

STATE OF MINNESOTA

EIGHTY-THIRD SESSION — 2004

 NINETY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 28, 2004

The House of Representatives convened at 12:30 p.m. and was called to order by Jeff Anderson, Speaker pro tempore.

Prayer was offered by Pastor Cindy Bullock, St. Stephen's Lutheran Church, West St. Paul, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Demmer	Hilstrom	Lenczewski	Osterman	Smith
Abrams	Dempsey	Holberg	Lesch	Otremba	Soderstrom
Adolphson	Dill	Hoppe	Lieder	Otto	Solberg
Anderson, B.	Dorman	Hornstein	Lindgren	Ozment	Stang
Anderson, I.	Dorn	Howes	Lindner	Paulsen	Swenson
Anderson, J.	Eastlund	Huntley	Lipman	Paymar	Sykora
Atkins	Eken	Jacobson	Magnus	Pelowski	Thao
Beard	Ellison	Jaros	Mahoney	Penas	Thissen
Bernardy	Entenza	Johnson, J.	Mariani	Peterson	Tingelstad
Biernat	Erhardt	Johnson, S.	Marquart	Powell	Urdahl
Blaine	Erickson	Juhnke	McNamara	Pugh	Vandever
Borrell	Finstad	Kahn	Meslow	Rhodes	Wagenius
Boudreau	Fuller	Kelliher	Mullery	Rukavina	Walker
Bradley	Gerlach	Klinzing	Murphy	Ruth	Walz
Brod	Goodwin	Knoblach	Nelson, C.	Samuelson	Wardlow
Buesgens	Greiling	Koenen	Nelson, M.	Seagren	Wasiluk
Carlson	Gunther	Kohls	Nelson, P.	Seifert	Westerberg
Cornish	Haas	Krinkie	Newman	Sertich	Westrom
Cox	Hackbarth	Kuisle	Nornes	Severson	Wilkin
Davids	Harder	Lanning	Olsen, S.	Sieben	Zellers
Davnie	Hausman	Larson	Olsen, M.	Simpson	Spk. Sviggum
DeLaForest	Heidgerken	Latz	Opatz	Slawik	

A quorum was present.

Clark, Hilty and Strachan were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Marquart moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

S. F. No. 1115 and H. F. No. 979, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Beard moved that the rules be so far suspended that S. F. No. 1115 be substituted for H. F. No. 979 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1922 and H. F. No. 2801, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelson, M., moved that the rules be so far suspended that S. F. No. 1922 be substituted for H. F. No. 2801 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2241 and H. F. No. 2340, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Haas moved that the rules be so far suspended that S. F. No. 2241 be substituted for H. F. No. 2340 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Knoblach from the Committee on Ways and Means to which was referred:

H. F. No. 2991, A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other public improvements of a capital nature with certain conditions; making adjustments to previous bond authorizations; authorizing sale of state bonds; canceling an earlier appropriation and appropriating money; amending Minnesota Statutes 2002, sections 16A.671, subdivision 3; 16A.695, subdivision 3, by adding a subdivision; 41B.03, subdivision 3; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b, by adding a subdivision; 41B.045, subdivision 2; 41B.046, subdivision 5; 41C.02, subdivision 12; 116J.571; 116J.572, subdivisions 2, 4; 116J.573, subdivisions 1, 2, 4, 5; 116J.574, subdivision 2; 116J.575, subdivision 1; 116P.08, subdivision 2; 136F.60, by adding a subdivision; 446A.12, subdivision 1; 446A.14; 446A.17; 446A.19; Minnesota Statutes 2003 Supplement, section 124D.10, subdivision 3; Laws 1998, chapter 404, section 23, subdivision 17, as amended; Laws 2003, First Special Session chapter 20, article 1, section 15; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 2002, section 16B.325.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS AND RELATED LANGUAGE

Section 1. [CAPITAL IMPROVEMENT APPROPRIATIONS.]

The sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

SUMMARY

UNIVERSITY OF MINNESOTA	\$90,480,000
MINNESOTA STATE COLLEGES AND UNIVERSITIES	147,017,000
PERPICH CENTER FOR ARTS EDUCATION	1,100,000
EDUCATION	1,054,000
MINNESOTA STATE ACADEMIES	4,255,000
NATURAL RESOURCES	52,400,000
POLLUTION CONTROL AGENCY	14,000,000
OFFICE OF ENVIRONMENTAL ASSISTANCE	4,000,000
BOARD OF WATER AND SOIL RESOURCES	23,000,000
AGRICULTURE	18,570,000
ZOOLOGICAL GARDEN	2,000,000
ADMINISTRATION	1,000,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	1,870,000
AMATEUR SPORTS COMMISSION	18,100,000
MILITARY AFFAIRS	5,000,000
VETERANS AFFAIRS	500,000
TRANSPORTATION	81,008,000
METROPOLITAN COUNCIL	18,000,000

HUMAN SERVICES	9,014,000
VETERANS HOMES BOARD	7,077,000
CORRECTIONS	65,433,000
EMPLOYMENT AND ECONOMIC DEVELOPMENT	61,280,000
MINNESOTA HISTORICAL SOCIETY	4,000,000
GRANTS TO POLITICAL SUBDIVISIONS	46,740,000
BOND SALE EXPENSES	682,000
CANCELLATIONS	(435,000)
TOTAL	\$677,145,000
Bond Proceeds Fund (General Fund Debt Service)	571,007,000
Bond Proceeds Fund (User Financed Debt Service)	56,640,000
State Transportation Fund Bond Proceeds Account	31,118,000
Bond Proceeds Cancellations	(435,000)
Trunk Highway Fund	3,800,000
Trunk Highway Bond Proceeds Account	15,015,000

APPROPRIATIONS

\$

Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. To the Board of Regents of the University of Minnesota for the purposes specified in this section 90,480,000

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR) 38,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046.

Subd. 3. Academic Health Center, Minneapolis 9,600,000

To design, renovate, furnish, and equip classrooms in the academic health care facility to provide flexible space, including computer-based testing facilities, computer labs, and simulation facilities for health professional education.

APPROPRIATIONS

\$

Subd. 4. Duluth Life Science Building 9,300,000

To design, renovate, furnish, and equip the Life Science Building for the pharmacy program and other academic programs on the Duluth campus. The renovation may include, but is not limited to, improvements to correct air quality problems, life safety and accessibility code deficiencies, asbestos, and fireproofing of the facility.

Subd. 5. Education Sciences - Minneapolis 13,300,000

To design, renovate, furnish, and equip the Education Sciences Building.

Subd. 6. Kolthoff Hall - Minneapolis 16,000,000

To design, renovate, furnish, and equip Kolthoff Hall, including the correction of air quality problems in the facility that may include, but is not limited to, repair or replacement of the mechanical, electrical, and HVAC systems.

Subd. 7. Morris District Facilities 2,890,000

To design, construct, furnish, and equip an addition to the heating plant to provide the capacity to generate steam by burning biomass.

Subd. 8. Business School and Utility Infrastructure - Duluth 1,000,000

To design a new building, including classrooms, offices, teaching laboratories, student services, and administrative support for the Labovitz School of Business and Economics and to design upgrades for the central utility distribution system to accommodate increased demand.

Subd. 9. North Central Research and Outreach Center 390,000

To construct a building at the North Central Outreach Center at Grand Rapids to accommodate the farm machinery repair, maintenance, and carpentry shops.

Subd. 10. University Funding

(a) The Board of Regents shall provide nonstate funding for remaining costs associated with projects authorized by subdivisions 3 to 9.

APPROPRIATIONS

\$

(b)(1) The appropriation for each project in subdivisions 3 to 9 is for two-thirds of the assumed total project cost up to a maximum of two-thirds of 150 percent of the appropriated amount.

(2) The amount of an appropriation that is paid to the University must be prorated if the actual final project cost for a project in subdivisions 3 to 9 is less than 150 percent of the appropriated amount for the project.

(3) The Board of Regents must certify the actual final project cost for each project.

(4) If the amount paid to the University from an appropriation for a project is found to have exceeded two-thirds of 150 percent of the Board of Regents-certified total actual project cost, the state must offset the excess amount paid from any other appropriation to the University for any other capital project, unless the Department of Finance and the University agree to an equivalent alternative to the offset for administrative convenience.

(5) The Board of Regents agrees to the conditions in the clauses of this paragraph for each appropriation in subdivisions 3 to 9 by accepting the appropriation.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section	147,017,000
---	-------------

Subd. 2. Higher Education Asset Preservation and Replacement	49,000,000
--	------------

This appropriation is for the purposes specified in Minnesota Statutes, section 135A.046, including safety and statutory compliance, envelope integrity, mechanical systems, and space restoration.

Subd. 3. Winona State University	10,235,000
----------------------------------	------------

To design, renovate, furnish, and equip Pasteur Hall for classrooms, science laboratories, and related offices.

Subd. 4. Minnesota State University - Moorhead	9,645,000
--	-----------

To renovate, furnish, and equip Hagen Hall for classrooms, science laboratories, and related offices.

Subd. 5. Century Community and Technical College	4,500,000
--	-----------

To remodel, furnish, and equip recently purchased space into a computer center, offices, and smart classrooms.

APPROPRIATIONS

\$

Subd. 6. St. Cloud State University	2,900,000
To remodel, furnish, and equip Centennial Hall to convert it from a library to classroom and office space. This appropriation is added to the appropriation in Laws 2003, First Special Session chapter 20, article 1, section 3, subdivision 16.	
Subd. 7. Lake Superior Community and Technical College	8,300,000
To design, construct, furnish, and equip an academic addition for smart classrooms and open laboratories.	
Subd. 8. St. Cloud Technical College	12,960,000
To design, construct, furnish, and equip a building addition and to renovate, furnish, and equip classroom space into science space for allied health programs and the co-location of a workforce center.	
Subd. 9. South Central Technical College	4,747,000
To remodel, furnish, and equip teaching laboratories at the North Mankato campus and for asset preservation at the Faribault campus.	
Subd. 10. Inver Hills Community College	4,500,000
To construct, furnish, and equip an addition to and remodel space in the College Center Building.	
Subd. 11. Bemidji State University, Northwest Technical College, Bemidji-Phase 2	10,000,000
To remodel, furnish, and equip Bridgeman Hall for the emerging technologies addition project and to construct, furnish, and equip a technical college addition for shared-use of health care programs and industrial technology programs of Bemidji State University and Northwest Technical College.	
Subd. 12. Systemwide Science Lab Renovations	8,900,000
To design, renovate, furnish, and equip science laboratories at campuses statewide.	
Subd. 13. Riverland Community and Technical College	4,100,000
To design, remodel, furnish, and equip existing space into labs and classrooms at the Austin campus.	

APPROPRIATIONS

\$

Subd. 14. Rochester Community and Technical College 10,945,000

To design, renovate, furnish, and equip the vacant Rockenbach gymnasium, part of the Heintz center, and part of the main campus buildings into a health science center to co-locate nursing programs, expand the dental clinic, and create a community primary care clinic.

Subd. 15. Systemwide Demolition Initiative 1,625,000

To demolish obsolete buildings on ten campuses.

Subd. 16. Minnesota State University - Mankato 2,560,000

To design, through construction documents, an addition to and partial remodeling of Trafton Science Center to provide additional science labs and remodel existing science labs.

Subd. 17. St. Cloud State University 900,000

To design, through construction documents, renovation of and addition to Brown Hall, and Math and Science Hall, for science and health care instruction.

Subd. 18. Dakota Technical College 1,200,000

To remodel, furnish, and equip the west side of the main campus facility for an information technology and telecommunications upgrade, an integrated library and library information technology center, science lab and preparatory space and asset preservation.

Subd. 19. Debt Service

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement in subdivision 2. After each sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise

APPROPRIATIONS

\$

available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Sec. 4. PERPICH CENTER FOR ARTS EDUCATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section 1,100,000

Subd. 2. Campus Asset Preservation 600,000

For asset preservation capital improvements on the campus including, but not limited to, construction or repair of perimeter fencing, sidewalks, roads, sewers, the addition of an air conditioning chiller, and mold abatement.

Subd. 3. Beta Building Demolition 500,000

To demolish the Beta Building on the Perpich Center Campus, dispose of any hazardous materials, and fill the site.

Sec. 5. EDUCATION

Subdivision 1. To the commissioner of education for the purposes specified in this section 1,054,000

Subd. 2. East Metro Magnet School - Crosswinds Middle School 1,054,000

For a grant to East Metro Integration District No. 6067, to complete land acquisition of the current site for the Crosswinds Arts and Science Middle School.

Sec. 6. MINNESOTA STATE ACADEMIES 4,255,000

To the commissioner of administration for asset preservation capital improvements on both campuses of the Minnesota State Academies for the Deaf and the Blind.

Sec. 7. NATURAL RESOURCES

Subdivision 1. To the commissioner of natural resources for the purposes specified in this section 52,400,000

APPROPRIATIONS

\$

Subd. 2. Flood Hazard Mitigation Grants

20,000,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

\$175,000 of this amount is for the state share of a grant to the city of Cannon Falls.

\$3,400,000 of this amount is for the state share of flood hazard mitigation grants for the Roseau River Wildlife Management Area, Palmville, Malung, and the Grand Marais Creek Flood Reduction Project in the Red Lake Watershed District.

For grants for the Roseau River Wildlife Management Area, Palmville, and Malung, the state share must be \$3 for each \$1 of nonstate contribution.

To the extent that the cost of the projects in Montevideo, Breckenridge, East Grand Forks, Ada, Roseau, Oakport Township, Granite Falls, Warren, and Dawson exceed two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

Subd. 3. Dam Renovation and Removal

1,200,000

To renovate or remove publicly owned dams. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515.

\$200,000 of this amount is to remove the dam on Rush Creek in Chisago County, restore the river channel and floodplain, and construct off-channel ponds for storm water retention and recreation.

Subd. 4. RIM - Critical Habitat Match

2,000,000

To provide the state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943, for the acquisition or improvements of a capital nature for critical fish, wildlife, and native plant habitats.

Subd. 5. RIM - Wildlife Area Land Acquisition

6,000,000

To acquire land for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8.

APPROPRIATIONS

\$

Subd. 6. Fisheries Acquisition and Improvement 1,000,000

To acquire land and interests in land for aquatic management areas and to make public improvements and betterments of a capital nature to aquatic management areas established under Minnesota Statutes, section 86A.05, subdivision 14.

Subd. 7. Water Access Acquisition, Betterment, and Fishing Piers 3,000,000

For public water access acquisition, construction, and renovation to capital projects on lakes and rivers, including water access through the provision of fishing piers and shoreline access under Minnesota Statutes, section 86A.05, subdivision 9.

Subd. 8. Reforestation 3,000,000

To increase reforestation activities to meet the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including planting, seeding, site preparation, and purchasing tree seeds and seedlings.

Subd. 9. Scientific and Natural Area Acquisition and Development 300,000

To acquire land for scientific and natural areas and for development, protection, or improvements of a capital nature to scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5.

Subd. 10. State and Local Trail Development and Acquisition 6,200,000

(a) \$4,500,000 is for accelerated state trail development. Of this amount: (1) \$200,000 is for acquisition and development of the Goodhue Pioneer Trail; (2) \$450,000 is for design, acquisition, and construction of the segment of the Shooting Star Trail from Leroy to Rose Creek; (3) \$1,500,000 is for extension across Excelsior Road to connect with the Oberstar Tunnel on the Paul Bunyan Trail; (4) \$450,000 is for development of the Forestville segment of the Blufflands Trail system; (5) \$900,000 is for acquisition and preliminary development of the undeveloped portion of the Paul Bunyan State Trail in the city of Bemidji; and (6) \$1,000,000 is for acquisition and development of the Mill Towns State Trail between the existing Cannon Valley Trail and the Sakatah Singing Hills State Trail.

(b) \$700,000 is for rehabilitation projects on existing state trails.

(c) \$500,000 is for a grant to the city of St. Louis Park to design and construct a grade-separated pedestrian and trail crossing over Hennepin County State-Aid Highway (CSAH) 25 near Belt Line Boulevard in St. Louis Park. The grant is under the program in Minnesota Statutes, section 85.019, subdivision 4c.

APPROPRIATIONS

\$

(d) \$200,000 is for a grant under Minnesota Statutes, section 85.019, subdivision 4c, to the city of Bloomington to remove the old Cedar Avenue bridge in preparation for a hiking and bicycling trail connection.

(e) \$300,000 is for a grant to Stearns County under Minnesota Statutes, section 85.019, subdivision 4c, for land acquisition, engineering, and construction of trail connections on the Lake Koronis Trail.

Subd. 11. State Forest Land Acquisition

1,000,000

To acquire, in fee and easement, private lands from willing sellers within established boundaries of state forests established under Minnesota Statutes, section 89.021, and within forest legacy areas.

Subd. 12. State Park and Recreation Area Acquisition

2,000,000

For acquisition of land under Minnesota Statutes, section 86A.05, subdivisions 2 and 3, from willing sellers of private lands within state park and recreation area boundaries established by law.

Subd. 13. Lake Superior Zoo

400,000

For a grant to the city of Duluth to design and construct facility improvements at the Lake Superior Zoo. This appropriation is available when matched by \$1 of money secured or provided by the city of Duluth for each \$1 of state money.

Subd. 14. Local Parks Grants

2,000,000

For local parks grants under Minnesota Statutes, section 85.019, subdivisions 2 and 4a.

\$500,000 of this amount is for a grant to the city of South St. Paul for the closure, capping, and remediation of approximately 80 acres of the Port Crosby construction and demolition debris landfill in South St. Paul, as the fourth phase of converting the land into parkland, and to restore approximately 80 acres of riverfront land along the Mississippi River.

\$250,000 of this amount is for a grant to the Minneapolis Park and Recreation Board to develop a plan to complete the Grand Rounds National Scenic Byway by providing a link between northeast Minneapolis on Stinson Avenue and southeast Minneapolis at East River Road.

APPROPRIATIONS

\$

Subd. 15. Regional Parks: Greater Minnesota 3,000,000

For grants to counties and public regional parks organizations located outside the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, to acquire land, design, and construct and redevelop regional parks and trails, open space, and recreational facilities. The improvements must be of a capital nature. Each \$3 of state grants must be matched by \$2 of nonstate funds.

Subd. 16. Big Bog State Recreation Area 1,300,000

For development of the Big Bog State Recreation Area, including construction of a visitor's center.

Sec. 8. POLLUTION CONTROL AGENCY 14,000,000

To the Pollution Control Agency to design and construct remedial systems and acquire land at landfills throughout the state in accordance with the closed landfill program under Minnesota Statutes, section 115B.39.

Sec. 9. OFFICE OF ENVIRONMENTAL ASSISTANCE 4,000,000

To the Office of Environmental Assistance for the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54. Grants from this appropriation must be awarded to applicants whose applications were on file with the office before September 13, 2003.

Sec. 10. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. To the Board of Water and Soil Resources for the purposes specified in this section 23,000,000

Subd. 2. RIM and CREP Conservation Easements 20,000,000

This appropriation is to acquire conservation easements from landowners on marginal lands to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, section 103F.515.

The board must absorb the administrative costs of this program.

Subd. 3. Wetland Replacement Due to Public Road Projects 3,000,000

To acquire land for wetlands or restore wetlands to be used to replace wetlands drained or filled as a result of the repair, maintenance, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (k) and (l).

APPROPRIATIONS

\$

The purchase price paid for acquisition of land, fee, or perpetual easement must be the fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, and nonprofit organizations or fee owners to acquire land and restore and create wetlands and to acquire existing wetland banking credits with money provided by this appropriation. Acquisition of or the conveyance of land may be in the name of the political subdivision.

Sec. 11. AGRICULTURE

Subdivision 1. To the commissioner of agriculture or other named agencies for the purposes specified in this section 18,570,000

Subd. 2. Rural Finance Authority Loan Participation 18,000,000

For purposes as set forth in the Minnesota Constitution, article XI, section 5, clause (h). To the rural finance authority to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is for the beginning farmer program under Minnesota Statutes, section 41B.039, the loan restructuring program under Minnesota Statutes, section 41B.04, the seller-sponsored program under Minnesota Statutes, section 41B.042, the agricultural improvement loan program under Minnesota Statutes, section 41B.043, and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the rural finance authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to provide full interest and principal coverage and a reserve for potential losses.

Subd. 3. Agriculture Water Management Research Partnership 570,000

To the Board of Regents of the University of Minnesota to establish or expand agricultural water management projects at the Crookston, Morris, Lamberton, and Waseca Research and Outreach Centers in partnership with the Department of Agriculture.

Sec. 12. MINNESOTA ZOOLOGICAL GARDEN 2,000,000

To the Minnesota Zoological Garden for capital asset preservation improvements and betterments to roofs, mechanical and utility systems, roads and pathways, building envelopes, storm water systems, exhibits, and safety and code compliance upgrades.

APPROPRIATIONS

\$

Sec. 13. ADMINISTRATION

1,000,000

To the commissioner of administration for the Capital Asset Preservation and Replacement Account (CAPRA), to be spent in accordance with Minnesota Statutes, section 16A.632.

Sec. 14. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

1,870,000

To the commissioner of administration, for repair and restoration of the public corridors, walls, and ceilings of the third floor and the dome of the Capitol Building in St. Paul.

Sec. 15. AMATEUR SPORTS COMMISSION

Subdivision 1. To the Amateur Sports Commission for the purposes specified in this section

18,100,000

Subd. 2. Bemidji Hockey Arena

18,000,000

To design, construct, furnish, and equip a hockey arena on the campus of Bemidji State University. The Amateur Sports Commission must consult with Bemidji State University on the design. The hockey arena is to be owned by the Board of Trustees of the Minnesota State Colleges and Universities and operated by Bemidji State University.

The Board of Trustees of the Minnesota State Colleges and Universities shall pay the debt service according to section 3, subdivision 19, on one-third of the principal amount of state bonds sold to finance the project under this section.

Subd. 3. Bloomington Ski Jump

100,000

To pay for costs for unforeseen site conditions in Phase I and for Phase II construction, primarily, of the summer surface on the Hyland K70 ski jump in Bloomington.

Sec. 16. MILITARY AFFAIRS

Subdivision 1. To the adjutant general for the purposes specified in this section

5,000,000

Subd. 2. Asset Preservation

4,000,000

For asset preservation improvements, Americans With Disabilities Act upgrades, and betterments of a capital nature at military affairs facilities statewide.

APPROPRIATIONS

\$

Subd. 3. Facility Life Safety Improvements 1,000,000

For life/safety improvements and correcting code deficiencies at military affairs facilities statewide.

Sec. 17. VETERANS AFFAIRS 500,000

To the commissioner of administration to complete construction of the World War II veterans' memorial on the Capitol mall. This is the final state appropriation for the project and is contingent on sufficient nonstate funds being received and deposited into a segregated account for perpetual maintenance of the memorial.

Sec. 18. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes specified in this section 81,008,000

Subd. 2. Local Bridge Replacement and Rehabilitation 31,118,000

This appropriation is from the bond proceeds account in the state transportation fund.

The commissioner shall spend this appropriation as grants to political subdivisions for the replacement, rehabilitation, and repair of key bridges on the state transportation system. The commissioner shall make these grants in accordance with and for the purposes of Minnesota Statutes, section 174.50.

Subd. 3. Local Road Improvement Program 23,090,000

The commissioner shall deposit this amount in the local road improvement fund for allocation as follows:

(1) \$15,000,000 is for deposit in the local road account for routes of regional significance to be spent as grants for the purposes of Minnesota Statutes, section 174.52, subdivision 4; and

(2) \$8,090,000 is for deposit in the trunk highway corridor projects account to be spent as grants for the purposes of Minnesota Statutes, section 174.52, subdivision 2.

Subd. 4. Port Development Assistance 4,000,000

For the purposes of the port development program under Minnesota Statutes, chapter 457A.

APPROPRIATIONS

\$

Subd. 5. Small Capital Projects

3,800,000

To design, construct, furnish, and equip statewide building projects, consisting of truck stations, salt storage facilities, cold storage facilities, and Mankato headquarters site work.

This appropriation is from the trunk highway fund.

Subd. 6. Personal Rapid Transit

4,000,000

(a) For a grant to a statutory or home rule charter city, a public postsecondary educational institution, or a public transit authority with the power to issue general obligation bonds, if the grantee is a signatory to an agreement to implement the project funded in this subdivision entered into by at least one statutory or home rule charter city, public postsecondary educational institution, and public transit authority with the power to issue general obligation bonds.

(b) This appropriation is to design, acquire, construct, furnish, and equip a personal rapid transit safety certification and training facility, in order to (1) confirm the safety of the patented personal rapid transit technology for sustainable public transit service, (2) provide an opportunity for engineers to be trained in its design and use, and (3) establish a new and economically self-sustaining, viable technology in Minnesota so that the University of Minnesota may realize royalty benefits from an existing agreement. The grantee may enter into an agreement for operation of the facility, subject to Minnesota Statutes, section 16A.695.

(c) The facility, at a minimum, must consist of a 2,200-foot oval guideway, one off-line station, and a maintenance and control center. The facility must be developed in accord with plans for a future personal rapid transit system serving the area within the jurisdiction of the signatories to the agreement required in paragraph (a).

(d) This appropriation is contingent on (1) a contribution of at least \$8,000,000 in private resources from an entity with the licensing and technological capacity to provide at least three personal rapid transit vehicles, training services for engineers, engineering work, and six months of operational testing to confirm the technology's safety for public use, (2) a contribution of at least \$12,000,000 from other nonstate sources to meet the total project cost of \$24,000,000, and (3) an agreement by a postsecondary educational institution to provide technical support and training for planning, design, operation, and maintenance of personal rapid transit systems.

APPROPRIATIONS

\$

Subd. 7. Mankato Headquarters Building

15,000,000

To design, construct, furnish, and equip a new headquarters facility in Mankato. The commissioner shall sell the existing site at fair market value. Any proceeds from the sale are appropriated to the commissioner to pay for costs associated with the sale and to supplement the appropriation for the new facility.

This appropriation is from the trunk highway bond proceeds account.

Sec. 19. METROPOLITAN COUNCIL

Subdivision 1. To the Metropolitan Council for the purposes specified in this section

18,000,000

Subd. 2. Cedar Avenue Bus Rapid Transit (BRT)

10,000,000

For environmental studies, preliminary engineering, bus lane improvements, and transit station construction and improvements for Cedar Avenue bus rapid transit between the Mall of America in Bloomington and the cities of Eagan, Apple Valley, and Lakeville.

Subd. 3. Rush Line Corridor Transitway

1,000,000

To match federal funds and for right-of-way acquisition, planning, and engineering of the Rush Line corridor transitway between St. Paul and Hinckley.

Subd. 4. Metropolitan Regional Parks Capital Improvements

7,000,000

This appropriation must be used to pay the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority should be given to park rehabilitation and land acquisition projects.

Sec. 20. HUMAN SERVICES

Subdivision 1. To the commissioner of administration for the purposes specified in this section

9,014,000

APPROPRIATIONS

\$

Subd. 2. St. Peter Regional Treatment Center Sex Offender Facility 3,000,000

To design new facilities for up to 150 beds for the treatment of sex offenders in the Minnesota Sexual Offender Program at the St. Peter Regional Treatment Center.

Subd. 3. Systemwide-Campus Redevelopment/Reuse/Demolition 5,000,000

To demolish or improve surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses statewide.

Of this amount, up to \$250,000 in fiscal year 2005 is to the commissioner to provide grants to cities, counties, or towns to purchase and place cemetery grave markers or memorial monuments, that include the available names of individuals, at cemeteries located on the site of former or current regional treatment centers or state hospitals and within the boundaries of the city, county, or town awarded the grant. An individual monument must not be placed if the family of the deceased resident objects to the placement of the monument. A grantee must consult with members of local service or charitable organizations, members of the local business community, and persons with mental illness or developmental disabilities or their representatives, and to the extent possible, consult with family members of deceased residents of the regional treatment center or state hospital, and current or former employees of the regional treatment center or state hospital.

Subd. 4. Systemwide Roof Renovation and Replacement 1,014,000

For renovation and replacement of roofs at Department of Human Services facilities statewide.

Sec. 21. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section 7,077,000

Subd. 2. Minneapolis Veterans Home - Waste Piping Replacement 1,077,000

For design, renovation, and related costs of replacing the sanitary waste piping in Building 17 at the Minneapolis Veterans Home.

Subd. 3. Asset Preservation 6,000,000

For asset preservation improvements and betterments of a capital nature at veterans homes statewide.

APPROPRIATIONS

\$

Sec. 22. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes specified in this section

65,433,000

Subd. 2. Minnesota Correctional Facility - Faribault Asset Preservation

34,891,000

For asset preservation of existing facilities at the Minnesota Correctional Facility - Faribault.

Subd. 3. Minnesota Correctional Facility - Stillwater

19,192,000

To design, construct, furnish, and equip a new 150-bed high security segregation unit to improve staff safety and accommodate increased inmate population, including the remodeling of the discipline and psychology/psychiatry unit, the demolition of the former health services building, and the removal of walls dividing Cell Hall A/West and Cell Hall A/Segregation.

Subd. 4. Asset Preservation

11,000,000

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, including, but not limited to, emergency lighting projects, roof and window replacement, tuckpointing, and asbestos abatement.

Subd. 5. Minnesota Correctional Facility - Willow River

350,000

To purchase, furnish, equip, and prepare foundation and utilities for a new 24-bed prefabricated building.

Subd. 6. Study and Report on Inmate Population Growth and Alternative Sentencing Models

The commissioner of corrections shall fund, from existing resources, a study of inmate population growth, increased demand for prison and jail beds, and alternative sentencing models. The commissioner shall contract with an entity outside of state government to perform the study. The commissioner and the executive director of the sentencing guidelines commission must cooperate fully with the entity selected to perform the study.

The study must analyze, at a minimum, the following topics:

(1) projected growth in Minnesota's inmate population over the next ten years for both state and local correctional facilities;

APPROPRIATIONS

\$

(2) specific inmate growth projections over the next ten years based on anticipated severity level distribution of future inmates;

(3) projected need for additional prison and jail beds over the next ten years, including a specific breakdown by state prison versus local jail and by severity levels within state prisons;

(4) a cost/benefit analysis and evaluation of whether inmates should be housed in private prisons or jails and an assessment of which class or classes of inmates are best suited for incarceration in private prisons; and

(5) alternatives to Minnesota's current system of determinate sentencing guidelines, specifically addressing the use of indeterminate sentencing and a parole board for certain classes of offenders including drug offenders, and an assessment of whether alternative sentencing approaches would improve the operation, effectiveness, and outcomes of Minnesota's criminal justice system.

The report containing the findings and recommendations from this study is due to the chairs and ranking minority members of the senate and house committees having jurisdiction over criminal justice policy by February 15, 2005.

Sec. 23. EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of employment and economic development or other named agency for the purposes specified in this section

61,280,000

Subd. 2. State Match for Federal Grants

16,280,000

(a) To the public facilities authority:

(1) to match federal grants to the water pollution control revolving fund under Minnesota Statutes, section 446A.07; and

(2) to match federal grants to the drinking water revolving fund under Minnesota Statutes, section 446A.081.

(b) The expenditure and allocation of state matching money between funds described in paragraph (a), clauses (1) and (2), must be based on the amount of federal money appropriated to the funds.

(c) This appropriation must be used for qualified capital projects.

APPROPRIATIONS

\$

Subd. 3. Minnesota Redevelopment Account

15,000,000

For transfer to the Minnesota redevelopment account created in Minnesota Statutes, section 116J.571. This appropriation may be used for grants for eligible projects within the biotechnology and health science zone designated under Minnesota Statutes, section 469.334.

Subd. 4. Wastewater Infrastructure Funding Program

10,000,000

To the Public Facilities Authority for the purposes specified in this subdivision. \$10,000,000 of this appropriation is for grants to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072.

To the greatest practical extent, the authority must use the funds for projects on the 2004 project priority list in priority order to qualified applicants that submit plans and specifications to the Pollution Control Agency or receive a funding commitment from USDA rural development before December 1, 2005.

The authority must absorb the costs for administration of the wastewater infrastructure program.

Subd. 5. University of Minnesota - Mayo Clinic Biotechnology Research Facility

20,000,000

To the Board of Regents of the University of Minnesota to purchase three floors in the Stabile Building on the Mayo Clinic campus in Rochester. The floors are to be used for scientific research beneficial to collaborative research efforts between the University of Minnesota and the Mayo Clinic. The three floors will be owned by the University of Minnesota and operated by the Mayo Clinic through a use agreement approved by the commissioner of finance subject to Minnesota Statutes, section 16A.695.

Sec. 24. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. To the Minnesota Historical Society for the purposes specified in this section

4,000,000

Subd. 2. Historic Sites Asset Preservation

2,000,000

For capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments. The society shall determine project priorities as appropriate based on need.

APPROPRIATIONS

\$

Subd. 3. County and Local Preservation Grants

2,000,000

To be allocated to county and local jurisdictions as matching money for historic preservation projects of a capital nature. Grant recipients must be public entities and must match state funds on at least an equal basis. The facilities must be publicly owned.

Sec. 25. GRANTS TO POLITICAL SUBDIVISIONS

Subdivision 1. To the commissioner of employment and economic development or other named agency for the purposes specified in this section

46,740,000

Subd. 2. Buffalo Lake Maintenance Garage and Street Repair

635,000

For a grant to the city of Buffalo Lake to design, construct, furnish, and equip a municipal maintenance garage and reconstruct city streets damaged by a tornado.

Subd. 3. Roseau Infrastructure Repair and Municipal Complex Relocation

10,000,000

(a)(1) \$4,615,000 to the public facilities authority for a grant to the city of Roseau to assist with the cost of rehabilitation and replacement of publicly owned infrastructure, including storm sewers, wastewater and municipal utility service, drinking water systems, and other infrastructure damaged by flooding in the area included in DR-1419. For the purposes of this appropriation, criteria, limitations, and repayment requirements in Minnesota Statutes, sections 446A.07, 446A.072, and 446A.081, are waived.

(2) \$5,385,000 is for a grant to the city of Roseau to relocate the flood damaged city hall, auditorium, library, museum, and police department out of the Roseau River floodway as a result of flooding as declared in DR-1419, and in accordance with Minnesota Statutes, section 16A.86.

(b) Capital costs for the projects in paragraph (a), incurred in calendar year 2004 after the effective date of this act are eligible for reimbursement from the grants authorized in paragraph (a).

Subd. 4. Lewis and Clark Rural Water System

1,700,000

(a) To the public facilities authority for grants to counties, rural water systems, or municipalities served by the Lewis and Clark Rural Water System to acquire land, predesign, design, construct, furnish, and equip one or more rural water facilities that serve southwestern Minnesota. The grants must be awarded to projects approved by the Lewis and Clark Joint Powers Board.

APPROPRIATIONS

\$

(b) This appropriation is only available when matched by:

(1) \$8 of federal money; and

(2) at least \$1 of local money to the system for each \$1 of state money to the grant projects under paragraph (a).

Subd. 5. North Central Regional Correctional Facility 6,000,000

For a grant to Cass County to construct, furnish, and equip a publicly owned and operated regional jail on surplus land of the state-operated nursing home, Ah Gwah Ching, in the city of Walker.

The state shall own 75 percent of the beds and Cass County shall own 25 percent of the beds. The state must contract with Cass County to operate the facility.

The appropriation is not available until the commissioner determines that at least \$6,000,000 has been committed to the project from nonstate sources.

Subd. 6. Rochester Regional Public Safety Training Center 627,000

To the commissioner of administration for Phase I of the Rochester Regional Public Safety Training Center to develop a live burn training simulator adjacent to the existing National Guard facility in Rochester.

The appropriation is not available until the commissioner determines that an equal amount has been committed to the project from nonstate sources.

Subd. 7. Blue Earth Police and Fire Station 642,000

To the commissioner of public safety for a grant to the city of Blue Earth to acquire land for and to predesign, design, construct, furnish, and equip a fire and police station. This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 8. Hopkins Haz-mat Training Center 250,000

To the commissioner of administration for a grant to the city of Hopkins for construction of a regional hazardous materials training facility.

APPROPRIATIONS

\$

Subd. 9. Middle St. Croix River Watershed Management Organization 1,550,000

For a grant to the city of Bayport for the Middle St. Croix River Watershed Management Organization to complete the sewer system extending from Minnesota department of natural resources pond 82-310P (the prison pond) in Bayport to the St. Croix River.

Subd. 10. City of Rushford 600,000

For a grant, subject to Minnesota Statutes, section 16A.695, to the city of Rushford for construction, renovation, remodeling, and infrastructure for capital improvements to and for the facility to be used by the Rushford Institute for Nanotechnology, Inc.

Subd. 11. City of St. Paul 2,000,000

For a grant to the city of St. Paul to acquire land for right-of-way and to complete contamination remediation and construct Phalen Boulevard between Interstate Highway I-35E and Johnson Parkway.

Subd. 12. Hennepin County 1,200,000

For a grant to Hennepin County for Phase I capital improvements to the Lowry Avenue corridor from Girard Avenue North to the I-94 bridge in Minneapolis.

Subd. 13. Laurentian Energy Authority 2,500,000

For a grant to the Laurentian Energy Authority to construct a wood yard for processing and prepping agricultural biomass and forest-derived biomass wood waste for biomass energy facilities.

Subd. 14. Central Iron Range Sanitary Sewer District 500,000

For a grant to the Central Iron Range Sanitary Sewer District Authority to predesign the necessary facilities to collect, treat, and dispose of sewage in the district, including a pump- storage facility and a wind-energy facility.

Subd. 15. City of Two Harbors 1,071,000

To the Minnesota Pollution Control Agency for a grant to the city of Two Harbors to acquire land for, design, construct, furnish, and equip a 2,500,000 gallon equalization basin and a chlorine-contact tank of at least 100,000 gallon capacity, adjacent to the city's wastewater treatment plant. The equalization basin is required

APPROPRIATIONS

\$

under the city's National Pollution Discharge Elimination System permit. This appropriation is not available until the commissioner of finance determines that at least an equal amount has been committed to the project from nonstate sources.

Subd. 16. City of Crookston 2,000,000

To the public facilities authority to make a grant to the city of Crookston to predesign, design, and construct emergency riverbank protection and erosion control measures in the vicinity of U.S. Highway 2. For the purposes of this appropriation, the criteria, limitations, and repayment requirements in Minnesota Statutes, sections 446A.07, 446A.072, and 446A.081, are waived.

Subd. 17. City of Askov 1,215,000

To the public facilities authority to make a grant to the city of Askov to construct a new wastewater treatment plant and sewer and water main extensions. This appropriation is not available until the commissioner of finance has determined that at least an equal amount is committed to the project from nonstate sources.

Subd. 18. City of Duluth 4,950,000

To the commissioner of the Minnesota Pollution Control Agency for a grant to the city of Duluth for design and construction of sanitary sewer overflow storage facilities at selected locations in the city of Duluth. This appropriation is available when matched by \$1 of money secured or provided by the city of Duluth for each \$1 of state money.

Subd. 19. Bruentrup Farm Restoration 100,000

For a grant to the city of Maplewood to complete restoration of the Bruentrup farm in Maplewood.

This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 20. Burnsville Water Treatment 2,000,000

To the public facilities authority for a grant to the city of Burnsville to design, construct, furnish, and equip a water treatment facility that will provide an additional potable water source for the city of Burnsville using water from the Burnsville quarry. This appropriation is not available until the commissioner of finance has determined that at least \$6,000,000 is available in matching funds from nonstate sources. Amounts spent since January 1, 2002, to plan, design, and construct this project may be counted as part of the nonstate match.

APPROPRIATIONS

\$

Subd. 21. Como Park Zoo 300,000

For a grant to the city of St. Paul for the predesign and design for renovation to the Como Park Zoo.

Subd. 22. Western Mesabi Mine Planning Board 2,000,000

For a grant to the Western Mesabi Mine Planning Board, a joint powers agency under Minnesota Statutes, section 471.59, for engineering design to alleviate otherwise certain flooding emanating from the abandoned Canisteo Mine in Itasca County to determine which proposal is most appropriate to drain the mine and serve as a model for inevitable future flooding problems from other abandoned mines.

Subd. 23. Mesabi Trail Head Station 700,000

For a grant to the St. Louis and Lake counties regional railroad authority to complete construction of Mesabi Station along the 132-mile recreational trail known as Mesabi Trail and located on Lake Mesabi at the intersection of marked U.S. highway Nos. 53 and 169 and marked trunk highway No. 135. This appropriation is contingent upon a contribution of \$800,000 from other sources, public or private.

Subd. 24. Minneapolis Park and Recreation Board 2,000,000

To the commissioner of natural resources to make a grant to the Minneapolis Park and Recreation Board to mitigate flooding at Lake of the Isles in the city of Minneapolis. This appropriation must be used for shoreline stabilization and restoration, dredging, wetland replacement, and other infrastructure improvements necessary to deal with the 1997 flood damage and to prevent future flooding.

Subd. 25. Waseca Job Incubator 500,000

For a grant to the city of Waseca for acquisition and renovation of, and infrastructure for, an existing facility for a job incubator.

Subd. 26. Richmond Wastewater Treatment 1,700,000

To the Public Facilities Authority for a grant to the city of Richmond to design, construct, furnish, and equip a wastewater treatment facility.

APPROPRIATIONS

\$

Sec. 26. BOND SALE EXPENSES

682,000

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

Of this amount, \$667,000 is appropriated from the bond proceeds fund and \$15,000 is appropriated from the bond proceeds account in the trunk highway fund.

Sec. 27. Laws 2003, First Special Session chapter 20, article 1, section 15, is amended to read:

Sec. 15. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2005, no more than ~~\$673,625,000~~ \$653,206,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 28. [BOND SALE AUTHORIZATION.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$627,647,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [TRANSPORTATION FUND BOND PROCEEDS ACCOUNT.] To provide the money appropriated in this act from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$31,118,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Subd. 3. [TRUNK HIGHWAY FUND BOND PROCEEDS ACCOUNT.] To provide the money appropriated in this act from the trunk highway bond proceeds account in the trunk highway fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$15,015,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amount requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to the trunk highway bond proceeds account in the trunk highway fund.

Sec. 29. [CANCELLATION.]

The remaining \$435,000 of the appropriation in Laws 2000, chapter 492, article 1, section 12, subdivision 8, for 717 Delaware Street Health Building, is canceled. The bond sale authorization in Laws 2000, chapter 492, article 1, section 26, subdivision 1, is reduced by \$435,000.

Sec. 30. [16A.502] [NONSTATE COMMITMENTS TO CAPITAL PROJECTS.]

(a) A state appropriation or grant for a capital project may require a commitment from nonstate sources.

(1) The commitment must be in the amount that when added to the appropriation or grant is sufficient to complete the project;

(2) the appropriation or grant is not available until the commitment is determined to be sufficient; and

(3) the commissioner must determine the sufficiency of the commitment.

(b) In making the determination, the commissioner must apply generally accepted governmental accounting standards and principles, including those that are particularly applicable to capital projects.

Sec. 31. [16A.503] [REFERENDUM REQUIRED FOR LOCAL MATCH OVER \$1,000,000.]

(a) The commissioner must not release state bond funds for a project that requires a local government to commit \$1,000,000 or more in local public funds unless (1) all members of the governing body have voted in favor of a resolution supporting the use of the local funds and identifying the source of the local funds, or (2) if the governing body of the local government has not adopted such a resolution or if the resolution is rescinded within 60 days of adoption, the voters have approved the project by referendum. If more than one local government is required to contribute \$1,000,000 or more of local public funds to a state bond funded project, then the governing body of each local government must meet the requirements of this paragraph.

(b) The governing body of a local government may choose to submit the question directly to the local voters without consideration of a resolution by the governing body.

(c) Any entity, except a state agency as defined in section 13.02, subdivision 17, that is required to contribute nonstate money to a project funded in this act, must certify to the commissioner of finance that at least 80 percent of the required amount of nonstate money has been spent before the commissioner of finance may release state funds appropriated to the project.

Sec. 32. [16A.504] [COMMISSIONER, ARCHITECT ASSURANCES.]

Before releasing state bond proceeds or entering into a grant agreement for construction grants for projects funded with general obligation bonds, the commissioner of finance must work with the state architect to be assured that the project can be delivered for the lowest cost possible and that the project will follow applicable state or local laws.

Sec. 33. Minnesota Statutes 2002, section 16A.671, subdivision 3, is amended to read:

Subd. 3. [DEFINITIONS.] As used in this section, the terms defined in this subdivision have the meanings given them:

(a) "General fund" means all cash and investments from time to time received and held in the treasury, except proceeds of state bonds and amounts received and held in special or dedicated funds created by the Constitution, or by or pursuant to federal laws or regulations, or by bond or trust instruments, pension contracts, or other agreements of the state or its agencies with private persons, entered into under state law.

(b) "Maximum current cash flow requirement" means the commissioner's written estimate of the largest of the amounts by which, on a particular designated date in each month of the term for which certificates are to be issued, the sum of (1) the warrants then outstanding against the general fund plus (2) ~~those that must be drawn on the fund before the same date in the following month, in payment of claims due for expenditure under all appropriations and allotments, will exceed the amount of cash or cash equivalent assets held in the general fund on the first of these dates~~ an amount equal to five percent of the actual working capital expenditures from the general fund in the fiscal year immediately preceding the date of the largest of such amounts, will exceed the amount of cash or cash equivalent assets held in the general fund, excluding the proceeds of the certificates to be issued.

Sec. 34. [16A.693] [ATTENDANCE, SERVICE DATA POSTED.]

(a) Except as provided in paragraph (b), a state-bond financed project that receives bond funds after January 1, 2004, and also receives any public funds for operations and is open to or used by the public must post attendance or use data, if any, on its Web site each month. If available, the attendance or use data that must be posted includes the total number of persons, and the fare or entrance fees paid. This paragraph applies to commuter rail, light rail transit, museums, state or county historical sites, zoos, parks and recreation lands and facilities, conservatories, aquariums, civic centers, convention centers, and sports or entertainment facilities.

(b) Paragraph (a) does not apply to state bond financed facilities that provide general government services or education, including offices, laboratories, school buildings, city halls, county courthouses, or the State Capitol.

Sec. 35. Minnesota Statutes 2002, section 16A.695, is amended by adding a subdivision to read:

Subd. 2a. [NONPROFIT OPERATOR OF STATE BOND FINANCED FACILITY; BUDGET DATA TO BE POSTED ON WEB.] An entity that has entered into an agreement under this section after January 1, 2004, to manage or operate a state-bond financed facility must provide complete financial information to the governmental entity with which it has contracted. Financial information includes annual budget and financial data related to the project, and operating and capital revenue, expenditures, and debt of the entity and the project. The governmental entity must make the information available on the governmental entity's Web site.

Sec. 36. Minnesota Statutes 2002, section 16A.695, subdivision 3, is amended to read:

Subd. 3. [SALE OF PROPERTY.] A public officer or agency shall not sell any state bond financed property unless the public officer or agency determines by official action that the property is no longer usable or needed by the public officer or agency to carry out the governmental program for which it was acquired or constructed, the sale is made as authorized by law, the sale is made for fair market value, and the sale is approved by the commissioner. If any state bonds issued to purchase or better the state bond financed property that is sold remain outstanding on the date of sale, the net proceeds of sale must be applied as follows:

(1) if the state bond financed property was acquired and bettered solely with state bond proceeds, the net proceeds of sale must be paid to the commissioner, deposited in the state bond fund, and used to pay or redeem or defease the outstanding state bonds in accordance with the commissioner's order authorizing their issuance, and the proceeds are appropriated for this purpose; or

(2) if the state bond financed property was acquired or bettered partly with state bond proceeds and partly with other money, the net proceeds of sale must be used: first, to pay to the state the amount of state bond proceeds used to acquire or better the property; second, to pay in full any outstanding public or private debt incurred to acquire or better the property; and third, any excess over the amount needed for those purposes must be divided in proportion

to the shares contributed to the acquisition or betterment of the property and paid to the interested public and private entities, other than any private lender already paid in full, and the proceeds are appropriated for this purpose. In calculating the share contributed by each entity, the amount to be attributed to the owner of the property shall be the fair market value of the property that was bettered by state bond proceeds at the time the betterment began.

When all of the net proceeds of sale have been applied as provided in this subdivision, this section no longer applies to the property.

Sec. 37. Minnesota Statutes 2002, section 41B.03, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY FOR BEGINNING FARMER LOANS.] (a) In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm loan in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than ~~\$200,000 in 1994~~ \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$200,000~~ that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;

(6) certify that farming will be the principal occupation of the borrower;

(7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first three years of the loan, if an approved program is available within 45 miles from the borrower's residence. The commissioner may waive this requirement for any of the programs administered by the authority if the participant requests a waiver and has either a four-year degree in an agricultural program or certification as an adult farm management instructor; and

(8) agree to file an approved soil and water conservation plan with the Soil Conservation Service office in the county where the land is located.

(b) If a borrower fails to participate under paragraph (a), clause (7), the borrower is subject to penalty as determined by the authority.

Sec. 38. Minnesota Statutes 2002, section 41B.039, subdivision 2, is amended to read:

Subd. 2. [STATE PARTICIPATION.] The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 39. Minnesota Statutes 2002, section 41B.04, subdivision 8, is amended to read:

Subd. 8. [STATE'S PARTICIPATION.] With respect to loans that are eligible for restructuring under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall enter into a participation agreement or other financial arrangement whereby it shall participate in a restructured loan to the extent of 45 percent of the

primary principal or ~~\$150,000~~ \$225,000, whichever is less. The authority's portion of the loan must be protected during the authority's participation by the first mortgage held by the eligible lender to the extent of its participation in the loan.

Sec. 40. Minnesota Statutes 2002, section 41B.042, subdivision 4, is amended to read:

Subd. 4. [PARTICIPATION LIMIT; INTEREST.] The authority may participate in new seller-sponsored loans to the extent of 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the seller's retained portion of the loan.

Sec. 41. Minnesota Statutes 2002, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. [LOAN PARTICIPATION.] The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or ~~\$125,000~~ \$200,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 42. Minnesota Statutes 2002, section 41B.043, is amended by adding a subdivision to read:

Subd. 5. [TOTAL NET WORTH LIMIT.] A prospective borrower for an agricultural improvement loan in which the authority holds an interest must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Sec. 43. Minnesota Statutes 2002, section 41B.045, subdivision 2, is amended to read:

Subd. 2. [LOAN PARTICIPATION.] The authority may participate in a livestock expansion loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. A prospective borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$400,000 in 1999 and an amount in subsequent years which is adjusted for inflation by multiplying \$400,000 by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Participation is limited to 45 percent of the principal amount of the loan or ~~\$250,000~~ \$275,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 44. Minnesota Statutes 2002, section 41B.046, subdivision 5, is amended to read:

Subd. 5. [LOANS.] (a) The authority may participate in a stock loan with an eligible lender to a farmer who is eligible under subdivision 4. Participation is limited to 45 percent of the principal amount of the loan or ~~\$24,000~~ \$40,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may differ from the interest rates and repayment terms of the lender's retained portion of the loan, but the authority's interest rate must not exceed 50 percent of the lender's interest rate.

(b) No more than 95 percent of the purchase price of the stock may be financed under this program.

(c) Security for stock loans must be the stock purchased, a personal note executed by the borrower, and whatever other security is required by the eligible lender or the authority.

(d) The authority may impose a reasonable nonrefundable application fee for each application for a stock loan. The authority may review the fee annually and make adjustments as necessary. The application fee is initially \$50. Application fees received by the authority must be deposited in the value-added agricultural product revolving fund.

(e) Stock loans under this program will be made using money in the value-added agricultural product revolving fund established under subdivision 3.

(f) The authority may not grant stock loans in a cumulative amount exceeding \$2,000,000 for the financing of stock purchases in any one cooperative.

Sec. 45. Minnesota Statutes 2002, section 41C.02, subdivision 12, is amended to read:

Subd. 12. [LOW OR MODERATE NET WORTH.] "Low or moderate net worth" means:

(1) for an individual, an aggregate net worth of the individual and the individual's spouse and minor children of less than ~~\$200,000 in 1991~~ \$350,000 in 2004 and an amount in subsequent years which is adjusted for inflation by multiplying ~~\$200,000~~ that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index; or

(2) for a partnership, an aggregate net worth of all partners, including each partner's net capital in the partnership, and each partner's spouse and minor children of less than ~~\$400,000 in 1991 and an amount in subsequent years which is adjusted for inflation by multiplying \$400,000 by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index~~ twice the amount set for an individual in clause (1). However, the aggregate net worth of each partner and that partner's spouse and minor children may not exceed ~~\$200,000 in 1991 and an amount in subsequent years which is adjusted for inflation by multiplying \$200,000 by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index~~ the amount set for an individual in clause (1).

Sec. 46. Minnesota Statutes 2002, section 116J.571, is amended to read:

116J.571 [CREATION OF ACCOUNTS.]

Two ~~greater Minnesota~~ redevelopment accounts are created, one in the general fund and one in the bond proceeds fund. Money in the accounts may be used to make grants as provided in section 116J.575. Money in the bond proceeds fund may only be used for eligible costs for publicly owned property. Money in the general fund may be used to pay for the commissioner's costs in reviewing the applications.

Sec. 47. Minnesota Statutes 2002, section 116J.572, subdivision 2, is amended to read:

Subd. 2. [DEVELOPMENT AUTHORITY.] "Development authority" includes a statutory or home rule charter city, county, housing and redevelopment authority, economic development authority, or port authority ~~located outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.~~

Sec. 48. Minnesota Statutes 2002, section 116J.573, subdivision 1, is amended to read:

Subdivision 1. [ACCOUNTS.] Criteria for use of the accounts created in section 116J.571 must be consistent with and promote the purposes of sections 116J.571 to 116J.575. They include, but are not limited to:

(1) creating and preserving living wage jobs ~~in greater Minnesota;~~

- (2) creating incentives for communities to include a full range of housing opportunities;
- (3) creating incentives for all communities to implement compact, efficient, and mixed-use development; and
- (4) creating incentives to assist communities in maintaining a unique sense of place by preserving local, cultural assets.

Sec. 49. Minnesota Statutes 2002, section 116J.573, subdivision 2, is amended to read:

Subd. 2. [PROJECTS.] To be eligible for funding by the ~~greater Minnesota~~ redevelopment account, a project must:

- (1) interrelate redevelopment with other public investments in transportation, housing, schools, energy, utilities information infrastructure, and other public services;
- (2) interrelate affordable housing and employment growth areas;
- (3) intensify land use that leads to more compact redevelopment;
- (4) involve redevelopment that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities;
- (5) involve participation from citizens and the business community in the planning and development of the proposed redevelopment plan;
- (6) encourage public infrastructure investments which attract private sector redevelopment investment in commercial, industrial, and residential properties adjacent to public improvements, and provide project area residents with expanded opportunities for private sector employment; or
- (7) be sustainable at the local level and reduce the probability of future requests for state development, maintenance, or replacement assistance.

Sec. 50. Minnesota Statutes 2002, section 116J.573, subdivision 4, is amended to read:

Subd. 4. [PARTNERSHIPS.] The commissioner shall give priority to proposals using innovative financial partnerships between government, private for-profit, and nonprofit sectors ~~as well as to proposals that meet current tax increment financing requirements for a redevelopment district and contribute tax increment financing towards the project.~~

Sec. 51. Minnesota Statutes 2002, section 116J.573, subdivision 5, is amended to read:

Subd. 5. [ANNUAL REPORT.] The commissioner shall prepare and submit to the legislature an annual report on the ~~greater Minnesota~~ redevelopment account. The report must include information on the amount of money in the account, the amount distributed, to whom the grants were distributed and for what purposes, and an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the program.

Sec. 52. Minnesota Statutes 2002, section 116J.575, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER DISCRETION.] The commissioner may make a grant for up to 50 percent of the eligible costs of a project. The commissioner shall, in each grant cycle, make grants so that 50 percent of the dollar value of grants for that cycle are for projects located outside of the seven-county metropolitan area as defined

in section 473.121, subdivision 2, and 50 percent are for projects located within the seven-county metropolitan area. This allocation of grant funds does not apply for any grant cycle in which the applications received by the application deadline are insufficient to permit the equal division of grants between metropolitan and nonmetropolitan projects. The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section and sections 116J.571 to 116J.574 and available unencumbered money in the ~~greater Minnesota~~ redevelopment account. The commissioner's decisions and application of the priorities under this section are not subject to judicial review, except for abuse of discretion.

Sec. 53. Minnesota Statutes 2002, section 116P.08, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] Money from the trust fund may not be spent for:

(1) purposes of environmental compensation and liability under chapter 115B and response actions under chapter 115C;

~~(2) purposes of municipal water pollution control under the authority of chapters 115 and 116;~~

~~(3) costs associated with the decommissioning of nuclear power plants;~~

~~(4) (3) hazardous waste disposal facilities;~~

~~(5) (4) solid waste disposal facilities; or~~

~~(6) (5) projects or purposes inconsistent with the strategic plan.~~

Sec. 54. Minnesota Statutes 2002, section 136F.60, is amended by adding a subdivision to read:

Subd. 5. [DISPOSITION OF SURPLUS PROPERTY.] (a) The board may declare state lands under its control that are no longer needed by the Minnesota State Colleges and Universities system to be surplus and may offer them for public sale in a manner consistent with the procedures set forth in sections 94.10 to 94.14 for disposition of state lands by the commissioner of administration. The parcels must not be exchanged or transferred for no or nominal consideration.

(b) Proceeds from the sale or disposition of land under this subdivision, after paying all expenses incurred in selling or disposing of the land and then paying any amounts due under section 16A.695, shall be appropriated to the board for use for capital projects at the institution which was responsible for management of the land.

Sec. 55. Minnesota Statutes 2002, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. [BONDING AUTHORITY.] The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$1,000,000,000~~ \$1,250,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Sec. 56. Minnesota Statutes 2002, section 446A.14, is amended to read:

446A.14 [~~INTEREST EXCHANGES RATE SWAPS AND OTHER AGREEMENTS.~~]

~~The authority may enter into an agreement with a third party for an exchange of interest rates under this subdivision. With respect to outstanding obligations bearing interest at a variable rate, the authority may agree to pay sums equal to interest at a fixed rate or at a different variable rate determined in accordance with a formula set out in the agreement on an amount not exceeding the outstanding principal amount of the obligations, in exchange for an agreement by the third party to pay sums equal to interest on a similar amount at a variable rate determined according to a formula set out in the agreement. With respect to outstanding obligations bearing interest at a fixed rate or rates, the authority may agree to pay sums equal to interest at a variable rate determined according to a formula set out in the agreement on an amount not exceeding the outstanding principal amount of the obligations in exchange for an agreement by the third party to pay sums equal to interest on a similar amount at a fixed rate or rates set out in the agreement. Subject to any applicable bonds covenants, payments required to be made by the municipality under the swap agreement may be made from amounts secured to pay debt service on the obligations with respect to which the swap agreement was made from any other available source of the authority. Subdivision 1. [AGREEMENTS.] (a) The authority may enter into interest rate exchange or swap agreements, hedges, forward purchase or sale agreements, loan sale or pooling agreements or trusts, or other similar agreements in connection with:~~

- (1) the issuance or proposed issuance of bonds;
- (2) the making, proposed making, or sale of loans or other financial assistance or investments;
- (3) outstanding bonds, loans, or other financial assistance; or
- (4) existing similar agreements.

(b) The agreements authorized by this subdivision include, without limitation, master agreements, options or contracts to enter into such agreements in the future and related agreements, including, without limitation, agreements to provide credit enhancement, liquidity, or remarketing; valuation; monitoring; or administrative services currently or in the future. However, the term of an option to enter into an interest rate swap, exchange, hedge, or other similar agreement and the term of a contract to sell, buy, or refund bonds in the future must not exceed five years and the authorization of the authority to enter into option agreements with respect to interest rate swap agreements expires on December 31, 2008; provided that such option agreements entered into prior to that date remain valid agreements of the authority after that date.

(c) The agreements authorized by this subdivision or supplements to master agreements may be entered into on the basis of negotiation with a qualified third party or through a competitive proposal process on terms and conditions and with covenants and provisions approved by the authority and may include, without limitation:

- (1) provisions establishing reserves;
- (2) pledging assets or revenues of the authority for current or other payments or termination payments;
- (3) contracting with the other parties to such agreements as to the custody, collection, securing, investment, and payment of money of the authority or money held in trust; or
- (4) requiring the issuance of bonds or entering into loans or other agreements authorized by this subdivision in the future.

(d) Subject to the terms of the agreement and other agreements of the authority with bondholders or other third parties, the agreements authorized by this subdivision may be general or limited obligations of the authority payable from all available or certain specified funds appropriated to the authority. The agreements authorized by this subdivision do not constitute debt of the authority for the purposes of the limits on bonds or notes of the authority set forth in section 446A.12, subdivision 1.

(e) The authority may issue bonds to provide funds to make payments, including, without limitation, termination payments pursuant to an agreement authorized by this subdivision.

(f) The aggregate notional amount of interest rate swap or exchange agreements in effect at any time must not exceed an amount equal to ten percent of the aggregate principal amount of bonds the authority is authorized to have outstanding pursuant to section 446A.12, subdivision 1, including the notional amount of interest rate swap or exchange agreements with respect to which a reversing agreement has been entered into, the effect of which is to terminate the original agreement or a portion thereof, and reversing agreements with respect to all or a portion of existing agreements.

(g) For the purposes of this section, the following terms have the following meanings unless the context clearly requires otherwise:

(1) "agreement to provide remarketing" means an agreement with a third party to provide the service, as agent of for the authority, of marketing bonds or other outstanding obligations where the bonds are subject to tender to the authority for purchase by the authority;

(2) "credit enhancement" means additional third-party security or sources of repayment for obligations of another party, and may include, without limitation, guaranties, insurance, letters of credit, lines of credit, standby bond purchase agreements, or agreements pledging collateral;

(3) "hedge" means an agreement entered into with a third party for the purpose of trying to limit, offset, or compensate for possible losses, expenses, or outcomes, in whole or in part, from particular actions, agreements, or obligations;

(4) "interest rate swap agreement" or "interest rate exchange agreement" means an agreement between two or more parties where two or more parties agree to pay to each other, for a stated period of time, interest on a stated amount at different rates, or rates calculated on a different basis, which agreement does not include the borrowing of money or the obligation to pay the stated amount, and may include, without limitation, agreements where one party agrees to pay a fixed rate and the other agrees to pay a variable rate, or where one party agrees to pay a variable rate determined in one manner and the other party agrees to pay a variable rate determined in another manner;

(5) "liquidity" means a form of credit enhancement entered into for the purpose of providing money on demand or within a specified period of time to meet obligations which may arise and be payable, for which a party determines that it is not desirable, practicable, or possible to keep funds or readily saleable short-term investments available at all times such obligations to pay may arise or in the full amount of the potential obligation; and

(6) "master agreement" means any agreement pursuant to which one or more separate interest rate swaps, transactions, or other agreements may be entered into from time to time or pursuant to which separately stated terms and conditions intended to cover multiple transactions or agreements are set forth.

Subd. 2. [POWERS OF AUTHORITY.] For the purposes of this section, the authority may exercise all powers provided in this chapter. The authority may consent, whenever it considers it necessary or desirable in connection with agreements entered into under this subdivision, to modifications, amendments, or waivers of the terms of such

agreements. The proceeds of any agreements entered into pursuant to this subdivision are appropriated to the authority pursuant to section 446A.11, subdivision 13. The agreements entered into pursuant to this subdivision are not subject to sections 16C.03, subdivision 4, and 16C.05.

Sec. 57. Minnesota Statutes 2002, section 446A.17, is amended to read:

446A.17 [NONLIABILITY.]

Subdivision 1. [NONLIABILITY OF INDIVIDUALS.] No member of the authority or other person executing the bonds, loans, interest rate swaps, or other agreements or contracts of the authority is liable personally on ~~the bonds~~ such bonds, loans, interest rate swaps, or other agreements or contracts of the authority or is subject to any personal liability or accountability by reason of their issuance, execution, delivery, or performance.

Subd. 2. [NONLIABILITY OF STATE.] The state is not liable on bonds, loans, interest rate swaps, or other agreements or contracts of the authority issued or entered into under this chapter and ~~those bonds such bonds, loans, interest rate swaps, or other agreements or contracts of the authority~~ are not a debt of the state. ~~The bonds~~ Such bonds, loans, interest rate swaps, or other agreements or contracts of the authority must contain on their face a statement to that effect.

Sec. 58. Minnesota Statutes 2002, section 446A.19, is amended to read:

446A.19 [STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACTS.]

The state pledges and agrees with the holders of bonds issued under sections 446A.051, and 446A.12 to 446A.20 or other parties to any loans, interest rate swaps, or other agreements or contracts of the authority that the state will not limit or alter the rights vested in the authority to fulfill the terms of any agreements made with the bondholders or parties to any loans, interest rate swaps, or other agreements or contracts of the authority or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders, are fully met and discharged or, with respect to any loans, interest rate swaps, or other agreements or contracts of the authority, such agreements have been fully performed by the authority or otherwise terminated or discharged. The authority may include this pledge and agreement of the state in any agreement with the holders of bonds issued under sections 446A.051, and 446A.12 to 446A.20 or in any loans, interest rate swaps, or other agreements or contracts of the authority.

Sec. 59. Laws 1998, chapter 404, section 23, subdivision 17, as amended by Laws 1999, chapter 20, section 1, is amended to read:

Subd. 17. Paramount Arts District Regional Arts Center

750,000

(a) To the commissioner of administration for a grant to the city of St. Cloud ~~Housing and Redevelopment Authority~~ to construct, furnish, and equip the Paramount Arts District Regional Arts Center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that the necessary additional financing to complete at least a \$5,400,000 project has been committed by nonstate sources.

(b) The Housing and Redevelopment Authority must effect the transfer as otherwise required or permitted by law. Once the transfer is effected, the city is the successor to the Housing and Redevelopment Authority for the purposes of the grant and Minnesota Statutes, section 16A.695.

Sec. 60. Laws 2002, chapter 393, section 19, subdivision 2, is amended to read:

Subd. 2. Northwest Busway

20,000,000

To design and construct a portion of a busway in the northwest metropolitan area ~~between downtown Minneapolis and Rogers.~~ Funds may be used to design all or a portion of the busway from downtown Minneapolis to Rogers along CSAH 81; to design, construct, and equip up to 19 stations, including 36 passenger shelters in Minneapolis, Robbinsdale, and Crystal as well as at Hennepin Technical College and North Hennepin Community College located in Brooklyn Park; to acquire necessary rights-of-way in Minneapolis, Robbinsdale, Crystal, and Brooklyn Park to accommodate station and park and ride locations, and adjacent to CSAH 81 between Highway 100 and Brooklyn Boulevard to accommodate queue jump lanes for buses; to design and construct two park and ride facilities adjacent to CSAH 81 at its intersections with 63rd Avenue North and with Brooklyn Boulevard; and to design and construct queue jump lanes between Highway 100 and Brooklyn Boulevard. This appropriation is contingent on \$12,000,000 from Hennepin County for roadway design, property acquisition, and road construction between Lowry Avenue in Minneapolis and Bass Lake Road in Crystal and \$5,000,000 from the Metropolitan Council for the project fleet acquisition and station equipment. ~~Total funding from all sources may be used for roadway design, reconstruction, acquisition of land and right of way, and to design, construct, furnish, and equip transit stations and park and rides.~~ To implement this project, the Metropolitan Council has the powers that Hennepin County has to use design-build under new Minnesota Statutes, sections 383B.158 to 383B.1586, may be used for implementing this project.

Sec. 61. [MAXIMUM EFFORT CAPITAL LOAN FORGIVEN; EAST CENTRAL.]

Subdivision 1. [SALE REQUIREMENTS.] Independent School District No. 2580, East Central, may sell its middle school building in accordance with Minnesota Statutes, section 16A.695. The net proceeds from the sale of the property must be paid to the commissioner of finance and deposited in the state bond fund.

Subd. 2. [OUTSTANDING LOAN BALANCE FORGIVEN.] Any remaining outstanding balance on the maximum effort capital loan issued in January 1982 to former Independent School District No. 566, Askov, after the application of the sale proceeds according to subdivision 1, is forgiven.

Sec. 62. [DNR; PLAN FOR LAND MANAGEMENT.]

The commissioner of natural resources must prepare a plan for development of a comprehensive land management plan by January 15, 2005, and submit it to the chairs of the committees in the house and senate with jurisdiction over environmental policy and finance, and capital investment.

Sec. 63. [STILLWATER LEVEE FLOOD CONTROL PROJECT.]

Notwithstanding the grant expiration date of June 30, 2002, the commissioner of natural resources shall extend until June 30, 2006, the expiration date of a grant made to the city of Stillwater under Minnesota Statutes, section 103F.161, and matching certain federal appropriations for flood hazard mitigation.

Sec. 64. [RELEASE FUNDS FOR RICE STREET BRIDGE OVER I-694.]

The commissioner of transportation must release by December 31, 2004, the \$7,500,000 for the Rice Street bridge over I-694 in Ramsey County, committed by the Department of Transportation in a memorandum of understanding between the department and Ramsey County.

Sec. 65. [OUTDOOR LIGHTING PURCHASE.]

All purchasing of outdoor lighting fixtures using funds appropriated under this act must give consideration to maximizing energy conservation and savings, reducing glare, minimizing light pollution, and preserving the natural night environment.

Sec. 66. [MINNESOTA ZOO MARINE CENTER DEBT SERVICE.]

Beginning in fiscal year 2005, the Minnesota Zoological Garden is not required to pay any of the debt service costs on bonds sold for the Marine Education Center authorized in Laws 1994, chapter 643, section 27, subdivision 2, as amended by Laws 1996, chapter 463, section 54.

Sec. 67. [UNIVERSITY OF MINNESOTA; DULUTH PARKING.]

The Board of Regents of the University of Minnesota is encouraged to expand the parking facilities at the University of Minnesota, Duluth campus through the purchase of land and property from willing sellers.

Sec. 68. [REPEALER.]

Minnesota Statutes 2002, section 16B.325, is repealed.

Sec. 69. [EFFECTIVE DATE.]

Except as otherwise provided, this article is effective the day following final enactment.

ARTICLE 2

ADJUSTMENT OF GENERAL OBLIGATION BOND AUTHORIZATIONS

Section 1. [TABLE OF ORIGINAL AND ADJUSTED AUTHORIZATIONS.]

Column A lists the citation to each law authorizing general obligation bonds since Laws 1983, chapter 323, section 6, to which a further adjustment is being made in this section.

The original authorization amount in each law is shown in column B opposite the citation of the law it appears in.

The original authorization amount in column B is hereby adjusted to the amount shown in column C. The adjustments resulting in the column C amount reflect specific changes to an authorization in law, executive vetoes sustained or not challenged, administrative action reflecting cancellation and abandonment of all or the unused balance from specific projects for which the proceeds of authorized bonds were intended to be used, and other action

pursuant to law resulting in the adjusted authorizations shown in column C. The amounts shown in column C are validated as the lawful adjusted authorization for the cited law as of April 1, 2004, for all purposes for which the authorization is required or used.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>L 1983, c 323, s 6</u>	<u>\$30,000,000</u>	<u>\$29,935,000</u>
<u>L 1987, c 400, s 25, subd 1</u>	<u>370,972,200</u>	<u>369,560,500</u>
<u>L 1987, c 400, s 25, subd 5</u>	<u>66,747,000</u>	<u>66,740,000</u>
<u>L 1989, c 300, art 1, s 23, subd 1</u>	<u>142,585,000</u>	<u>135,060,000</u>
<u>L 1991, c 354, art 11, s 2, subd 1</u>	<u>12,000,000</u>	<u>11,360,000</u>
<u>L 1992, c 558, s 28, subd 1</u>	<u>231,695,000</u>	<u>219,085,000</u>
<u>L 1992, c 558, s 28, subd 3</u>	<u>17,500,000</u>	<u>17,368,000</u>
<u>L 1993, c 373, s 19, subd 1</u>	<u>54,640,000</u>	<u>53,355,000</u>
<u>L 1993, c 373, s 19, subd 2</u>	<u>9,900,000</u>	<u>9,480,000</u>
<u>L 1994, c 643, s 31, subd 1</u>	<u>573,385,000</u>	<u>564,650,524</u>
<u>L 1994, c 643, s 31, subd 2</u>	<u>45,000,000</u>	<u>34,820,000</u>
<u>L 1995, 1SS c 2, s 14, subd 1</u>	<u>5,630,000</u>	<u>5,590,000</u>
<u>L 1996, c 463, s 27, subd 1</u>	<u>597,110,000</u>	<u>549,215,089</u>
<u>L 1997, c 246, s 10, subd 1</u>	<u>86,625,000</u>	<u>86,191,283</u>
<u>L 1997, 2SS c 2, s 12</u>	<u>55,305,000</u>	<u>38,308,055</u>
<u>L 1998, c 404, s 27, subd 1</u>	<u>463,795,000</u>	<u>104,478,675</u>
<u>L 1999, c 240, art 1, s 13, subd 1</u>	<u>139,510,000</u>	<u>111,905,000</u>
<u>L 1999, c 240, art 1, s 13, subd 2</u>	<u>10,440,000</u>	<u>-0-</u>
<u>L 1999, c 240, art 2, s 16, subd 1</u>	<u>372,400,000</u>	<u>367,418,000</u>
<u>L 2000, c 492, art 1, s 26, subd 1</u>	<u>426,870,000</u>	<u>487,730,000</u>
<u>L 2001, 1SS c 12, s 11, subd 1</u>	<u>99,205,000</u>	<u>98,205,000</u>
<u>L 2002, c 393, s 30, subd 1</u>	<u>920,235,000</u>	<u>567,312,000</u>

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day following final enactment."

Amend the title as follows:

Page 1, line 15, delete "subdivisions 2, 4" and insert "subdivision 2"

Page 1, line 16, delete "116J.574, subdivision 2;"

Page 1, line 19, delete everything after the second semicolon

Page 1, line 20, delete everything before "Laws"

Page 1, line 21, before "Laws" insert "Laws 2002, chapter 393, section 19, subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 2991 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1115, 1922 and 2241 were read for the second time.

The Speaker assumed the Chair.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2521, A bill for an act relating to lawful gambling; making various changes to lawful gambling provisions; amending Minnesota Statutes 2002, sections 349.15, subdivision 2; 349.163, subdivision 9; 349.1711, by adding a subdivision; 349.18, subdivision 2; 349.19, subdivision 5; 349.2127, subdivision 8; Minnesota Statutes 2003 Supplement, sections 349.167, subdivisions 2, 4; 349.18, subdivision 1; 349.211, subdivision 1; repealing Minnesota Statutes 2002, section 349.1711, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 2028, A bill for an act relating to public safety; appropriating money for the courts, public safety, corrections, the Sentencing Guidelines Commission, public defenders, and other agencies and programs; providing a life penalty without the possibility of release for certain first degree criminal sexual conduct crimes; creating indeterminate sentences and mandatory life sentences for certain first through fourth degree criminal sexual conduct crimes; creating a new criminal sexual predatory conduct crime; establishing the Minnesota Sex Offender Review Board; providing procedures for operation of the review board; specifying when an offender may petition for conditional release; directing the Sentencing Guidelines Commission to designate presumptive sentences for certain offenses; requiring the commissioner of corrections to establish criteria and procedures for reviewing offenders' petitions for release; allowing the Minnesota Sex Offender Review Board and the commissioner of corrections to proceed with expedited rulemaking; exempting the review board from contested case proceedings; granting the review board access to certain data; specifying that the Open Meeting Law does not apply to meetings and hearings of the Minnesota Sex Offender Review Board; providing a registration procedure when a person lacks a primary address; expanding the scope of the predatory offender registration law; requiring the commissioner of corrections to convene an end-of-confinement review committee to assess the risk level of certain offenders coming into Minnesota from another state and released from federal facilities; allowing community notification pursuant to a risk level assigned in another state; requiring the Bureau of Criminal Apprehension to forward registration and notification information on certain offenders to the Department of Corrections; regulating the sale of methamphetamine precursor drugs; authorizing reporting of suspicious transactions involving these drugs and providing civil immunity for so doing; requiring a methamphetamine educational program for retailers and consumers; further regulating while recodifying activities involving anhydrous ammonia; requiring courts to order restitution in certain situations involving controlled substances; imposing property restrictions in certain situations involving controlled substances; increasing the criminal penalties for possessing certain substances with the intent to manufacture methamphetamine; establishing new methamphetamine-related crimes; expanding the definition of "violent crime" for mandatory sentencing purposes; requiring that vehicles and other property used to manufacture methamphetamine indicate this in the title or deed; establishing a methamphetamine laboratory cleanup revolving fund and authorizing loans to assist counties and cities in conducting methamphetamine cleanup; expanding the crime of causing death while committing child abuse; treating probation officers the same as correctional employees for purposes of certain assaults; specifically including conduct involving sex trafficking in the promoting prostitution crime; modifying the distribution formula for prostitution and sex trafficking-related forfeiture proceeds; prohibiting nonvehicular evasive flight from a peace officer; establishing a crime for interfering with ambulance service personnel who are providing emergency care; increasing the criminal penalties for interfering with privacy; increasing the age of protected minor victims for enhanced penalties for this crime; providing for representation by the public defender; providing public defender access to government data; requiring the public defense co-payment to be deposited in the general fund; increasing the appropriation for fiscal year 2005; permitting Ramsey County to collect and receive a \$1 criminal surcharge in order to fund Ramsey County's petty misdemeanor diversion program; providing that when a person is arrested for driving while impaired, the arresting officer must invalidate and return the person's driver's license card for use as an identification card during the period of license suspension, revocation, or cancellation; clarifying DWI plate impoundment law; establishing an expedited process for the nonconsensual collection of a blood sample from an inmate when a corrections employee is significantly exposed to the potential transfer of a bloodborne pathogen; providing for the safety of emergency workers on highways; defining "appropriate reduced speed" when approaching or passing stopped emergency vehicle in certain circumstances; authorizing citation within four hours of offense; proscribing a penalty on owner or lessee of vehicle when driver fails to drive at appropriate reduced speed at the scene of an emergency; requiring certain information to be included in driver education curriculum and driver's manual; providing procedures for retention of DNA evidence; authorizing retired court commissioners to be appointed to perform judicial duties in the district court; providing increased reimbursement for bullet-resistant vests; prohibiting falsely reporting police misconduct; imposing

criminal penalties; providing for the rights of victims of sexual assault; instructing the revisor to recodify and renumber statutes; making various technical and conforming changes; amending Minnesota Statutes 2002, sections 2.722, subdivision 1; 2.724, subdivision 3; 13.851, by adding a subdivision; 13D.01, subdivision 2; 152.135, subdivision 2; 168A.05, subdivision 3; 169.14, subdivision 3, by adding subdivisions; 169A.52, subdivision 7; 169A.60, subdivision 11; 169A.63, subdivision 8; 171.12, subdivision 3; 171.13, by adding a subdivision; 241.336, by adding a subdivision; 241.67, subdivision 3; 243.166, as amended; 243.167; 243.24, subdivision 2; 243.55, subdivision 1; 244.05, subdivisions 1, 3, 4, 5, 6, 7; 244.052, subdivisions 3, 4, by adding a subdivision; 244.195, subdivision 1; 253B.02, by adding a subdivision; 253B.07, subdivisions 1, 4; 253B.08, subdivisions 2, 5a; 253B.16, subdivision 2; 253B.18, subdivisions 4a, 4b, 4c, 5; 253B.185, subdivision 2, by adding a subdivision; 253B.19, subdivision 2; 253B.20, subdivision 3; 260C.163, subdivision 3; 299A.38, subdivisions 2, 2a; 357.021, by adding a subdivision; 401.01, subdivision 2; 489.01, by adding a subdivision; 604.15, by adding a subdivision; 609.1095, subdivision 1; 609.117, subdivisions 1, 2; 609.1351; 609.185; 609.2231, subdivision 1; 609.321, subdivision 7, by adding a subdivision; 609.341, by adding subdivisions; 609.342; 609.343; 609.344; 609.345; 609.3452, subdivision 4; 609.347; 609.3471; 609.348; 609.353; 609.487, by adding a subdivision; 609.50, subdivision 1; 609.505; 609.5315, subdivision 1, by adding a subdivision; 609.746, subdivision 1; 609.748, subdivisions 2, 3a; 609.749, subdivisions 1, 2; 611.16; 611.215, subdivision 1; 611A.02, subdivision 2; 631.045; Minnesota Statutes 2003 Supplement, sections 152.021, subdivisions 2a, 3; 270A.03, subdivision 5; 357.021, subdivisions 6, 7; 609.2231, subdivision 3; 611.14; 611.17, subdivision 1; 611.25, subdivision 1; 611.26, subdivision 6; 611.272; proposing coding for new law in Minnesota Statutes, chapters 152; 244; 299A; 446A; 590; 609; proposing coding for new law as Minnesota Statutes, chapter 545A; repealing Minnesota Statutes 2002, sections 18C.005, subdivisions 1a, 35a; 18C.201, subdivisions 6, 7; 18D.331, subdivision 5; 243.166, subdivisions 1, 8; 299A.64; 299A.65; 299A.66; 486.055; 609.108; 609.109; Minnesota Statutes 2003 Supplement, section 611.18.

PATRICK E. FLAHAVEN, Secretary of the Senate

Pursuant to Joint Rule 3.01, Olson, M., moved that Joint Rule 2.06 be suspended and that H. F. No. 2028 be returned to the Senate for further consideration by the Senate.

A roll call was requested and properly seconded.

The question was taken on the Olson, M., motion and the roll was called. There were 79 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Heidgerken	Lipman	Powell	Urdahl
Abrams	DeLaForest	Holberg	Magnus	Rhodes	Vandever
Adolphson	Demmer	Hoppe	McNamara	Ruth	Walz
Anderson, B.	Dempsey	Howes	Meslow	Samuelson	Wardlow
Anderson, J.	Eastlund	Jacobson	Nelson, C.	Seagren	Westerberg
Beard	Erhardt	Johnson, J.	Nelson, P.	Seifert	Westrom
Blaine	Erickson	Klinzing	Newman	Severson	Wilkin
Borrell	Finstad	Knoblach	Nornes	Simpson	Zellers
Boudreau	Fuller	Kohls	Olsen, S.	Smith	Spk. Sviggum
Bradley	Gerlach	Krinkie	Olson, M.	Soderstrom	
Brod	Gunther	Kuisle	Osterman	Stang	
Buesgens	Haas	Lanning	Ozment	Swenson	
Cornish	Hackbarth	Lindgren	Paulsen	Sykora	
Cox	Harder	Lindner	Penas	Tingelstad	

Those who voted in the negative were:

Atkins	Entenza	Juhnke	Mahoney	Pelowski	Thissen
Bernardy	Goodwin	Kahn	Mariani	Peterson	Wagenius
Biernat	Greiling	Kelliher	Marquart	Pugh	Walker
Carlson	Hausman	Koenen	Mullery	Rukavina	Wasiluk
Davnie	Hilstrom	Larson	Nelson, M.	Sertich	
Dill	Hornstein	Latz	Opatz	Sieben	
Dorn	Huntley	Lenczewski	Otremba	Slawik	
Eken	Jaros	Lesch	Otto	Solberg	
Ellison	Johnson, S.	Lieder	Paymar	Thao	

Not having received the required two-thirds vote, the motion did not prevail.

Wasiluk was excused for the remainder of today's session.

MOTION TO CONCUR

Smith moved that the House concur in the Senate amendments to H. F. No. 2028 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

Otremba moved that the House refuse to concur in the Senate amendments to H. F. No. 2028, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses.

A roll call was requested and properly seconded.

LAY ON THE TABLE

Paulsen moved to lay the Otremba motion on the table.

A roll call was requested and properly seconded.

The question was taken on the Paulsen motion and the roll was called. There were 86 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, J.	Boudreau	Cornish	Demmer	Eastlund
Abrams	Beard	Bradley	Cox	Dempsey	Erhardt
Adolphson	Blaine	Brod	Davids	Dorman	Erickson
Anderson, B.	Borrell	Buesgens	DeLaForest	Dorn	Finstad

Fuller	Johnson, J.	Lipman	Opatz	Seifert	Walz
Gerlach	Klinzing	Magnus	Osterman	Severson	Wardlow
Gunther	Knoblach	Marquart	Ozment	Simpson	Westerberg
Haas	Kohls	McNamara	Paulsen	Smith	Westrom
Hackbarth	Krinkie	Meslow	Pelowski	Soderstrom	Wilkin
Harder	Kuisle	Nelson, C.	Penas	Stang	Zellers
Heidgerken	Lanning	Nelson, P.	Powell	Swenson	Spk. Sviggum
Holberg	Larson	Newman	Rhodes	Sykora	
Hoppe	Lenczewski	Nornes	Ruth	Tingelstad	
Howes	Lindgren	Olsen, S.	Samuelson	Urdahl	
Jacobson	Lindner	Olson, M.	Seagren	Vandev eer	

Those who voted in the negative were:

Anderson, I.	Ellison	Jaros	Lieder	Peterson	Thissen
Atkins	Entenza	Johnson, S.	Mahoney	Pugh	Wagenius
Bernardy	Goodwin	Juhnke	Mariani	Rukavina	Walker
Biernat	Greiling	Kahn	Murphy	Sertich	
Carlson	Hausman	Kelliher	Nelson, M.	Sieben	
Davnie	Hilstrom	Koenen	Otremba	Slawik	
Dill	Hornstein	Latz	Otto	Solberg	
Eken	Huntley	Lesch	Paymar	Thao	

The motion prevailed and the Otremba motion was laid on the table.

CALL OF THE HOUSE

On the motion of Paulsen and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	DeLaForest	Hausman	Larson	Olsen, S.	Sieben
Abrams	Demmer	Hilstrom	Latz	Olson, M.	Simpson
Adolphson	Dempsey	Holberg	Lenczewski	Opatz	Slawik
Anderson, B.	Dill	Hoppe	Lesch	Osterman	Smith
Anderson, I.	Dorman	Hornstein	Lieder	Otremba	Soderstrom
Anderson, J.	Dorn	Howes	Lindgren	Otto	Solberg
Atkins	Eastlund	Huntley	Lindner	Ozment	Stang
Beard	Eken	Jacobson	Lipman	Paulsen	Swenson
Bernardy	Ellison	Jaros	Magnus	Paymar	Thao
Biernat	Entenza	Johnson, J.	Mahoney	Pelowski	Thissen
Blaine	Erhardt	Johnson, S.	Mariani	Penas	Tingelstad
Borrell	Erickson	Juhnke	Marquart	Peterson	Urdahl
Boudreau	Finstad	Kahn	McNamara	Powell	Vandev eer
Bradley	Fuller	Kelliher	Meslow	Pugh	Wagenius
Brod	Gerlach	Klinzing	Mullery	Rhodes	Walker
Buesgens	Goodwin	Knoblach	Murphy	Rukavina	Walz
Carlson	Greiling	Koenen	Nelson, C.	Ruth	Wardlow
Cornish	Gunther	Kohls	Nelson, M.	Samuelson	Westerberg
Cox	Haas	Krinkie	Nelson, P.	Seifert	Wilkin
Davids	Hackbarth	Kuisle	Newman	Sertich	Zellers
Davnie	Harder	Lanning	Nornes	Severson	Spk. Sviggum

Paulsen moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Smith motion that the House concur in the Senate amendments to H. F. No. 2028 and that the bill be repassed as amended by the Senate and the roll was called. There were 4 yeas and 124 nays as follows:

Those who voted in the affirmative were:

Biernat Goodwin Jaros Mariani

Those who voted in the negative were:

Abeler	Demmer	Hilstrom	Lenczewski	Osterman	Smith
Abrams	Dempsey	Holberg	Lesch	Otremba	Soderstrom
Adolphson	Dill	Hoppe	Lieder	Otto	Solberg
Anderson, B.	Dorman	Hornstein	Lindgren	Ozment	Stang
Anderson, I.	Dorn	Howes	Lindner	Paulsen	Swenson
Anderson, J.	Eastlund	Huntley	Lipman	Paymar	Sykora
Atkins	Eken	Jacobson	Magnus	Pelowski	Thao
Beard	Ellison	Johnson, J.	Mahoney	Penas	Thissen
Bernardy	Entenza	Johnson, S.	Marquart	Peterson	Tingelstad
Blaine	Erhardt	Juhnke	McNamara	Powell	Urdahl
Borrell	Erickson	Kahn	Meslow	Pugh	Vandever
Boudreau	Finstad	Kelliher	Mullery	Rhodes	Wagenius
Bradley	Fuller	Klinzing	Murphy	Rukavina	Walz
Brod	Gerlach	Knoblach	Nelson, C.	Ruth	Wardlow
Buesgens	Greiling	Koenen	Nelson, M.	Samuelson	Westerberg
Carlson	Gunther	Kohls	Nelson, P.	Seagren	Westrom
Cornish	Haas	Krinkie	Newman	Seifert	Wilkin
Cox	Hackbarth	Kuisle	Nornes	Severson	Zellers
Davids	Harder	Lanning	Olsen, S.	Sieben	Spk. Sviggum
Davnie	Hausman	Larson	Olson, M.	Simpson	
DeLaForest	Heidgerken	Latz	Opatz	Slawik	

The motion did not prevail.

LAY ON THE TABLE

Paulsen moved that the Message from the Senate relating to H. F. No. 2028 be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Paulsen motion and the roll was called. There were 91 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, J.	Boudreau	Cornish	Demmer	Eastlund
Abrams	Beard	Bradley	Cox	Dempsey	Erhardt
Adolphson	Blaine	Brod	Davids	Dorman	Erickson
Anderson, B.	Borrell	Buesgens	DeLaForest	Dorn	Finstad

Fuller	Juhnke	Lipman	Osterman	Seagren	Walz
Gerlach	Klinzing	Magnus	Otto	Seifert	Wardlow
Greiling	Knoblach	Marquart	Ozment	Severson	Westerberg
Gunther	Koenen	McNamara	Paulsen	Simpson	Westrom
Haas	Kohls	Meslow	Paymar	Smith	Wilkin
Hackbarth	Krinkie	Nelson, C.	Pelowski	Soderstrom	Zellers
Harder	Kuisle	Nelson, P.	Penas	Stang	Spk. Sviggum
Heidgerken	Lanning	Newman	Peterson	Swenson	
Hoppe	Larson	Nornes	Powell	Sykora	
Howes	Lenczewski	Olsen, S.	Rhodes	Tingelstad	
Jacobson	Lindgren	Olson, M.	Ruth	Urdahl	
Johnson, J.	Lindner	Opatz	Samuelson	Vandever	

Those who voted in the negative were:

Anderson, I.	Eken	Hornstein	Lesch	Otremba	Thissen
Atkins	Ellison	Huntley	Lieder	Pugh	Wagenius
Bernardy	Entenza	Jaros	Mahoney	Rukavina	Walker
Biernat	Goodwin	Johnson, S.	Mariani	Sieben	
Carlson	Hausman	Kahn	Mullery	Slawik	
Davnie	Hilstrom	Kelliher	Murphy	Solberg	
Dill	Holberg	Latz	Nelson, M.	Thao	

The motion prevailed and the Message from the Senate relating to H. F. No. 2028 was laid on the table.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2177, 2365 and 2134.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2177, A bill for an act relating to metropolitan government; clarifying the authority of municipalities' subdivision regulations; modifying the method for determining each municipality's affordable and life-cycle housing opportunities amount; modifying the basis on which nonparticipating municipalities may elect to participate; making conforming changes; amending Minnesota Statutes 2002, sections 462.358, subdivision 11; 473.254, subdivisions 2, 3, 4, 6, 7, 8, by adding a subdivision.

The bill was read for the first time.

Abrams moved that S. F. No. 2177 and H. F. No. 2448, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2365, A bill for an act relating to health; modifying the reporting system for adverse health care events; requiring certain boards to make certain reports; amending Minnesota Statutes 2002, sections 147.121, subdivision 2; 147A.15, subdivision 2; 148.264, subdivision 2; 153.25, subdivision 2; Minnesota Statutes 2003 Supplement, section 144.7065, subdivision 10; Laws 2003, chapter 99, section 7, as amended; proposing coding for new law in Minnesota Statutes, chapters 144; 147; 147A; 148; 151; 153.

The bill was read for the first time.

Boudreau moved that S. F. No. 2365 and H. F. No. 2537, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2134, A bill for an act relating to insurance; modifying regulation of joint self-insurance employee benefit plans; regulating community purchasing arrangements; amending Minnesota Statutes 2002, sections 62H.01; 62H.02; 62H.04; 62T.02, by adding a subdivision; repealing Minnesota Statutes 2002, section 62H.07.

The bill was read for the first time.

Bradley moved that S. F. No. 2134 and H. F. No. 2274, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALL OF THE HOUSE LIFTED

Juhnke moved that the call of the House be suspended. The motion prevailed and it was so ordered.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Paulsen from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Thursday, April 29, 2004:

H. F. Nos. 722 and 2085; S. F. Nos. 1815 and 2422; H. F. No. 2832; S. F. No. 2851; H. F. Nos. 2816, 2763, 2101, 2436, 2175 and 2442; and S. F. No. 2387.

CALENDAR FOR THE DAY

Paulsen moved that the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Murphy moved that the name of Jacobson be added as an author on H. F. No. 2399. The motion prevailed.

Boudreau moved that the name of Olsen, S., be added as an author on House Resolution No. 24. The motion prevailed.

Walz moved that H. F. No. 2360 be recalled from the Committee on Ways and Means and be re-referred to the Committee on Capital Investment. The motion prevailed.

Smith moved that S. F. No. 806 be recalled from the Committee on Ways and Means and together with H. F. No. 890, now on General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Knoblach announced his intention to place H. F. No. 2991 on the Fiscal Calendar for Thursday, April 29, 2004.

ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 9:00 a.m., Thursday, April 29, 2004. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Thursday, April 29, 2004.

EDWARD A. BURDICK, Chief Clerk, House of Representatives