20;

82.29 (6) processing fee, \$10; ~~and~~

82.30 (7) special event permit, \$75 per year; and

82.31 (8) registration of hair braiders, \$20 per year.

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

- 83.1 Subd. 1a. **Schedule.** The fee schedule for licensees is as follows for licenses issued
83.2 after June 30, 2010, and prior to July 1, 2013:
- 83.3 (a) Three-year license fees:
- 83.4 (1) cosmetologist, manicurist, or esthetician:
- 83.5 (i) \$90 for each initial license and a \$40 nonrefundable initial license application fee,
83.6 for a total of \$130; and
- 83.7 (ii) \$60 for each renewal and a \$15 nonrefundable renewal application fee, for
83.8 a total of \$75;
- 83.9 (2) instructor or manager:
- 83.10 (i) \$120 for each initial license and a \$40 nonrefundable initial license application
83.11 fee, for a total of \$160; and
- 83.12 (ii) \$90 for each renewal and a \$15 nonrefundable renewal application fee, for a
83.13 total of \$105;
- 83.14 (3) salon:
- 83.15 (i) \$130 for each initial license and a \$100 nonrefundable initial license application
83.16 fee, for a total of \$230; and
- 83.17 (ii) \$100 for each renewal and a \$50 nonrefundable renewal application fee, for a
83.18 total of \$150; and
- 83.19 (4) school:
- 83.20 (i) \$1,500 for each initial license and a \$1,000 nonrefundable initial license
83.21 application fee, for a total of \$2,500; and
- 83.22 (ii) \$1,500 for each renewal and a \$500 nonrefundable renewal application fee,
83.23 for a total of \$2,000.
- 83.24 (b) Penalties:
- 83.25 (1) reinspection fee, variable;
- 83.26 (2) manager and owner with lapsed practitioner, \$150 each;
- 83.27 (3) expired cosmetologist, manicurist, esthetician, manager, school manager, and
83.28 instructor license, \$45; and
- 83.29 (4) expired salon or school license, \$50.
- 83.30 (c) Administrative fees:
- 83.31 (1) certificate of identification, \$20;
- 83.32 (2) name change, \$20;
- 83.33 (3) letter of license verification, \$30;
- 83.34 (4) duplicate license, \$20;
- 83.35 (5) processing fee, \$10;
- 83.36 (6) special event permit, \$75 per year; and

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

84.2 Subd. 1b. **Fees disposition; appropriation.** (a) All fees established in subdivisions
84.3 1 and 1a must be paid to the executive secretary of the board.

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

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

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

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

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

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

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

84.26 Sec. 13. Minnesota Statutes 2008, section 326B.148, subdivision 1, is amended to read:

84.27 Subdivision 1. **Computation.** To defray the costs of administering sections
84.28 326B.101 to 326B.194, a surcharge is imposed on all permits issued by municipalities in
84.29 connection with the construction of or addition or alteration to buildings and equipment or
84.30 appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge
84.31 receipts to award grants for code research and development and education.

84.32 If the fee for the permit issued is fixed in amount the surcharge is equivalent to
84.33 one-half mill (.0005) of the fee or 50 cents, except that effective July 1, 2010, until June
84.34 30, 2011, the permit surcharge is equivalent to one-half mill (.0005) of the fee or \$5,
84.35 whichever amount is greater. For all other permits, the surcharge is as follows:

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

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

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

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

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

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

85.14 Sec. 14. **RULEMAKING.**

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

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

85.24 Sec. 15. **EXPEDITED RULES; PLUMBING BOARD.**

85.25 The Plumbing Board shall have expedited rulemaking authority provided under
85.26 Minnesota Statutes, section 14.389 for expedited rules regarding water-free urinals that
85.27 meet the Minnesota Plumbing Board standards. This authority expires December 31, 2010.

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

85.29 Sec. 16. **REPEALER.**

85.30 Minnesota Statutes 2008, sections 154.07, subdivision 5; and 176.135, subdivision
85.31 1b, are repealed.

ARTICLE 9

HOUSING

Section 1. SUMMARY OF APPROPRIATIONS.

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ (2,297,000)	\$ (2,603,000)	\$ (4,900,000)
<u>Total</u>	\$ (2,297,000)	\$ (2,603,000)	\$ (4,900,000)

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 3. HOUSING FINANCE AGENCY

<u>Subdivision 1. Total Appropriation</u>	\$	<u>(2,297,000)</u>	\$	<u>(2,603,000)</u>
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The amounts that may be spent or must be reduced for each purpose are specified in the following subdivisions.

<u>Subd. 2. Affordable Rental Investment Fund</u>		<u>(2,061,000)</u>		<u>(1,603,000)</u>
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These reductions are from the appropriation for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b.

87.1 In fiscal year 2010, the Housing Finance
87.2 Agency shall transfer \$2,061,000 from the
87.3 affordable rental investment fund program in
87.4 the housing development fund, to the general
87.5 fund.

87.6 The base appropriation for the affordable
87.7 rental investment fund program for fiscal
87.8 years 2012 and 2013 is \$7,546,000 for each
87.9 year.

87.10	<u>Subd. 3. Housing Rehabilitation</u>	<u>(236,000)</u>	<u>(1,000,000)</u>
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87.11 These reductions are from the appropriation
87.12 for the housing rehabilitation program
87.13 under Minnesota Statutes, section 462A.05,
87.14 subdivision 14, for rental housing
87.15 developments.

87.16 In fiscal year 2010, the Housing Finance
87.17 Agency shall transfer \$236,000 from the
87.18 housing rehabilitation program in the housing
87.19 development fund, to the general fund.

87.20 The base appropriation for the housing
87.21 rehabilitation program for fiscal years 2012
87.22 and 2013 is \$3,287,000 for each year.

87.23 **ARTICLE 10**

87.24 **PFA AND TOURISM**

87.25 Section 1. **SUMMARY OF APPROPRIATIONS.**

87.26 The amounts shown in this section summarize direct appropriations, by fund, made
87.27 in this article.

87.28		<u>2010</u>	<u>2011</u>	<u>Total</u>
87.29	<u>General</u>	<u>\$ (909,000)</u>	<u>\$ (1,248,000)</u>	<u>\$ (2,157,000)</u>

87.30 Sec. 2. **APPROPRIATIONS.**

87.31 The dollar amounts in the columns under "Appropriations" are added to, or, if shown
87.32 in parentheses, subtracted from appropriations enacted in the 2009 regular legislative

88.1 session. The appropriations and reductions in appropriations are from the general fund, or
88.2 another named fund, and are for the fiscal years indicated for each purpose. The figures
88.3 "2010" and "2011" mean that the appropriations or reductions in appropriations listed
88.4 under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively.
88.5 "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium"
88.6 is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the
88.7 fiscal year ending June 30, 2010, are effective the day following final enactment.

88.8			<u>APPROPRIATIONS</u>		
88.9			<u>Available for the Year</u>		
88.10			<u>Ending June 30</u>		
88.11			<u>2010</u>	<u>2011</u>	
88.12	Sec. 3. <u>PUBLIC FACILITIES AUTHORITY</u>	\$	<u>(11,000)</u>	\$	<u>(7,000)</u>
88.13	Sec. 4. <u>EXPLORE MINNESOTA TOURISM</u>	\$	<u>(311,000)</u>	\$	<u>(313,000)</u>
88.14	<u>(a) \$251,000 the first year and \$300,000</u>				
88.15	<u>the second year are reductions to Explore</u>				
88.16	<u>Minnesota Tourism. Of the reduction in</u>				
88.17	<u>the first year, \$13,000 is a reduction in the</u>				
88.18	<u>carryforward from fiscal year 2009.</u>				
88.19	<u>(b) \$2,000 the first year and \$2,000 the</u>				
88.20	<u>second year are reductions to the incentive</u>				
88.21	<u>grants program.</u>				
88.22	<u>(c) \$11,000 the first year and \$11,000 the</u>				
88.23	<u>second year are reductions to the Minnesota</u>				
88.24	<u>Film and TV Board.</u>				
88.25	<u>(d) \$47,000 the first year is a reduction to the</u>				
88.26	<u>grant to the Minnesota Film and TV Board</u>				
88.27	<u>for the film jobs production program under</u>				
88.28	<u>Minnesota Statutes, section 116U.26.</u>				
88.29	Sec. 5. <u>MINNESOTA HISTORICAL</u>				
88.30	<u>SOCIETY</u>	\$	<u>(238,000)</u>	\$	<u>(554,000)</u>
88.31	<u>(a) Education and Outreach</u>				

90.1	Sec. 7. <u>MINNESOTA HUMANITIES</u>			
90.2	<u>CENTER</u>	\$	<u>-0-</u> \$	<u>(7,000)</u>
90.3	Sec. 8. <u>PUBLIC BROADCASTING</u>	\$	<u>(65,000)</u> \$	<u>(83,000)</u>
90.4	<u>(a) \$38,000 the first year and \$48,000 the</u>			
90.5	<u>second year are reductions to matching</u>			
90.6	<u>grants for public television.</u>			
90.7	<u>(b) \$7,000 the first year and \$10,000</u>			
90.8	<u>the second year are reductions to public</u>			
90.9	<u>television equipment grants.</u>			
90.10	<u>(c) \$1,000 the second year is a reduction to</u>			
90.11	<u>the grant to the Twin Cities regional cable</u>			
90.12	<u>channel.</u>			
90.13	<u>(d) \$9,000 the first year and \$9,000 the</u>			
90.14	<u>second year are reductions to the community</u>			
90.15	<u>service grants to public educational radio</u>			
90.16	<u>stations.</u>			
90.17	<u>(e) \$3,000 the first year and \$3,000 the</u>			
90.18	<u>second year are reductions to the equipment</u>			
90.19	<u>grants to public educational radio stations.</u>			
90.20	<u>(f) \$8,000 the first year and \$12,000 the</u>			
90.21	<u>second year are reductions to the equipment</u>			
90.22	<u>grants to Minnesota Public Radio, Inc.</u>			

90.23 Sec. 9. Minnesota Statutes 2008, section 116U.25, is amended to read:

90.24 **116U.25 EXPLORE MINNESOTA TOURISM COUNCIL.**

90.25 (a) The director shall be advised by the Explore Minnesota Tourism Council

90.26 consisting of up to 28 voting members appointed by the governor for four-year terms,

90.27 including:

90.28 (1) the director of Explore Minnesota Tourism who serves as the chair;

90.29 (2) eleven representatives of statewide associations representing bed and breakfast

90.30 establishments, golf, festivals and events, counties, convention and visitor bureaus,

90.31 lodging, resorts, trails, campgrounds, restaurants, and chambers of commerce;

90.32 (3) one representative from each of the ~~four~~ tourism marketing regions of the state as

90.33 designated by the office;

91.1 (4) six representatives of the tourism business representing transportation, retail,
91.2 travel agencies, tour operators, travel media, and convention facilities;

91.3 (5) one or more ex officio nonvoting members including at least one from the
91.4 University of Minnesota Tourism Center;

91.5 (6) four legislators, two from each house, one each from the two largest political
91.6 party caucuses in each house, appointed according to the rules of the respective houses; and

91.7 (7) other persons, if any, as designated from time to time by the governor.

91.8 (b) The council shall act to serve the broader interests of tourism in Minnesota
91.9 by promoting activities that support, maintain, and expand the state's domestic and
91.10 international travel market, thereby generating increased visitor expenditures, tax revenue,
91.11 and employment.

91.12 (c) Filling of membership vacancies is as provided in section 15.059. The terms of
91.13 one-half of the members shall be coterminous with the governor and the terms of the
91.14 remaining one-half of the members shall end on the first Monday in January one year after
91.15 the terms of the other members. Members may serve until their successors are appointed
91.16 and qualify. Members are not compensated. A member may be reappointed.

91.17 (d) The council shall meet at least four times per year and at other times determined
91.18 by the council. Notwithstanding section 15.059, the council does not expire.

91.19 (e) If compliance with section 13D.02 is impractical, the Explore Minnesota Tourism
91.20 Council may conduct a meeting of its members by telephone or other electronic means so
91.21 long as the following conditions are met:

91.22 (1) all members of the council participating in the meeting, wherever their physical
91.23 location, can hear one another and can hear all discussion and testimony;

91.24 (2) members of the public present at the regular meeting location of the council can
91.25 hear clearly all discussion and testimony and all votes of members of the council and, if
91.26 needed, receive those services required by sections 15.44 and 15.441;

91.27 (3) at least one member of the council is physically present at the regular meeting
91.28 location; and

91.29 (4) all votes are conducted by roll call, so each member's vote on each issue can be
91.30 identified and recorded.

91.31 (f) Each member of the council participating in a meeting by telephone or other
91.32 electronic means is considered present at the meeting for purposes of determining a
91.33 quorum and participating in all proceedings.

91.34 (g) If telephone or other electronic means is used to conduct a meeting, the council,
91.35 to the extent practical, shall allow a person to monitor the meeting electronically from a

92.1 remote location. The council may require the person making such a connection to pay for
92.2 documented marginal costs that the council incurs as a result of the additional connection.

92.3 (h) If telephone or other electronic means is used to conduct a regular, special, or
92.4 emergency meeting, the council shall provide notice of the regular meeting location, of the
92.5 fact that some members may participate by telephone or other electronic means, and of
92.6 the provisions of paragraph (g). The timing and method of providing notice is governed
92.7 by section 13D.04.

92.8 Sec. 10. Minnesota Statutes 2008, section 116U.26, is amended to read:

92.9 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

92.10 (a) The film production jobs program is created. The program shall be operated
92.11 by the Minnesota Film and TV Board with administrative oversight and control by the
92.12 director of Explore Minnesota Tourism. The program shall make payment to producers
92.13 of feature films, national television or Internet programs, documentaries, music videos,
92.14 and commercials that directly create new film jobs in Minnesota. To be eligible for a
92.15 payment, a producer must submit documentation to the Minnesota Film and TV Board of
92.16 expenditures for production costs incurred in Minnesota that are directly attributable to the
92.17 production in Minnesota of a film product.

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

92.24 (b) For the purposes of this section:

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

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

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

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

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

92.31 (v) editing and related services;

92.32 (vi) rental of facilities and equipment; or

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

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

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

ARTICLE 11

TRANSPORTATION

Section 1. SUMMARY OF APPROPRIATIONS.

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

	<u>2010</u>		<u>2011</u>		<u>Total</u>
<u>General</u>	\$	<u>0</u>	\$	<u>(5,711,000)</u>	\$ <u>(5,711,000)</u>
<u>Trunk Highway</u>		<u>0</u>		<u>109,000,000</u>	<u>109,000,000</u>
<u>Total</u>	\$	<u>0</u>	\$	<u>103,289,000</u>	\$ <u>103,289,000</u>

Sec. 2. APPROPRIATIONS.

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

		<u>APPROPRIATIONS</u>
		<u>Available for the Year</u>
		<u>Ending June 30</u>
		<u>2010 2011</u>
	<u>Sec. 3. DEPARTMENT OF TRANSPORTATION</u>	
	<u>Subdivision 1. Total Appropriation</u>	\$ <u>0</u> \$ <u>108,129,000</u>
	<u>Appropriations by Fund</u>	
	<u> 2010 2011</u>	
	<u>General</u>	<u>0 (871,000)</u>
	<u>Trunk Highway</u>	<u>0 109,000,000</u>
	The amounts that may be spent or must be reduced for each purpose are specified in the following subdivisions.	
	<u>Subd. 2. Multimodal Systems</u>	
	(a) Transit	<u>0 (821,000)</u>
	This reduction is from the appropriation from the general fund for transit assistance in Laws 2009, chapter 36, article 1, section 3, subdivision 2, paragraph (b).	
	The base appropriation from the general fund for fiscal years 2012 and 2013 is \$16,608,000 for each year.	
	(b) Freight	<u>0 (50,000)</u>
	This reduction is from the appropriation from the general fund for freight and commercial vehicle operations in Laws 2009, chapter 36, article 1, section 3, subdivision 2, paragraph (d).	
	The base appropriation from the general fund for fiscal years 2012 and 2013 is \$315,000 for each year.	
	<u>Subd. 3. State Roads</u>	
	(a) State Road Construction	<u>0 104,000,000</u>

95.2 This appropriation is for state road
95.3 construction, and is added to appropriations
95.4 under Laws 2009, chapter 36, article 1,
95.5 section 3, subdivision 3, paragraph (b),
95.6 clause (2). This additional appropriation is
95.7 funded by additional federal highway aid
95.8 of \$104,000,000 above that specified in
95.9 Laws 2009, chapter 36, article 1, section 3,
95.10 subdivision 3, paragraph (b), clause (2). This
95.11 is a onetime appropriation.

95.12	<u>(b) Federal Emergency Relief Account</u>	<u>0</u>	<u>5,000,000</u>
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95.13 This appropriation is for deposit in the
95.14 trunk highway emergency relief account,
95.15 as defined in Minnesota Statutes, section
95.16 161.04, subdivision 5, for the purposes of
95.17 that account. This is a onetime appropriation.

95.18	Sec. 4. <u>METROPOLITAN COUNCIL</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>(4,840,000)</u>
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95.19 This reduction is from the appropriation from
95.20 the general fund for bus system operations
95.21 in Laws 2009, chapter 36, article 1, section
95.22 4, subdivision 2.

95.23 The base appropriation from the general fund
95.24 for fiscal years 2012 and 2013 is \$63,095,000
95.25 for each year.

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

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

95.32 (b) Reimbursements by the Federal Highway Administration for emergency relief
95.33 payments made from the trunk highway emergency relief account must be deposited
96.1 into the account. Interest accrued on the account must be deposited into the account.

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

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

Sec. 6. **REPEALER.**

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

ARTICLE 12

PUBLIC SAFETY

Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ (7,397,000)	\$ (15,279,000)	\$ (22,676,000)
<u>Special Revenue</u>	\$ (60,000)	\$ 879,000	\$ 819,000
<u>Total</u>	<u>\$ (7,457,000)</u>	<u>\$ (14,400,000)</u>	<u>\$ (21,857,000)</u>

Sec. 2. **APPROPRIATIONS.**

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

APPROPRIATIONS

Available for the Year

97.3			<u>Ending June 30</u>	
97.4			<u>2010</u>	<u>2011</u>
97.5	Sec. 3. <u>SUPREME COURT</u>			
97.6	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(455,000)</u>	\$ <u>(889,000)</u>
97.7	<u>The amounts that may be spent for each</u>			
97.8	<u>purpose are specified in the following</u>			
97.9	<u>subdivisions.</u>			
97.10	<u>Subd. 2. Supreme Court Operations</u>		<u>(366,000)</u>	<u>(604,000)</u>
97.11	<u>Subd. 3. Civil Legal Services</u>		<u>(89,000)</u>	<u>(285,000)</u>
97.12	Sec. 4. <u>COURT OF APPEALS</u>	\$	<u>(57,000)</u>	\$ <u>(253,000)</u>
97.13	Sec. 5. <u>TRIAL COURTS</u>	\$	<u>(2,574,000)</u>	\$ <u>(5,328,000)</u>
97.14	<u>Existing drug courts shall be maintained at</u>			
97.15	<u>their current levels.</u>			
97.16	Sec. 6. <u>TAX COURT</u>	\$	<u>(12,000)</u>	\$ <u>(25,000)</u>
97.17	Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	\$	<u>-0-</u>	\$ <u>(2,000)</u>
97.18	Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	\$	<u>(10,000)</u>	\$ <u>(14,000)</u>
97.19	Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	\$	<u>(325,000)</u>	\$ <u>(1,493,000)</u>
97.20	Sec. 10. <u>DEPARTMENT OF PUBLIC</u>			
97.21	<u>SAFETY</u>			
97.22	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(907,000)</u>	\$ <u>(114,000)</u>
97.23	<u>Appropriations by Fund</u>			
97.24	<u>General</u>	<u>(907,000)</u>	<u>(1,114,000)</u>	
97.25	<u>Special Revenue</u>	<u>-0-</u>	<u>1,000,000</u>	
97.26	<u>The amounts that may be spent for each</u>			
97.27	<u>purpose are specified in the following</u>			
97.28	<u>subdivisions.</u>			
97.29	<u>Subd. 2. Emergency Management</u>		<u>(29,000)</u>	<u>1,543,000</u>

98.1	<u>\$1,600,000 in fiscal year 2011 is to provide a</u>		
98.2	<u>match for Federal Emergency Management</u>		
98.3	<u>Agency (FEMA) disaster assistance</u>		
98.4	<u>payments under Minnesota Statutes, section</u>		
98.5	<u>12.221. This is a onetime appropriation.</u>		
98.6	<u>Subd. 3. Criminal Apprehension</u>	<u>(621,000)</u>	<u>(1,243,000)</u>
98.7	<u>Forensic Scientists</u>		
98.8	<u>The commissioner may not eliminate or leave</u>		
98.9	<u>open positions for forensic lab scientists in</u>		
98.10	<u>order to balance the department's budget.</u>		
98.11	<u>Subd. 4. Fire Marshal</u>	<u>-0-</u>	<u>1,000,000</u>
98.12	<u>\$1,000,000 is a onetime appropriation for</u>		
98.13	<u>fire safety purposes as recommended by the</u>		
98.14	<u>Fire Service Advisory Committee.</u>		
98.15	<u>Subd. 5. Gambling and Alcohol Enforcement</u>	<u>(25,000)</u>	<u>(49,000)</u>
98.16	<u>Subd. 6. Office of Justice Programs</u>	<u>(232,000)</u>	<u>(1,365,000)</u>
98.17	<u>Of the fiscal year 2011 reduction in this</u>		
98.18	<u>subdivision, funding for the following</u>		
98.19	<u>programs must not be reduced by more than</u>		
98.20	<u>two percent: (1) battered women's shelters</u>		
98.21	<u>and domestic violence programs; (2) general</u>		
98.22	<u>crime victim programs; (3) sexual assault</u>		
98.23	<u>victim programs; and (4) youth intervention</u>		
98.24	<u>programs. This two percent reduction is in</u>		
98.25	<u>addition to the three percent reduction in</u>		
98.26	<u>Laws 2009, chapter 83, article 1, section 10,</u>		
98.27	<u>subdivision 6.</u>		
98.28	Sec. 11. <u>PRIVATE DETECTIVE BOARD</u>	\$ <u>(2,000)</u>	\$ <u>(3,000)</u>
98.29	Sec. 12. <u>HUMAN RIGHTS</u>	\$ <u>(59,000)</u>	\$ <u>(103,000)</u>
98.30	Sec. 13. <u>CORRECTIONS</u>		
98.31	<u>Subdivision 1. Total Appropriation</u>	\$ <u>(2,985,000)</u>	\$ <u>(6,037,000)</u>

99.1 The amounts that may be spent for each
99.2 purpose are specified in the following
99.3 subdivisions.

99.4 Subd. 2. **Correctional Institutions** (2,139,000) (4,345,000)

99.5 This reduction may be applied agencywide.

99.6 The commissioner must not eliminate
99.7 correctional officer positions, treatment,
99.8 education, or reentry programs to achieve the
99.9 mandated cost savings.

99.10 Subd. 3. **Community Services** (846,000) (1,692,000)

99.11 (a) **Community Corrections**

99.12 If the commissioner of corrections
99.13 determines reductions should be made to
99.14 the Community Corrections Act formula,
99.15 Department of Corrections contract counties,
99.16 or county probation officers, the legislative
99.17 intent of this reduction is that counties
99.18 should reduce administrative expenses and
99.19 executive salaries before direct services, such
99.20 as probation services, are reduced.

99.21 (b) **Sentence to Service**

99.22 The commissioner must fund the equivalent
99.23 of 25 percent of county sentence to service
99.24 programs. The 25 percent must be calculated
99.25 based on fiscal year 2010 sentence to service
99.26 expenditures by counties.

99.27 Subd. 4. **Transfers**

99.28 Notwithstanding Minnesota Statutes, section
99.29 241.27, the commissioner shall transfer
99.30 \$574,000 by June 30, 2010, and \$989,000
99.31 by June 30, 2011, from the Minnesota
99.32 correctional industries revolving fund to the
99.33 general fund. These transfers are onetime.

100.1 These transfers are in addition to those in
 100.2 Laws 2009, chapter 83, article 1, section 14,
 100.3 subdivision 2, paragraph (g).

100.4 The commissioner shall transfer \$201,000
 100.5 by June 30, 2010, and \$402,000 by June 30,
 100.6 2011, from the special revenue fund to the
 100.7 general fund. These transfers are onetime.

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

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

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

100.16 (1) the cash flow account established in subdivision 1 until that account reaches
 100.17 \$350,000,000;

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

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

100.24 (4) the amount necessary to restore all or a portion of the net aid reductions under
 100.25 section 127A.441 and to reduce the property tax revenue recognition shift under section
 100.26 123B.75, subdivision 5, paragraph (b), and Laws 2003, First Special Session chapter 9,
 100.27 article 5, section 34, as amended by Laws 2003, First Special Session chapter 23, section
 100.28 20, by the same amount; ~~and~~

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

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

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

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

101.10 Sec. 16. Minnesota Statutes 2008, section 297I.06, subdivision 3, is amended to read:

101.11 Subd. 3. **Fire safety account, annual transfers, allocation.** A special account, to
 101.12 be known as the fire safety account, is created in the state treasury. The account consists
 101.13 of the proceeds under subdivisions 1 and 2. \$468,000 in fiscal year 2008, \$4,268,000
 101.14 in fiscal year 2009, \$9,268,000 in fiscal year 2010, \$6,368,000 in fiscal year 2011, and
 101.15 ~~\$2,268,000~~ \$2,368,000 in each year thereafter is transferred from the fire safety account in
 101.16 the special revenue fund to the general fund to offset the loss of revenue caused by the
 101.17 repeal of the one-half of one percent tax on fire insurance premiums.

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

101.19 Sec. 17. Minnesota Statutes 2008, section 403.11, subdivision 1, is amended to read:

101.20 Subdivision 1. ~~Emergency telecommunications~~ **Public safety service fee;**
 101.21 **account.** (a) Each customer of a wireless or wire-line switched or packet-based
 101.22 telecommunications service provider connected to the public switched telephone network
 101.23 that furnishes service capable of originating a 911 emergency telephone call is assessed a
 101.24 fee based upon the number of wired or wireless telephone lines, or their equivalent, to
 101.25 cover the costs of ongoing maintenance and related improvements for trunking and central
 101.26 office switching equipment for 911 emergency telecommunications service; ~~to offset~~
 101.27 pay administrative and staffing costs of the commissioner related to managing the 911
 101.28 emergency telecommunications service program, including the salaries and benefits of
 101.29 department employees who support the program such as deputy commissioners, directors,
 101.30 and legislative liaisons; to make distributions provided for in section 403.113, ~~and;~~ to
 101.31 offset the costs, including administrative and staffing costs, incurred by the State Patrol
 101.32 Division of the Department of Public Safety in handling 911 emergency calls made from
 101.33 wireless phones; to fund law enforcement emergency response training reimbursement
 101.34 grants; to fund the collection, analysis, and maintenance of criminal evidence, records,

102.1 and data; and for any other public safety purpose that relies upon, uses, or involves the
102.2 efficient operation of the emergency telecommunications system in the state.

102.3 (b) Money remaining in the 911 emergency telecommunications service account
102.4 after all other obligations are paid must not cancel and is carried forward to subsequent
102.5 years and may be appropriated from time to time to the commissioner to provide financial
102.6 assistance to counties for the improvement of local emergency telecommunications
102.7 services. The improvements may include providing access to 911 service for
102.8 telecommunications service subscribers currently without access and upgrading existing
102.9 911 service to include automatic number identification, local location identification,
102.10 automatic location identification, and other improvements specified in revised county
102.11 911 plans approved by the commissioner.

102.12 (c) The fee may not be less than eight cents nor more than 65 cents a month until
102.13 June 30, 2008, not less than eight cents nor more than 75 cents a month until June 30, 2009,
102.14 not less than eight cents nor more than 85 cents a month until June 30, 2010, and not less
102.15 than eight cents nor more than 95 cents a month on or after July 1, 2010, for each customer
102.16 access line or other basic access service, including trunk equivalents as designated by
102.17 the Public Utilities Commission for access charge purposes and including wireless
102.18 telecommunications services. With the approval of the commissioner of management and
102.19 budget, the commissioner of public safety shall establish the amount of the fee within the
102.20 limits specified and inform the companies and carriers of the amount to be collected. When
102.21 the revenue bonds authorized under section 403.27, subdivision 1, have been fully paid or
102.22 defeased, the commissioner shall reduce the fee to reflect that debt service on the bonds is
102.23 no longer needed. The commissioner shall provide companies and carriers a minimum of
102.24 45 days' notice of each fee change. The fee must be the same for all customers.

102.25 (d) The fee must be collected by each wireless or wire-line telecommunications
102.26 service provider subject to the fee. Fees are payable to and must be submitted to the
102.27 commissioner monthly before the 25th of each month following the month of collection,
102.28 except that fees may be submitted quarterly if less than \$250 a month is due, or annually if
102.29 less than \$25 a month is due. Receipts must be deposited in the state treasury and credited
102.30 to a 911 emergency telecommunications service account in the special revenue fund. The
102.31 money in the account may only be used for 911 telecommunications services.

102.32 (e) This subdivision does not apply to customers of interexchange carriers.

102.33 (f) The installation and recurring charges for integrating wireless 911 calls into
102.34 enhanced 911 systems are eligible for payment by the commissioner if the 911 service
102.35 provider is included in the statewide design plan and the charges are made pursuant to
102.36 contract.

103.1 (g) Competitive local exchanges carriers holding certificates of authority from the
103.2 Public Utilities Commission are eligible to receive payment for recurring 911 services.

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

103.4 Sec. 18. Minnesota Statutes 2008, section 611A.32, subdivision 1, is amended to read:

103.5 Subdivision 1. **Grants awarded.** The commissioner shall award grants to programs
103.6 which provide emergency shelter services to battered women and support services to
103.7 battered women and domestic abuse victims and their children. The commissioner
103.8 shall also award grants for training, technical assistance, and for the development and
103.9 implementation of education programs to increase public awareness of the causes of
103.10 battering, the solutions to preventing and ending domestic violence, and the problems
103.11 faced by battered women and domestic abuse victims. Grants shall be awarded in a
103.12 manner that ensures ~~that they are equitably distributed to programs serving metropolitan~~
103.13 ~~and nonmetropolitan populations~~ emergency shelter services and support services are
103.14 available statewide. By July 1, 1995, community-based domestic abuse advocacy and
103.15 support services programs must be established in every judicial assignment district.

103.16 Sec. 19. Minnesota Statutes 2008, section 611A.32, subdivision 2, is amended to read:

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

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

103.25 (2) a proposed budget;

103.26 (3) evidence of financial need, including documentation on the retention of financial
103.27 reserves and availability of additional funding sources;

103.28 ~~(3)~~ (4) evidence of an ability to integrate into the proposed program the uniform
103.29 method of data collection and program evaluation established under sections 611A.33
103.30 and 611A.34;

103.31 ~~(4)~~ (5) evidence of an ability to represent the interests of battered women and
103.32 domestic abuse victims and their children to local law enforcement agencies and courts,
103.33 county welfare agencies, and local boards or departments of health;

104.1 ~~(5)~~ (6) evidence of an ability to do outreach to unserved and underserved populations
 104.2 and to provide culturally and linguistically appropriate services; and
 104.3 ~~(6)~~ (7) any other content the commissioner may require by rule adopted under
 104.4 chapter 14, after considering the recommendations of the advisory council.

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

104.9 Sec. 20. Minnesota Statutes 2008, section 626.8458, subdivision 5, is amended to read:

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

104.18 Sec. 21. Minnesota Statutes 2008, section 641.12, is amended by adding a subdivision
 104.19 to read:

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

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

104.24 Sec. 22. Laws 2009, chapter 83, article 1, section 10, subdivision 4, is amended to read:

104.25		8,125,000	<u>8,125,000</u>
104.26	Subd. 4. Fire Marshal	<u>15,025,000</u>	<u>13,125,000</u>

104.27 This appropriation is from the fire safety
 104.28 account in the special revenue fund.

104.29 Of this amount, ~~\$5,857,000 each~~ \$5,757,000
 104.30 the first year and \$6,757,000 the second year
 104.31 ~~is~~ are for activities under Minnesota Statutes,
 104.32 section 299F.012, and ~~\$2,268,000 each~~
 104.33 \$9,268,000 the first year and \$6,368,000 the

105.1 second year is are for transfer to the general
105.2 fund under Minnesota Statutes, section
105.3 297I.06, subdivision 3.

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

105.5 Sec. 23. Laws 2009, chapter 83, article 1, section 10, subdivision 7, is amended to read:

105.6	Subd. 7. Emergency Communication Networks	66,470,000	70,233,000
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105.7 This appropriation is from the state
105.8 government special revenue fund for 911
105.9 emergency telecommunications services.

105.10 (a) **Public Safety Answering Points.**

105.11 \$13,664,000 each year is to be distributed
105.12 as provided in Minnesota Statutes, section
105.13 403.113, subdivision 2.

105.14 (b) **Medical Resource Communication**

105.15 **Centers.** \$683,000 each year is for grants
105.16 to the Minnesota Emergency Medical
105.17 Services Regulatory Board for the Metro
105.18 East and Metro West Medical Resource
105.19 Communication Centers that were in
105.20 operation before January 1, 2000.

105.21 (c) **ARMER Debt Service.** \$17,557,000 the
105.22 first year and \$23,261,000 the second year
105.23 are to the commissioner of finance to pay
105.24 debt service on revenue bonds issued under
105.25 Minnesota Statutes, section 403.275.

105.26 Any portion of this appropriation not needed
105.27 to pay debt service in a fiscal year may be
105.28 used by the commissioner of public safety to
105.29 pay cash for any of the capital improvements
105.30 for which bond proceeds were appropriated
105.31 by Laws 2005, chapter 136, article 1, section
105.32 9, subdivision 8, or Laws 2007, chapter 54,
105.33 article 1, section 10, subdivision 8.

106.1 (d) **Metropolitan Council Debt Service.**

106.2 \$1,410,000 each year is to the commissioner
106.3 of finance for payment to the Metropolitan
106.4 Council for debt service on bonds issued
106.5 under Minnesota Statutes, section 403.27.

106.6 (e) **ARMER State Backbone Operating**

106.7 **Costs.** \$5,060,000 each year is to the
106.8 commissioner of transportation for costs
106.9 of maintaining and operating the statewide
106.10 radio system backbone.

106.11 (f) **ARMER Improvements.** \$1,000,000

106.12 each year is for the Statewide Radio Board for
106.13 costs of design, construction, maintenance
106.14 of, and improvements to those elements
106.15 of the statewide public safety radio and
106.16 communication system that support mutual
106.17 aid communications and emergency medical
106.18 services or provide enhancement of public
106.19 safety communication interoperability.

106.20 (g) **Next Generation 911.** \$3,431,000 the

106.21 first year and \$6,490,000 the second year
106.22 are to replace the current system with the
106.23 Next Generation Internet Protocol (IP) based
106.24 network. The base level of funding for fiscal
106.25 year 2012 shall be \$2,965,000.

106.26 (h) **Grants to Local Government.**

106.27 \$5,000,000 the first year is for grants to
106.28 local units of government to assist with
106.29 the transition to the ARMER system. This
106.30 appropriation is available until June 30,
106.31 2012. Any portion of this appropriation that
106.32 is not spent before the date of final enactment
106.33 of this act may be expended for any purpose
106.34 authorized in section 403.11, subdivision 1,
106.35 paragraph (a).

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

107.2 Sec. 24. Laws 2009, chapter 83, article 1, section 11, is amended to read:

107.3	Sec. 11. PEACE OFFICER STANDARDS		<u>4,012,000</u>		<u>4,012,000</u>
107.4	AND TRAINING BOARD (POST)	\$	<u>3,952,000</u>	\$	<u>3,891,000</u>

107.5 (a) **Excess Amounts Transferred.** This

107.6 appropriation is from the peace officer

107.7 training account in the special revenue fund.

107.8 Any new receipts credited to that account

107.9 in the first year in excess of ~~\$4,012,000~~

107.10 \$3,952,000 must be transferred and credited

107.11 to the general fund. Any new receipts

107.12 credited to that account in the second year

107.13 in excess of ~~\$4,012,000~~ \$3,891,000 must be

107.14 transferred and credited to the general fund.

107.15 (b) **Peace Officer Training**

107.16 **Reimbursements.** ~~\$2,859,000 each year is~~

107.17 \$2,816,000 the first year and \$2,773,000 the

107.18 second year are for reimbursements to local

107.19 governments for peace officer training costs.

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

107.21 No portion of this appropriation may be

107.22 used for the purchase of motor vehicles

107.23 or out-of-state travel that is not directly

107.24 connected with and necessary to carry out

107.25 the core functions of the board.

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

107.27 Sec. 25. Laws 2009, chapter 83, article 1, section 14, subdivision 2, is amended to read:

107.28	Subd. 2. Correctional Institutions	334,341,000	338,199,000
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107.29	Appropriations by Fund		
107.30	General	295,761,000	337,619,000
107.31	Special Revenue	580,000	580,000
107.32	Federal	38,000,000	0

108.1 \$38,000,000 the first year is from the fiscal
108.2 stabilization account in the federal fund. This
108.3 is a onetime appropriation.

108.4 The general fund base for this program shall
108.5 be \$326,085,000 in fiscal year 2012 and
108.6 \$330,430,000 in fiscal year 2013.

108.7 (a) **Treatment Alternatives; Report.** By
108.8 December 15, 2009, the commissioner
108.9 must submit an electronic report to the
108.10 chairs and ranking minority members of
108.11 the house of representatives and senate
108.12 committees with jurisdiction over public
108.13 safety policy and finance concerning
108.14 alternative chemical dependency treatment
108.15 opportunities. The report must identify
108.16 alternatives that represent best practices in
108.17 chemical dependency treatment of offenders.
108.18 The report must contain suggestions for
108.19 reducing the length of time between
108.20 offender commitment to the custody of the
108.21 commissioner and graduation from chemical
108.22 dependency treatment. To the extent
108.23 possible, the report shall identify options
108.24 that will (1) reduce the cost of treatment;
108.25 (2) expand the number of treatment beds;
108.26 (3) improve treatment outcomes; and (4)
108.27 lower the rate of substance abuse relapse and
108.28 criminal recidivism.

108.29 (b) **Challenge Incarceration; Maximum**
108.30 **Occupancy.** The commissioner shall work to
108.31 fill all available challenge incarceration beds
108.32 for both male and female offenders. If the
108.33 commissioner fails to fill at least 90 percent
108.34 of the available challenge incarceration beds
108.35 by December 1, 2009, the commissioner

109.1 must submit a report to the chairs and
109.2 ranking minority members of the house of
109.3 representatives and senate committees with
109.4 jurisdiction over public safety policy and
109.5 finance by January 15, 2010, explaining what
109.6 steps the commissioner has taken to fill the
109.7 beds and why those steps failed to reach the
109.8 goal established by the legislature.

109.9 (c) **Institutional Efficiencies.** The
109.10 commissioner shall strive for institutional
109.11 efficiencies and must reduce the fiscal year
109.12 2008 average adult facility per diem of
109.13 \$89.77 by one percent. The base is cut by
109.14 \$2,850,000 in the first year and \$2,850,000
109.15 in the second year to reflect a one percent
109.16 reduction in the projected adult facility per
109.17 diem. In reducing the projected adult facility
109.18 per diem, the commissioner must consider
109.19 the following:

109.20 (1) cooperating with the state of Wisconsin
109.21 to obtain economies of scale;

109.22 (2) increasing the bed capacity of the
109.23 challenge incarceration program;

109.24 (3) increasing the number of nonviolent drug
109.25 offenders who are granted conditional release
109.26 under Minnesota Statutes, section 244.055;

109.27 (4) increasing the use of compassionate
109.28 release or less costly detention alternatives
109.29 for elderly and infirm offenders;

109.30 (5) discontinuing the department's practice
109.31 of annually assigning a warden to serve as
109.32 a legislative liaison during the legislative
109.33 session;

110.1 (6) consolidating staff from correctional
110.2 institutions in geographical proximity to each
110.3 other to achieve efficiencies and cost savings,
110.4 including wardens, deputy wardens, and
110.5 human resources, technology, and employee
110.6 development personnel;

110.7 (7) consolidating the department's human
110.8 resources, technology, and employee
110.9 development functions in a centralized
110.10 location;

110.11 (8) implementing corrections best practices;
110.12 and

110.13 (9) implementing cost-saving measures used
110.14 by other states and the federal government.

110.15 The commissioner must not eliminate
110.16 correctional officer positions or implement
110.17 any other measure that will jeopardize public
110.18 safety to achieve the mandated cost savings.

110.19 ~~The commissioner also must not eliminate~~
110.20 ~~treatment beds to achieve the mandated cost~~
110.21 ~~savings.~~

110.22 (d) **Per Diem Reduction.** If the
110.23 commissioner fails to reduce the per diem by
110.24 one percent, the commissioner must:

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

110.27 (2) submit a report by February 15,
110.28 2010, to the chairs and ranking minority
110.29 members of the house of representatives
110.30 and senate committees with jurisdiction
110.31 over public safety policy and finance that
110.32 contains descriptions of what efforts the
110.33 commissioner made to reduce the per diem,
110.34 explanations for why those steps failed to

111.1 reduce the per diem by one percent, proposed
111.2 legislative options that would assist the
111.3 commissioner in reducing the adult facility
111.4 per diem, and descriptions of the specific
111.5 actions the commissioner took to reduce
111.6 funding in operations support.

111.7 If the commissioner reduces the per diem
111.8 by more than one percent, the commissioner
111.9 must use the savings to provide treatment to
111.10 offenders.

111.11 ~~(c) **Reductions to Certain Programming**~~
111.12 ~~**Prohibited.** When allocating reductions~~
111.13 ~~in services and programming under this~~
111.14 ~~appropriation, the commissioner may not~~
111.15 ~~make reductions to inmate educational~~
111.16 ~~programs, chemical dependency programs,~~
111.17 ~~or reentry programs.~~

111.18 ~~(f)~~ (e) **Drug Court Bed Savings.** The
111.19 commissioner must consider the bed impact
111.20 savings of drug courts in formulating its
111.21 prison bed projections.

111.22 ~~(g)~~ (f) **Transfer.** Notwithstanding Minnesota
111.23 Statutes, section 241.27, the commissioner
111.24 of finance shall transfer \$1,000,000 the first
111.25 year and \$1,000,000 the second year from the
111.26 Minnesota Correctional Industries revolving
111.27 fund to the general fund.

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

111.29 Sec. 26. **PROPOSED SENTENCING GUIDELINES' CHANGES DELAYED.**

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

112.1

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

112.2

ARTICLE 13

112.3

STATE GOVERNMENT

112.4

Section 1. **APPROPRIATIONS.**

112.5

The sums shown in the columns marked "APPROPRIATIONS" are added to or, if

112.6

shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 101,

112.7

article 1, to the agencies and for the purposes specified in this article. The appropriations

112.8

are from the general fund, or another named fund, and are available for the fiscal years

112.9

indicated for each purpose. The figures "2010" and "2011" used in this article mean

112.10

that the addition to or subtraction from the appropriation listed under them is available

112.11

for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental

112.12

appropriations and reductions to appropriations for the fiscal year ending June 30, 2010,

112.13

are effective the day following final enactment.

112.14

112.15

112.16

112.17

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>

112.18

Sec. 2. **LEGISLATURE**

112.19

Subdivision 1. Total Appropriation

\$

(431,000)

\$

(1,580,000)

112.20

Appropriations by Fund

112.21

112.22

112.23

	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>(426,000)</u>	<u>(1,575,000)</u>
<u>Health Care Access</u>	<u>(5,000)</u>	<u>(5,000)</u>

112.24

Subd. 2. Senate

(205,000)

(668,000)

112.25

The base budget for the Senate is \$21,824,000

112.26

in fiscal year 2012 and \$21,824,000 in fiscal

112.27

year 2013.

112.28

Subd. 3. House of Representatives

-0-

(599,000)

112.29

The following amounts are canceled to the

112.30

general fund from the accounts established

112.31

under Minnesota Statutes, section 16A.281.

112.32

These are onetime transfers.

113.1	<u>\$395,000 in fiscal year 2010 and \$299,000</u>		
113.2	<u>in fiscal year 2011 is canceled to the general</u>		
113.3	<u>fund from the house of representatives</u>		
113.4	<u>carryforward account.</u>		
113.5	<u>During the biennium ending June 30, 2011,</u>		
113.6	<u>any revenues received by the house of</u>		
113.7	<u>representatives from voluntary donations</u>		
113.8	<u>to support broadcast or print media are</u>		
113.9	<u>appropriated to the house of representatives.</u>		
113.10	<u>Subd. 4. Legislative Coordinating Commission</u>	<u>(226,000)</u>	<u>(313,000)</u>
113.11	<u>Reductions by Fund</u>		
113.12	<u>General</u>	<u>(221,000)</u>	<u>(308,000)</u>
113.13	<u>Health Care Access</u>	<u>(5,000)</u>	<u>(5,000)</u>
113.14	<u>The following amount is canceled to the</u>		
113.15	<u>general fund from the accounts established</u>		
113.16	<u>under Minnesota Statutes, section 16A.281.</u>		
113.17	<u>This is a onetime transfer.</u>		
113.18	<u>\$154,000 in fiscal year 2011 is canceled</u>		
113.19	<u>to the general fund from the carryforward</u>		
113.20	<u>accounts in the Legislative Coordinating</u>		
113.21	<u>Commission.</u>		
113.22	<u>The Legislative Coordinating Commission</u>		
113.23	<u>must ensure that the house of representatives</u>		
113.24	<u>and the senate have improved ability to</u>		
113.25	<u>access and analyze public data contained in</u>		
113.26	<u>executive branch accounting, procurement,</u>		
113.27	<u>and budget systems. The commission</u>		
113.28	<u>must issue a request for information or a</u>		
113.29	<u>request for proposals for the legislature to</u>		
113.30	<u>obtain business intelligence and information</u>		
113.31	<u>analytics software or software services.</u>		
113.32	<u>Sec. 3. GOVERNOR AND LIEUTENANT</u>		
113.33	<u>GOVERNOR</u>	<u>\$ (64,000)</u>	<u>\$ (146,000)</u>

114.1 \$10,000 in fiscal year 2010 and \$85,000
114.2 in fiscal year 2011 are transferred from
114.3 the interagency agreements account in the
114.4 special revenue fund to the general fund.

114.5 These are onetime transfers.

114.6 \$30,000 of the amount appropriated to the
114.7 Office of the Governor for the fiscal year
114.8 ending June 30, 2011, is transferred to the
114.9 "Support Our Troops" account.

114.10	Sec. 4. <u>STATE AUDITOR</u>	\$	<u>(32,000)</u>	\$	<u>(78,000)</u>
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114.11	Sec. 5. <u>ATTORNEY GENERAL</u>	\$	<u>(436,000)</u>	\$	<u>(954,000)</u>
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114.12	Sec. 6. <u>SECRETARY OF STATE</u>	\$	<u>(104,000)</u>	\$	<u>(250,000)</u>
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114.13	Sec. 7. <u>CAMPAIGN FINANCE AND PUBLIC</u>				
114.14	<u>DISCLOSURE BOARD</u>	\$	<u>(28,000)</u>	\$	<u>(8,000)</u>

114.15 The base budget for the Campaign Finance
114.16 and Public Disclosure Board is \$726,000 in
114.17 fiscal year 2012 and \$726,000 in fiscal year
114.18 2013.

114.19	Sec. 8. <u>INVESTMENT BOARD</u>	\$	<u>(2,000)</u>	\$	<u>(5,000)</u>
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114.20	Sec. 9. <u>OFFICE OF ENTERPRISE</u>				
114.21	<u>TECHNOLOGY</u>	\$	<u>(111,000)</u>	\$	<u>(169,000)</u>

114.22 These reductions are from the enterprise
114.23 planning and management program.

114.24	Sec. 10. <u>ADMINISTRATIVE HEARINGS</u>	\$	<u>(8,000)</u>	\$	<u>(8,000)</u>
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114.25	Sec. 11. <u>ADMINISTRATION</u>	\$	<u>-0-</u>	\$	<u>(419,000)</u>
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114.26 (a) These reductions are from the government
114.27 and citizens services program. \$8,000 of
114.28 the reductions in fiscal year 2011 is
114.29 from the transfer to the commissioner

115.1 of human services for a grant to the
115.2 Council of Developmental Disabilities. The
115.3 appropriation for this grant shall be included
115.4 in the base budget for the commissioner of
115.5 human services for the biennium beginning
115.6 July 1, 2011, and is reduced by \$8,000 each
115.7 year of the biennium. The general fund
115.8 base budget for the government and citizens
115.9 services program is \$8,936,000 in fiscal year
115.10 2012 and \$8,936,000 in fiscal year 2013.

115.11 (b) \$209,000 in fiscal year 2010 and \$31,000
115.12 in fiscal year 2011 are transferred from the
115.13 central stores fund to the general fund. This
115.14 is a onetime transfer.

115.15 (c) The balance in the commuter van program
115.16 account in the special revenue fund shall be
115.17 transferred to the general fund on or before
115.18 June 30, 2010. This is a onetime transfer.

115.19 (d) The balance in the archaeology burial
115.20 account of the special revenue fund shall be
115.21 transferred to the general fund on or before
115.22 June 30, 2010. This is a onetime transfer.

115.23 (e) \$1,492 in fiscal year 2010 is transferred
115.24 from the utility rebates account in the special
115.25 revenue fund to the general fund. This is a
115.26 onetime transfer.

115.27 **Sec. 12. CAPITOL AREA**
115.28 **ARCHITECTURAL AND PLANNING**
115.29 **BOARD**

\$ (6,000) \$ (11,000)

115.30 **Sec. 13. MANAGEMENT AND BUDGET**

\$ (386,000) \$ (599,000)

115.31 (a) \$300 in fiscal year 2010 and \$300 in
115.32 fiscal year 2011 are transferred from the
115.33 combined charities administration account in

116.1 the special revenue fund to the general fund.

116.2 These are onetime transfers.

116.3 (b) \$8,700 in fiscal year 2010 and \$10,700

116.4 in fiscal year 2011 are transferred from the

116.5 information systems division account in the

116.6 special revenue fund to the general fund.

116.7 These are onetime transfers.

116.8 Sec. 14. **REVENUE**

116.9	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>(779,000)</u>	<u>\$</u>	<u>5,362,000</u>
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116.10	<u>Appropriations by Fund</u>				
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116.11		<u>2010</u>	<u>2011</u>		
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116.12	<u>General</u>	<u>(768,000)</u>	<u>5,379,000</u>		
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116.13	<u>Health Care Access</u>	<u>(11,000)</u>	<u>(17,000)</u>		
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116.14	<u>Subd. 2. Tax System Management</u>		<u>(779,000)</u>		<u>3,492,000</u>
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116.15	<u>Appropriations by Fund</u>				
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116.16		<u>2010</u>	<u>2011</u>		
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116.17	<u>General</u>	<u>(768,000)</u>	<u>3,509,000</u>		
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116.18	<u>Health Care Access</u>	<u>(11,000)</u>	<u>(17,000)</u>		
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116.19 (a) \$4,857,000 is for additional activities

116.20 to identify and collect tax liabilities from

116.21 individuals and business that currently do not

116.22 pay all taxes owed. This initiative is expected

116.23 to result in new general fund revenues of

116.24 \$13,065,000 for fiscal year 2011.

116.25 (b) The department must report to the chairs

116.26 of the house of representative Ways and

116.27 Means and senate Finance Committees by

116.28 March 15, 2011, and January 15, 2012, on

116.29 the following performance indicators:

116.30 (1) the number of corporations noncompliant

116.31 with the corporate tax system each year and

116.32 the percentage and dollar amounts of valid

116.33 tax liabilities collected;

117.1 (2) the number of businesses noncompliant
117.2 with the sales and use tax system and the
117.3 percentage and dollar amount of the valid tax
117.4 liabilities collected; and

117.5 (3) the number of individual noncompliant
117.6 cases resolved and the percentage and dollar
117.7 amount of valid tax liabilities collected.

117.8 (c) The reports must also identify base-level
117.9 expenditures and staff positions related to
117.10 compliance and audit activities, including
117.11 baseline information as of January 1, 2009.
117.12 The information must be provided at the
117.13 budget activity level.

117.14 Subd. 3. **Debt Collection Management** -0- 1,870,000

117.15 \$1,870,000 is for additional activities to
117.16 identify and collect tax liabilities from
117.17 individuals and businesses that currently
117.18 do not pay all taxes owed. This initiative
117.19 is expected to result in new general fund
117.20 revenues of \$13,800,000 for fiscal year 2011.

117.21 Sec. 15. **GAMBLING CONTROL** \$ (51,000) \$ (88,000)

117.22 \$51,000 in fiscal year 2010 and \$88,000
117.23 in fiscal year 2011 are transferred from
117.24 the lawful gambling account in the special
117.25 revenue fund to the general fund. These are
117.26 onetime transfers.

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

117.28 \$19,000 in fiscal year 2010 and \$29,000 in
117.29 fiscal year 2011 are transferred from the
117.30 racing and card playing regulation accounts
117.31 in the special revenue fund to the general
117.32 fund. These are onetime transfers.

118.1 Sec. 17. GENERAL CONTINGENT
 118.2 ACCOUNTS \$ (750,000) \$ -0-

118.3 This reduction is from the appropriation for
 118.4 potential state matching requirements under
 118.5 the American Reinvestment and Recovery
 118.6 Act of 2009.

118.7 Sec. 18. Minnesota Statutes 2008, section 4.51, is amended to read:

118.8 **4.51 EXPENSES OF GOVERNOR-ELECT.**

118.9 Subdivision 1. Definitions. This section applies after a state general election
 118.10 in which a person who is not the current governor is elected to take office as the next
 118.11 governor. The commissioner of administration must request a transfer from the general
 118.12 fund contingent account of an amount equal to 1.5 percent of the amount appropriated
 118.13 for operation of the Office of the Governor and Lieutenant Governor for the current
 118.14 fiscal year. This request is subject to the review and advice of the Legislative Advisory
 118.15 Commission pursuant to section 3.30. If the transfer is approved, the commissioner of
 118.16 administration must make this amount available to the governor-elect before he or she
 118.17 takes office. The commissioner must provide office space for the governor-elect and for
 118.18 any employees the governor-elect hires. (a) "Governor-elect" means the person who is
 118.19 not currently governor and is the apparent successful candidate for the office of governor
 118.20 following a general election.

118.21 (b) "Commissioner" means the commissioner of the Department of Management
 118.22 and Budget.

118.23 Subd. 2. Transition expenses. In the fiscal year of a gubernatorial election and
 118.24 subject to availability of funds, the commissioner shall transfer up to \$162,000 from the
 118.25 general contingent account in the general fund to the Department of Management and
 118.26 Budget. This transfer is subject to the review and advice of the Legislative Advisory
 118.27 Commission pursuant to section 3.30. In consultation with the governor-elect, the
 118.28 commissioner shall use the transferred funds to pay expenses of the governor-elect
 118.29 associated with preparing for the assumption of official duties as governor. The
 118.30 commissioner may use the transferred funds for expenses necessary and prudent for
 118.31 establishment of a transition office prior to the election and for dissolution of the office if
 118.32 the incumbent governor is reelected or after the inauguration of a new governor. Expenses
 118.33 of the governor-elect may include suitable office space and equipment, communications
 118.34 and technology support, consulting services, compensation and travel costs, and other
 118.35 reasonable expenses. Compensation rates for temporary employees hired to support the

119.1 governor-elect and rates paid for consulting services for the governor-elect shall be
119.2 determined by the governor-elect.

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

119.8 Sec. 19. **[10.61] TWO-SIDED PRINTING.**

119.9 A printer operated by an entity in the state executive, legislative, or judicial branch
119.10 must be configured so that the default print option is for two-sided printing if it is feasible
119.11 to set two-sided printing as the default.

119.12 Sec. 20. **[15B.055] PUBLIC ACCESS TO PARKING SPACES.**

119.13 To provide the public with greater access to legislative proceedings, all parking
119.14 space on Aurora Avenue in front of the Capitol building must be reserved for the public.
119.15 Revenue derived from public parking in these spaces must be deposited in the general fund.

119.16 Sec. 21. **[16A.0561] MAPPED DATA ON EXPENDITURES.**

119.17 (a) Data on expenditure of money from the funds as specified under sections
119.18 3.303, subdivision 10, and 116P.08, may, if practicable, be made available on the Web
119.19 in a manner that allows the public to obtain information about a project receiving an
119.20 appropriation by clicking on a map. To the extent feasible, the map should include or link
119.21 to information about each project, including, but not limited to, the location, the name
119.22 of the entity receiving the appropriation, the source of the appropriation, the amount of
119.23 money received, and a general statement of the purpose of the appropriation.

119.24 (b) If requested, the Legislative Coordinating Commission may, to the extent
119.25 practicable, provide relevant executive branch agencies with public geospatial data that it
119.26 receives for its Web site required under section 3.303, subdivision 10. The commissioner
119.27 may make this information available to the public in a similar manner as information
119.28 provided under paragraph (a).

119.29 (c) In creating plans for public expenditures from all geographically locatable or
119.30 project based appropriations, prospective budget and project planning should consider
119.31 geographic and data reporting that would facilitate the goals of this section.

119.32 Sec. 22. **[16A.106] ZERO-BASED BUDGETING.**

120.1 Subdivision 1. **Zero-based budget.** (a) For each biennium to be covered by a
120.2 proposed state budget, the governor shall require the proposed budgets of each state
120.3 department, institution, and agency of the executive department to prepare a budget using
120.4 zero-based budgeting. The commissioner of management and budget shall provide
120.5 any technical assistance necessary to enable each department, institution, or agency to
120.6 complete its budgetary requests as specified by the commissioner of management and
120.7 budget.

120.8 (b) The commissioner shall adopt rules necessary to provide instruction and guidance
120.9 to each department, institution, and agency to facilitate the provisions of this section.

120.10 (c) As used in this section, "zero-based budgeting" means a method of determining
120.11 the budget of a department, institution, or agency for which the budget of the department,
120.12 institution, or agency for the biennium immediately preceding the biennium covered by
120.13 the budget is:

120.14 (1) deemed to have been zero; and

120.15 (2) each proposed expenditure for the biennium covered by the budget must be
120.16 justified as if it were a new expenditure.

120.17 Subd. 2. **Zero-based budget plan.** Each department, institution, and agency shall
120.18 provide the following information:

120.19 (1) a description of activities that comprise the agency, and a justification for the
120.20 existence of each activity by reference to statute or other legal authority;

120.21 (2) for each activity, a quantitative estimate of any adverse impacts that could
120.22 reasonably be expected should the activity be discontinued, together with a full description
120.23 of the methods by which the adverse impact is estimated;

120.24 (3) a list of quantifiable program outcomes which measure the efficiency and
120.25 effectiveness of each program;

120.26 (4) for each activity, a total account of expenditures that would be required to
120.27 maintain the activity at the minimum level of service required by the statutory authority,
120.28 together with a concise statement of the quantity and quality of services required at that
120.29 minimum level;

120.30 (5) for each activity, a total account of expenditures required to maintain the
120.31 quantity and quality of services being provided and the number of personnel required to
120.32 accomplish each program; and

120.33 (6) a ranking of all activities that shows the relative contribution of each activity to
120.34 the overall goals and purposes of the agency at current service levels.

120.35 Subd. 3. **Legislature, judicial branch, and public employees' retirement system.**
120.36 The legislature, judicial branch, and public employees' retirement system shall each

121.1 submit a budget to the legislature in the same format as the proposed executive budget
121.2 under this section. All projections of revenue and any other information concerning future
121.3 state revenue contained in those budgets must be based upon projections and estimates
121.4 prepared by Minnesota Management and Budget.

121.5 **EFFECTIVE DATE.** This section is effective the day following final enactment
121.6 and must be implemented for the biennium beginning in fiscal year 2012.

121.7 Sec. 23. **[16A.1287] SYSTEM NAME.**

121.8 Notwithstanding the requirement of section 10.49 that laws not be named for
121.9 living people, the statewide accounting and procurement system must be known as the
121.10 Knowledge, Accountability, and Honest Numbers (KAHN) system.

121.11 **EFFECTIVE DATE.** This section is effective the day following final enactment
121.12 and must be implemented swiftly.

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

121.14 **16A.82 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

121.15 ~~\$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000 in~~
121.16 ~~each fiscal year 2012 through 2019~~ The following amounts are appropriated from the
121.17 general fund to the commissioner to make payments under a lease-purchase agreement
121.18 as defined in section 16A.81 for replacement of the state's accounting and procurement
121.19 systems, provided that the state is not obligated to continue such appropriation of funds or
121.20 to make lease payments in any future fiscal year.

121.21	<u>Fiscal year 2010</u>	<u>\$ 2,828,038</u>
121.22	<u>Fiscal year 2011</u>	<u>\$ 3,063,950</u>
121.23	<u>Fiscal year 2012</u>	<u>\$ 8,967,850</u>
121.24	<u>Fiscal year 2013</u>	<u>\$ 8,968,950</u>
121.25	<u>Fiscal year 2014</u>	<u>\$ 8,970,850</u>
121.26	<u>Fiscal year 2015</u>	<u>\$ 8,971,150</u>
121.27	<u>Fiscal year 2016</u>	<u>\$ 8,966,450</u>
121.28	<u>Fiscal year 2017</u>	<u>\$ 8,967,500</u>
121.29	<u>Fiscal year 2018</u>	<u>\$ 8,970,750</u>
121.30	<u>Fiscal year 2019</u>	<u>\$ 8,968,500</u>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

122.23 (12) operate a state recycling center.

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

122.25 Sec. 26. Minnesota Statutes 2008, section 16B.24, subdivision 3, is amended to read:

122.26 Subd. 3. **Disposal of old buildings.** (a) Upon request from the head of an agency
122.27 with control of a state-owned building with an estimated market value of less than
122.28 \$50,000, as determined by the commissioner, the commissioner may sell, demolish, or
122.29 otherwise dispose of the building if the commissioner determines that the building is no
122.30 longer used or is a fire or safety hazard.

122.31 ~~The commissioner, (b) Upon request of the head of an agency which has~~ with control
122.32 of a state-owned building ~~which is no longer used or which is a fire or safety hazard, shall,~~
122.33 with an estimated market value of \$50,000 or more, as determined by the commissioner,
122.34 the commissioner may sell, demolish, or otherwise dispose of the building after

123.1 determining that the building is no longer used or is a fire or safety hazard and obtaining
123.2 approval of the chairs of the senate Finance Committee and house of representatives Ways
123.3 and Means Committee, ~~sell, wreck, or otherwise dispose of the building.~~

123.4 (c) In the event a sale is made under this subdivision, the proceeds shall be deposited
123.5 in the proper account or in the general fund from which the appropriation to acquire the
123.6 building was made, in the general fund or as otherwise provided under state law.

123.7 Sec. 27. Minnesota Statutes 2008, section 16B.48, subdivision 2, is amended to read:

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

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

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

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

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

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

123.20 (6) to provide analytical, statistical, and organizational development services to
123.21 state agencies, local units of government, metropolitan and regional agencies, and school
123.22 districts;

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

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

123.32 (9) to operate a state recycling center.

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

123.34 Sec. 28. **[16B.535] FLEET MANAGEMENT; CONSOLIDATION.**

124.1 (a) The Department of Administration shall ensure optimum efficiency and economy
124.2 in the fleet management activities of all state agencies. The department must:

124.3 (1) maintain a current fleet management inventory and maintenance cost accounting
124.4 system that includes all state-owned or leased motor vehicles;

124.5 (2) develop uniform state policies and guidelines for vehicle acquisition,
124.6 replacement, use, fuel, maintenance, and recording of operational and other costs; and

124.7 (3) study the cost-effectiveness of consolidating or privatizing the state vehicle fleet
124.8 or sections of the state vehicle fleet, including documenting the current status of fleet
124.9 consolidation or privatization and assessing the cost-effectiveness of further consolidation
124.10 or privatization of the state vehicle fleet.

124.11 (b) When requested by the governor or the legislature, the department must submit
124.12 information detailing the costs associated with fleet operations based upon a statewide
124.13 uniform cost accounting system.

124.14 (c) State agencies authorized by the Department of Administration may operate
124.15 a vehicle fleet management program. Each such agency shall assign a fleet manager
124.16 who shall operate the agency's fleet program in accordance with policies and guidelines
124.17 established by the Department of Administration.

124.18 (d) Each fleet manager must review the use of state-owned or leased vehicles within
124.19 their agency at least annually to determine whether vehicle utilization meets best practices
124.20 criteria as determined by the Department of Administration.

124.21 Sec. 29. Minnesota Statutes 2009 Supplement, section 16E.02, subdivision 1, is
124.22 amended to read:

124.23 Subdivision 1. **Office management and structure.** (a) The chief information officer
124.24 is appointed by the governor. The chief information officer serves in the unclassified
124.25 service at the pleasure of the governor. The chief information officer must have experience
124.26 leading enterprise-level information technology organizations. The chief information
124.27 officer is the state's chief information officer and information and telecommunications
124.28 technology advisor to the governor.

124.29 (b) The chief information officer may appoint other employees of the office.
124.30 The staff of the office must include individuals knowledgeable in information and
124.31 telecommunications technology systems and services and individuals with specialized
124.32 training in information security and accessibility.

124.33 (c) The chief information officer shall appoint a Webmaster responsible for the
124.34 supervision and development of state Web sites under the control of the office including,
124.35 but not limited to, Web sites maintained under section 16E.07. The Webmaster shall

125.1 ensure that these Web sites are maintained in an easily accessible format that is consistent
125.2 throughout state government and are consistent with the accessibility standards developed
125.3 under section 16E.03, subdivision 9. The Webmaster shall provide assistance and
125.4 guidance consistent with the requirements of this paragraph to other state agencies for the
125.5 maintenance of other Web sites not under the direct control of the office.

125.6 Sec. 30. Minnesota Statutes 2008, section 16E.04, subdivision 2, is amended to read:

125.7 Subd. 2. **Responsibilities.** (a) In addition to other activities prescribed by law, the
125.8 office shall carry out the duties set out in this subdivision.

125.9 (b) The office shall develop and establish a state information architecture to ensure;
125.10 (1) that state agency development and purchase of information and communications
125.11 systems, equipment, and services is designed to ensure that individual agency information
125.12 systems complement and do not needlessly duplicate or conflict with the systems of other
125.13 agencies; and

125.14 (2) enhanced public access to data can be provided consistent with standards
125.15 developed under section 16E.05, subdivision 4.

125.16 When state agencies have need for the same or similar public data, the chief information
125.17 officer, in coordination with the affected agencies, shall manage the most efficient and
125.18 cost-effective method of producing and storing data for or sharing data between those
125.19 agencies. The development of this information architecture must include the establishment
125.20 of standards and guidelines to be followed by state agencies. The office shall ensure
125.21 compliance with the architecture.

125.22 (c) The office shall assist state agencies in the planning and management of
125.23 information systems so that an individual information system reflects and supports the
125.24 state agency's mission and the state's requirements and functions. The office shall review
125.25 and approve agency technology plans to ensure consistency with enterprise information
125.26 and telecommunications technology strategy. By January 15 of each year, the chief
125.27 information officer must report to the chairs and the ranking minority members of
125.28 the legislative committees and divisions with jurisdiction over the office regarding the
125.29 assistance provided under this paragraph. The report must include a listing of agencies
125.30 that have developed or are developing plans under this paragraph.

125.31 (d) The office shall review and approve agency requests for funding for the
125.32 development or purchase of information systems equipment or software before the
125.33 requests may be included in the governor's budget.

125.34 (e) The office shall review major purchases of information systems equipment to:

126.1 (1) ensure that the equipment follows the standards and guidelines of the state
126.2 information architecture;

126.3 (2) ensure the agency's proposed purchase reflects a cost-effective policy regarding
126.4 volume purchasing; and

126.5 (3) ensure that the equipment is consistent with other systems in other state agencies
126.6 so that data can be shared among agencies, unless the office determines that the agency
126.7 purchasing the equipment has special needs justifying the inconsistency.

126.8 (f) The office shall review the operation of information systems by state agencies
126.9 and ensure that these systems are operated efficiently and securely and continually meet
126.10 the standards and guidelines established by the office. The standards and guidelines must
126.11 emphasize uniformity that is cost-effective for the enterprise, that encourages information
126.12 interchange, open systems environments, and portability of information whenever
126.13 practicable and consistent with an agency's authority and chapter 13.

126.14 (g) The office shall conduct a comprehensive review at least every three years of
126.15 the information systems investments that have been made by state agencies and higher
126.16 education institutions. The review must include recommendations on any information
126.17 systems applications that could be provided in a more cost-beneficial manner by an outside
126.18 source. The office must report the results of its review to the legislature and the governor.

126.19 Sec. 31. Minnesota Statutes 2008, section 16E.05, is amended by adding a subdivision
126.20 to read:

126.21 Subd. 4. **Standards for transparency.** The chief information officer shall develop
126.22 standards to enhance public access to electronic data maintained by state government,
126.23 consistent with the requirements of chapter 13. The standards must ensure that:

126.24 (1) the state information architecture facilitates public access to agency data;

126.25 (2) publicly available data is managed using an approved state metadata model; and

126.26 (3) all geospatial data conform to an approved state geocode model.

126.27 Sec. 32. Minnesota Statutes 2008, section 79.34, subdivision 1, is amended to read:

126.28 Subdivision 1. **Conditions requiring membership.** The nonprofit association
126.29 known as the Workers' Compensation Reinsurance Association may be incorporated under
126.30 chapter 317A with all the powers of a corporation formed under that chapter, except that
126.31 if the provisions of that chapter are inconsistent with sections 79.34 to 79.40, sections
126.32 79.34 to 79.40 govern. Each insurer as defined by section 79.01, subdivision 2, shall, as
126.33 a condition of its authority to transact workers' compensation insurance in this state, be
126.34 a member of the reinsurance association and is bound by the plan of operation of the

127.1 reinsurance association; provided, that all affiliated insurers within a holding company
127.2 system as defined in chapter 60D are considered a single entity for purposes of the exercise
127.3 of all rights and duties of membership in the reinsurance association. Each self-insurer
127.4 approved under section 176.181 and each political subdivision that self-insures shall, as a
127.5 condition of its authority to self-insure workers' compensation liability in this state, be a
127.6 member of the reinsurance association and is bound by its plan of operation; provided that:

127.7 (1) all affiliated companies within a holding company system, as determined by
127.8 the commissioner of labor and industry in a manner consistent with the standards and
127.9 definitions in chapter 60D, are considered a single entity for purposes of the exercise of all
127.10 rights and duties of membership in the reinsurance association; and

127.11 (2) all group self-insurers granted authority to self-insure pursuant to section
127.12 176.181 are considered single entities for purposes of the exercise of all the rights and
127.13 duties of membership in the reinsurance association. As a condition of its authority to
127.14 self-insure workers' compensation liability, and for losses incurred after December 31,
127.15 1983, the state is a member of the reinsurance association and is bound by its plan of
127.16 operation. The commissioner of ~~management and budget~~ administration represents
127.17 the state in the exercise of all the rights and duties of membership in the reinsurance
127.18 association. The amounts necessary to pay the state's premiums required for coverage by
127.19 the Workers' Compensation Reinsurance Association are appropriated from the general
127.20 fund to the commissioner of ~~management and budget~~ administration. The University
127.21 of Minnesota shall pay its portion of workers' compensation reinsurance premiums
127.22 directly to the Workers' Compensation Reinsurance Association. For the purposes of
127.23 this section, "state" means the administrative branch of state government, the legislative
127.24 branch, the judicial branch, the University of Minnesota, and any other entity whose
127.25 workers' compensation liability is paid from the state revolving fund. The commissioner
127.26 of management and budget may calculate, prorate, and charge a department or agency
127.27 the portion of premiums paid to the reinsurance association for employees who are
127.28 paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The
127.29 reinsurance association is not a state agency. Actions of the reinsurance association and its
127.30 board of directors and actions of the commissioner of labor and industry with respect to
127.31 the reinsurance association are not subject to chapters 13 and 15. All property owned by
127.32 the association is exempt from taxation. The reinsurance association is not obligated to
127.33 make any payments or pay any assessments to any funds or pools established pursuant to
127.34 this chapter or chapter 176 or any other law.

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

128.1 Sec. 33. Minnesota Statutes 2008, section 115A.15, subdivision 6, is amended to read:

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

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

128.11 Sec. 34. Minnesota Statutes 2009 Supplement, section 270C.145, is amended to read:

128.12 **270C.145 TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

128.13 ~~\$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each~~
128.14 ~~fiscal year 2012 through 2019 is~~ The following amounts are appropriated from the general
128.15 fund to the commissioner to make payments under a lease-purchase agreement as defined
128.16 in section 16A.81 for completing the purchase and development of an integrated tax
128.17 software package; provided that the state is not obligated to continue the appropriation of
128.18 funds or to make lease payments in any future fiscal year.

128.19	<u>Fiscal year 2010</u>	<u>\$ 670,213</u>
128.20	<u>Fiscal year 2011</u>	<u>\$ 748,550</u>
128.21	<u>Fiscal year 2012</u>	<u>\$ 2,250,150</u>
128.22	<u>Fiscal year 2013</u>	<u>\$ 2,251,550</u>
128.23	<u>Fiscal year 2014</u>	<u>\$ 2,250,350</u>
128.24	<u>Fiscal year 2015</u>	<u>\$ 2,251,550</u>
128.25	<u>Fiscal year 2016</u>	<u>\$ 2,249,950</u>
128.26	<u>Fiscal year 2017</u>	<u>\$ 2,251,250</u>
128.27	<u>Fiscal year 2018</u>	<u>\$ 2,249,000</u>
128.28	<u>Fiscal year 2019</u>	<u>\$ 2,247,000</u>

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

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

128.32 Sec. 35. Minnesota Statutes 2009 Supplement, section 289A.08, subdivision 16,
128.33 is amended to read:

129.1 Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee**
129.2 **imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision
129.3 13, paragraph (f), who ~~prepared~~ is a tax return preparer for purposes of section 6011(e)
129.4 of the Internal Revenue Code, and who reasonably expects to prepare more than 100
129.5 ten Minnesota individual income tax returns for the prior calendar year must file all
129.6 Minnesota individual income tax returns prepared for ~~the current~~ that calendar year by
129.7 electronic means.

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

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

129.15 **EFFECTIVE DATE.** This section is effective for tax returns filed after December
129.16 31, 2010.

129.17 Sec. 36. Minnesota Statutes 2008, section 471.6175, subdivision 4, is amended to read:

129.18 Subd. 4. **Account maintenance.** (a) A political subdivision or other public entity
129.19 may establish a trust account to be held under the supervision of the trust administrator for
129.20 the purposes of this section. A trust administrator shall establish a separate account for
129.21 each participating political subdivision or public entity. The trust administrator may charge
129.22 participating political subdivisions and public entities fees for reasonable administrative
129.23 costs. The amount of any fees charged by the Public Employees Retirement Association is
129.24 appropriated to the association from the account. A trust administrator may establish other
129.25 reasonable terms and conditions for creation and maintenance of these accounts.

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

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

130.1 Sec. 37. Laws 2009, chapter 101, article 1, section 31, is amended to read:

130.2 Sec. 31. **PROBLEM GAMBLING APPROPRIATION.**

130.3 \$225,000 in fiscal year 2010 and ~~\$225,000~~ \$175,000 in fiscal year 2011 are
130.4 appropriated from the lottery prize fund to the Gambling Control Board for a grant to the
130.5 state affiliate recognized by the National Council on Problem Gambling. The affiliate
130.6 must provide services to increase public awareness of problem gambling, education
130.7 and training for individuals and organizations providing effective treatment services to
130.8 problem gamblers and their families, and research relating to problem gambling. These
130.9 services must be complimentary to and not duplicative of the services provided through
130.10 the problem gambling program administered by the commissioner of human services. Of
130.11 this appropriation, \$50,000 in fiscal year 2010 ~~and \$50,000 in fiscal year 2011 are~~ is
130.12 contingent on the contribution of nonstate matching funds. Matching funds may be either
130.13 cash or qualifying in-kind contributions. The commissioner of finance may disburse the
130.14 state portion of the matching funds in increments of \$25,000 upon receipt of a commitment
130.15 for an equal amount of matching nonstate funds. These are onetime appropriations.

130.16 Sec. 38. **ADDITIONAL OPERATING BUDGET REDUCTIONS.**

130.17 By July 30, 2010, the commissioner of management and budget must allocate
130.18 a reduction of \$2,630,000 for the fiscal year ending June 30, 2011, to the operating
130.19 budgets of executive branch state agencies, as defined in Minnesota Statutes, section
130.20 16A.011, subdivision 12a. To the extent possible, this reduction must be achieved through
130.21 estimated savings in expenditures for space, out-of-state travel, fleet management, energy
130.22 usage in state buildings, contracts for professional or technical services, and through
130.23 increased employee telecommuting, and through consolidation of information technology
130.24 functions, or through other operational efficiencies. If expenditure reductions are achieved
130.25 in dedicated funds other than those established in the state constitution or protected by
130.26 federal law, the commissioner of management and budget may transfer the amount of
130.27 the savings to the general fund. Executive branch state agencies must cooperate with
130.28 the commissioner of management and budget in developing and implementing these
130.29 reductions. Any amount of the reduction that cannot be achieved through savings in the
130.30 expenditure types described in this section must be allocated to executive state agency
130.31 operating budgets by the commissioner. Reductions in fiscal year 2011 must cancel to
130.32 the general fund and shall be reflected as reductions in agency base budgets for fiscal
130.33 years 2012 and 2013. The commissioner of management and budget must report to the
130.34 chairs and ranking minority members of the senate Finance Committee and the house

131.1 of representatives Ways and Means and Finance Committees regarding the amount of
131.2 reductions in spending by each agency under this section.

131.3 Sec. 39. **TRANSPARENCY STANDARDS REPORT.**

131.4 By January 15, 2011, the chief information officer shall report to the chairs and
131.5 ranking minority members of the legislative committees with jurisdiction over the
131.6 Office of Enterprise Technology regarding the development of the standards to enhance
131.7 public access to data required under Minnesota Statutes, section 16E.05, subdivision 4.
131.8 The report must describe the process for development of the standards, including the
131.9 opportunity provided for public comment, and specify the components of the standards
131.10 that have been implemented, including a description of the level of public use of the new
131.11 opportunities for data access under the standards.

131.12 Sec. 40. **REQUEST FOR PROPOSALS.**

131.13 (a) The commissioner of revenue shall issue a request for proposals for a contract to
131.14 implement a system of tax analytics and business intelligence tools to enhance the state's
131.15 tax collection process and revenues by improving the means of identifying candidates
131.16 for audit and collection activities and prioritizing those activities to provide the highest
131.17 returns on auditors' and collection agents' time. The request for proposals must require
131.18 that the system recommended and implemented by the contractor:

131.19 (1) leverage the Department of Revenue's existing data and other available data
131.20 sources to build models that more effectively and efficiently identify accounts for audit
131.21 review and collections;

131.22 (2) leverage advanced analytical techniques and technology such as pattern
131.23 detection, predictive modeling, clustering, outlier detection, and link analysis to identify
131.24 suspect accounts for audit review and collections;

131.25 (3) leverage a variety of approaches and analytical techniques to rank accounts and
131.26 improve the success rate and the return on investment of department employees engaged
131.27 in audit activities;

131.28 (4) leverage technology to make the audit process more sustainable and stable, even
131.29 with turnover of department auditing staff;

131.30 (5) provide optimization capabilities to more effectively prioritize collections and
131.31 increase the efficiency of employees engaged in collections activities; and

131.32 (6) incorporate mechanisms to decrease wrongful auditing and reduce interference
131.33 with Minnesota taxpayers who are fully complying with the laws.

132.1 (b) Based on acceptable responses to the request for proposals, the commissioner
 132.2 shall enter into a contract for the services specified in paragraph (a) by July 1, 2012. The
 132.3 contract must incorporate a performance-based vendor financing option whereby the
 132.4 vendor shares in the risk of the project's success.

132.5 **EFFECTIVE DATE.** This section is effective July 1, 2011.

132.6 Sec. 41. **COMMISSION ON SERVICE INNOVATION.**

132.7 The governor shall appoint a Commission on Service Innovation to produce a
 132.8 strategic plan to reengineer the delivery of state and local government services, including
 132.9 the realignment of service delivery by region and proximity, the use of new technologies,
 132.10 shared facilities, and other means of improving efficiency. The plan shall also provide a
 132.11 process to review and modify recommendations at regular intervals in the future based on
 132.12 specific results measured at regular intervals. The plan shall also include any proposed
 132.13 legislation necessary to implement the commission's recommendations.

132.14 Sec. 42. **HELP AMERICA VOTE ACT.**

132.15 If the secretary of state determines that this state is otherwise eligible to receive
 132.16 an additional payment of federal money under the Help America Vote Act, Public Law
 132.17 107-252, the secretary must certify to the commissioner of management and budget the
 132.18 amount, if any, needed to meet the matching requirement of section 253(b)(5) of the Help
 132.19 America Vote Act. In the certification, the secretary shall specify the portion of the match
 132.20 that should be taken from an unencumbered general fund appropriation to the Office of the
 132.21 Secretary of State not designated for a different purpose. Upon receipt of that certification,
 132.22 or as soon as an unencumbered general fund appropriation becomes available, whichever
 132.23 occurs later, the commissioner must transfer the specified amount to the Help America
 132.24 Vote Act account.

132.25 This section expires on June 30, 2011.

132.26 **ARTICLE 14**

132.27 **MINORITY BOARDS**

132.28 Section 1. **SUMMARY OF APPROPRIATIONS.**

132.29 The amounts shown in this section summarize direct appropriations, by fund, made
 132.30 in this article.

132.31		<u>2010</u>	<u>2011</u>	<u>Total</u>
132.32	<u>General</u>	<u>\$ (29,000) \$</u>	<u>(49,000) \$</u>	<u>(78,000)</u>

Sec. 2. APPROPRIATIONS.

The dollar amounts in the columns under "Appropriations" are added to, or, if shown in parentheses, subtracted from appropriations enacted in the 2009 regular legislative session. The appropriations and reductions in appropriations are from the general fund, or another named fund, and are for the fiscal years indicated for each purpose. The figures "2010" and "2011" mean that the appropriations or reductions in appropriations listed under them are for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations and reductions in appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

		<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
		<u>2010</u>	<u>2011</u>
Sec. 3. <u>AMATEUR SPORTS COMMISSION</u>	\$	<u>(4,000)</u>	\$ <u>(9,000)</u>
Sec. 4. <u>COUNCIL ON BLACK MINNESOTANS</u>	\$	<u>(5,000)</u>	\$ <u>(9,000)</u>
Sec. 5. <u>COUNCIL ON CHICANO/LATINO AFFAIRS</u>	\$	<u>(6,000)</u>	\$ <u>(9,000)</u>
Sec. 6. <u>COUNCIL ON ASIAN-PACIFIC MINNESOTANS</u>	\$	<u>(5,000)</u>	\$ <u>(8,000)</u>
Sec. 7. <u>INDIAN AFFAIRS COUNCIL</u>	\$	<u>(9,000)</u>	\$ <u>(14,000)</u>

ARTICLE 15

MINERALS

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

298.294 INVESTMENT OF FUND.

(a) The trust fund established by section 298.292 shall be invested pursuant to law by the State Board of Investment and the net interest, dividends, and other earnings arising from the investments shall be transferred, except as provided in paragraph (b), on the first day of each month to the trust and shall be included and become part of the trust fund. The amounts transferred, including the interest, dividends, and other earnings earned

134.1 prior to July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year
134.2 1983, which is appropriated April 21, 1983, are appropriated from the trust fund to the
134.3 commissioner of Iron Range resources and rehabilitation for deposit in a separate account
134.4 for expenditure for the purposes set forth in section 298.292. Amounts appropriated
134.5 pursuant to this section shall not cancel but shall remain available unless expended.

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

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

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

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

134.20 Sec. 2. **IRON RANGE RESOURCES AND REHABILITATION; EARLY**
134.21 **SEPARATION INCENTIVE PROGRAM AUTHORIZATION.**

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

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

134.28 (1) employer-paid postseparation health, medical, and dental insurance until age
134.29 65; and

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

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

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

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

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

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

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

135.13 Sec. 3. **IRON RANGE HERITAGE CENTER AND PERPICH ARCHIVES.**

135.14 The Iron Range Resources and Rehabilitation Board shall change the name of
135.15 "Ironworld Discovery Center" to "Iron Range Heritage Center and Perpich Archives"
135.16 consistent with the changes in section 5.

135.17 Sec. 4. **2010 DISTRIBUTIONS ONLY.**

135.18 For distributions in 2010 only, a special fund is established to receive 19.765 cents
135.19 per ton that otherwise would be allocated under Minnesota Statutes, section 298.28,
135.20 subdivision 6, and 6.367 cents per ton that would otherwise be allocated under Minnesota
135.21 Statutes, section 298.28, subdivision 11, to the Douglas J. Johnson economic protection
135.22 fund. The following amounts are distributed to St. Louis County acting as the fiscal agent
135.23 for the recipients for the following specified purposes:

135.24 (1) 0.764 cent per ton must be paid to Northern Minnesota Dental to provide
135.25 incentives for at least two dentists to establish dental practices in high-need areas of the
135.26 taconite tax relief area;

135.27 (2) 0.955 cent per ton must be paid to the city of Virginia for repairs and geothermal
135.28 heat at the Olcott Park Greenhouse/Virginia Commons project;

135.29 (3) 0.637 cent per ton must be paid to the city of Virginia for health and safety
135.30 repairs at the Miners Memorial;

135.31 (4) 0.955 cent per ton must be paid to the city of Eveleth for the reconstruction
135.32 of Highway 142/Grant and Park Avenues;

135.33 (5) 0.478 cent per ton must be paid to the Greenway Joint Recreation Board for
135.34 upgrades and capital improvements to the Hodgkin's Perorate Arena in Coleraine;

- 136.1 (6) 0.796 cent per ton must be paid to the city of Calumet for water treatment and
136.2 pumphouse modifications;
- 136.3 (7) 0.159 cent per ton must be paid to the city of Bovey for residential and
136.4 commercial claims for water damage due to water and flood-related damage caused by
136.5 the Canisteo Pit;
- 136.6 (8) 0.637 cent per ton must be paid to the city of Nashwauk for a community and
136.7 child care center;
- 136.8 (9) 0.637 cent per ton must be paid to the city of Keewatin for water and sewer
136.9 upgrades;
- 136.10 (10) 0.637 cent per ton must be paid to the city of Marble for the city hall and
136.11 library project;
- 136.12 (11) 0.955 cent per ton must be paid to the city of Grand Rapids for extension of
136.13 water and sewer services for Lakewood Housing;
- 136.14 (12) 0.159 cent per ton must be paid to the city of Grand Rapids for exhibits at
136.15 the Children's Museum;
- 136.16 (13) 0.637 cent per ton must be paid to the city of Grand Rapids for Block 20/21 soil
136.17 corrections. This amount must be matched by local sources;
- 136.18 (14) 0.605 cent per ton must be paid to the city of Aitkin for three water loops;
- 136.19 (15) 0.048 cent per ton must be paid to the city of Aitkin for signage;
- 136.20 (16) 0.159 cent per ton must be paid to Itasca County for an ATV trail;
- 136.21 (17) 0.637 cent per ton must be paid to the city of Cohasset for the Beers Road
136.22 railroad crossing;
- 136.23 (18) 0.088 cent per ton must be paid to the town of Clinton for expansion and
136.24 striping of the community center parking lot;
- 136.25 (19) 0.398 cent per ton must be paid to the city of Kinney for water line replacement;
- 136.26 (20) 0.796 cent per ton must be paid to the city of Gilbert for infrastructure
136.27 improvements, milling, and overlay for Summit Street between Alaska Avenue and
136.28 Highway 135;
- 136.29 (21) 0.318 cent per ton must be paid to the city of Gilbert for sanitary sewer main
136.30 replacements and improvements in the Northeast Lower Alley area;
- 136.31 (22) 0.637 cent per ton must be paid to the town of White for replacement of the
136.32 Steep-to Road culvert;
- 136.33 (23) 0.637 cent per ton must be paid to the city of Buhl for reconstruction of Sharon
136.34 Street and associated infrastructure;
- 136.35 (24) 0.637 cent per ton must be paid to the city of Mountain Iron for site
136.36 improvements at the Park Ridge development;

137.1 (25) 0.796 cent per ton must be paid to the city of Mountain Iron for infrastructure
137.2 and site preparation for its renewable and sustainable energy park;

137.3 (26) 0.637 cent per ton must be paid to the city of Biwabik for sanitary sewer
137.4 improvements;

137.5 (27) 0.796 cent per ton must be paid to the city of Aurora for alley and road
137.6 rebuilding for the Summit Addition;

137.7 (28) 0.955 cent per ton must be paid to the city of Silver Bay for bioenergy facility
137.8 improvements;

137.9 (29) 0.318 cent per ton must be paid to the city of Grand Marais for water and
137.10 sewer infrastructure improvements;

137.11 (30) 0.318 cent per ton must be paid to the city of Orr for airport, water, and sewer
137.12 improvements;

137.13 (31) 0.318 cent per ton must be paid to the city of Cook for street and bridge
137.14 improvements;

137.15 (32) 0.955 cent per ton must be paid to the city of Ely for street, water, and sewer
137.16 improvements;

137.17 (33) 0.318 cent per ton must be paid to the city of Tower for water and sewer
137.18 improvements;

137.19 (34) 0.955 cent per ton must be paid to the city of Two Harbors for water and sewer
137.20 improvements;

137.21 (35) 0.637 cent per ton must be paid to the city of Babbitt for water and sewer
137.22 improvements;

137.23 (36) 0.096 cent per ton must be paid to the township of Duluth for infrastructure
137.24 improvements;

137.25 (37) 0.096 cent per ton must be paid to the township of Tuft for infrastructure
137.26 improvements;

137.27 (38) 3.184 cents per ton must be paid to the city of Hibbing for sewer improvements;

137.28 (39) 1.273 cents per ton must be paid to the city of Chisholm for NW Area Project
137.29 infrastructure improvements;

137.30 (40) 0.318 cent per ton must be paid to the city of Chisholm for health and safety
137.31 improvements at the athletic facility; and

137.32 (41) 0.796 cent per ton must be paid to the city of Hoyt Lakes for residential street
137.33 improvements.

137.34 **EFFECTIVE DATE.** This section is effective the day following final enactment
137.35 and distribution must be made in August 2010.

138.1 Sec. 5. **REVISOR'S INSTRUCTION.**

138.2 (a) The revisor of statutes shall change the terms "Douglas J. Johnson economic
138.3 protection trust fund" or similar terms to "Mesabi miners' memorial economic development
138.4 fund" or similar terms wherever they appear in Minnesota Statutes. The revisor shall also
138.5 make grammatical changes related to the changes in terms.

138.6 (b) The revisor of statutes shall change the terms "Ironworld Discovery Center" to
138.7 "Iron Range Heritage Center and Perpich Archives" wherever they appear in Minnesota
138.8 Statutes.

138.9 **ARTICLE 16**

138.10 **AIDS AND CREDITS**

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

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

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

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

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

139.3 Subd. 6. **Credit reduction.** In 2011 and each year thereafter, the market value
139.4 credit reimbursement amount for each taxing jurisdiction determined under this section
139.5 is reduced by the dollar amount of the reduction in market value credit reimbursements
139.6 for that taxing jurisdiction in 2010 due to unallotment reductions announced prior to
139.7 February 28, 2010, under section 16A.152. No taxing jurisdiction's market value credit
139.8 reimbursements are reduced to less than zero under this subdivision. The commissioner of
139.9 revenue shall pay the annual market value credit reimbursement amounts, after reduction
139.10 under this subdivision, to the affected taxing jurisdictions as provided in this section.

139.11 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and
139.12 thereafter.

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

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

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

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

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

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

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

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

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

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

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

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

140.5 (7) to pay the expenses reasonably and necessarily incurred in preparing for or
140.6 repairing the effects of natural disaster including the occurrence or threat of widespread
140.7 or severe damage, injury, or loss of life or property resulting from natural causes, in
140.8 accordance with standards formulated by the Emergency Services Division of the state
140.9 Department of Public Safety, as allowed by the commissioner of revenue under section
140.10 275.74, subdivision 2;

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

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

140.17 (10) to pay any costs attributable to increases in the employer contribution rates
140.18 under chapter 353, or locally administered pension plans, that are effective after June
140.19 30, 2001;

140.20 (11) to pay the operating or maintenance costs of a county jail as authorized in
140.21 section 641.01 or 641.262, or of a correctional facility as defined in section 241.021,
140.22 subdivision 1, paragraph (f), to the extent that the county can demonstrate to the
140.23 commissioner of revenue that the amount has been included in the county budget as
140.24 a direct result of a rule, minimum requirement, minimum standard, or directive of the
140.25 Department of Corrections, or to pay the operating or maintenance costs of a regional jail
140.26 as authorized in section 641.262. For purposes of this clause, a district court order is
140.27 not a rule, minimum requirement, minimum standard, or directive of the Department of
140.28 Corrections. If the county utilizes this special levy, except to pay operating or maintenance
140.29 costs of a new regional jail facility under sections 641.262 to 641.264 which will not
140.30 replace an existing jail facility, any amount levied by the county in the previous levy year
140.31 for the purposes specified under this clause and included in the county's previous year's
140.32 levy limitation computed under section 275.71, shall be deducted from the levy limit
140.33 base under section 275.71, subdivision 2, when determining the county's current year
140.34 levy limitation. The county shall provide the necessary information to the commissioner
140.35 of revenue for making this determination;

141.1 (12) to pay for operation of a lake improvement district, as authorized under section
141.2 103B.555. If the county utilizes this special levy, any amount levied by the county in the
141.3 previous levy year for the purposes specified under this clause and included in the county's
141.4 previous year's levy limitation computed under section 275.71 shall be deducted from
141.5 the levy limit base under section 275.71, subdivision 2, when determining the county's
141.6 current year levy limitation. The county shall provide the necessary information to the
141.7 commissioner of revenue for making this determination;

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

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

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

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

141.22 (17) to pay for the maintenance and support of a city or county society for the
141.23 prevention of cruelty to animals under section 343.11, but not to exceed in any year
141.24 \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most
141.25 recent federal census, whichever is greater. If the city or county uses this special levy, any
141.26 amount levied by the city or county in the previous levy year for the purposes specified
141.27 in this clause and included in the city's or county's previous year's levy limit computed
141.28 under section 275.71, must be deducted from the levy limit base under section 275.71,
141.29 subdivision 2, in determining the city's or county's current year levy limit;

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

141.33 (19) for a city, for the costs reasonably and necessarily incurred for securing,
141.34 maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by
141.35 the commissioner of revenue under section 275.74, subdivision 2. A city must have either
141.36 (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a foreclosure rate in 2007 in

142.1 the city or in a zip code area of the city that is at least 50 percent higher than the average
142.2 foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2,
142.3 to use this special levy. For purposes of this paragraph, "foreclosure rate" means the
142.4 number of foreclosures, as indicated by sheriff sales records, divided by the number of
142.5 households in the city in 2007;

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

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

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

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

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

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

142.34 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and
142.35 thereafter.

143.1 Sec. 4. Minnesota Statutes 2008, section 477A.013, subdivision 9, is amended to read:

143.2 Subd. 9. **City aid distribution.** (a) In calendar year 2009 and thereafter, each
143.3 city shall receive an aid distribution equal to the sum of (1) the city formula aid under
143.4 subdivision 8, and (2) its city aid base.

143.5 (b) For aids payable in ~~2009~~ 2010 only, the total aid for any city shall ~~not exceed the~~
143.6 ~~sum of (1) 35 percent of the city's net levy for the year prior to the aid distribution, plus (2)~~
143.7 ~~its total aid in the previous year~~ mean the amount of aid it was certified to receive for aids
143.8 payable in 2010 under this section minus the amount of its aid reduction under section
143.9 477A.0133. For aids payable in 2011 and thereafter, the total aid for any city means the
143.10 amount of aid it was certified to receive under this section in the previous payable year.

143.11 (c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed
143.12 the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution
143.13 plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total
143.14 aid for any city with a population of 2,500 or more may not be less than its total aid under
143.15 this section in the previous year minus the lesser of \$10 multiplied by its population, or ten
143.16 percent of its net levy in the year prior to the aid distribution.

143.17 (d) For aids payable in 2010 and thereafter, the total aid for a city with a population
143.18 less than 2,500 must not be less than the amount it was certified to receive in the
143.19 previous year minus the lesser of \$10 multiplied by its population, or five percent of its
143.20 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a
143.21 population less than 2,500 must not be less than what it received under this section in the
143.22 previous year unless its total aid in calendar year 2008 was aid under section 477A.011,
143.23 subdivision 36, paragraph (s), in which case its minimum aid is zero.

143.24 (e) A city's aid loss under this section may not exceed \$300,000 in any year in
143.25 which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or
143.26 greater than the appropriation under that subdivision in the previous year, unless the
143.27 city has an adjustment in its city net tax capacity under the process described in section
143.28 469.174, subdivision 28.

143.29 (f) If a city's net tax capacity used in calculating aid under this section has decreased
143.30 in any year by more than 25 percent from its net tax capacity in the previous year due to
143.31 property becoming tax-exempt Indian land, the city's maximum allowed aid increase
143.32 under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the
143.33 year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease
143.34 resulting from the property becoming tax exempt.

143.35 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
143.36 2011 and thereafter.

144.1 Sec. 5. **[477A.0133] ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

144.2 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms
144.3 have the meanings given them in this subdivision.

144.4 (b) The "2010 revenue base" for a county is the sum of the county's certified property
144.5 tax levy for taxes payable in 2010, plus the amount of county program aid under section
144.6 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite
144.7 aids under sections 298.28 and 298.282 that the county was certified to receive in 2010
144.8 including any amounts required to be placed in a special fund for distribution in a later year.

144.9 (c) The "2010 revenue base" for a statutory or home rule charter city is the sum of
144.10 the city's certified property tax levy for taxes payable in 2010, plus the amount of local
144.11 government aid under section 477A.013, subdivision 9, that the city was certified to
144.12 receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that
144.13 the city was certified to receive in 2010 including any amounts required to be placed in a
144.14 special fund for distribution in a later year.

144.15 Subd. 2. 2010 reductions; counties, and cities. The commissioner of revenue
144.16 must compute additional 2010 aid and credit reimbursement reduction amounts for each
144.17 county and city under this section, after implementing any reduction of county program
144.18 aid under section 477A.0124, local government aid under section 477A.013, or market
144.19 value credit reimbursements under section 273.1384, to reflect the reduction of allotments
144.20 under section 16A.152.

144.21 The additional reduction amounts under this section are limited to the sum of the
144.22 amount of county program aid under section 477A.0124, local government aid under
144.23 section 477A.013, and market value credit reimbursements under section 273.1384
144.24 payable to the county or city in 2010 before the reductions in this section, but after the
144.25 reductions for unallotment.

144.26 The reduction amount under this section is applied first to reduce the amount
144.27 payable to the county or city in 2010 as market value credit reimbursements under section
144.28 273.1384, and then if necessary, to reduce the amount payable as either county program
144.29 aid under section 477A.0124 in the case of a county, or local government aid under section
144.30 477A.013 in the case of a city.

144.31 No aid or reimbursement amount is reduced to less than zero under this section.

144.32 The additional 2010 aid reduction amount for a county is equal to 1.82767 percent
144.33 of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city
144.34 is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28
144.35 multiplied by the city's 2008 population.

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

145.1 Sec. 6. Minnesota Statutes 2008, section 477A.03, subdivision 2a, is amended to read:

145.2 Subd. 2a. **Cities.** For aids payable in ~~2009~~ 2011 and thereafter, the total aid
145.3 paid under section 477A.013, subdivision 9, is ~~\$526,148,487, subject to adjustment in~~
145.4 ~~subdivision 5~~ \$520,725,315.

145.5 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and
145.6 thereafter.

145.7 Sec. 7. Minnesota Statutes 2008, section 477A.03, subdivision 2b, is amended to read:

145.8 Subd. 2b. **Counties.** (a) For aids payable in ~~2009~~ 2011 and thereafter, the total aid
145.9 payable under section 477A.0124, subdivision 3, is ~~\$111,500,000 minus one-half of the~~
145.10 ~~total aid amount determined under section 477A.0124, subdivision 5, paragraph (b),~~
145.11 ~~subject to adjustment in subdivision 5~~ \$99,572,700. Each calendar year, \$500,000 shall be
145.12 retained by the commissioner of revenue to make reimbursements to the commissioner of
145.13 management and budget for payments made under section 611.27. For calendar year 2004,
145.14 the amount shall be in addition to the payments authorized under section 477A.0124,
145.15 subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted
145.16 from the appropriation under this paragraph. The reimbursements shall be to defray the
145.17 additional costs associated with court-ordered counsel under section 611.27. Any retained
145.18 amounts not used for reimbursement in a year shall be included in the next distribution
145.19 of county need aid that is certified to the county auditors for the purpose of property tax
145.20 reduction for the next taxes payable year.

145.21 (b) For aids payable in ~~2009~~ 2011 and thereafter, the total aid under section
145.22 477A.0124, subdivision 4, is ~~\$116,132,923 minus one-half of the total aid amount~~
145.23 ~~determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment~~
145.24 ~~in subdivision 5~~ \$104,487,304. The commissioner of management and budget shall
145.25 bill the commissioner of revenue for the cost of preparation of local impact notes as
145.26 required by section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter.
145.27 The commissioner of education shall bill the commissioner of revenue for the cost of
145.28 preparation of local impact notes for school districts as required by section 3.987, not
145.29 to exceed \$7,000 in fiscal year 2004 and thereafter. The commissioner of revenue
145.30 shall deduct the amounts billed under this paragraph from the appropriation under this
145.31 paragraph. The amounts deducted are appropriated to the commissioner of management
145.32 and budget and the commissioner of education for the preparation of local impact notes.

145.33 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and
145.34 thereafter.

- 146.1 Sec. 8. **REPEALER.**
- 146.2 Minnesota Statutes 2008, section 477A.03, subdivision 5, is repealed.
- 146.3 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and
- 146.4 thereafter.

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ARTICLE 16	AIDS AND CREDITS	Page.Ln 138.9

13.721 TRANSPORTATION DATA CODED ELSEWHERE.

Subd. 4. **Transporting hazardous material or waste; permit application.** Data submitted under section 221.0355, subdivision 9, and received by the commissioner of transportation on applications for permits to transport hazardous material or hazardous waste are classified under section 221.0355, subdivision 9.

135A.61 HIGH SCHOOL-TO-COLLEGE DEVELOPMENTAL TRANSITION PROGRAMS.

Subdivision 1. **High school-to-college developmental transition programs.** All public higher education systems and other higher education institutions in Minnesota are encouraged to offer research-based high school-to-college developmental transition programs to prepare students for college-level academic coursework. A program under this section must, at a minimum, include instruction to develop the skills and abilities necessary to be ready for college-level coursework when the student enrolls in a degree, diploma, or certificate program and must address the academic skills identified as needing improvement by a college readiness assessment completed by the student. A program offered under this section must not constitute more than the equivalent of one semester of full-time study occurring in the summer following high school graduation. The courses completed in a program under this section must be identified on the student's transcript with a unique identifier to distinguish it from other developmental education courses or programs.

Subd. 2. **High school-to-college developmental transition programs evaluation report.**
(a) Institutions that offer a high school-to-college developmental transition program and enroll students that receive a grant under section 136A.121, subdivision 9b, must annually submit data and information about the services provided and program outcomes to the director of the Minnesota Office of Higher Education.

(b) The director must establish and convene a data working group to develop: (1) the data methodology to be used in evaluating the effectiveness of the programs implemented to improve the academic performance of participants, including the identification of appropriate comparison groups; and (2) a timeline for institutions to submit data and information to the director. The data working group must develop procedures that ensure consistency in the data collected by each institution. Data group members must have expertise in data collection processes and the delivery of academic programs to students, and represent the types of institutions that offer a program under this section. The data group must assist the director in analyzing and synthesizing institutional data and information to be included in the evaluation report submitted to the legislature under subdivision 3.

(c) Participating institutions must specify both program and student outcome goals and the activities implemented to achieve the goals. The goals must be clearly stated and measurable, and data collected must enable the director to verify the program has met the outcome goals established for the program.

(d) The data and information submitted must include, at a minimum, the following:
(1) demographic information about program participants;
(2) names of the high schools from which the students graduated;
(3) the college readiness test used to determine the student was not ready for college-level academic coursework;
(4) the academic content areas assessed and the scores received by the students on the college readiness test;
(5) a description of the services, including any supplemental noncredit academic support services, provided to students;
(6) data on the registration load, courses completed, and grades received by students;
(7) the retention of students from the term they participated in the program to the fall term immediately following graduation from high school;
(8) information about the student's enrollment in subsequent terms; and
(9) other information specified by the director or the data group that facilitates the evaluation process.

Subd. 3. **Report to legislature.** By March 15 of each year, beginning in 2011, the director shall submit a report to the committees of the legislature with jurisdiction over higher education finance and policy that evaluates the effectiveness of programs in improving the academic performance of students who participated in the transition programs.

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Subd. 9b. **Onetime grant for high school-to-college developmental transition program.** (a) A student who enrolls in a program under section 135A.61 is eligible for a onetime grant to help pay expenses to attend the program. The amount of the grant must be determined according to subdivision 5, except as modified by paragraph (b). The requirement in subdivision 9a that subtracts a federal Pell Grant award for which a student would be eligible, even if the student has exhausted the federal Pell Grant award, does not apply to a student who receives a grant under this subdivision in the award year in which the grant is received. The maximum grant under this subdivision must be reduced by the average amount a student would earn working in an on-campus work-study position for ten hours per week during a summer term. The office must determine an amount for student earnings in a summer term, using available data about earnings, before determining the amount awarded under this subdivision.

(b) For a student with an expected family contribution of zero, the maximum amount of the grant is the cost of attendance under subdivision 6.

(c) A grant under this subdivision counts as one of the nine semesters of eligibility under subdivision 9. A grant under this subdivision must not be awarded for the same term for which another grant is awarded under this section.

136A.127 ACHIEVE SCHOLARSHIP PROGRAM.

Subdivision 1. **Establishment.** The achieve scholarship program is established to provide scholarships to eligible students within the limits of appropriations for the program.

Subd. 2. **Definition; qualifying program.** For the purposes of this section, a "qualifying program" means a rigorous secondary school program of study defined by the Department of Education under agreement with the Secretary of Education for the purposes of determining eligibility for the federal Academic Competitiveness Grant Program under Title IV of the Higher Education Act of 1965, as amended. If a qualifying program includes a foreign language requirement, the foreign language requirement is waived for a student whose first language is not English and who attains English language proficiency.

Subd. 3. **Documentation of qualifying programs.** The student shall request a transcript from the high school. The high school shall provide a transcript to the Office of Higher Education or to the eligible institution in which the student is enrolling, documenting the qualifying program. If the transcript is not sufficient to document a qualifying program, the student may be required to submit further documentation that the office deems sufficient.

Subd. 4. **Student eligibility.** To be eligible to receive a scholarship under this section, in addition to the requirements listed under section 136A.121, a student must:

- (1) submit a Free Application for Federal Student Aid (FAFSA);
- (2) complete a qualifying program in a high school or in a home-school setting under section 120A.22, graduate from a Minnesota high school, and graduate with an unweighted grade point average of 2.5 or higher;
- (3) qualify for a federal Pell Grant or state grant under section 136A.121;
- (4) be a United States citizen or eligible noncitizen, as defined in section 484 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended, and Code of Federal Regulations, title 34, section 668.33;
- (5) be a Minnesota resident, as defined in section 136A.101, subdivision 8; and
- (6) enroll full-time in a degree, diploma, or certificate program during the academic year immediately following high school graduation at an eligible institution as defined under section 136A.101, subdivision 4.

Subd. 5. **Administration.** The achieve scholarship program shall be administered by the Minnesota Office of Higher Education. The director shall develop forms and procedures necessary to administer the program.

Subd. 6. **Application.** A student must complete and submit an application for the achieve scholarship.

Subd. 7. **Deadline.** The deadline for the office to accept applications for achieve scholarships is the same as that used for the state grant in section 136A.121, subdivision 13.

Subd. 9. **Scholarship awards.** The amount of the scholarship is equal to the maximum assigned student responsibility for a four-year program, as defined in section 136A.121, subdivision 5, minus the assigned family responsibility as defined in section 136A.101, subdivision 5a, multiplied by 0.50. The minimum scholarship is \$1,200 per academic year based on the institution's academic calendar and the student's continued eligibility. The scholarship may be used to pay for qualifying expenses at eligible institutions.

Subd. 9b. **Additional award for online course completion.** An eligible student who has completed at least one online course while in high school or in a home-school setting under

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section 120A.22 may receive an additional award of up to \$150 to be used in conjunction with the award in subdivision 9. The additional award is available to new applicants for terms of enrollment beginning on or after July 1, 2009. The online course must be offered by a provider certified by the Minnesota Department of Education under section 124D.095 or by an eligible postsecondary institution as defined under section 136A.101, subdivision 4. If the official high school transcript is not sufficient to document the completion of the online course, the student may be required to submit further documentation as required by the office.

Subd. 10. **Qualifying expenses.** Qualifying expenses are components included under the cost of attendance used for federal student financial aid programs, as defined in section 472 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended.

Subd. 10a. **Student investment.** A student investment is required in an amount equal to the remainder of the assigned student responsibility as defined in section 136A.121, subdivision 5, after deducting the achieve scholarship.

Subd. 11. **Eligible institutions.** The achieve scholarship may only be used to pay qualifying expenses at an eligible institution as defined under section 136A.101, subdivision 4.

Subd. 14. **Evaluation report.** By January 15 of each odd-numbered year, the Office of Higher Education shall submit a report, to the committees of the legislature with jurisdiction over higher education finance and policy, regarding the program, including, at a minimum, the following information:

- (1) the demographics of individuals participating in the program;
 - (2) the number of scholarship recipients who persisted at a postsecondary institution for a second year;
 - (3) the high schools attended by the program participants;
 - (4) the postsecondary institutions attended by the program participants;
 - (5) the academic performance of the students after enrolling in a postsecondary institution;
- and
- (6) other information as determined by the director.

154.07 BARBER SCHOOLS; REQUIREMENTS.

Subd. 5. **Owner's requirements.** Any person may own and operate a barber school if the person has had six years' continuous experience as a barber, provided the person first secures from the board an annual certificate of registration as a barber school, keeps it prominently displayed, and before commencing business:

- (1) files with the secretary of state a bond to the state approved by the attorney general in the sum of \$25,000, conditioned upon the faithful compliance of the barber school with sections 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, and to pay all judgments that may be obtained against the school, or the owners thereof, on account of fraud, misrepresentation, or deceit practiced by them or their agents; and
- (2) keeps prominently displayed on the exterior a substantial sign indicating that the establishment is a barber school.

176.135 TREATMENT; APPLIANCES; SUPPLIES.

Subd. 1b. **Complementary and alternative health care providers.** Any service, article, or supply provided by an unlicensed complementary and alternative health care practitioner as defined in section 146A.01, subdivision 6, is not compensable under this chapter.

221.0355 UNIFORM HAZARDOUS MATERIAL AND HAZARDOUS WASTE REGISTRATION AND PERMIT REQUIREMENTS.

Subdivision 1. **Purpose.** The purpose of this section is to enable Minnesota to participate in establishing, implementing, and administering a uniform registration and permitting program for persons who transport or ship hazardous material or hazardous waste by motor vehicle on the public highways in interstate or intrastate commerce. The program's procedures and requirements must conform to those contained in the report submitted to the secretary of transportation pursuant to the "Hazardous Materials Transportation Uniform Safety Act of 1990," United States Code, title 49 appendix, section 1819, subsection (c).

Subd. 2. **Definitions.** For purposes of this section, the following words and phrases have the meanings given them in this subdivision:

- (a) "Base state" means the state selected by a carrier according to the procedures established by the uniform program.

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(b) "Base state agreement" means the agreement between participating states electing to register or permit carriers of hazardous material or hazardous waste.

(c) "Carrier" means a person who operates a motor vehicle used to transport hazardous material or hazardous waste.

(d) "Designated hazardous material" means a hazardous material described in Code of Federal Regulations, title 49, section 107.601, which is incorporated by reference.

(e) "Hazardous material" means:

(1) a hazardous material when the hazardous material is of a type or in a quantity that requires the transport vehicle to be placarded in accordance with Code of Federal Regulations, title 49, part 172; or

(2) a hazardous substance or marine pollutant when transported in bulk packaging as defined in Code of Federal Regulations, title 49, section 171.8, which is incorporated by reference.

(f) "Hazardous material transportation" means the transportation of hazardous material or hazardous waste, or both, on the public highways.

(g) "Hazardous waste" means hazardous waste of a type and amount that requires the shipment to be accompanied by a uniform hazardous waste manifest described in Code of Federal Regulations, title 40, part 262, including state-designated hazardous wastes when a list of state-designated hazardous wastes has been filed by the state with the national repository under the uniform program.

(h) "Participating state" means a state electing to participate in the uniform program by entering a base state agreement.

(i) "Person" means an individual, firm, copartnership, cooperative, company, association, limited liability company, corporation, or public entity.

(j) "Public entity" means a carrier who is a federal or state agency or political subdivision.

(k) "Shipper" means a person who offers a designated hazardous material to another person for shipment or who causes a designated hazardous material to be transported or shipped by another person.

(l) "Uniform application" means the uniform motor carrier registration and permit application form established under the uniform program.

(m) "Uniform program" means the Uniform State Hazardous Materials Transportation Motor Carrier Registration and Permit Program established in the report submitted to the secretary of transportation pursuant to the "Hazardous Materials Transportation Uniform Safety Act of 1990," United States Code, title 49 appendix, section 1819, subsection (c).

Subd. 3. General requirements; exceptions. Except as provided in subdivision 17, after October 1, 1994:

(a) No carrier, other than a public entity, may transport a hazardous material by motor vehicle in Minnesota unless it has complied with subdivision 4.

(b) No carrier, other than a public entity, may transport a hazardous waste in Minnesota unless it has complied with subdivisions 4 and 5.

(c) No shipper may offer a designated hazardous material for shipment or cause a designated hazardous material to be transported or shipped in Minnesota unless it has complied with subdivision 7.

(d) No carrier, other than a public entity, may transport a designated hazardous material by rail or water in Minnesota unless it has complied with subdivision 7a.

(e) No public entity may transport a hazardous material or hazardous waste by motor vehicle in Minnesota unless it has complied with subdivision 8.

(f) A carrier registered under this section, who exclusively offers designated materials for shipment only in vehicles controlled or operated by that carrier and who does not offer hazardous materials to other private or for-hire carriers, is not required to register as a shipper under subdivision 7.

Subd. 4. Hazardous material registration and permit. (a) A carrier with its principal place of business in Minnesota or that designates Minnesota as its base state, shall register its hazardous material transportation with and obtain a permit from the commissioner before transporting a hazardous material or hazardous waste in Minnesota. A carrier that designates another participating state as its base state shall register its hazardous material transportation with and obtain a permit from that state before transporting a hazardous material or hazardous waste in Minnesota.

(b) A carrier who engages in the interstate transportation of a hazardous material and who is required to register its hazardous material transportation in Minnesota shall file parts I and II of the uniform application with the commissioner and pay an administrative processing fee of \$50 and an apportioned vehicle registration fee. The amount of the apportioned vehicle registration fee must be calculated under subdivision 6. A carrier who engages only in the intrastate transportation

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of a hazardous material, excluding hazardous waste, and who is required to register its hazardous material transportation in Minnesota shall file part I of the uniform application, pay a vehicle registration fee of \$15 for each vehicle it operates, and pay no apportioned fee.

(c) Upon a carrier's compliance with this subdivision, the commissioner shall issue a notice of registration form and a permit to the carrier. A notice of registration form must include a company registration number. A registration is valid for one year from the date a notice of registration form is issued and a permit is valid for three years from the date issued or until a carrier fails to renew its registration, whichever occurs first.

(d) A registered carrier shall maintain a copy of the notice of registration form and the permit in each vehicle it uses to transport a hazardous material or hazardous waste.

(e) A carrier with a permit shall annually certify that its current operations are not substantially different from its operations on the date it obtained its permit and shall recertify its compliance with applicable laws and regulations in part II of the uniform application when it renews its registration under this subdivision. Failure to comply with the certifications in part II is prohibited.

Subd. 5. Hazardous waste transporter. (a) A carrier with its principal place of business in Minnesota or who designates Minnesota as its base state shall file a disclosure statement with and obtain a permit from the commissioner that specifically authorizes the transportation of hazardous waste before transporting a hazardous waste in Minnesota. A carrier that designates another participating state as its base state shall file a disclosure statement with and obtain a permit from that state that specifically authorizes the transportation of hazardous waste before transporting a hazardous waste in Minnesota. A registration is valid for one year from the date a notice of registration form is issued and a permit is valid for three years from the date issued or until a carrier fails to renew its registration, whichever occurs first.

(b) A disclosure statement must include the information contained in part III of the uniform application. The commissioner shall not issue a notice of registration or permit to a hazardous waste transporter who has not made a full and accurate disclosure of the required information or paid the fees required by this subdivision. Making a materially false or misleading statement in a disclosure statement is prohibited.

(c) The commissioner shall assess a carrier the actual costs incurred by the commissioner for conducting the uniform program's required investigation of the information contained in a disclosure statement.

Subd. 6. Apportioned vehicle registration fee calculation. (a) An apportioned vehicle registration fee shall be equal to the percentage of Minnesota transportation multiplied by the percentage of hazardous material transportation multiplied by the total number of vehicles the carrier operates multiplied by a per-vehicle fee of \$30.

(b) A carrier shall calculate its percentage of Minnesota transportation and its percentage of hazardous material transportation as follows:

(1) A carrier shall determine its percentage of Minnesota transportation by dividing the number of miles it traveled in Minnesota under the international registration plan, pursuant to section 168.187, during the previous year, by the number of miles it traveled in the United States and Canada under the international registration plan during the previous year. If a carrier operated only in Minnesota, it must use 100 percent of the miles traveled as its percentage of Minnesota transportation. If a carrier does not register its vehicles through the international registration plan, it must calculate the number of miles traveled in the manner required under the international registration plan. If a carrier operates more than one fleet under the international registration plan the carrier must add all miles traveled by all vehicles in all fleets to calculate its mileage. A Minnesota carrier who operates in an adjacent state under a reciprocal agreement with that state must include the miles operated under the agreement as miles traveled in Minnesota in calculating mileage under this clause.

(2) A carrier shall determine its percentage of hazardous material transportation as follows:

(i) for less-than-truckload shipments, it must divide the weight of the carrier's hazardous material and hazardous waste shipments transported during the previous year by the total weight of all shipments transported during the previous year; or

(ii) for truckload shipments, it must divide the number of shipments transported during the previous year for which placarding, marking, or manifesting, was required by Code of Federal Regulations, title 49, part 172, by the total number of all shipments transported during the previous year.

(c) A carrier that transports both truckload and less-than-truckload shipments of hazardous material or hazardous waste must determine its percentage of hazardous material transportation by calculating the absolute percentage of business that is hazardous material transportation on a proportional basis with the percentage of business that is not hazardous material transportation or

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by calculating its percentage within the ranges allowed following procedures under the uniform program.

(d) A carrier may use data from its most recent complete fiscal year or the most recent complete calendar year in calculating the percentages required in this subdivision for transportation conducted during the previous year.

Subd. 7. Shipper registration. (a) A shipper who maintains a distribution, terminal, warehouse, or other facility in Minnesota used to ship hazardous material or hazardous waste and who is required to comply with Code of Federal Regulations, title 49, sections 107.601 to 107.620, shall file, with the commissioner, a complete and accurate copy of its current registration statement, on the form described in Code of Federal Regulations, title 49, section 107.608, and a copy of its current federal certificate of registration. The fee for filing a shipper registration statement is \$250. If a shipper is required to pay a fee under section 299K.095, the commissioner shall credit the actual amount paid by the shipper during the previous 12 months toward payment of the fee required in this subdivision, not to exceed \$250 annually.

(b) Upon a shipper's compliance with this subdivision, the commissioner shall issue a certificate of registration to the shipper. A certificate of registration must bear an effective date and show the shipper's Minnesota hazardous material transportation registration number. A certificate of registration is valid for one year from the date it is issued and must be kept at the shipper's principal place of business.

(c) A shipper whose name, principal place of business, or business telephone number has changed during the time a certificate of registration is effective, shall notify the commissioner of the change by submitting an amended registration statement not later than 30 days after the change. Upon receiving an amended registration statement, the commissioner shall issue an amended certificate of registration. There is no fee for filing an amended registration statement or for issuing an amended certificate of registration.

Subd. 7a. Rail and water carriers. (a) A carrier of hazardous material by rail or water who is required to comply with Code of Federal Regulations, title 49, sections 107.601 to 107.620, shall file with the commissioner a complete and accurate copy of its current registration statement, on the form described in Code of Federal Regulations, title 49, section 107.608, and a copy of its current federal certificate of registration. The fee for filing the registration statement is \$250. If the carrier is required to pay a fee under section 299K.095, the commissioner shall credit the actual amount paid by carrier during the previous 12 months toward payment of the fee required in this subdivision, not to exceed \$250 annually.

(b) Upon a carrier's compliance with this subdivision, the commissioner shall issue a certificate of registration to the carrier. A certificate of registration must bear an effective date and show the carrier's Minnesota hazardous material transportation registration number. A certificate of registration is valid for one year from the date it is issued and must be kept at the carrier's principal place of business.

(c) A carrier whose name, principal place of business, or business telephone number has changed during the time a certificate of registration is effective, shall notify the commissioner of the change by submitting an amended registration statement not later than 30 days after the change. Upon receiving an amended registration statement, the commissioner shall issue an amended certificate of registration. There is no fee for filing an amended registration statement or for issuing an amended certificate of registration.

Subd. 8. Public entity registration. (a) A public entity with its principal place of business in Minnesota or that designates Minnesota as its base state, shall register its hazardous material transportation with the commissioner before transporting a hazardous material or hazardous waste in Minnesota. A public entity that designates another participating state as its base state shall register its hazardous material transportation with that state before transporting a hazardous material or hazardous waste in Minnesota.

(b) A public entity that is required to register its hazardous material transportation in Minnesota shall file part I of the uniform application with the commissioner. There is no fee for the registration required in this subdivision.

(c) Upon a public entity's compliance with this subdivision, the commissioner shall issue a notice of registration form to the public entity. The notice of registration form must include a registration number. A registration is valid for one year from the date a notice of registration form is issued.

(d) A registered public entity shall maintain a copy of the notice of registration form in each vehicle it uses to transport hazardous material or hazardous waste.

Subd. 9. Application data. The following data submitted to the commissioner under subdivisions 4 and 5 are private data, with respect to data on individuals, and nonpublic data, with respect to data not on individuals: information contained in parts II and III of the

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uniform application relating to a carrier's customers and service provided to specific customers, financial balance sheet and income statement data, ownership and debt liability data, and information relating to a carrier's parent companies, affiliates, and subsidiaries. For the purpose of administering or enforcing the uniform program, the commissioner may disclose any information classified as private data on individuals or nonpublic data by this subdivision to the United States Department of Transportation, any other participating state or state agency, or to the national repository established under the uniform program.

Subd. 10. **Enforcement.** The commissioner may inspect or examine any motor vehicle or facility operated by a carrier or any facility operated by a person who ships, or offers for shipment, hazardous material or hazardous waste and may require the production of papers, books, records, documents, or other evidentiary material necessary to determine if a carrier or shipper is accurately reporting its hazardous material transportation operations and is otherwise complying with this section and the uniform program. The commissioner also may conduct investigations and audits necessary to determine if a carrier is entitled to a permit or to make suspension or revocation determinations.

Subd. 11. **Administrative penalties.** The commissioner may issue an order requiring violations of this section to be corrected. An order may include the administrative assessment of a monetary penalty up to a maximum of \$10,000 for all violations of this section identified during a single inspection, investigation, or audit. Section 221.036 applies to administrative penalty orders issued under this section. Penalties collected under this section must be deposited in the state treasury and credited to the trunk highway fund.

Subd. 12. **Suspension, revocation, and denial.** (a) The commissioner may suspend or revoke a permit issued under this section or order the suspension of the transportation of hazardous material or hazardous waste in Minnesota by a carrier who has obtained a permit from another participating state under the uniform program if the commissioner determines that a carrier:

(1) committed a violation of Code of Federal Regulations, title 49, parts 100 to 180, 383, 387, or 390 to 397, while engaging in hazardous materials transportation if the violation posed an imminent hazard to the public or the environment;

(2) made a knowing falsification of a material fact in a uniform application;

(3) has received an unsatisfactory safety rating from the state or the United States Department of Transportation; or

(4) has exhibited reckless disregard for the public and the environment.

(b) In determining if a carrier has exhibited reckless disregard for the public and the environment in violation of paragraph (a), clause (4), the commissioner shall consider:

(1) whether the carrier has engaged in a pattern of violations of Code of Federal Regulations, title 49, parts 100 to 180, 383, 387, or 390 to 397, or regulations governing the management of hazardous waste, while engaging in hazardous materials transportation, when the violations are viewed in relation to the number of truck-miles of hazardous material transportation and the number of vehicles in the carrier's fleet;

(2) the actual or potential level of environmental damage resulting from an incident or a violation of the federal regulations described in paragraph (a), clause (1);

(3) the response by the carrier to an incident or a violation of the federal regulations described in paragraph (a), clause (1);

(4) the carrier's history of violations for the past three years;

(5) any mitigating factors; and

(6) other factors as justice requires, if the commissioner specifically identifies the additional factors in the order of suspension or revocation.

(c) The commissioner may not issue a permit to a carrier if the commissioner determines that a carrier's conduct would constitute grounds for suspension or revocation under this subdivision. A carrier who wishes to contest a denial, suspension, or revocation is entitled to a hearing under chapter 14.

Subd. 13. **Base state agreement.** The commissioner may enter into agreements with federal agencies, a national repository, or other participating states as necessary to allow the reciprocal registration and permitting of carriers transporting hazardous material or hazardous waste. The agreements may include procedures for determining a base state, the collection and distribution of registration fees, dispute resolution, the exchange of information for reporting and enforcement purposes, and other provisions necessary to fully implement, administer, and enforce the uniform program.

Subd. 14. **Preemption.** This section preempts and supersedes any hazardous material or hazardous waste transportation registration or permitting program administered or enforced by any state agency, city, county, or other political subdivision of the state.

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Subd. 16. **Revolving account.** (a) The commissioner shall deposit in a separate account in the trunk highway fund all federal funds received for implementing, administering, and enforcing this section. Money in the account is appropriated to the commissioner for those purposes.

(b) The commissioner shall accept and disburse federal funds available for the purpose of implementing, administering, and enforcing the uniform program.

Subd. 17. **Exemptions.** This section does not apply to the intrastate transportation described as follows:

(1) the transportation of hazardous material in a vehicle controlled by a farmer and operated by a farmer or farm employee when the hazardous material is to be used on the farm to which it is transported;

(2) the transportation of a hazardous waste jointly designated as a "special waste" by the commissioner of transportation and the commissioner of the Minnesota Pollution Control Agency; or

(3) transportation by fertilizer and agricultural chemical retailers while exclusively engaged in the delivery of fertilizer and agricultural chemicals when:

(i) the delivery is from the retailer's place of business directly to a farm within a 50-mile radius of the retailer's place of business; and

(ii) the fertilizer and agricultural chemicals are for use on the farm to which they are delivered.

Subd. 18. **Deposit and use of fees.** Fees received by the commissioner for administrative processing and investigating information in a disclosure statement must be deposited in the state treasury and credited to the trunk highway fund. Notwithstanding section 221.82, registration fees collected under subdivisions 4, 5, 7, and 7a must be deposited in the state treasury, credited to the general fund, and used to cover the costs of hazardous materials incident response capability under sections 299A.48 to 299A.52 and 299K.095.

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Subd. 5. **Aid adjustments.** For aids payable in 2010, the aid amounts contained in subdivisions 2a and 2b are increased by two percent. For aids payable in 2011 and thereafter, the aid amounts contained in subdivisions 2a and 2b are equal to 104 percent of the amounts for aids payable in 2010 under this section.