

STATE OF MINNESOTA

Journal of the Senate

EIGHTY-FIFTH LEGISLATURE

FIFTY-EIGHTH DAY

St. Paul, Minnesota, Monday, April 30, 2007

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

Senator Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Arden Haug.

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

The roll was called, and the following Senators answered to their names:

Anderson	Fischbach	Larson	Ortman	Sieben
Bakk	Foley	Latz	Pappas	Skoe
Berglin	Frederickson	Limmer	Pariseau	Skogen
Betzold	Gerlach	Lourey	Pogemiller	Sparks
Bonoff	Gimse	Lynch	Prettner Solon	Tomassoni
Carlson	Hann	Marty	Rest	Torres Ray
Chaudhary	Higgins	Metzen	Robling	Vandever
Clark	Ingebrigtsen	Michel	Rosen	Vickerman
Cohen	Johnson	Moua	Rummel	Wergin
Day	Jungbauer	Murphy	Saltzman	Wiger
Dibble	Koch	Neuville	Saxhaug	
Dille	Koering	Olseen	Scheid	
Doll	Kubly	Olson, G.	Senjem	
Erickson Ropes	Langseth	Olson, M.	Sheran	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 27, 2007

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2007 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2007	Date Filed 2007
	1594	21	4:52 p.m. April 26	April 26
	448	22	4:54 p.m. April 26	April 26
	539	23	4:55 p.m. April 26	April 26

Sincerely,
Mark Ritchie
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1483 and 1807.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 27, 2007

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 420: A bill for an act relating to natural resources; providing for pest control measures; requiring approved firewood on land administered by the commissioner of natural resources; amending Minnesota Statutes 2006, section 89.55; proposing coding for new law in Minnesota Statutes, chapter 89.

Senate File No. 420 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 27, 2007

CONCURRENCE AND REPASSAGE

Senator Saxhaug moved that the Senate concur in the amendments by the House to S.F. No. 420 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 420: A bill for an act relating to natural resources; providing for pest control measures; requiring approved firewood on land administered by the commissioner of natural resources; regulating sale and distribution of firewood; amending Minnesota Statutes 2006, sections 89.55; 239.092; 239.093; proposing coding for new law in Minnesota Statutes, chapter 89.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 6, as follows:

Those who voted in the affirmative were:

Bakk	Frederickson	Lourey	Pappas	Skoe
Berglin	Gimse	Lynch	Pariseau	Skogen
Betzold	Hann	Marty	Pogemiller	Sparks
Bonoff	Higgins	Metzen	Prettner Solon	Tomassoni
Carlson	Ingebrigtsen	Michel	Robling	Torres Ray
Chaudhary	Johnson	Moua	Rosen	Vandever
Cohen	Jungbauer	Murphy	Rummel	Vickerman
Day	Koch	Neuville	Saltzman	Wiger
Dibble	Kubly	Olseen	Saxhaug	
Erickson Ropes	Langseth	Olson, G.	Scheid	
Foley	Larson	Olson, M.	Sheran	

Those who voted in the negative were:

Fischbach	Koering	Senjem
Gerlach	Limmer	Wergin

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1236: A bill for an act relating to state employees; making technical and housekeeping changes; amending Minnesota Statutes 2006, sections 43A.191, subdivision 3; 43A.23, subdivision 1.

Senate File No. 1236 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 27, 2007

CONCURRENCE AND REPASSAGE

Senator Michel moved that the Senate concur in the amendments by the House to S.F. No. 1236 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1236: A bill for an act relating to state employees; making technical and housekeeping changes; amending Minnesota Statutes 2006, sections 43A.191, subdivision 3; 43A.23, subdivision 1; 43A.49.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kubly	Olseen	Scheid
Bakk	Foley	Langseth	Olson, G.	Senjem
Berglin	Frederickson	Larson	Olson, M.	Sheran
Betzold	Gerlach	Limmer	Pappas	Skoe
Bonoff	Gimse	Lourey	Pariseau	Skogen
Carlson	Hann	Lynch	Pogemiller	Sparks
Chaudhary	Higgins	Marty	Prettner Solon	Tomassoni
Cohen	Ingebrigtsen	Metzen	Robling	Torres Ray
Day	Johnson	Michel	Rosen	Vandever
Dibble	Jungbauer	Moua	Rummel	Vickerman
Doll	Koch	Murphy	Saltzman	Wergin
Erickson Ropes	Koering	Neuville	Saxhaug	Wiger

So the bill, as amended, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS

Senators Anderson and Carlson introduced –

Senate Resolution No. 85: A Senate resolution recognizing September 25, 2007, as a Day of Remembrance for Murder Victims in Minnesota.

Referred to the Committee on Rules and Administration.

Senators Clark and Senjem introduced –

Senate Resolution No. 86: A Senate resolution recognizing May of 2007 as Military Family Appreciation Month.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S.F. No. 802: A bill for an act relating to health; mortuary science; changing provisions dealing with mortuary science; amending Minnesota Statutes 2006, sections 149A.01, subdivisions 2, 3; 149A.02, subdivisions 2, 8, 11, 12, 13, 16, 33, 34, by adding subdivisions; 149A.03; 149A.20, subdivisions 1, 4, 6; 149A.40, subdivision 11; 149A.45, by adding subdivisions; 149A.50, subdivisions 2, 4; 149A.52, subdivision 4, by adding a subdivision; 149A.53, by adding a subdivision; 149A.63; 149A.70, subdivisions 1, 3, 5, 5a, 6, 7, 8, 9; 149A.71, subdivisions 2, 4; 149A.72, subdivision 4; 149A.74, subdivision 1; 149A.80, subdivisions 2, 3; 149A.90, subdivisions 1, 3, 4, 5, 6, 7, 8; 149A.91, subdivisions 2, 3, 5, 6, 10; 149A.92, subdivisions 2, 6; 149A.93, subdivisions 1, 2, 3, 4, 6, 8, by adding a subdivision; 149A.94, subdivisions 1, 3; 149A.95, subdivisions 2, 4, 6, 7, 9, 13, 14, 15, 20, by adding a subdivision; 149A.96, subdivision 1; repealing Minnesota Statutes 2006, sections 149A.93, subdivision 9; 149A.94, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Skoe
Bakk	Foley	Larson	Pappas	Skogen
Berglin	Frederickson	Limmer	Pariseau	Sparks
Betzold	Gerlach	Lourey	Pogemiller	Tomassoni
Bonoff	Gimse	Lynch	Prettner Solon	Torres Ray
Carlson	Hann	Marty	Robling	Vandever
Chaudhary	Higgins	Metzen	Rosen	Vickerman
Clark	Ingebrigtsen	Michel	Rummel	Wergin
Cohen	Johnson	Moua	Saltzman	Wiger
Day	Jungbauer	Murphy	Saxhaug	
Dibble	Koch	Neuville	Scheid	
Doll	Koering	Olseen	Senjem	
Erickson Ropes	Kubly	Olson, G.	Sheran	

So the bill passed and its title was agreed to.

S.F. No. 1429: A bill for an act relating to motor carriers; changing certain financial liability requirements for charitable organizations; amending Minnesota Statutes 2006, section 221.141, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Day	Gimse	Langseth	Moua
Berglin	Dibble	Hann	Larson	Murphy
Betzold	Doll	Higgins	Limmer	Neuville
Bonoff	Erickson Ropes	Ingebrigtsen	Lourey	Olseen
Carlson	Fischbach	Jungbauer	Lynch	Olson, G.
Chaudhary	Foley	Koch	Marty	Olson, M.
Clark	Frederickson	Koering	Metzen	Ortman
Cohen	Gerlach	Kubly	Michel	Pappas

Pariseau
Pogemiller
Prettner Solon
Robling

Rosen
Rummel
Saltzman
Saxhaug

Scheid
Senjem
Sheran
Skoe

Skogen
Sparks
Tomassoni
Torres Ray

Vandever
Vickerman
Wergin
Wiger

So the bill passed and its title was agreed to.

H.F. No. 532: A bill for an act relating to consumer protection; regulating certain contracts entered into by military service personnel; authorizing cancellations; requiring utilities to establish payment arrangements for military service personnel; proposing coding for new law in Minnesota Statutes, chapters 190; 325E; 325G.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson
Bakk
Berglin
Betzold
Bonoff
Carlson
Chaudhary
Clark
Cohen
Day
Dibble
Doll
Erickson Ropes

Fischbach
Foley
Frederickson
Gerlach
Gimse
Hann
Higgins
Ingebrigtsen
Johnson
Jungbauer
Koch
Koering
Kubly

Langseth
Larson
Limmer
Lourey
Lynch
Marty
Metzen
Michel
Moua
Murphy
Neuville
Olseen
Olson, G.

Olson, M.
Ortman
Pappas
Pariseau
Pogemiller
Prettner Solon
Robling
Rosen
Rummel
Saltzman
Saxhaug
Scheid
Senjem

Sheran
Skoe
Skogen
Sparks
Tomassoni
Torres Ray
Vandever
Vickerman
Wergin
Wiger

So the bill passed and its title was agreed to.

S.F. No. 514: A bill for an act relating to employment; regulating unpaid work for cash assistance; proposing coding for new law in Minnesota Statutes, chapter 181.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson
Bakk
Berglin
Betzold
Bonoff
Carlson
Chaudhary
Clark

Cohen
Dibble
Erickson Ropes
Foley
Higgins
Koering
Kubly
Langseth

Larson
Lourey
Lynch
Marty
Metzen
Moua
Murphy
Olseen

Olson, M.
Pappas
Pogemiller
Prettner Solon
Rest
Rummel
Saxhaug
Scheid

Sheran
Skoe
Skogen
Sparks
Tomassoni
Torres Ray
Vickerman
Wiger

Those who voted in the negative were:

Day
Fischbach
Frederickson
Gerlach

Gimse
Hann
Ingebrigtsen
Johnson

Jungbauer
Koch
Limmer
Michel

Neuville
Olson, G.
Ortman
Pariseau

Robling
Rosen
Saltzman
Senjem

Vandev eer Wergin

So the bill passed and its title was agreed to.

S.F. No. 868: A bill for an act relating to occupations and professions; changing provisions for speech-language pathologists and audiologists; amending Minnesota Statutes 2006, section 148.515, subdivision 2, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Skoe
Bakk	Foley	Larson	Ortman	Skogen
Berglin	Frederickson	Limmer	Pappas	Sparks
Betzold	Gerlach	Lourey	Pariseau	Tomassoni
Bonoff	Gimse	Lynch	Pogemiller	Torres Ray
Carlson	Hann	Marty	Prettner Solon	Vandev eer
Chaudhary	Higgins	Metzen	Rest	Vickerman
Clark	Ingebrigtsen	Michel	Rosen	Wergin
Cohen	Johnson	Moua	Rummel	Wiger
Day	Jungbauer	Murphy	Saltzman	
Dibble	Koch	Neuville	Saxhaug	
Doll	Koering	Olseen	Scheid	
Erickson Ropes	Kubly	Olson, G.	Sheran	

Those who voted in the negative were:

Robling Senjem

So the bill passed and its title was agreed to.

S.F. No. 1302: A bill for an act relating to metropolitan government; modifying provisions governing metropolitan livable communities fund; authorizing the creation of a nonprofit organization; authorizing the use of funds to establish the foundation; requiring a report; authorizing a transfer of funds between metropolitan livable communities fund accounts; authorizing a onetime transfer from the livable communities demonstration account for local planning assistance grants and loans.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Johnson	Metzen	Pogemiller
Bakk	Doll	Jungbauer	Michel	Prettner Solon
Berglin	Fischbach	Koch	Moua	Rest
Betzold	Foley	Koering	Murphy	Robling
Bonoff	Frederickson	Kubly	Neuville	Rosen
Carlson	Gerlach	Langseth	Olseen	Rummel
Chaudhary	Gimse	Larson	Olson, G.	Saltzman
Clark	Hann	Lourey	Olson, M.	Saxhaug
Cohen	Higgins	Lynch	Pappas	Scheid
Day	Ingebrigtsen	Marty	Pariseau	Senjem

Sheran
Skoe

Skogen
Sparks

Tomassoni
Torres Ray

Vickerman
Wergin

Wiger

Those who voted in the negative were:

Limmer

Vandev eer

So the bill passed and its title was agreed to.

S.F. No. 1791: A bill for an act relating to education; integrating instruction about the contributions of Minnesota American Indian tribes and communities into student learning and teacher preparation and licensing requirements; establishing committees on American Indian education programs; amending Minnesota Statutes 2006, sections 120B.021, subdivision 1; 122A.09, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson
Berglin
Betzold
Bonoff
Carlson
Chaudhary
Clark
Cohen
Day
Dibble

Doll
Erickson Ropes
Foley
Frederickson
Gimse
Higgins
Koering
Kubly
Langseth
Larson

Lourey
Lynch
Marty
Metzen
Michel
Moua
Murphy
Neuville
Olseen
Olson, M.

Pappas
Pogemiller
Prettner Solon
Rest
Robling
Rummel
Saltzman
Saxhaug
Scheid
Sheran

Skoe
Skogen
Sparks
Tomassoni
Torres Ray
Vickerman
Wiger

Those who voted in the negative were:

Fischbach
Gerlach
Hann

Ingebrigtsen
Johnson
Jungbauer

Koch
Limmer
Ortman

Pariseau
Rosen
Senjem

Vandev eer
Wergin

So the bill passed and its title was agreed to.

S.F. No. 596: A bill for an act relating to data practices; clarifying duties and classifications; making technical changes; providing for access to and classifications of data; amending Minnesota Statutes 2006, sections 13.02, subdivisions 8, 11; 13.04, subdivisions 3, 4; 13.05, subdivision 10; 13.072, subdivision 1; 13.08, subdivision 4; 13.32, subdivision 5; 13.35; 13.355, subdivision 1; 13.384, subdivisions 1, 2; 13.39, subdivisions 1, 2, 2a, 3; 13.392, subdivision 1; 13.393; 13.40, subdivisions 1, 3; 13.41, subdivision 3; 13.43, subdivisions 2, 5, 7, 9, 10, 11; 13.435; 13.44, subdivisions 1, 2, 3; 13.462; 13.48; 13.4965, subdivision 3; 13.552, subdivision 3; 13.591, subdivision 4; 13.72, by adding subdivisions; 13.861, subdivision 1; 13.87, subdivisions 1, 2; 84.0274, subdivision 5; 122A.33, subdivision 3; 171.07, subdivision 1a; 270B.01, subdivision 8; 270B.02, subdivision 3; 270B.085, by adding a subdivision; 270B.14, subdivision 3; 273.1315; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 2006, section 13.79, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Senjem
Bakk	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vandever
Day	Jungbauer	Murphy	Rummel	Vickerman
Dibble	Koch	Neuville	Saltzman	Wergin
Doll	Koering	Olseen	Saxhaug	Wiger
Erickson Ropes	Kubly	Olson, G.	Scheid	

So the bill passed and its title was agreed to.

S.F. No. 988: A bill for an act relating to mortgages; prohibiting certain predatory lending practices; prescribing criminal penalties; providing remedies; amending Minnesota Statutes 2006, sections 58.02, by adding subdivisions; 58.13, subdivision 1; 58.137, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 58; 82B; 609.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Senjem
Bakk	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vandever
Day	Jungbauer	Murphy	Rummel	Vickerman
Dibble	Koch	Neuville	Saltzman	Wergin
Doll	Koering	Olseen	Saxhaug	Wiger
Erickson Ropes	Kubly	Olson, G.	Scheid	

So the bill passed and its title was agreed to.

S.F. No. 2231: A bill for an act relating to human services; making changes to continuing care provisions; changing long-term care provisions; allowing electronic meetings; altering service standards; amending Medicaid waivers for elderly services; modifying personal care assistant services; amending Minnesota Statutes 2006, sections 144A.351; 256.9741, subdivisions 1, 3; 256.9742, subdivisions 3, 4, 6; 256.975, by adding a subdivision; 256B.0655, subdivision 1f, by adding subdivisions; 256B.0911, subdivisions 3a, 4b, 6, 7, by adding a subdivision; 256B.0913, subdivisions 4, 5a; 256B.0915; 256B.27, subdivision 2a; repealing Minnesota Statutes 2006, section 256.9743.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vickerman
Day	Jungbauer	Murphy	Rummel	Wergin
Dibble	Koch	Neuville	Saltzman	Wiger
Doll	Koering	Olseen	Saxhaug	
Erickson Ropes	Kubly	Olson, G.	Scheid	
Fischbach	Langseth	Olson, M.	Senjem	

Those who voted in the negative were:

Vandeveer

So the bill passed and its title was agreed to.

S.F. No. 118: A bill for an act relating to state government; adding legislators who represent the capitol area as nonvoting members of the Capitol Area Architectural and Planning Board; amending Minnesota Statutes 2006, section 15B.03, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Ortman	Sheran
Bakk	Foley	Larson	Pappas	Sieben
Berglin	Frederickson	Limmer	Pariseau	Skoe
Betzold	Gerlach	Lourey	Pogemiller	Skogen
Bonoff	Gimse	Lynch	Prettner Solon	Sparks
Carlson	Hann	Metzen	Rest	Tomassoni
Chaudhary	Higgins	Michel	Robling	Torres Ray
Clark	Ingebrigtsen	Moua	Rosen	Vickerman
Cohen	Johnson	Murphy	Rummel	Wergin
Day	Jungbauer	Neuville	Saltzman	Wiger
Dibble	Koch	Olseen	Saxhaug	
Doll	Koering	Olson, G.	Scheid	
Erickson Ropes	Kubly	Olson, M.	Senjem	

Those who voted in the negative were:

Vandeveer

So the bill passed and its title was agreed to.

H.F. No. 455: A bill for an act relating to public defense; updating and clarifying public defense provisions of law; modifying right to representation by the public defender; requiring the

state public defender to supervise the statewide public defender system; authorizing appointment of a chief appellate public defender; providing for representation by the chief appellate public defender; amending Minnesota Statutes 2006, sections 270A.03, subdivision 5; 590.05; 611.14; 611.20, subdivision 6; 611.215, subdivisions 1, 1a; 611.23; 611.24; 611.25, subdivision 1; 611.26, subdivisions 2, 7; 611.27, subdivisions 3, 13, 15; 611.35; repealing Minnesota Statutes 2006, section 611.20, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Senjem
Bakk	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vickerman
Day	Jungbauer	Murphy	Rummel	Wergin
Dibble	Koch	Neuville	Saltzman	Wiger
Doll	Koering	Olseen	Saxhaug	
Erickson Ropes	Kubly	Olson, G.	Scheid	

So the bill passed and its title was agreed to.

H.F. No. 854: A bill for an act relating to environment; providing for collection, transportation, and recycling of video display devices; providing civil penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Senjem
Bakk	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vickerman
Day	Jungbauer	Murphy	Rummel	Wergin
Dibble	Koch	Neuville	Saltzman	Wiger
Doll	Koering	Olseen	Saxhaug	
Erickson Ropes	Kubly	Olson, G.	Scheid	

Those who voted in the negative were:

Vanderveer

So the bill passed and its title was agreed to.

S.F. No. 1126: A bill for an act relating to public safety; limiting predatory offender registration for certain persons under the age of 16; amending Minnesota Statutes 2006, section 243.166, subdivisions 1b, 2, 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Larson	Ortman	Sheran
Bakk	Frederickson	Limmer	Pappas	Sieben
Berglin	Gerlach	Lourey	Pariseau	Skoe
Betzold	Gimse	Lynch	Pogemiller	Skogen
Bonoff	Hann	Marty	Prettner Solon	Sparks
Carlson	Higgins	Metzen	Rest	Tomassoni
Chaudhary	Ingebrigtsen	Michel	Robling	Torres Ray
Clark	Johnson	Moua	Rosen	Vandever
Cohen	Jungbauer	Murphy	Rummel	Vickerman
Day	Koch	Neuville	Saltzman	Wergin
Dibble	Koering	Olseen	Saxhaug	Wiger
Doll	Kubly	Olson, G.	Scheid	
Erickson Ropes	Langseth	Olson, M.	Senjem	

So the bill passed and its title was agreed to.

S.F. No. 599: A resolution urging the President and Congress to end trade, financial, and travel restrictions to Cuba.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 42 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Lourey	Pogemiller	Skogen
Bakk	Doll	Lynch	Prettner Solon	Sparks
Berglin	Erickson Ropes	Marty	Rest	Tomassoni
Betzold	Foley	Metzen	Rummel	Torres Ray
Bonoff	Higgins	Moua	Saltzman	Vickerman
Carlson	Koering	Murphy	Saxhaug	Wiger
Chaudhary	Kubly	Olseen	Scheid	
Clark	Langseth	Olson, M.	Sieben	
Cohen	Larson	Pappas	Skoe	

Those who voted in the negative were:

Day	Hann	Limmer	Pariseau	Vandever
Fischbach	Ingebrigtsen	Michel	Robling	Wergin
Frederickson	Johnson	Neuville	Rosen	
Gerlach	Jungbauer	Olson, G.	Senjem	
Gimse	Koch	Ortman	Sheran	

So the resolution passed and its title was agreed to.

S.F. No. 140: A bill for an act relating to commerce; regulating customer access to restroom facilities; proposing coding for new law in Minnesota Statutes, chapter 325E.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Lynch	Pogemiller	Sieben
Bakk	Fischbach	Marty	Prettner Solon	Skoe
Berglin	Foley	Metzen	Rest	Skogen
Betzold	Frederickson	Moua	Robling	Sparks
Bonoff	Gimse	Murphy	Rosen	Tomassoni
Carlson	Higgins	Neuville	Rummel	Torres Ray
Chaudhary	Johnson	Olseen	Saltzman	Vandever
Clark	Kubly	Olson, G.	Saxhaug	Vickerman
Cohen	Langseth	Olson, M.	Scheid	Wergin
Dibble	Larson	Pappas	Senjem	Wiger
Doll	Lourey	Pariseau	Sheran	

Those who voted in the negative were:

Day	Hann	Jungbauer	Koering	Michel
Gerlach	Ingebrigtsen	Koch	Limmer	Ortman

So the bill passed and its title was agreed to.

S.F. No. 1186: A bill for an act relating to public facilities; modifying provisions of the Minnesota Public Facilities Authority Act; making technical and housekeeping changes; modifying Pollution Control Agency project priority rule; amending Minnesota Statutes 2006, sections 116.182, subdivision 5; 446A.02; 446A.03; 446A.04; 446A.051; 446A.07; 446A.072; 446A.073; 446A.074; 446A.075; 446A.081; 446A.085; 446A.09; 446A.11, subdivision 13; 446A.17, subdivision 1; repealing Minnesota Statutes 2006, sections 446A.05; 446A.06; 446A.15, subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, M.	Senjem
Bakk	Foley	Larson	Ortman	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Hann	Marty	Prettner Solon	Sparks
Chaudhary	Higgins	Metzen	Rest	Tomassoni
Clark	Ingebrigtsen	Michel	Robling	Torres Ray
Cohen	Johnson	Moua	Rosen	Vandever
Day	Jungbauer	Murphy	Rummel	Vickerman
Dibble	Koch	Neuville	Saltzman	Wergin
Doll	Koering	Olseen	Saxhaug	Wiger
Erickson Ropes	Kubly	Olson, G.	Scheid	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Ortman and Neuville introduced—

S.F. No. 2275: A bill for an act relating to human services; requiring an annual permanent rate increase for intermediate care facilities for persons with developmental disabilities.

Referred to the Committee on Health, Housing and Family Security.

Senator Cohen introduced—

S.F. No. 2276: A bill for an act relating to taxation; requiring a study of tax incentives to certain industries; providing a tax credit for film production expenditures; amending Minnesota Statutes 2006, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of General Orders.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Metzen in the chair.

After some time spent therein, the committee arose, and Senator Metzen reported that the committee had considered the following:

S.F. Nos. 1312 and 1398, which the committee recommends to pass, after the following motions:

Senator Chaudhary moved to amend S.F. No. 1312, the third engrossment, as follows:

Page 43, after line 16, insert:

"Sec. 7. Minnesota Statutes 2006, section 97A.145, subdivision 2, is amended to read:

Subd. 2. **Acquisition procedure.** (a) Except as provided in paragraph (g), lands purchased or leased under this section must be acquired in accordance with this subdivision.

(b) The commissioner must notify the county board and the town officers where the land is

located and furnish them a description of the land to be acquired. The county board must approve or disapprove the proposed acquisition within 90 days after being notified. The commissioner may extend the time up to 30 days. The soil and water conservation district supervisors shall counsel the county board on drainage and flood control and the best utilization and capability of the land.

(c) If the county board approves the acquisition within the prescribed time, the commissioner may acquire the land.

(d) If the county board disapproves the acquisition, it must state valid reasons. The commissioner may not purchase or lease the land if the county board disapproves the acquisition and states its reasons within the prescribed time period. The landowner or the commissioner may appeal the disapproval to the district court having jurisdiction where the land is located.

(e) The commissioner or the owner of the land may submit the proposed acquisition to the Land Exchange Board if: (1) the county board does not give reason for disapproval, or does not approve or disapprove the acquisition within the prescribed time period; or (2) the court finds that the disapproval is arbitrary and capricious, or that the reasons stated for disapproval are invalid.

(f) The Land Exchange Board must conduct a hearing and make a decision on the acquisition within 60 days after receiving the proposal. The Land Exchange Board must give notice of the hearing to the county board, the commissioner, the landowner, and other interested parties. The Land Exchange Board must consider the interests of the county, the state, and the landowner in determining whether the acquisition is in the public interest. If a majority of the Land Exchange Board members approves the acquisition, the commissioner may acquire the land. If a majority disapproves, the commissioner may not purchase or lease the land.

(g) This subdivision does not apply to land acquired for the following wildlife management areas: Carlos Avery and Lamprey Pass."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Marty	Rest	Sparks
Bakk	Frederickson	Moua	Saxhaug	Torres Ray
Berglin	Higgins	Murphy	Scheid	Vickerman
Chaudhary	Koering	Olseen	Sheran	Wiger
Day	Kubly	Olson, M.	Sieben	
Dibble	Langseth	Pappas	Skoe	
Dille	Lourey	Pogemiller	Skogen	

Those who voted in the negative were:

Betzold	Foley	Koch	Olson, G.	Saltzman
Bonoff	Gerlach	Larson	Ortman	Senjem
Carlson	Gimse	Limmer	Pariseau	Tomassoni
Clark	Hann	Lynch	Prettner Solon	Vandever
Cohen	Ingebrigtsen	Metzen	Robling	
Doll	Johnson	Michel	Rosen	
Fischbach	Jungbauer	Neuville	Rummel	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1312 was then recommended to pass.

Senator Neuville moved to amend S.F. No. 1398, the second engrossment, as follows:

Page 1, line 9, delete "designation of domestic partner" and insert "opportunity to execute health care directive"

Page 1, line 17, after the semicolon, insert "and"

Page 1, delete lines 18 to 22 and insert:

"(3) the right to visitation by an adult who regularly resides with the patient or resident, if the patient or resident is unable to communicate the patient's or resident's wishes with respect to visitation."

Page 2, delete lines 6 to 31 and insert:

"(c) Upon admission to a facility, or as soon after admission as practicable, a patient or resident with capacity to do so must be given an opportunity to execute a health care directive appointing a health care agent.

(d) For purposes of this subdivision, "patient" includes a person who meets the definition in subdivision 2, regardless of how long the person has been admitted to a facility, and includes a person who is being transported to an acute care inpatient facility by an emergency medical or ambulance service or who is receiving diagnosis or treatment in an emergency admissions portion of a facility."

Page 2, line 34, delete ", domestic partner, or next of kin"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Day	Hann	Michel	Robling	Vandev eer
Dille	Ingebrigtsen	Neuville	Rosen	Vickerman
Erickson Ropes	Jungbauer	Olseen	Saltzman	Wergin
Fischbach	Koch	Olson, G.	Senjem	
Frederickson	Koering	Olson, M.	Skoe	
Gerlach	Limmer	Ortman	Skogen	
Gimse	Lynch	Pariseau	Sparks	

Those who voted in the negative were:

Anderson	Clark	Langseth	Murphy	Scheid
Bakk	Cohen	Larson	Pappas	Sheran
Berglin	Dibble	Latz	Pogemiller	Sieben
Betzold	Doll	Lourey	Prettner Solon	Tomassoni
Bonoff	Foley	Marty	Rest	Torres Ray
Carlson	Higgins	Metzen	Rummel	Wiger
Chaudhary	Kubly	Moua	Saxhaug	

The motion did not prevail. So the amendment was not adopted.

The question was taken on the recommendation to pass S.F. No. 1398.

The roll was called, and there were yeas 43 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Latz	Olson, M.	Sheran
Bakk	Doll	Lourey	Pappas	Sieben
Berglin	Erickson Ropes	Lynch	Pogemiller	Skoe
Betzold	Foley	Marty	Prettner Solon	Skogen
Bonoff	Higgins	Metzen	Rest	Tomassoni
Carlson	Koering	Michel	Rummel	Torres Ray
Chaudhary	Kubly	Moua	Saltzman	Wiger
Clark	Langseth	Murphy	Saxhaug	
Cohen	Larson	Olseen	Scheid	

Those who voted in the negative were:

Day	Hann	Neuville	Rosen	Wergin
Fischbach	Ingebrigtsen	Olson, G.	Senjem	
Frederickson	Jungbauer	Ortman	Sparks	
Gerlach	Koch	Pariseau	Vandever	
Gimse	Limmer	Robling	Vickerman	

The motion prevailed. So S.F. No. 1398 was recommended to pass.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Anderson moved that the following members be excused for a Conference Committee on S.F. No. 2096 at 2:30 p.m.:

Senators Anderson, Frederickson, Saxhaug, Chaudhary and Torres Ray. The motion prevailed.

RECESS

Senator Pogemiller moved that the Senate do now recess until 4:00 p.m. The motion prevailed.

The hour of 4:00 p.m. having arrived, the President called the Senate to order.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 886, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 886 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 30, 2007

CONFERENCE COMMITTEE REPORT ON H. F. NO. 886

A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; authorizing the sale of state bonds; appropriating money; amending Minnesota Statutes 2006, sections 16A.695, subdivisions 2, 3, by adding subdivisions; 16A.86, subdivision 3; 116R.01, subdivision 6; 116R.02, subdivisions 1, 2, 4, 5; 116R.03; 116R.05, subdivision 2; 116R.11, subdivision 1; 116R.12, by adding a subdivision; 272.01, subdivision 2; 290.06, subdivision 24; 297A.71, subdivision 10; 360.013, subdivision 39; 360.032, subdivision 1; 360.038, subdivision 4; Laws 2005, chapter 20, article 1, sections 7, subdivision 21; 20, subdivision 3; 23, subdivisions 8, 16; Laws 2006, chapter 258, sections 4, subdivision 4; 7, subdivision 11; 21, subdivisions 6, 15; repealing Minnesota Statutes 2006, sections 116R.02, subdivisions 3, 6, 7, 9; 116R.16.

April 27, 2007

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

We, the undersigned conferees for H. F. No. 886 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 886 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown 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 the capital nature, or as authorized by article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this article are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

SUMMARY

<u>University of Minnesota</u>	\$	<u>36,400,000</u>
<u>Minnesota State Colleges and Universities</u>		<u>34,520,000</u>

58TH DAY]

MONDAY, APRIL 30, 2007

2609

<u>Education</u>	30,240,000
<u>Natural Resources</u>	4,684,000
<u>Pollution Control Agency</u>	2,500,000
<u>Board of Water and Soil Resources</u>	8,165,000
<u>Zoological Garden</u>	1,526,000
<u>Administration</u>	15,240,000
<u>Public Safety</u>	7,550,000
<u>Transportation</u>	53,673,000
<u>Metropolitan Council</u>	51,150,000
<u>Human Services</u>	150,000
<u>Corrections</u>	6,117,000
<u>Employment and Economic Development</u>	82,150,000
<u>Bond Sale Expenses</u>	167,000
<u>Cancellations</u>	<u>(5,432,000)</u>
<u>Lewis and Clark</u>	5,282,000
<u>TOTAL</u>	<u>\$ 334,082,000</u>
<u>Bond Proceeds Fund (General Fund Debt Service)</u>	110,438,000
<u>Bond Proceeds Fund (User Financed Debt Service)</u>	1,267,000
<u>State Transportation Fund</u>	30,000,000
<u>Trunk Highway Fund Bond Proceeds Account</u>	33,420,000
<u>General Fund</u>	164,389,000
<u>Bond Proceeds Cancellations</u>	(5,432,000)

APPROPRIATIONS

Sec. 2. **UNIVERSITY OF MINNESOTA**

Subdivision 1. **Total Appropriation** \$ **36,400,000**

To the Board of Regents of the University of Minnesota for the purposes specified in this section.

Subd. 2. **Higher Education Asset Preservation and Replacement (HEAPR)** 22,000,000

To be spent in accordance with Minnesota

Statutes, section 135A.046.

Subd. 3. 717 Delaware

14,400,000

To renovate the building at 717 Delaware for use as a biomedical science research facility. This appropriation is intended to cover approximately 80 percent of the cost of the project. The remaining costs must be paid from university sources.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. Total Appropriation

\$ 34,520,000

To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section.

Subd. 2. Higher Education Asset Preservation And Replacement

30,720,000

This appropriation is for the purposes specified in Minnesota Statutes, section 135A.046. Of this, \$720,000 is for HVAC replacement and asbestos removal at the Brooklyn Park campus of Hennepin Technical College.

Subd. 3. Bemidji State University

2,000,000

To acquire property adjacent to Bemidji State University.

Subd. 4. Fond du Lac Tribal and Community College

1,800,000

To acquire property adjacent to the Fond du Lac Tribal and Community College.

Subd. 5. 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, except that, where a nonstate match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. 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 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.

Subd. 6. Unspent Appropriations

(a) Upon substantial completion of a project authorized in this section and after written notice to the commissioner of finance, the Board of Trustees must use any money remaining in the appropriation for that project for HEAPR under Minnesota Statutes, section 135A.046. The Board of Trustees must report by February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments and higher education finance, and to the chairs of the house Ways and Means Committee and the senate Finance Committee, on how the remaining money has been allocated or spent.

(b) The unspent portion of an appropriation for a project in this section that is complete, is available for higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 5 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 4. MINNESOTA DEPARTMENT OF EDUCATION

Subdivision 1. Total Appropriation

\$ 30,240,000

To the commissioner of education for the purposes specified in this section. The appropriations in this section are from the general fund.

Subd. 2. Independent School District No. 11, Anoka-Hennepin

240,000

For a grant to Independent School District No. 11, Anoka-Hennepin, to acquire land adjacent to Riverview Elementary School and for improvements of a capital nature to develop and restore wetland and native prairie habitat on the land.

Subd. 3. Independent School District No. 38, Red Lake

30,000,000

For a grant to Independent School District No. 38, Red Lake, to design, construct, furnish, and equip renovation of existing facilities and construction of new facilities. The project includes renovation of, and an addition to, the high school and middle school to provide classrooms and related facilities for technology education, vocational education, physical education, and community education, and to provide for food services and administrative offices. The heating plant and piping for the high school and middle school will be upgraded

and the motor vehicle fuel and propane tanks may be relocated. The project may include renovation of the Red Lake Elementary School to add classrooms and to link it to the Early Childhood Learning Center. The project may include renovation of the Ponemah Elementary School to add a media center and Head Start center, add parking, improve the bus drop-off, and expand playground facilities. The commissioner and Independent School District No. 38, Red Lake, shall report to the legislature by January 10, 2008, on the progress of the project funded by the grant. The unexpended balance of the appropriation in Laws 2005, chapter 20, article 1, section 5, subdivision 2, as amended by Laws 2006, chapter 258, section 42, to design, construct, renovate, furnish, equip, and make health and safety capital improvements to school facilities may be added to this appropriation.

Sec. 5. **NATURAL RESOURCES**

Subdivision 1. **Total Appropriation**

\$ 4,684,000

To the commissioner of natural resources for the purposes specified in this section.

The appropriations in this section are from the general fund.

The appropriations in this section are subject to the requirements of the natural resources capital improvement program set forth in Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

Subd. 2. **Stillwater Flood Control Phase III**

200,000

For a grant under Minnesota Statutes, section 103F.161, to the city of Stillwater to predesign, design, and begin construction of Phase III of the Stillwater flood control project, including flood control structures and pumping stations. This appropriation

is not available until the commissioner has determined that at least \$2,000,000 has been committed from nonstate sources.

Subd. 3. Canisteo Mine

1,300,000

For a grant to the Western Mesabi Mine Planning Board to construct siphons, a conveyance system, and other improvements to accommodate water level and outflow control of the water level in the Canisteo mine pit in Itasca County. This appropriation does not require a local match. The commissioner of natural resources shall be responsible to maintain the improvements after completion of the project.

Subd. 4. Lake Zumbro Restoration

350,000

For an agreement with Olmsted and Wabasha Counties to design and engineer the restoration of Lake Zumbro. This is a onetime appropriation and is available until June 30, 2009.

Subd. 5. Red River Digital Elevation Model

600,000

To develop and implement a high-resolution digital elevation model for the Red River basin.

Subd. 6. Greenleaf Lake State Recreation Area

500,000

To acquire from willing sellers land within the boundaries of Greenleaf Lake State Recreation Area, established under Minnesota Statutes, section 85.013, subdivision 11b.

Subd. 7. Fort Snelling Upper Bluff

500,000

For a grant to Hennepin County to conduct emergency building stabilization at Fort Snelling Upper Bluff. This appropriation is not available until the commissioner of finance has determined that Hennepin County has entered into appropriate agreements to use sentence-to-serve labor for the project that will train sentence-to-serve laborers in

the skills needed for the work.

Subd. 8. State Trail Acquisition and Development

1,234,000

To acquire land for and to construct and renovate state trails under Minnesota Statutes, section 85.015.

\$125,000 is for the Cuyuna Lakes Trail, to develop a natural surface multiuse trail in the Cuyuna Country State Recreation Area.

\$650,000 is for the Gateway Trail, to replace an at-grade crossing of the Gateway Trail at Highway 120 with a tunnel.

\$209,000 is for the Luce Line Trail, to acquire land for, develop, and rehabilitate the trail.

\$250,000 is for acquisition of the Browns Creek segment of the Willard Munger Trail System, currently the right-of-way for the Minnesota Zephyr.

Sec. 6. POLLUTION CONTROL AGENCY

\$

2,500,000

Closed landfill program

This appropriation is from the general fund for a grant to the city of Albert Lea to construct remedial systems at the Albert Lea landfill. This includes relocating and incorporating waste from the former Albert Lea dump owned by the city of Albert Lea under Minnesota Statutes, section 115B.403, which action may be taken by the Pollution Control Agency notwithstanding the provisions of Minnesota Statutes, section 115B.403, paragraphs (a) and (b).

The appropriation in this section is added to the amounts for the city of Albert Lea landfill funding in Laws 2006, chapter 258, section 8, subdivision 2.

Sec. 7. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. Total Appropriation

\$

8,165,000

To the Board of Water and Soil Resources for the purposes specified in this section. The appropriations in this section are from the general fund.

Subd. 2. RIM Conservation Reserve

8,000,000

To acquire conservation easements from landowners on marginal lands and to construct conservation measures on acquired land in order to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, sections 103F.501 to 103F.535. Of this, \$1,200,000 is to implement the program. The board must submit to the legislative committees with jurisdiction over environment finance and capital investment an interim report on this program by October 1, 2007, and a final report by February 1, 2008.

Subd. 3. Lake Titlow Watershed Improvements

165,000

\$150,000 is for a grant to the city of Gaylord to predesign and design holding ponds upstream from Lake Titlow. The design must include the best location for the ponds, an estimate of the cost of land acquisition or easements, construction costs of the holding ponds, and the estimated expense of maintaining the structures and who will be responsible for the expense. The city must also coordinate with state and county conservation officials to ensure correct conservation practices and improvements in the watershed district.

\$15,000 is for a grant to the city of Gaylord to purchase open intake tile covers or cones that limit soil erosion and chemicals from entering the water ditch systems and waterways of the Lake Titlow watershed. These water control devices must be provided at low cost to landowners to promote conservation improvement and clean up groundwater. Volunteers from the city of Gaylord and local clubs and high school students must be used to install the water control devices at no cost

to the landowner.

The criteria, limitations, and assessment requirements in Minnesota Statutes, sections 103D.701, 103D.705, and 103D.901 do not apply to this subdivision.

Sec. 8. **MINNESOTA ZOOLOGICAL GARDEN** \$ 1,526,000

Inflow and infiltration emergency abatement

This appropriation is from the general fund to the Minnesota Zoological Garden to design and construct improvements to its water management system. The project must be designed to address inflow and infiltration problems associated with the Minnesota Zoo's water discharge flow to the city of Eagan.

Sec. 9. **ADMINISTRATION**

Subdivision 1. **Total Appropriation** \$ 15,240,000

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

Subd. 2. **Exterior Repair of Transportation Building** 12,715,000

This appropriation is from the bond proceeds account in the trunk highway fund to repair and renovate the exterior of the Department of Transportation Building at 395 John Ireland Boulevard in St. Paul.

Subd. 3. **Property Acquisition** 2,325,000

This appropriation is from the general fund to acquire property at 639 Jackson Street in St. Paul adjacent to the Harold E. Stassen Building, to demolish existing structures on the property, and to develop temporary parking on the site and adjacent areas.

Subd. 4. **Veterans Memorial, Eden Prairie** 200,000

This appropriation is from the general fund for a grant to the city of Eden Prairie to design and construct improvements of a capital

nature for a veterans memorial in Purgatory Creek Recreation Area in the city of Eden Prairie.

Sec. 10. **PUBLIC SAFETY**

Subdivision 1. **Total Appropriation**

\$ 7,550,000

To the commissioner of public safety for the purposes specified in this section.

The appropriations in this section are from the general fund.

Subd. 2. **Anoka County Forensic Crime Laboratory**

2,500,000

Notwithstanding any law to the contrary, this appropriation is for a grant to Anoka County to design, construct, furnish, and equip a regional forensic crime laboratory, for the use of Anoka, Sherburne, and Wright Counties, to be located in Anoka County.

This appropriation is not available until the commissioner has determined that at least \$7,500,000 has been committed or will be committed from nonstate sources to the forensic crime laboratory and/or a public safety facility that will contain the forensic crime laboratory.

Subd. 3. **Gonvick Public Safety Training Center**

50,000

Notwithstanding any law to the contrary, for a grant to the city of Gonvick to predesign a regional emergency training administration center in Gonvick.

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

Subd. 4. **Scott County Public Safety Training Center**

1,500,000

Notwithstanding any law to the contrary, for a grant to Scott County to design, construct, furnish, and equip a regional public safety

training center in Scott County.

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

Subd. 5. Southeastern Minnesota Regional Public Safety Training Center

1,500,000

Notwithstanding any law to the contrary, to design, construct, furnish, and equip the Southeastern Minnesota Regional Public Safety Training Center in Rochester. The facility must include a live burn training simulator, a driving range, and a weapons training facility.

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

Subd. 6. Browns Valley Flood Relief

2,000,000

For a grant to the city of Browns Valley to be used to mitigate damage to public and private property caused by the flooding of March 2007. Grant money may be used to repair, buy, or replace private property damaged by flooding.

Sec. 11. TRANSPORTATION

Subdivision 1. Total Appropriation

\$ 53,673,000

To the commissioner of transportation for the purposes specified in this section.

Subd. 2. Local Bridge Replacement and Rehabilitation

30,000,000

This appropriation is from the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, to match federal money and to replace or rehabilitate local deficient bridges.

Political subdivisions may use grants made

under this section to construct or reconstruct bridges, including:

(1) matching federal aid grants to construct or reconstruct key bridges;

(2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

(3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and

(4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more cost efficient than the replacement of the existing bridge.

Subd. 3. Port Development Assistance

500,000

This appropriation is from the general fund for grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 4. Mankato District Headquarters

20,673,000

This appropriation is from the bond proceeds account in the trunk highway fund to design, construct, furnish, and equip a new Department of Transportation district headquarters facility in Mankato.

Subd. 5. High-Speed Rail Line

2,000,000

This appropriation is from the general fund for the state's share of a high-speed rail line connecting Chicago, LaCrescent, Winona, Red Wing, and the Union Depot Concourse Multimodal Transit Hub, located in downtown St. Paul in the area south of Kellogg Boulevard and east of Jackson Street.

No part of this appropriation may be spent to acquire or better capital improvements that are located outside the state of Minnesota, that may be used from time to time outside the state of Minnesota, or that are part of a rail corridor that is not designated by the Midwest Interstate Passenger Rail Compact.

Subd. 6. Commuter Rail Extension

250,000

This appropriation is from the general fund for a grant to the Northstar Corridor Development Authority to fund advanced preliminary engineering, updated environmental documentation, property appraisals, and negotiations with the railroad to extend commuter rail service on the Burlington Northern Santa Fe rail line between Big Lake and Rice.

Subd. 7. North Shore Express Intercity Rail Initiative

250,000

This appropriation is from the general fund for a grant to St. Louis and Lake County Regional Rail Authority for railroad acquisition and track restoration, environmental impact studies, advanced corridor planning, preliminary design and preliminary engineering, station design, analysis of railroad capacity, and easement costs for intercity and passenger rail service between the city of Duluth and the cities of Minneapolis and St. Paul.

Sec. 12. METROPOLITAN COUNCIL

Subdivision 1. Total Appropriation

\$ 51,150,000

To the Metropolitan Council for the purposes specified in this section. The appropriations in this section are from the general fund, unless another fund is named.

Subd. 2. Central Corridor Transit Way

40,000,000

This appropriation is from the bond proceeds fund for preliminary engineering, preliminary

design, final design, and construction of the central corridor transit way between downtown Minneapolis and downtown St. Paul, terminating in downtown St. Paul at the Union Depot.

This appropriation may not be spent for capital improvements within a trunk highway right-of-way.

District heating and district cooling nonprofit corporations organized under Minnesota Statutes, chapter 317A, that are exempt organizations under section 501(c)(3) of the United States Internal Revenue Code that are public right-of-way users under Minnesota Rules, chapter 7819, are eligible to receive grants and federal money for costs of relocating facilities from public rights-of-way to prevent interference with public light rail projects.

Subd. 3. South St. Paul - Span Arch Bridge

600,000

For a grant to the city of South St. Paul to design and construct a span arch bridge under 19th Avenue in South St. Paul for connection with the Dakota County North Urban Regional Trail.

Subd. 4. Union Depot

3,000,000

\$2,500,000 of this appropriation is from the general fund.

\$500,000 of this appropriation is from the bond proceeds fund.

For a grant to the Ramsey County Regional Railroad Authority to acquire land and structures, to renovate structures, and for design, engineering, and environmental work to revitalize Union Depot for use as a multimodal transit center in St. Paul.

Subd. 5. Rush Line Corridor Transit Way

500,000

For a grant to the Ramsey County Regional Railroad Authority to acquire land for, design,

and construct park-and-ride or park-and-pool lots located along the Rush Line Corridor along I-35E/I-35W and Highway 61 from the Union Depot in downtown St. Paul to Hinckley.

Subd. 6. Red Rock Corridor Transit Way

500,000

To design, construct, and furnish park-and-ride lots for the Red Rock Corridor transit way between Hastings and Minneapolis via St. Paul, and any extension between Hastings and Red Wing.

Subd. 7. Southwest Corridor Transit Way

500,000

For a grant to the Hennepin County Regional Rail Authority to prepare a draft environmental impact statement (DEIS) and for preliminary engineering for the Southwest Corridor Transit Way, from the Hiawatha light rail in downtown Minneapolis to the vicinity of the Southwest Station transit hub in Eden Prairie.

Subd. 8. Transit Master Plan

250,000

(a) The Metropolitan Council, in consultation with the regional railroad authorities in the metropolitan area, must complete a revision of the regional master plan for transit. The plan must identify recommended transit investments in the metropolitan area through 2030. The revised plan must be completed for presentation to the legislature by February 20, 2008. The plan must include an analysis and comparison of transit way corridors and the potential for bus and busway, light rail transit, and commuter rail development within the corridors based on current and projected:

(1) population and population density;

(2) employment concentrations and job density;

(3) transit dependent segments of the population;

- (4) ridership;
- (5) capital and operating costs;
- (6) land use;
- (7) right-of-way availability; and
- (8) adequacy of existing transportation options within the corridor.

The council and regional rail authorities must jointly select the corridors to be included in the analysis.

(b) The plan must include, but is not limited to, an analysis of the following corridors:

(1) the I-94 corridor, beginning at the Union Depot Concourse Multimodal Transit Hub, located in downtown St. Paul in the area south of Kellogg Boulevard and east of Jackson Street, extending eastward through Washington County to the Minnesota-Wisconsin border, and terminating in St. Croix County, Wisconsin; and

(2) the I-494 corridor, on or near marked Interstate Highway 494, from Minneapolis-St. Paul International Airport to a transit station on the proposed Southwest Corridor transit way.

Subd. 9. Metropolitan Regional Parks Capital Improvements

5,800,000

Saint Paul - National Great River Park

\$3,800,000 is for a grant to the city of St. Paul to design, construct, furnish, and equip river park development and redevelopment infrastructure in National Great River Park along the Mississippi River in St. Paul.

Fridley - Springbrook Nature Center

\$2,000,000 is from the general fund for a grant to the city of Fridley to predesign, design, construct, and equip the redevelopment and expansion of

the Springbrook Nature Center. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Sec. 13. **HUMAN SERVICES**

\$

150,000

West central secured treatment facility

This appropriation is from the general fund to the commissioner of human services for a grant to Pope County to predesign a multicounty regional secured treatment facility in west central Minnesota. The commissioner shall prepare a report to the legislature assessing the need for and the viability of the facility and the benefits derived from a coordinated multicounty, regional approach to local chemical dependency needs in west central Minnesota. The report is due to the legislature by February 1, 2008.

Sec. 14. **CORRECTIONS**

Subdivision 1. **Total Appropriation**

\$

6,117,000

To the commissioner of administration for the purposes specified in this section. The appropriations in this section are from the general fund.

Subd. 2. **Minnesota Correctional Facility - Oak Park Heights**

(a) **Perimeter system renovation**

3,875,000

To renovate the perimeter system at the Oak Park Heights Correctional Facility by replacing the security fence system for the inside wall of the main prison yard and exterior fence, replacing the perimeter lighting system and the security razor ribbon, and installing cameras and lighting to correspond to the perimeter system's added security zones.

(b) Ventilation system renovation2,242,000

To renovate the ventilation system at the Oak Park Heights Correctional Facility by demolishing sections of existing ductwork, installing new ductwork, installing an ultraviolet lighting system, installing system air controls and electronics, and cleaning or otherwise renovating sections of existing ductwork.

Sec. 15. EMPLOYMENT AND ECONOMIC DEVELOPMENT**Subdivision 1. Total Appropriation****\$ 82,150,000**

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

Subd. 2. Bayport Storm Sewer150,000

To the Public Facilities Authority for a grant to the city of Bayport for the Middle St. Croix River Watershed Management Organization to complete construction documents and bidding for the sewer system extending from Minnesota Department of Natural Resources pond 82-310P (the prison pond) in Bayport through the Stillwater prison grounds to the St. Croix River.

This appropriation is in addition to the appropriations in Laws 2000, chapter 492, article 1, section 21, subdivision 8, to the commissioner of corrections and in Laws 2005, chapter 20, article 1, section 23, subdivision 3, to the Public Facilities Authority, for the same project.

Subd. 3. DECC Arena37,000,000

This appropriation is from the general fund for a grant to the Duluth Entertainment and Convention Center Authority to design, construct, furnish, and equip capital improvements and renovations to the Duluth

Entertainment and Convention Center. The capital improvements and renovations must include an approximately 217,446 square foot arena with an ice sheet of at least 200 feet by 85 feet; trade show and concert space; seating capacity of at least 6,630 with suites, club seats, and concessions; state-of-the-art locker and training facilities; and accessible and expanded media space. Notwithstanding any law to the contrary, the authority may adopt a design and construction procurement process as determined by the authority, in its discretion, to be in the public interest in connection with the Duluth Entertainment and Convention Center improvements.

Subd. 4. Itasca County - Steel Plant Infrastructure

30,000,000

This appropriation is from the general fund and is in addition to the appropriation in Laws 2006, chapter 258, section 21, subdivision 14.

For a grant to Itasca County for public infrastructure needed to support a steel plant in Itasca County. Grant money may be used by Itasca County to acquire right-of-way and mitigate loss of wetlands and runoff of storm water, to predesign, design, construct, and equip roads and rail lines, and, in cooperation with municipal public utilities, to predesign, design, construct, and equip natural gas pipelines, electric infrastructure, water supply systems, and wastewater collection and treatment systems.

Subd. 5. Rochester - Mayo Civic Center Complex

2,500,000

This appropriation is from the general fund for a grant to the city of Rochester to design the renovation and expansion of the Mayo Civic Center Complex.

Subd. 6. Wildlife Rehabilitation Center

500,000

This appropriation is from the general fund for a grant to the Wildlife Rehabilitation Center of Minnesota to retire loans incurred by the center for construction of its facility in

the city of Roseville, and for completion of educational technology infrastructure at the center.

Subd. 7. Rice Street Bridge

2,000,000

This appropriation is from the general fund for a grant to Ramsey County for the preliminary planning, design, and engineering of the Rice Street bridge where it crosses marked Trunk Highway 36 in Ramsey County.

Subd. 8. St. Cloud State University - National Hockey Center

10,000,000

This appropriation is from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities to predesign, design, construct, furnish, and equip the renovation of the National Hockey Center.

Sec. 16. HOUSING FINANCE AGENCY

Browns Valley flooding

The Housing Finance Agency may use the disaster relief contingency fund established under Minnesota Statutes, section 462A.21, subdivision 29, to assist with the rehabilitation or replacement of housing damaged as a result of the Browns Valley flooding of March 2007, notwithstanding that the area is not included in a presidential declaration of major disaster.

Sec. 17. BOND SALE EXPENSES

\$

167,000

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8. Of this amount, \$32,000 is from the bond proceeds account in the trunk highway fund.

Sec. 18. BOND SALE SCHEDULE

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June

30, 2009, no more than \$918,620,000 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. 19. 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 \$111,705,000 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 article from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$30,000,000 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 bonds.** To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of finance shall sell and issue trunk highway bonds in an amount up to \$33,420,000 in the manner, on 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 amounts 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 bond proceeds account in the trunk highway fund.

Sec. 20. BOND SALE AUTHORIZATION REDUCTIONS.

The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, is reduced by \$2,000,000.

The bond sale authorization in Laws 2006, chapter 258, section 25, subdivision 1, is reduced by

\$3,432,000.

Sec. 21. Minnesota Statutes 2006, section 85.013, is amended by adding a subdivision to read:

Subd. 11b. Greenleaf Lake State Recreation Area, which is hereby renamed from Greenleaf Lake State Park.

Sec. 22. Minnesota Statutes 2006, section 116R.01, subdivision 6, is amended to read:

Subd. 6. **Project.** "Project" means the facilities or any property described in section 116R.02, subdivision 5 ~~or 6, as applicable.~~

Sec. 23. Minnesota Statutes 2006, section 116R.02, subdivision 1, is amended to read:

Subdivision 1. **Sale authorization.** The commissioner of finance, upon the request of the governor, may issue and sell revenue bonds as provided under sections 116R.01 to ~~116R.16~~ 116R.15 in one or more series or issues for the purposes provided in this section in the aggregate principal amount of up to \$350,000,000, except for refunding bonds. Proceeds of the bonds and investment income on the proceeds are appropriated in the amounts and for the purposes specified in subdivisions ~~2, and 5, and 6~~ and section 116R.04.

Sec. 24. Minnesota Statutes 2006, section 116R.02, subdivision 2, is amended to read:

Subd. 2. **Loan, lease, and revenue agreements.** (a) The commissioner may loan the proceeds of the bonds, make other loans or enter into lease agreements or other revenue agreements for the ~~projects~~ project described in ~~subdivisions 5 and 6~~ subdivision 5. The commissioner may provide for servicing of the loans and agreements, the times they are payable and the amounts of payments, the amount of the loans and agreements, their security, and other terms, conditions, and provisions necessary or convenient in connection with them and may enter into all necessary contracts and security instruments in connection with them. The commissioner shall seek to obtain the best available terms and security for the loans or agreements. The terms and security must be reasonably determined by the commissioner to be adequate and of the kind and degree which would be required by an investment banking or other financial institution. The facilities described in ~~subdivisions 5 and 6~~ subdivision 5 must be pledged as collateral for the loans made and bonds issued under sections 116R.01 to ~~116R.16~~ 116R.15.

(b) To reduce the risk that state general funds will be needed to pay debt service on the state guaranteed bonds, the commissioner must require that the financing arrangements include a coverage test satisfactory to the commissioner so that the sum of the value of the assets and other security pledged to the payment of bonds or the rent due under any lease of the project and taken into account by the commissioner is no less than 125 percent of the difference between the outstanding state guaranteed bonds, and any cash collateral held in a debt service reserve account and pledged to the payment of principal and interest for the state guaranteed bonds and no other bonds. Assets and other security that may be taken into account include (1) net unencumbered value of the project and any collateral or third party guaranty, including a letter of credit, pledged or otherwise furnished by a user of the project or by a benefited airline company as security for the payment of rent, (2) bond proceeds, including earnings thereon, and (3) prepayments of rent, after making such adjustments the commissioner determines to be appropriate to take into account any outstanding bonds secured by a lien on the project or rent that is prior to the lien securing the state guaranteed bonds, but excluding any cash collateral deducted from the outstanding state guaranteed

bonds in applying the coverage test. The commissioner may adopt the method of valuing the assets and other security as the commissioner determines to be appropriate, including valuation of the project at its original cost less depreciation.

Sec. 25. Minnesota Statutes 2006, section 116R.02, subdivision 4, is amended to read:

Subd. 4. **Security.** (a) If so provided in the commissioner's order or any indenture authorizing the applicable series of bonds, up to \$125,000,000 principal amount of bonds for the facility described in subdivision 5, ~~up to \$50,000,000 principal amount of bonds for the facility described in subdivision 6,~~ and any bonds issued to refund these bonds may be secured by either of the following methods:

(1) upon the occurrence of any deficiency in a debt service reserve fund for a series of bonds as provided in section 116R.13, subdivision 3, the commissioner shall issue and sell deficiency bonds in a principal amount not to exceed ~~(i) \$125,000,000 for facilities described in subdivision 5 and (ii) \$50,000,000 for the facilities described in subdivision 6;~~ or

(2) the bonds may be directly secured by a pledge of the full faith, credit, and taxing power of the state and issued as general obligation revenue bonds of the state in accordance with the Minnesota Constitution, article XI, sections 4 to 7. In no event may the security provided by this paragraph extend in whole or part to any series of bonds other than the initial series of bonds so secured and any series of bonds issued to refund these bonds.

Deficiency bonds and bonds issued under clause (2) must be issued in accordance with and subject to sections 16A.641, 16A.66, 16A.672, and 16A.675, except for section 16A.641, subdivision 5, except as otherwise provided in Laws 1991, chapter 350, article 1, and except that the bonds may be sold at public or private sale at a price or prices determined by the commissioner as provided in section 116R.13, subdivision 3.

(b) The commissioner may request St. Louis County to pay or secure payment of principal and interest due on up to \$12,600,000 principal amount of revenue bonds for the facility described in subdivision 5 ~~and principal and interest due on up to \$15,000,000 principal amount of revenue bonds for the facility described in subdivision 6.~~ At the request of the commissioner, St. Louis County shall, by resolution of its county board, unconditionally and irrevocably pledge as a general obligation, its full faith, credit, and taxing power to pay or secure payment of principal and interest due on the principal amount or amounts requested by the commissioner. The general obligation and pledge of St. Louis County are not subject to and shall not be taken into account for purposes of any debt limitation. A levy of taxes for the St. Louis County general obligation is not subject to and shall not be taken into account for purposes of any levy limitations. The general obligation and the bonds secured by the general obligation may be issued without an election. Except for sections 475.61 and 475.64, chapter 475 does not apply to the general obligation or to the bonds secured by the general obligation.

(c) The commissioner may request the city of Duluth to pay or secure payment of principal and interest due on up to \$47,600,000 principal amount of revenue bonds for the facility described in subdivision 5. At the request of the commissioner, the city of Duluth shall pledge specified revenues of the city, as provided in Laws 1991, chapter 350, article 1, section 24, to pay principal and interest due on the principal amount requested by the commissioner.

(d) Bonds and deficiency bonds issued under sections 116R.01 to ~~116R.16~~ 116R.15 and any indenture entered into in connection with the issuance of the bonds are not subject to section 16B.06.

Sec. 26. Minnesota Statutes 2006, section 116R.02, subdivision 5, is amended to read:

Subd. 5. **Use of proceeds; aircraft maintenance facility.** The proceeds of the bonds issued in a principal amount not to exceed \$250,000,000 may be used to finance the costs related to the planning, construction, improvement, or equipping of a heavy maintenance facility for aircraft and facilities subordinate and related to the facility to be located at the Duluth International Airport and any costs of issuance, reserves, credit enhancement, or an initial period of interest payments related to the bonds or the facility. The bond proceeds are appropriated to the commissioner for the purposes specified in this subdivision. ~~The facility may be owned by the Metropolitan Airports Commission and leased for the benefit of one or more airline companies for use as a heavy maintenance base.~~ With the approval of the commissioner, the owner of the facility may place a mortgage or security interest lien on the facility or any interest in or part of the facility. The mortgage is exempt from the mortgage registry tax imposed under chapter 287. In the event of a default under the loan, lease agreement, or other revenue agreement, the facility, or any part of the facility, may be leased or sold to another person for any lawful purpose, subject to the approval of the commissioner. The approval of the commissioner is not required if the bond trustee has taken control of the facility as a result of a default.

The ownership of the facility by the owner may create no liability of the owner for payment of the debt service on the bonds if so determined by the commissioner. The owner may require as a condition of entering into the lease of the facility that the lessee or other party pay all costs, expenses, or any other obligations of ownership of the facility.

No revenues derived from the lease of the project may be used other than for a purpose related to the project, including its operation, administration, maintenance, improvement, or financing.

Sec. 27. Minnesota Statutes 2006, section 116R.03, is amended to read:

116R.03 GENERAL POWERS.

For the purpose of exercising the specific powers authorized under sections 116R.01 to ~~116R.16~~ 116R.15 and effectuating the other purposes of sections 116R.01 to ~~116R.16~~, 116R.15, the commissioner may:

(1) acquire, hold, pledge, assign, lease, or dispose of real or personal property or any interest in property, including a mortgage or security interest in a facility described in section 116R.02, subdivision 5 ~~or 6~~;

(2) enter into agreements, contracts, or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association, or organization, including contracts or agreements for administration and implementation of all or part of sections 116R.01 to ~~116R.16~~ 116R.15;

(3) acquire real property, or an interest therein, by purchase or foreclosure, where the acquisition is necessary or appropriate;

(4) enter into agreements with lenders, borrowers, or the issuers of securities for the purpose of regulating the development and management of any facility financed in whole or in part by the proceeds of bonds or loans;

(5) enter into agreements with other appropriate federal, state, or local governmental units; ~~and~~

(6) contract with, use, or employ any federal, state, regional, or local public or private agency or organization, legal counsel, financial advisors, investment bankers or others, upon terms the commissioner considers necessary or desirable, to assist in the exercise of any of the powers authorized under sections 116R.01 to ~~116R.16~~ 116R.15 and to carry out the objectives of sections 116R.01 to ~~116R.16~~ 116R.15 and may pay for the services from bond proceeds or otherwise available department money; and

(7) in the event of a default under the loan, lease agreement, or other revenue agreement, the facility, or any part of the facility, may be leased or sold to another person for any lawful purpose, subject to the approval of the commissioner. The approval of the commissioner is not required if the bond trustee has taken control of the facility as a result of a default.

Sec. 28. Minnesota Statutes 2006, section 116R.05, subdivision 2, is amended to read:

Subd. 2. **Sources of payment.** Except as otherwise provided for bonds issued under section 116R.02, subdivision 4, paragraph (a), the bonds and interest payable thereon are payable solely from the following sources and are irrevocably appropriated for that purpose, but only to the extent provided in the order or indenture authorizing or securing the bonds:

(1) revenues of any nature derived from the ownership, lease, operation, sale, foreclosure, or refinancing of a project described in section 116R.02, subdivision 5 ~~or 6~~;

(2) repayments of any loans made under sections 116R.01 to ~~116R.16~~ 116R.15;

(3) proceeds of any bonds or deficiency bonds;

(4) amounts in any account or accounts authorized by section 116R.11 or 116R.12;

(5) amounts paid by St. Louis County under its obligations referred to in section 116R.02, subdivision 4, and amounts paid under Laws 1991, chapter 350, article 1, section 24 or 25, for the payment of bonds or interest thereon;

(6) amounts payable under any insurance policy, guaranty, letter of credit, or other instrument securing the bonds;

(7) any other revenues which the commissioner may pledge but excluding state appropriations unless the appropriation was specifically designated for that purpose; and

(8) investment income on any of the sources specified in clauses (1) to (7).

Sec. 29. Minnesota Statutes 2006, section 116R.11, subdivision 1, is amended to read:

Subdivision 1. **Funds.** The commissioner or any trustee appointed by the commissioner under sections 116R.01 to ~~116R.16~~ 116R.15 shall establish and maintain an aircraft facilities fund for ~~each of the projects the project~~ described in section 116R.02, ~~subdivisions 5 and 6~~ subdivision 5. Except for amounts required by the commissioner to be deposited in a debt service account, proceeds of each issue of bonds authorized under section 116R.02, subdivision 1, must be deposited in a separate account, debt service reserve, or other account designated by the commissioner. Money in the account is appropriated to the commissioner. The commissioner or the owner of ~~each the project~~ described in section 116R.02, ~~subdivisions 5 and 6~~ subdivision 5, may withdraw proceeds of bonds for application to the appropriated purposes in the manner provided by order of the commissioner or in any indenture authorized by order of the commissioner. The commissioner may establish whatever

accounts might be necessary to carry out sections 116R.01 to ~~116R.16~~ 116R.15. All deposits into and disbursements from accounts for the purposes and from the sources of revenue authorized by sections 116R.01 to ~~116R.16~~ 116R.15 and provided in an order of the commissioner or an indenture or other agreement authorized by the commissioner are appropriated for that purpose.

Sec. 30. Minnesota Statutes 2006, section 116R.12, is amended by adding a subdivision to read:

Subd. 4. **Approval.** The approval of the commissioner is not required if the bond trustee has taken control of the facility as a result of a default.

Sec. 31. Minnesota Statutes 2006, section 272.01, subdivision 2, is amended to read:

Subd. 2. **Exempt property used by private entity for profit.** (a) When any real or personal property which is exempt from ad valorem taxes, and taxes in lieu thereof, is leased, loaned, or otherwise made available and used by a private individual, association, or corporation in connection with a business conducted for profit, there shall be imposed a tax, for the privilege of so using or possessing such real or personal property, in the same amount and to the same extent as though the lessee or user was the owner of such property.

(b) The tax imposed by this subdivision shall not apply to:

(1) property leased or used as a concession in or relative to the use in whole or part of a public park, market, fairgrounds, port authority, economic development authority established under chapter 469, municipal auditorium, municipal parking facility, municipal museum, or municipal stadium;

(2) property of an airport owned by a city, town, county, or group thereof which is:

(i) leased to or used by any person or entity including a fixed base operator; and

(ii) used as a hangar for the storage or repair of aircraft or to provide aviation goods, services, or facilities to the airport or general public;

the exception from taxation provided in this clause does not apply to:

(i) property located at an airport owned or operated by the Metropolitan Airports Commission or by a city of over 50,000 population according to the most recent federal census or such a city's airport authority; or

(ii) hangars leased by a private individual, association, or corporation in connection with a business conducted for profit other than an aviation-related business; ~~or~~

~~(iii) facilities leased by a private individual, association, or corporation in connection with a business for profit, that consists of a major jet engine repair facility financed, in whole or part, with the proceeds of state bonds and located in a tax-increment financing district;~~

(3) property constituting or used as a public pedestrian ramp or concourse in connection with a public airport;

(4) property constituting or used as a passenger check-in area or ticket sale counter, boarding area, or luggage claim area in connection with a public airport but not the airports owned or operated by the Metropolitan Airports Commission or cities of over 50,000 population or an airport authority therein. Real estate owned by a municipality in connection with the operation of a public airport

and leased or used for agricultural purposes is not exempt;

(5) property leased, loaned, or otherwise made available to a private individual, corporation, or association under a cooperative farming agreement made pursuant to section 97A.135; or

(6) property leased, loaned, or otherwise made available to a private individual, corporation, or association under section 272.68, subdivision 4.

(c) Taxes imposed by this subdivision are payable as in the case of personal property taxes and shall be assessed to the lessees or users of real or personal property in the same manner as taxes assessed to owners of real or personal property, except that such taxes shall not become a lien against the property. When due, the taxes shall constitute a debt due from the lessee or user to the state, township, city, county, and school district for which the taxes were assessed and shall be collected in the same manner as personal property taxes. If property subject to the tax imposed by this subdivision is leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

(d) The tax on real property of the state or any of its political subdivisions that is leased by a private individual, association, or corporation and becomes taxable under this subdivision or other provision of law must be assessed and collected as a personal property assessment. The taxes do not become a lien against the real property.

Sec. 32. Minnesota Statutes 2006, section 290.06, subdivision 24, is amended to read:

Subd. 24. **Credit for job creation.** (a) A corporation that leases and operates a heavy maintenance base for aircraft that is owned by the state of Minnesota or one of its political subdivisions, ~~or an engine repair facility described in section 116R.02, subdivision 6, or both,~~ may take a credit against the tax due under this chapter.

(b) For the first taxable year when the facility has been in operation for at least three consecutive months, the credit is equal to \$5,000 multiplied by the number of persons employed by the corporation on a full-time basis at the facility on the last day of the taxable year, not to exceed the number of persons employed by the corporation on a full-time basis at the facility on the date 90 days before the last day of the taxable year. For each of the succeeding four taxable years, the credit is equal to \$5,000 multiplied by the number of persons employed by the corporation on a full-time basis at the facility on the last day of the taxable year, not to exceed the number of persons employed by the corporation on a full-time basis at the facility on the date 90 days before the last day of the taxable year.

(c) For the first taxable year in which the credit is allowed for the facility, the credit must not exceed 80 percent of the wages paid to or incurred for persons employed by the taxpayer at the facility during the taxable year. For the succeeding four taxable years, the credit must not exceed 20 percent of the wages paid to or incurred for persons employed by the taxpayer at the facility during the taxable year. For purposes of this section, "wages" has the meaning given under section 3121(b) of the Internal Revenue Code, except the limitation to the contribution and benefit base does not apply.

(d) If the credit provided under this subdivision exceeds the tax liability of the corporation for the taxable year, the excess amount of the credit may be carried over to each of the 20 taxable years succeeding the taxable year. The entire amount of the credit must be carried to the earliest taxable

year to which the amount may be carried. The unused portion of the credit must be carried to the following taxable year. No credit may be carried to a taxable year more than 20 years after the taxable year in which the credit was earned.

(e) If an unused portion of the credit remains at the end of the carryover period under paragraph (d), the commissioner shall refund the unused portion to the taxpayer. The provisions of this paragraph do not apply if the corporation that earned the credit under this subdivision or a successor in interest to the corporation filed for bankruptcy protection.

Sec. 33. Minnesota Statutes 2006, section 297A.71, subdivision 10, is amended to read:

Subd. 10. **Aircraft heavy maintenance facility.** Materials, equipment, and supplies used or consumed in constructing a heavy maintenance facility for aircraft that is to be owned by the state of Minnesota or one of its political subdivisions and leased by an airline company, ~~or an aircraft engine repair facility described in section 116R.02, subdivision 6,~~ are is exempt. Except for equipment owned or leased by a contractor, all machinery, equipment, and tools necessary to the construction and equipping of that facility in order to provide those services are also exempt.

Sec. 34. Minnesota Statutes 2006, section 360.013, subdivision 39, is amended to read:

Subd. 39. **Airport.** "Airport" means any area of land or water, except a restricted landing area, which is designed for the landing and takeoff of aircraft, whether or not facilities are provided for the shelter, surfacing, or repair of aircraft, or for receiving or discharging passengers or cargo, and all appurtenant areas used or suitable for airport buildings or other airport facilities, ~~including facilities described in section 116R.02, subdivision 6,~~ and all appurtenant rights-of-way, whether heretofore or hereafter established. The operation and maintenance of airports is an essential public service.

Sec. 35. Minnesota Statutes 2006, section 360.032, subdivision 1, is amended to read:

Subdivision 1. **Acquisition.** Every municipality is hereby authorized, through its governing body, to acquire property, real or personal, for the purpose of establishing, constructing, and enlarging airports and other air navigation facilities and to acquire, establish, construct, enlarge, improve, maintain, equip, operate, and regulate such airports and other air navigation facilities and structures and other property incidental to their operation, either within or without the territorial limits of such municipality and within or without this state; to make, prior to any such acquisition, investigations, surveys, and plans; to construct, install, and maintain airport facilities for the servicing ~~and repair of aircraft and facilities authorized under section 116R.02, subdivision 6,~~ and for the comfort and accommodation of air travelers; and to purchase and sell equipment and supplies as an incident to the operation of its airport properties. It may not acquire, or take over any airport or other air navigation facility owned or controlled by any other municipality of the state without the consent of such municipality. It may use for airport purposes any available property that is now or may at any time hereafter be owned or controlled by it. Such air navigation facilities as are established on airports shall be supplementary to and coordinated in design and operation with those established and operated by the federal and state governments. It may assist other municipalities in the construction of approach roads leading to any airport or restricted landing area owned or controlled by it. ~~In financing the facilities authorized under section 116R.02, subdivision 6, it may borrow from the state or otherwise arrange for financing of the facilities and for that purpose may exercise any powers vested in a municipality under sections 469.152 to 469.165.~~

Sec. 36. Minnesota Statutes 2006, section 360.038, subdivision 4, is amended to read:

Subd. 4. **Leased property.** To lease for a term not exceeding 30 years such airports, ~~or other air navigation facilities or facilities authorized under section 116R.02, subdivision 6,~~ or real property acquired or set apart for airport purposes, to private parties, any municipal or state government or the national government, or any department of either thereof, for operation; to lease or assign for a term not exceeding 99 years to private parties, any municipal or state government, or the national government, or any department of either thereof, for operation or use consistent with the purposes of sections 360.011 to 360.076, space, area, improvements, or equipment on such airports; notwithstanding any other provisions in this subdivision, to lease ground area for a term not exceeding 99 years to private persons for the construction of structures which in its opinion are essential and necessary to serve aircraft, persons, and things engaged in or incidental to aeronautics, including but not limited to shops, hangars, offices, restaurants, hotels, motels, factories, storage space, and any and all other structures necessary or essential to and consistent with the purposes of sections 360.011 to 360.076, to sell any part of such airports, other air navigation facilities, or real property to any municipal or state government, or to the United States or any department or instrumentality thereof, for aeronautical purposes incidental thereto, and to confer the privileges of concessions of supplying upon its airports goods, commodities, things, services, and facilities; provided that in each case in so doing the public is not deprived of its rightful, equal, and uniform use thereof.

Sec. 37. Laws 2005, chapter 20, article 1, section 7, subdivision 2, is amended to read:

Subd. 2. Flood Hazard Mitigation Grants

27,000,000

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.

The commissioner shall determine project priorities as appropriate based on need.

This appropriation includes money for the following projects: Ada, Austin, Breckenridge, Browns Valley, Canisteo Mine, Cannon Falls, Crookston, Dawson, East Grand Forks, Grand Marais Creek, Granite Falls, Green Meadow Dam, Inver Grove Heights, Little McDonald Lake, Malung, Manston Slough, Minneapolis, Montevideo, Oakport, Palmville, Roseau River, St. Louis Park, Two River Ross Impoundment, Warren, and Whiskey Creek.

\$2,000,000 is for Austin for identified capital improvement projects, and any other authorized federal or state flood mitigation projects in the area designated under Presidential Declaration of Major

Disaster, DR-1569, whether included in the original declaration or added later by federal government action. The area currently included in DR-1569 includes territory within the counties of Dodge, Faribault, Freeborn, Martin, Mower, Olmsted, and Steele.

\$175,000 is for the state share of a grant to the city of Cannon Falls for predesign and design of capital improvements to alleviate flooding caused by runoff from the bluffs and the flooding of the Little Cannon River and the Cannon River.

For any project listed in this subdivision that is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Austin, Breckenridge, Browns Valley, Dawson, East Grand Forks, Granite Falls, Montevideo, Oakport Township, Roseau, or Warren exceeds 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.

There is no local share required for the Canisteo Mine project.

For grants for Roseau River wildlife management area, Palmville, and Malung, the state share must be \$3 for each \$1 of nonstate contribution.

Notwithstanding the grant expiration date of June 30, 2002, the commissioner of natural resources shall extend until June 30, 2007, the expiration date of a grant made to the city of Stillwater under Minnesota Statutes, section 103F.161, used to match certain federal appropriations for flood hazard mitigation.

Sec. 38. Laws 2005, chapter 20, article 1, section 7, subdivision 21, is amended to read:

Subd. 21. State Park and Recreation Area Acquisition

2,500,000

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.

\$500,000 is to purchase land within the boundaries of Greenleaf Lake state ~~park~~ recreation area in Meeker county.

Sec. 39. Laws 2005, chapter 20, article 1, section 17, is amended to read:

Sec. 17. PUBLIC SAFETY

642,000

To the commissioner of public safety for a grant to the Economic Development Authority in and for 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.

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

Sec. 40. Laws 2005, chapter 20, article 1, section 20, subdivision 3, is amended to read:

Subd. 3. Systemwide Redevelopment, Reuse, or Demolition

17,600,000

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

(a) Up to \$8,600,000 may be used to predesign, design, construct, furnish, and equip renovation of existing space or construction of new space for skilled nursing home capacity for forensic treatment programs operated by state-operated services on the campus of St. Peter Regional Treatment Center.

(b) \$4,000,000 may be used to prepare and develop a site, including demolition of buildings and infrastructure, to implement the redevelopment and reuse of the

Ah-Gwah-Ching Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision. Notwithstanding Minnesota Statutes, section 16A.642, this appropriation and its corresponding bond authorization do not cancel until June 30, 2010.

(c) \$1,000,000 may be used to renovate one or more buildings for chemical dependency treatment specializing in methamphetamine addiction, and demolish buildings, on the Willmar Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

(d) Up to \$2,210,000 may be spent by the commissioner of finance to retire municipal bonds issued by the city of Fergus Falls and to retire interfund loans incurred by the city of Fergus Falls in connection with the waste incinerator and steam heating facility at the Fergus Falls Regional Treatment Center.

(e) Up to \$400,000 may be used for a grant to the city of Fergus Falls to demolish the city's waste-to-energy incineration plant located on the grounds of the Fergus Falls Regional Treatment Center.

(f) The provisions, terms, and conditions of any grant made by the director of the Office of Environmental Assistance under Minnesota Statutes, chapter 115A, to the city of Fergus Falls for the waste incinerator steam heating facility that supports the Fergus Falls Regional Treatment Center and that may come into effect as a result of the incinerator and facility being closed, are hereby waived.

Sec. 41. Laws 2005, chapter 20, article 1, section 21, subdivision 2, is amended to read:

Subd. 2. **Asset Preservation**

4,000,000

For asset preservation improvements and betterments of a capital nature at veterans homes statewide to be spent in accordance with Minnesota Statutes, section 16A.632.

Up to \$2,200,000 of federal money received by the Minnesota Veterans Homes Board of Directors as reimbursement for state capital expenditures at the veterans homes must be credited to the general fund and is appropriated to the commissioner of administration for asset preservation repairs and betterments at the homes in accordance with Minnesota Statutes, section 16A.632.

Sec. 42. Laws 2005, chapter 20, article 1, section 23, subdivision 8, is amended to read:

Subd. 8. **Lewis and Clark Rural Water System, Inc.**

2,000,000

This appropriation is from the general fund to the Public Facilities Authority for grants to the city of Luverne, city of Worthington Public Utilities, Lincoln Pipestone rural water system, and Rock County rural water system Lewis and Clark Joint Powers Board to acquire land, predesign, design, construct, furnish, and equip one or more water transmission and storage facilities to accommodate the connection with of the Lewis and Clark Rural Water System, Inc. that will serve southwestern Minnesota.

The grants Payment to the Lewis and Clark Rural Water System, Inc., must be awarded to projects approved by the Lewis and Clark Joint Powers Board.

This appropriation is available only to the extent that each \$1 of state money is matched by at least \$1 of local money paid to the Lewis and Clark Rural Water System, Inc. for each \$1 of state money to be used to reimburse costs incurred on eligible projects.

This appropriation is the first phase of the state share for the Lewis and Clark Rural Water System, Inc. project as defined in the federal Lewis and Clark Rural Water System Act of 2000.

Sec. 43. Laws 2005, chapter 20, article 1, section 23, subdivision 16, is amended to read:

Subd. 16. **Minneapolis**

(a) Minnesota Planetarium 22,000,000

For a grant to ~~the city of Minneapolis~~ Hennepin County to complete design and to construct, furnish, and equip a new Minnesota planetarium and space discovery center in conjunction with the Minneapolis downtown library.

(b) Heritage Park

Any unspent balance remaining on December 31, 2004, in the appropriation made by Laws 2000, chapter 492, article 1, section 22, subdivision 10, for a grant to the city of Minneapolis, may be used by the city for improvements to the Heritage Park project.

(c) Minnesota Shubert Center 1,000,000

For a grant to the city of Minneapolis to predesign and design and provide for related capital costs for an associated atrium to create the Minnesota Shubert Center.

EFFECTIVE DATE. This section is effective on the same date as H.F. 1973/S.F. 1812, if enacted in the 2007 legislative session.

Sec. 44. Laws 2005, chapter 156, article 2, section 46, is amended to read:

Sec. 46. **FORD BUILDING.**

The Ford Building at 117 University Avenue in St. Paul may not be demolished ~~during the biennium ending before June 30, 2007~~ 2008. By January 15, 2006, the commissioner of administration, in consultation with interested legislators, private sector real estate professionals, historic preservation specialists, and representatives of the city of St. Paul, neighboring property, and St. Paul neighborhood associations, must report to the legislature with recommendations regarding potential means of preserving and using the Ford Building. The report must include:

- (1) availability of potential lessees for the building;
- (2) constraints on leasing the building, including the requirement to pay off any state general obligation bonds previously used in maintaining or rehabilitating the building; and
- (3) the cost of restoring and rehabilitating the building, and the feasibility of various means of paying these costs, including potential use of revenue bonds.

Sec. 45. Laws 2006, chapter 258, section 4, subdivision 4, is amended to read:

Subd. 4. **MacPhail Music Center**

5,000,000

(a) For a grant to the city of Minneapolis to predesign, design, construct, furnish, and equip a new facility for the MacPhail Center for Music. The city of Minneapolis may enter into a lease or management agreement to operate the center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that not less than \$15,000,000 has been committed to the MacPhail Center for Music from nonstate sources, and that the available money is sufficient to complete a functional facility. Money secured before the effective date of this section may count toward the required commitment of nonstate sources, provided it is used for qualified capital expenditures. Any land acquisition costs paid by MacPhail Center for Music qualify as capital expenditures.

(b) The city of Minneapolis may provide money to predesign, design, construct, furnish, and equip a center for music education, including classrooms and a recital hall in the city of Minneapolis, to provide a facility for education of students, music therapy programs for persons with disabilities, music teacher training opportunities, curriculum and program development, and to provide the programming in public and private schools and in partnership with other organizations throughout the state.

(c) The required demonstration of a commitment of funds from nonstate sources has been met by cash, prepaid qualified expenses, and private multiyear pledges that have been converted into cash through bond financing and a letter of credit secured by a mortgage lien on the state bond financed property. The \$5,000,000 construction grant shall be disbursed without requirement that the mortgage lien be released.

(d) The commissioners of education and finance shall agree to a provision in the ground lease that permits the city of Minneapolis to purchase for fair market value, as that term is defined in Minnesota Statutes, section 16A.695, subdivision 1, paragraph (d), the interest of the operating lease lessee in the state bond financed property (based on investment in land and capital improvements) in the event of nonrenewal of the operating lease at the time of nonrenewal without requirement of a prior escrow for funds by the city of Minneapolis.

EFFECTIVE DATE. This section is effective retroactively from June 2, 2006.

Sec. 46. Laws 2006, chapter 258, section 7, subdivision 3, is amended to read:

Subd. 3. Flood Hazard Mitigation Grants

25,000,000

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.

The commissioner shall determine project priorities as appropriate, based on need.

This appropriation includes money for the following projects:

- (a) Austin
- (b) Albert Lea
- (c) Browns Valley
- (d) Crookston
- ~~(d)~~ (e) Canisteo Mine
- ~~(e)~~ (f) Delano
- ~~(f)~~ (g) East Grand Forks
- ~~(g)~~ (h) Golden Valley
- ~~(h)~~ (i) Grand Marais Creek
- ~~(i)~~ (j) Granite Falls
- ~~(j)~~ (k) Inver Grove Heights

~~(k)~~ (l) Manston Slough

~~(l)~~ (m) Oakport Township

~~(m)~~ (n) Riverton Township

~~(n)~~ (o) Roseau

(p) Shell Rock Watershed District

~~(o)~~ (q) St. Vincent

~~(p)~~ (r) Wild Rice River Watershed District

For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Breckenridge, Browns Valley, Crookston, Dawson, East Grand Forks, Granite Falls, Montevideo, Oakport Township, Roseau, St. Vincent, or Warren exceeds 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. The local share for the St. Vincent dike may not exceed \$30,000.

Sec. 47. Laws 2006, chapter 258, section 7, subdivision 7, is amended to read:

Subd. 7. Lake Superior safe harbors

3,000,000

To design and construct capital improvements to public accesses and small craft harbors on Lake Superior in accordance with Minnesota Statutes, sections 86A.20 to 86A.24, and in cooperation with the United States Army Corps of Engineers.

This appropriation may be used to develop the harbor of refuge and marina at Two Harbors and is added to the appropriations in Laws 1998, chapter 404, section 7, subdivision 24; and Laws 2000, chapter 492, article 1, section 7, subdivision 21, as amended by Laws 2005, chapter 20, article

1, section 42. Notwithstanding those laws, the commissioner may proceed with the Two Harbors project by providing up to \$625,000 to complete the design specifications and environmental work currently underway and proceed with the remaining money for the project upon securing an agreement with the U.S. Army Corps of Engineers that commits federal expenditures of at least \$4,000,000 to the project.

Sec. 48. Laws 2006, chapter 258, section 7, subdivision 11, is amended to read:

Subd. 11. Water control structures

1,000,000

To rehabilitate or replace water control structures used to manage shallow lakes and wetlands for waterfowl habitat on wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8, or for the purposes of public water reserves under Minnesota Statutes, section 97A.101.

Sec. 49. Laws 2006, chapter 258, section 7, subdivision 22, is amended to read:

Subd. 22. Regional trails

1,133,000

For matching grants under Minnesota Statutes, section 85.019, subdivision 4b.

\$648,000 is for the Agassiz Recreational ATV Trail. Snowmobile trail grant money received under Minnesota Statutes, section 84.83, subdivision 3, and all-terrain vehicle trail grant money received under Minnesota Statutes, section 84.927, subdivision 2, may be counted as part of the county's required 50 percent nonstate match.

\$485,000 is for a grant to the Central Minnesota Regional Parks and Trails Coordination Board to design, engineer, and construct 6.3 miles of trail and two parking areas along the Mississippi River in Sherburne County, to be known as Xcel Energy Great River Woodland Trail.

Sec. 50. Laws 2006, chapter 258, section 16, subdivision 4, is amended to read:

Subd. 4. Northstar Commuter Rail

60,000,000

(a) To acquire land, or an interest in land, and to design, construct, furnish, and equip the Northstar commuter rail line serving Big Lake to downtown Minneapolis and to acquire land, or an interest in land, and to design, construct, furnish, and equip the extension of the Hiawatha light rail transit line from its terminus in downtown Minneapolis to a new terminus near Fifth Avenue North adjacent to the proposed downtown Minneapolis commuter rail station.

(b) This appropriation is added to the appropriation in Laws 2005, chapter 20, article 1, section 18, subdivision 5.

(c) This appropriation is not available until a full-funding grant agreement has been executed with, or a letter of no prejudice for a specific component of the project or pre-award authority has been issued by, the Federal Transit Administration.

(d) If the Northstar commuter rail line is extended from Big Lake to the St. Cloud area, regional rail authority members of the Northstar Corridor Development Authority who did not fund a portion of the share of capital costs from Minneapolis to Big Lake shall contribute an amount for the extension equal to the amount they would have contributed for their proportional share of the entire line from Minneapolis to the St. Cloud area.

Sec. 51. Laws 2006, chapter 258, section 21, subdivision 6, is amended to read:

Subd. 6. Redevelopment Account

9,000,000

For purposes of the redevelopment account under Minnesota Statutes, section 116J.571.

\$800,000 is for a grant to the city of Worthington to remediate contaminated soil and redevelop the site of the former Campbell Soup factory. This grant is exempt from the requirements of Minnesota Statutes, sections

116J.572 to 116J.575.

\$250,000 is for a grant to the city of Winona to predesign facilities for the Shakespeare Festival as part of the riverfront redevelopment plan. This grant is exempt from the requirements of Minnesota Statutes, sections 116J.572 to 116J.575.

Sec. 52. Laws 2006, chapter 258, section 21, subdivision 15, is amended to read:

Subd. 15. Lewis and Clark Rural Water System, Inc.

3,282,000

This appropriation is from the general fund to the Public Facilities Authority for grants to the city of Luverne, city of Worthington Public Utilities, Lincoln Pipestone rural water system, and Rock County rural water system Lewis and Clark Joint Powers Board to acquire land, predesign, design, construct, furnish, and equip one or more water transmission and storage facilities to accommodate the connection with of the Lewis and Clark Rural Water System, Inc. that will serve southwestern Minnesota.

The grants Payment to the Lewis and Clark Rural Water System, Inc. must be awarded to projects approved by the Lewis and Clark Joint Powers Board.

This appropriation is available to the extent that each \$1 of state money is matched by at least \$1 of local money paid to the Lewis and Clark Rural Water System, Inc. to reimburse the system for costs incurred on eligible projects.

Sec. 53. Laws 2006, chapter 258, section 23, subdivision 3, is amended to read:

Subd. 3. Historic Fort Snelling Museum and Visitor Center

1,100,000

To design the restoration and renovation of the 1904 Cavalry Barracks Building for the historic Fort Snelling Museum and Visitor Center and other site improvements to revitalize historic Fort Snelling.

Sec. 54. REPORT ON EAST PHILLIPS CULTURAL AND COMMUNITY CENTER.

The Metropolitan Council shall report by January 1, 2008, to the legislative committees with jurisdiction over capital investment on the terms of the grant agreement and progress on design and construction of the East Phillips Cultural and Community Center by the Minneapolis Park and Recreation Board with the appropriation in Laws 2006, chapter 258, section 17, subdivision 8.

Sec. 55. PUBLIC FACILITIES AUTHORITY FUNDING.

To the greatest practical extent, projects on the Public Facilities Authority's 2007 intended use plan, the listings for which were based on the Pollution Control Agency's 2006 project priority list, shall be carried over to the 2008 intended use plan. Projects that qualified for funding from the Public Facilities Authority under Laws 2006, chapter 258, section 21, that could not be certified by the Pollution Control Agency by the applicable deadline shall have until May 1, 2008, or six months after the Minnesota Supreme Court issues an opinion in the cities of Maple Lake and Annandale matter, whichever is later, to obtain the required certification from the Pollution Control Agency.

Sec. 56. GREENLEAF LAKE STATE RECREATION AREA.

Subdivision 1. [85.013] [Subd. 11b.] Greenleaf Lake State Recreation Area. In addition to the lands designated under Laws 2003, First Special Session chapter 13, section 6, as amended by Laws 2004, chapter 262, article 2, section 10, the following lands are added to the Greenleaf Lake State Recreation Area:

(1) the West 1104.98 feet of Government Lot 4, Section 21, Township 118 North, Range 30 West, Meeker County, Minnesota; and

(2) that part of Government Lot 7 of Section 20, Township 118, Range 30, which lies south of the following described line and its extensions: said line commencing at the southwest corner of said Section 20; thence on an assumed bearing of North 08 degrees 22 minutes 44 seconds West, along the west line of said section, a distance of 1350.00 feet to the point of beginning of the line to be described; thence North 88 degrees 28 minutes 35 seconds East, a distance of 699 feet to the shoreline of Greenleaf Lake and said line terminating thereat; and Government Lot 8 of said section except the following described tract: said tract being that part of said Government Lot 8 lying east of the following described line: said line commencing at the southwest corner of said section; thence easterly, along the south line of said section, a distance of 734.60 feet to the point of beginning of the line to be described; thence north at a right angle, a distance of 100 feet and said line terminating thereat.

Subd. 2. **Management plan.** The commissioner of natural resources, in consultation with local elected officials and citizens of Meeker County and other interested stakeholders, shall develop a comprehensive management plan that provides for opportunities for outdoor recreation, as defined under Minnesota Statutes, section 86A.03, subdivision 3, in Greenleaf Lake State Recreation Area. The completed management plan shall serve as the master plan for purposes of Minnesota Statutes, section 86A.09.

Sec. 57. REVISOR'S INSTRUCTION.

The revisor of statutes shall change "116R.01 to 116R.16" to "116R.01 to 116R.15" wherever it appears in Minnesota Statutes.

Sec. 58. **REPEALER.**

(a) Minnesota Statutes 2006, sections 85.012, subdivision 24b; 116R.02, subdivisions 3, 6, 7, and 9; and 116R.16, are repealed.

(b) Laws 2006, chapter 258, section 14, subdivision 6, is repealed.

Sec. 59. **EFFECTIVE DATE.**

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

Delete the title and insert:

"A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; authorizing the sale of state bonds; canceling and modifying previous appropriations; appropriating money; amending Minnesota Statutes 2006, sections 85.013, by adding a subdivision; 116R.01, subdivision 6; 116R.02, subdivisions 1, 2, 4, 5; 116R.03; 116R.05, subdivision 2; 116R.11, subdivision 1; 116R.12, by adding a subdivision; 272.01, subdivision 2; 290.06, subdivision 24; 297A.71, subdivision 10; 360.013, subdivision 39; 360.032, subdivision 1; 360.038, subdivision 4; Laws 2005, chapter 20, article 1, sections 7, subdivisions 2, 21; 17; 20, subdivision 3; 21, subdivision 2; 23, subdivisions 8, 16; Laws 2005, chapter 156, article 2, section 46; Laws 2006, chapter 258, sections 4, subdivision 4; 7, subdivisions 3, 7, 11, 22; 16, subdivision 4; 21, subdivisions 6, 15; 23, subdivision 3; repealing Minnesota Statutes 2006, sections 85.012, subdivision 24b; 116R.02, subdivisions 3, 6, 7, 9; 116R.16; Laws 2006, chapter 258, section 14, subdivision 6."

We request the adoption of this report and repassage of the bill.

House Conferees: (Signed) Alice Hausman, Mary Murphy, Lyndon R. Carlson, Gene Pelowski, Jr.

Senate Conferees: (Signed) Keith Langseth, Richard J. Cohen, James P. Metzen

Senator Langseth moved that the foregoing recommendations and Conference Committee Report on H.F. No. 886 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 886 was read the third time, as amended by the Conference Committee, and placed on its repassage.

RECESS

Senator Pogemiller moved that the Senate do now recess until 4:10 p.m. The motion prevailed.

The hour of 4:10 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Senator Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the repassage of H.F. No. 886, as amended by the Conference Committee.

The roll was called, and there were yeas 45 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Day	Larson	Olson, M.	Sheran
Bakk	Dibble	Latz	Pappas	Sieben
Berglin	Doll	Lourey	Pogemiller	Skoe
Betzold	Erickson Ropes	Lynch	Prettner Solon	Skogen
Bonoff	Foley	Marty	Rest	Sparks
Carlson	Higgins	Metzen	Rummel	Tomassoni
Chaudhary	Koering	Moua	Saltzman	Torres Ray
Clark	Kubly	Murphy	Saxhaug	Vickerman
Cohen	Langseth	Olseen	Scheid	Wiger

Those who voted in the negative were:

Fischbach	Ingebrigtsen	Michel	Pariseau	Vandever
Gerlach	Jungbauer	Neuville	Robling	Wergin
Gimse	Koch	Olson, G.	Rosen	
Hann	Limmer	Ortman	Senjem	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MEMBERS EXCUSED

Senator Stumpf was excused from the Session of today. Senators Anderson, Clark and Doll were excused from the Session of today from 1:00 to 1:20 p.m. Senator Rest was excused from the Session of today from 1:00 to 1:25 p.m. Senator Sieben was excused from the Session of today from 1:00 to 1:30 p.m. Senator Dille was excused from the Session of today from 1:00 to 1:40 p.m. and at 4:00 p.m. Senator Latz was excused from the Session of today from 1:00 to 2:10 p.m. Senator Erickson Ropes was excused from the Session of today from 1:25 to 1:30 p.m. Senator Johnson was excused from the Session of today at 2:30 p.m.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Tuesday, May 1, 2007. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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