

A bill for an act

relating to the financing of state government; making supplemental appropriations and reductions in appropriations for higher education, environment and natural resources, energy, agriculture, veterans affairs, economic development, transportation, public safety, judiciary, and state government; modifying certain statutory provisions and laws; providing for certain programs; fixing and limiting fees; authorizing rulemaking; requiring reports; modifying the payment of aids to local units of government and certain property tax provisions; appropriating money; amending Minnesota Statutes 2008, sections 15.06, subdivision 8; 16B.03; 43A.08, subdivision 1; 45.013; 80A.46; 80A.65, subdivision 1; 84.01, subdivision 3; 116.03, subdivision 1; 116J.01, subdivision 5; 116J.035, subdivision 4; 136A.1701, subdivisions 4, 7; 136A.29, subdivision 9; 136A.69, subdivisions 1, 3, 4; 141.255; 161.04, by adding a subdivision; 174.02, subdivision 2; 241.01, subdivision 2; 273.1384, by adding a subdivision; 297I.06, subdivision 3; 477A.013, subdivision 9; 477A.03, subdivisions 2a, 2b; Minnesota Statutes 2009 Supplement, sections 16A.152, subdivision 2; 45.30, subdivision 6; 136F.98, subdivision 1; 273.111, subdivision 9; 275.70, subdivision 5; 477A.011, subdivision 36; Laws 2008, chapter 366, article 2, section 12; Laws 2009, chapter 78, article 1, section 3, subdivision 2; Laws 2009, chapter 83, article 1, sections 10, subdivision 4; 11; Laws 2009, chapter 95, article 1, sections 3, subdivisions 6, 12, 21; 4, subdivision 4, as amended; 5, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 16A; 477A; repealing Minnesota Statutes 2008, sections 43A.08, subdivision 1b; 103G.705, subdivision 2; 136A.1701, subdivision 5; 136A.69, subdivision 2; 141.255, subdivision 3; 477A.03, subdivision 5.

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

**ARTICLE 1**

**SUMMARY**

**General Fund Only, After Forecast Adjustments**

Section 1. **GENERAL FUND SUMMARY.**

The amounts shown in this section summarize general fund direct appropriations, cancellations, and transfers into the general fund from other funds, made in this act.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.1			
2.2	Higher Education            \$	1,297,000 \$	(49,297,000) \$
2.3			<u>(48,000,000)</u>
2.4	<u>Environment and Natural</u>		
2.5	<u>Resources</u>	(3,104,000)	(8,207,000)
2.6	<u>Energy</u>	(50,000)	-0-
2.7	<u>Agriculture</u>	(3,860,000)	(4,240,000)
2.8	<u>Veterans Affairs</u>	-0-	100,000
2.9	<u>Economic Development</u>	(5,751,000)	(5,565,000)
2.10	<u>Transportation</u>	-0-	(9,500,000)
2.11	<u>Public Safety</u>	(6,178,000)	(11,004,000)
2.12	<u>Judiciary</u>	(4,950,000)	(10,050,000)
2.13	<u>State Government</u>	(3,595,000)	(693,000)
2.14	<u>State Agency Positions</u>		
2.15	<u>Abolished</u>	-0-	(4,850,000)
2.16	<b><u>Subtotal of Appropriations</u></b>	<b><u>(26,191,000)</u></b>	<b><u>(103,306,000)</u></b>
2.17	<u>Cancellations</u>	(3,027,000)	-0-
2.18	<u>Transfers In</u>	15,023,000	5,652,000
2.19	<b><u>Total</u></b>	<b><u>(44,241,000) \$</u></b>	<b><u>(108,958,000) \$</u></b>
2.20			<b><u>(129,497,000)</u></b>

**ARTICLE 2**

**HIGHER EDUCATION**

Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.24			
2.25	<u>General</u> \$	1,297,000 \$	(49,297,000) \$
2.26			<u>(48,000,000)</u>

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.28			
2.29	<u>Minnesota Office of Higher</u>		
2.30	<u>Education</u> \$	1,297,000 \$	(2,710,000) \$
2.31			<u>(1,413,000)</u>
2.32	<u>Board of Trustees of the</u>		
2.33	<u>Minnesota State Colleges and</u>		
2.34	<u>Universities</u>	-0-	(10,467,000)
2.35	<u>Board of Regents of the</u>		
2.36	<u>University of Minnesota</u>	-0-	(36,120,000)
2.37	<b><u>Total</u></b>	<b><u>1,297,000 \$</u></b>	<b><u>(49,297,000) \$</u></b>
			<b><u>(48,000,000)</u></b>

Sec. 2. **APPROPRIATIONS.**

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

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

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

3.15 <b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>1,297,000</u></b>	<b>\$</b>	<b><u>(2,710,000)</u></b>
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3.16 The appropriation additions or reductions  
 3.17 for each purpose are shown in the following  
 3.18 subdivisions.

3.19 <b><u>Subd. 2. State Work-Study</u></b>	<b><u>-0-</u></b>	<b><u>(2,303,000)</u></b>
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3.20 <b><u>Subd. 3. Technical and Community College</u></b> 3.21 <b><u>Emergency Grants</u></b>	<b><u>-0-</u></b>	<b><u>(150,000)</u></b>
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3.22 <b><u>Subd. 4. United Family Medicine Residency</u></b>	<b><u>(13,000)</u></b>	<b><u>(28,000)</u></b>
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3.23 <b><u>Subd. 5. Interstate Tuition Reciprocity</u></b>	<b><u>1,487,000</u></b>	<b><u>264,000</u></b>
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3.24 <b><u>Subd. 6. Minnesota College Savings Plan</u></b>	<b><u>(22,000)</u></b>	<b><u>(50,000)</u></b>
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3.25 <b><u>Subd. 7. MnLink Gateway and Minitex</u></b>	<b><u>(95,000)</u></b>	<b><u>(362,000)</u></b>
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3.26 <b><u>Subd. 8. Agency Administration</u></b>	<b><u>(60,000)</u></b>	<b><u>(81,000)</u></b>
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3.27 **Sec. 4. BOARD OF TRUSTEES OF THE**  
 3.28 **MINNESOTA STATE COLLEGES AND**  
 3.29 **UNIVERSITIES**

3.30 <b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>-0-</u></b>	<b>\$</b>	<b><u>(10,467,000)</u></b>
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3.31 The appropriation additions or reductions  
 3.32 for each purpose are shown in the following  
 3.33 subdivisions.

4.1 The intent of the appropriation and  
 4.2 appropriation reduction in subdivisions 2  
 4.3 and 3 is to eliminate the separate line item  
 4.4 for central office and shared services unit.

4.5 The board of trustees shall allocate the  
 4.6 appropriation and reduction in appropriation  
 4.7 in subdivisions 2 and 3 between operations  
 4.8 and maintenance and the central office and  
 4.9 shared services unit.

4.10 Subd. 2. **Central Office and Shared Services**  
 4.11 **Unit** -0- (43,749,000)

4.12 Subd. 3. **Operations and Maintenance** -0- 33,282,000

4.13 Subd. 4. **Cook County Higher Education**

4.14 \$40,000 in fiscal year 2010 and \$40,000 in  
 4.15 fiscal year 2011 appropriated by Laws 2009,  
 4.16 chapter 95, article 1, section 4, to the board  
 4.17 of trustees for operations and maintenance  
 4.18 are for Cook County higher education. This  
 4.19 subdivision is effective the day following  
 4.20 final enactment.

4.21 Sec. 5. **BOARD OF REGENTS OF THE**  
 4.22 **UNIVERSITY OF MINNESOTA** \$ -0- \$ (36,120,000)

4.23 This reduction is from operations and  
 4.24 maintenance.

4.25 The appropriation in Laws 2009, chapter 95,  
 4.26 article 1, section 5, subdivision 2, paragraph  
 4.27 (g), is \$400,000 in fiscal year 2010 for a  
 4.28 onetime grant to the Minnesota Wildlife  
 4.29 Rehabilitation Center for expenses incurred  
 4.30 in the construction of a new facility.

4.31 Of the appropriation in Laws 2009, chapter  
 4.32 95, article 1, section 5, subdivision 5,  
 4.33 paragraph (b), for Health Sciences, \$645,000  
 4.34 each year is for graduate family medicine

5.1 education programs at Hennepin County  
5.2 Medical Center.

5.3 Sec. 6. Minnesota Statutes 2008, section 136A.1701, subdivision 4, is amended to read:

5.4 Subd. 4. **Terms and conditions of loans.** (a) The office may loan money upon such  
5.5 terms and conditions as the office may prescribe. ~~The~~ Under the SELF IV program, the  
5.6 principal amount of a loan to an undergraduate student for a single academic year shall  
5.7 not exceed \$6,000 for ~~grade levels 1 and 2 effective July 1, 2006, through June 30, 2007.~~  
5.8 ~~Effective July 1, 2007, the principal amount of a loan for grade levels 1 and 2 shall not~~  
5.9 ~~exceed \$7,500. The principal amount of a loan for grade levels 3, 4, and 5 shall not exceed~~  
5.10 ~~\$7,500 effective July 1, 2006~~ \$7,500 per grade level. The aggregate principal amount of  
5.11 all loans made ~~under this section~~ subject to this paragraph to an undergraduate student  
5.12 shall not exceed ~~\$34,500 through June 30, 2007, and \$37,500 after June 30, 2007.~~ The  
5.13 principal amount of a loan to a graduate student for a single academic year shall not  
5.14 exceed \$9,000. The aggregate principal amount of all loans made ~~under this section~~  
5.15 subject to this paragraph to a student as an undergraduate and graduate student shall not  
5.16 exceed ~~\$52,500 through June 30, 2007, and \$55,500 after June 30, 2007.~~ The amount of  
5.17 the loan may not exceed the cost of attendance less all other financial aid, including PLUS  
5.18 loans or other similar parent loans borrowed on the student's behalf. The cumulative SELF  
5.19 loan debt must not exceed the borrowing maximums in paragraph (b).

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

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

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

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

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

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

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

5.27 ~~(2) effective July 1, 2007:~~

5.28 ~~(i)~~ (i) grade level 1, \$7,500;

5.29 ~~(ii)~~ (ii) (2) grade level 2, \$15,000;

5.30 ~~(iii)~~ (iii) (3) grade level 3, \$22,500;

5.31 ~~(iv)~~ (iv) (4) grade level 4, \$30,000; and

5.32 ~~(v)~~ (v) (5) grade level 5, \$37,500.

5.33 (c) The principal amount of a SELF V or subsequent phase loan to students enrolled  
5.34 in a bachelor's degree program, postbaccalaureate, or graduate program must not exceed  
5.35 \$10,000 per grade level. For all other eligible students, the principal amount of the loan

6.1 must not exceed \$7,500 per grade level. The aggregate principal amount of all loans made  
6.2 subject to this paragraph to a student as an undergraduate and graduate student must not  
6.3 exceed \$70,000. The amount of the loan must not exceed the cost of attendance less  
6.4 all other financial aid, including PLUS loans or other similar parent loans borrowed on  
6.5 the student's behalf. The cumulative SELF loan debt must not exceed the borrowing  
6.6 maximums in paragraph (d).

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

- 6.10 (i) grade level 1, \$10,000;
- 6.11 (ii) grade level 2, \$20,000;
- 6.12 (iii) grade level 3, \$30,000;
- 6.13 (iv) grade level 4, \$40,000; and
- 6.14 (v) grade level 5, \$50,000.

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

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

- 6.19 (i) grade level 1, \$7,500;
- 6.20 (ii) grade level 2, \$15,000;
- 6.21 (iii) grade level 3, \$22,500;
- 6.22 (iv) grade level 4, \$30,000; and
- 6.23 (v) grade level 5, \$37,500.

6.24 Sec. 7. Minnesota Statutes 2008, section 136A.1701, subdivision 7, is amended to read:

6.25 Subd. 7. **Repayment of loans.** (a) The office shall establish repayment procedures  
6.26 for loans made under this section, but in no event shall the period of permitted repayment  
6.27 for SELF II or SELF III loans exceed ten years from the eligible student's termination of  
6.28 the student's postsecondary academic or vocational program, or 15 years from the date of  
6.29 the student's first loan under this section, whichever is less.

6.30 (b) For SELF IV loans ~~from phases after SELF III~~, eligible students with aggregate  
6.31 principal loan balances from all SELF phases that are less than \$18,750 shall have a  
6.32 repayment period not exceeding ten years from the eligible student's graduation or  
6.33 termination date. For SELF IV loans ~~from phases after SELF III~~, eligible students with  
6.34 aggregate principal loan balances from all SELF phases of \$18,750 or greater shall have  
6.35 a repayment period not exceeding 15 years from the eligible student's graduation or

7.1 termination date. For SELF IV loans ~~from phases after SELF III~~, the loans shall enter  
7.2 repayment no later than seven years after the first disbursement date on the loan.

7.3 (c) For SELF loans from phases after SELF IV, eligible students with aggregate  
7.4 principal loan balances from all SELF phases that are:

7.5 (1) less than \$20,000, must have a repayment period not exceeding ten years from  
7.6 the eligible student's graduation or termination date;

7.7 (2) \$20,000 up to \$40,000, must have a repayment period not exceeding 15 years  
7.8 from the eligible student's graduation or termination date; and

7.9 (3) \$40,000 or greater, must have a repayment period not exceeding 20 years  
7.10 from the eligible student's graduation or termination date. For SELF loans from phases  
7.11 after SELF IV, the loans must enter repayment no later than nine years after the first  
7.12 disbursement date of the loan.

7.13 Sec. 8. Minnesota Statutes 2008, section 136A.29, subdivision 9, is amended to read:

7.14 Subd. 9. **Revenue bonds; limit.** The authority is authorized and empowered  
7.15 to issue revenue bonds whose aggregate principal amount at any time shall not exceed  
7.16 ~~\$950,000,000~~ \$1,300,000,000 and to issue notes, bond anticipation notes, and revenue  
7.17 refunding bonds of the authority under the provisions of sections 136A.25 to 136A.42,  
7.18 to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling,  
7.19 renovating, improving, furnishing, or equipping one or more projects or parts thereof.

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

7.21 Sec. 9. Minnesota Statutes 2008, section 136A.69, subdivision 1, is amended to read:

7.22 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration  
7.23 fees that are sufficient to recover, but do not exceed, its costs of administering the  
7.24 registration program. The office shall charge ~~\$1,100 for initial registration fees and \$950~~  
7.25 ~~for annual renewal fees.~~ the fees listed in paragraphs (b) and (c) for new registrations.

7.26 (b) A new school offering no more than one degree at each level during its first year  
7.27 must pay registration fees for each applicable level in the following amounts:

7.28 <u>associate degree</u>	<u>\$2,000</u>
7.29 <u>baccalaureate degree</u>	<u>\$2,500</u>
7.30 <u>master's degree</u>	<u>\$3,000</u>
7.31 <u>doctorate degree</u>	<u>\$3,500</u>

7.32 (c) A new school that will offer more than one degree per level during its first  
7.33 year must pay registration fees in an amount equal to the fee for the first degree at each

8.1 degree level under paragraph (b), plus fees for each additional nondegree program or  
8.2 degree as follows:

8.3	<u>nondegree program</u>	<u>\$250</u>
8.4	<u>additional associate degree</u>	<u>\$250</u>
8.5	<u>additional baccalaureate degree</u>	<u>\$500</u>
8.6	<u>additional master's degree</u>	<u>\$750</u>
8.7	<u>additional doctorate degree</u>	<u>\$1,000</u>

8.8 (d) The annual renewal registration fee is \$1,200.

8.9 Sec. 10. Minnesota Statutes 2008, section 136A.69, subdivision 3, is amended to read:

8.10 Subd. 3. **Degree or nondegree program addition fee.** The office processing fee  
8.11 fees for adding a degree or nondegree program that represents a significant departure in  
8.12 the objectives, content, or method of delivery of degree or nondegree programs that are  
8.13 currently offered by the school is \$500 per degree or nondegree program. are as follows:

8.14	<u>nondegree program that is part of existing degree</u>	<u>-0-</u>
8.15	<u>nondegree program that is not a part of an existing degree</u>	<u>\$250 each</u>
8.16	<u>majors, specializations, emphasis areas, concentrations, and other</u>	
8.17	<u>similar areas of emphasis</u>	<u>\$250 each</u>
8.18	<u>associate degrees</u>	<u>\$500 each</u>
8.19	<u>baccalaureate degrees</u>	<u>\$500 each</u>
8.20	<u>master's degrees</u>	<u>\$750 each</u>
8.21	<u>doctorate degrees</u>	<u>\$2,000 each</u>

8.22 Sec. 11. Minnesota Statutes 2008, section 136A.69, subdivision 4, is amended to read:

8.23 Subd. 4. **Visit or consulting fee.** If the office determines that a fact-finding visit  
8.24 or outside consultant is necessary to review or evaluate any new or revised degree or  
8.25 nondegree program, the office shall be reimbursed for the expenses incurred related to the  
8.26 review as follows:

8.27 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant  
8.28 if the office determines that a fact-finding visit is not required;

8.29 (2) \$300 for each day or part thereof on site per team member; and

8.30 (3) the actual cost of customary meals, lodging, and related travel expenses incurred  
8.31 by team members.

8.32 Sec. 12. Minnesota Statutes 2009 Supplement, section 136F.98, subdivision 1, is  
8.33 amended to read:

8.34 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State  
8.35 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90



9.1 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$200,000,000~~  
9.2 \$300,000,000, and payable from the revenue appropriated to the fund established by  
9.3 section 136F.94, and use the proceeds together with other public or private money that  
9.4 may otherwise become available to acquire land, and to acquire, construct, complete,  
9.5 remodel, and equip structures or portions thereof to be used for dormitory, residence hall,  
9.6 student union, food service, parking purposes, or for any other similar revenue-producing  
9.7 building or buildings of such type and character as the board finds desirable for the good  
9.8 and benefit of the state colleges and universities. Before issuing the bonds or any part  
9.9 of them, the board shall consult with and obtain the advisory recommendations of the  
9.10 chairs of the house of representatives Ways and Means Committee and the senate Finance  
9.11 Committee about the facilities to be financed by the bonds.

9.12 Sec. 13. Minnesota Statutes 2008, section 141.255, is amended to read:

9.13 **141.255 FEES.**

9.14 Subdivision 1. **Initial licensure fee.** The office processing fee for an initial licensure  
9.15 application is:

9.16 (1) ~~\$1,500~~ \$2,500 for a school that will offer no more than one program during  
9.17 its first year of operation;

9.18 (2) \$750 for a school licensed exclusively due to the use of the term "college,"  
9.19 "university," "academy," or "institute" in its name, or licensed exclusively in order to  
9.20 participate in state grant or SELF loan financial aid programs; and

9.21 ~~(2) \$2,000 for a school that will offer two or more nondegree level programs~~

9.22 (3) \$2,500, plus \$500 for each additional program offered by the school, for a school  
9.23 during its first year of operation; and

9.24 ~~(3) \$2,500 for a school that will offer two or more degree level programs during~~  
9.25 ~~its first year of operation.~~

9.26 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a  
9.27 renewal licensure application is:

9.28 ~~(1) for a category A school, as determined by the office, the fee is \$865 if the school~~  
9.29 ~~offers one program or \$1,150 if the school offers two or more programs; and~~

9.30 ~~(2) for a category B or C school, as determined by the office, the fee is \$430 if the~~  
9.31 ~~school offers one program or \$575 if the school offers two or more programs.~~

9.32 (1) for a school that offers one program, the license renewal fee is \$1,150;

9.33 (2) for a school that offers more than one program, the license renewal fee is \$1,150,  
9.34 plus \$200 for each additional program with a maximum renewal licensing fee of \$2,000;

10.1 (3) for a school licensed exclusively due to the use of the term "college," "university,"  
10.2 "academy," or "institute" in its name, the license renewal fee is \$750; and

10.3 (4) for a school licensed by another state agency and also licensed with the office  
10.4 exclusively in order to participate in state student aid programs, the license renewal fee is  
10.5 \$750.

10.6 (b) If a license renewal application is not received by the office by the close of  
10.7 business at least 60 days before the expiration of the current license, a late fee of \$100  
10.8 per business day, not to exceed \$3,000, shall be assessed.

10.9 ~~Subd. 3. **Degree level addition fee.** The office processing fee for adding a degree~~  
10.10 ~~level to an existing program is \$2,000 per program.~~

10.11 Subd. 4. **Program addition fee.** The office processing fee for adding a program  
10.12 ~~that represents a significant departure in the objectives, content, or method of delivery of~~  
10.13 ~~programs to those that are currently offered by the school is \$500 per program.~~

10.14 Subd. 5. **Visit or consulting fee.** If the office determines that a fact-finding visit  
10.15 or outside consultant is necessary to review or evaluate any new or revised program, the  
10.16 office shall be reimbursed for the expenses incurred related to the review as follows:

10.17 (1) ~~\$300~~ \$400 for the team base fee or for a paper review conducted by a consultant  
10.18 if the office determines that a fact-finding visit is not required;

10.19 (2) \$300 for each day or part thereof on site per team member; and

10.20 (3) the actual cost of customary meals, lodging, and related travel expenses incurred  
10.21 by team members.

10.22 Subd. 6. **Modification fee.** The fee for modification of any existing program is  
10.23 \$100 and is due if there is:

10.24 (1) an increase or decrease of 25 percent or more, from the original date of program  
10.25 approval, in clock hours, credit hours, or calendar length of an existing program;

10.26 (2) a change in academic measurement from clock hours to credit hours or vice  
10.27 versa; or

10.28 (3) an addition or alteration of courses that represent a 25 percent change or more in  
10.29 the objectives, content, or methods of delivery.

10.30 Subd. 7. **Solicitor permit fee.** The solicitor permit fee is \$350 and must be paid  
10.31 annually.

10.32 Subd. 8. **Multiple location fee.** Schools wishing to operate at multiple locations  
10.33 must pay:

10.34 (1) \$250 per location, for locations two to five ~~locations~~; and

10.35 (2) an additional ~~\$50~~ \$100 for each location over five.

**S.F. No. 3223, 2nd Engrossment - 86th Legislative Session (2009-2010) [s3223-2]**

11.1 Subd. 9. **Student transcript fee.** The fee for a student transcript requested from  
11.2 a closed school whose records are held by the office is ~~\$10~~ \$15, with a maximum of  
11.3 five transcripts per request.

11.4 Subd. 10. **Public office documents; copies.** The ~~office shall establish rates~~ rate for  
11.5 copies of any public office document shall be 50 cents per page.

11.6 Sec. 14. Laws 2009, chapter 95, article 1, section 3, subdivision 6, is amended to read:

11.7 Subd. 6. **Achieve Scholarship Program** 4,350,000 4,350,000

11.8 For scholarships under Minnesota Statutes,  
11.9 section 136A.127. The office shall transfer  
11.10 the appropriation for fiscal year 2011 to the  
11.11 appropriation for state grants.

11.12 Sec. 15. Laws 2009, chapter 95, article 1, section 3, subdivision 12, is amended to read:

11.13 Subd. 12. **Technical and Community College**  
11.14 **Emergency Grants** 150,000 150,000

11.15 For transfer to the financial aid offices  
11.16 at each of the colleges of the Minnesota  
11.17 State Colleges and Universities to provide  
11.18 emergency aid grants to technical and  
11.19 community college students who are  
11.20 experiencing extraordinary economic  
11.21 circumstances that may result in the students  
11.22 dropping out of school without completing  
11.23 the term or their program. This is a onetime  
11.24 appropriation.

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

11.26 Subd. 21. **Transfers**

11.27 The Minnesota Office of Higher Education  
11.28 may transfer unencumbered balances from  
11.29 the appropriations in this section to the state  
11.30 grant appropriation, the interstate tuition  
11.31 reciprocity appropriation, the child care  
11.32 grant appropriation, the Indian scholarship

12.1 appropriation, the state work-study  
12.2 appropriation, the achieve scholarship  
12.3 appropriation, the public safety officers'  
12.4 survivors appropriation, the get ready  
12.5 program, and the Minnesota college savings  
12.6 plan appropriation. Transfers from the child  
12.7 care or state work-study appropriations  
12.8 may only be made to the extent there is a  
12.9 projected surplus in the appropriation. A  
12.10 transfer may be made only with prior written  
12.11 notice to the chairs of the senate and house of  
12.12 representatives committees with jurisdiction  
12.13 over higher education finance.

12.14 Sec. 17. Laws 2009, chapter 95, article 1, section 4, subdivision 4, as amended by  
12.15 Laws 2009, chapter 177, section 10, subdivision 4, is amended to read:

12.16	Subd. 4. <b>Operations and Maintenance</b>	562,041,000	613,833,000
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12.17 (a) It is the intention of the legislature to  
12.18 increase the amount of funding distributed  
12.19 to colleges and universities through the  
12.20 allocation model to provide direct support of  
12.21 instruction and related functions necessary  
12.22 to protect the core mission of educating  
12.23 students.

12.24 (b) The Board of Trustees shall submit  
12.25 expenditure reduction plans by March 15,  
12.26 2010, to the committees of the legislature  
12.27 with responsibility for higher education  
12.28 finance to achieve the 2012-2013 base  
12.29 established in this section at the central  
12.30 office and at each institution. The plan  
12.31 submitted by the board must be based on  
12.32 plans developed at each institution detailing  
12.33 reductions to achieve lower base allocations

13.1 at that institution. Each plan must focus on  
13.2 protecting direct instruction.

13.3 (c) For the biennium ending June 30,  
13.4 2011, expenditures under this subdivision  
13.5 must not exceed \$40,000,000 for  
13.6 technology initiatives, including technology  
13.7 infrastructure improvements.

13.8 (d) \$1,000,000 each year is for the Northeast  
13.9 Minnesota Higher Education District and  
13.10 high schools in its area. Students from area  
13.11 high schools may also access the facilities  
13.12 and faculty of the Northeast Minnesota  
13.13 Higher Education District for state-of-the-art  
13.14 technical education opportunities, including  
13.15 MnSCU's 2+2 Pathways initiative.

13.16 (e) \$225,000 each year is to enhance eFolio  
13.17 Minnesota and for a center to provide on-site  
13.18 and Internet-based support and technical  
13.19 assistance to users of the state's eFolio  
13.20 Minnesota system to promote workforce and  
13.21 economic development and to enable access  
13.22 to workforce information generated through  
13.23 the eFolio Minnesota system.

13.24 (f) For fiscal years 2012 and 2013 the base for  
13.25 operations and maintenance is ~~\$602,759,000~~  
13.26 \$626,794,000 each year.

13.27 Sec. 18. Laws 2009, chapter 95, article 1, section 5, subdivision 2, is amended to read:

13.28 Subd. 2. <b>Operations and Maintenance</b>	550,345,000	604,239,000
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13.29 (a) This appropriation includes funding for  
13.30 operation and maintenance of the system.

13.31 (b) The Board of Regents shall submit  
13.32 expenditure reduction plans by March 15,  
13.33 2010, to the committees of the legislature

- 14.1 with responsibility for higher education  
14.2 finance to achieve the 2012-2013 base  
14.3 established in this section. The plan must  
14.4 focus on protecting direct instruction.
- 14.5 (c) Appropriations under this subdivision  
14.6 may be used for a new scholarship under  
14.7 Minnesota Statutes, section 137.0225, to  
14.8 complement the University's Founders  
14.9 scholarship.
- 14.10 (d) This appropriation includes amounts for  
14.11 an Ojibwe Indian language program on the  
14.12 Duluth campus.
- 14.13 (e) This appropriation includes money for the  
14.14 Dakota language teacher training immersion  
14.15 program on the Twin Cities campus to  
14.16 prepare teachers to teach in Dakota language  
14.17 immersion programs.
- 14.18 (f) This appropriation includes money for the  
14.19 Veterinary Diagnostic Laboratory to preserve  
14.20 accreditation.
- 14.21 (g) This appropriation includes money in  
14.22 fiscal year 2010 for a onetime grant to the  
14.23 Minnesota Wildlife Rehabilitation Center for  
14.24 their uncompensated expenses.
- 14.25 (h) For fiscal years 2012 and 2013, the  
14.26 base for operations and maintenance is  
14.27 ~~\$596,930,000~~ \$573,636,000 each year.

14.28 **Sec. 19. OFFICE OF HIGHER EDUCATION CARRY FORWARD.**

14.29 Notwithstanding Minnesota Statutes, section 136A.233, subdivision 1, or 136A.125,  
14.30 subdivision 7, the Office of Higher Education may carry forward from fiscal year 2010  
14.31 to fiscal year 2011 money allocated to an institution for the child care and work study  
14.32 programs that exceed the actual need and were refunded to the office. Notwithstanding  
14.33 Minnesota Statutes, section 136A.125, subdivision 4c, money carried forward for the

15.1 child care program in fiscal year 2011 may be used to expand the number of recipients  
15.2 in the program.

15.3 Sec. 20. **ACHIEVE SCHOLARSHIP PROGRAM FISCAL YEAR 2011**  
15.4 **MODIFICATIONS.**

15.5 (a) Notwithstanding Minnesota Statutes, section 136A.127, for achieve scholarship  
15.6 awards in fiscal year 2011, the achieve scholarship program shall be modified as provided  
15.7 in this section.

15.8 (b) Awards shall only be made to students who have an assigned family responsibility  
15.9 of zero.

15.10 (c) An award shall be for \$1,200 per academic year for all recipients unless reduced  
15.11 under this section.

15.12 (d) A first round of awards shall be made to students for which the Office of Higher  
15.13 Education has received a complete application by August 31, 2010. If there are insufficient  
15.14 appropriations to make full awards to each student, all awards under this paragraph shall  
15.15 be reduced by an equal amount sufficient to meet the insufficiency.

15.16 (e) If appropriations remain after the first round, awards shall be made on a  
15.17 first-come, first-served basis.

15.18 (f) Except as modified by this section, the remaining unmodified provisions of  
15.19 Minnesota Statutes, section 136A.127, shall govern achieve scholarship awards made  
15.20 in fiscal year 2011.

15.21 Sec. 21. **REPEALER.**

15.22 Minnesota Statutes 2008, sections 136A.1701, subdivision 5; 136A.69, subdivision  
15.23 2; and 141.255, subdivision 3, are repealed.

15.24 **ARTICLE 3**

15.25 **ENVIRONMENT AND NATURAL RESOURCES**

15.26 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
15.29 <u>General</u>	<u>\$ (3,104,000)</u>	<u>\$ (8,207,000)</u>	<u>\$ (11,311,000)</u>
15.30 <u>Environmental</u>	<u>(352,000)</u>	<u>(636,000)</u>	<u>(988,000)</u>
15.31 <u>Total</u>	<u>\$ (3,456,000)</u>	<u>\$ (8,843,000)</u>	<u>\$ (12,299,000)</u>

16.1 Sec. 2. APPROPRIATIONS.

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

16.11 APPROPRIATIONS  
 16.12 Available for the Year  
 16.13 Ending June 30  
 16.14 2010                      2011

16.15 Sec. 3. POLLUTION CONTROL AGENCY

16.16 Subdivision 1. Total Appropriations                      (793,000)                      (1,495,000)

16.17 Appropriations by Fund

	16.18 <u>2010</u>	16.19 <u>2011</u>
16.19 <u>General</u>	(441,000)	(859,000)
16.20 <u>Environmental</u>	(352,000)	(636,000)

16.21 The appropriation additions or reductions  
 16.22 for each purpose are shown in the following  
 16.23 subdivisions.

16.24 Subd. 2. Water    (326,000)                      (623,000)

16.25 Appropriations by Fund

	16.26 <u>2010</u>	16.27 <u>2011</u>
16.27 <u>General</u>	(326,000)	(623,000)

16.28 \$11,000 in 2010 and \$30,000 in 2011  
 16.29 are reductions in the appropriations  
 16.30 for subsurface septic treatment system  
 16.31 administration and grants.

16.32 \$9,000 in 2010 and \$25,000 in 2011  
 16.33 are reductions in the appropriations for  
 16.34 community technical assistance and  
 16.35 education.



17.1 \$57,000 in 2010 and \$149,000 in 2011 are  
 17.2 reductions in the appropriations for general  
 17.3 water program operations.

17.4 \$70,000 in 2010 and \$188,000 in 2011 are  
 17.5 reductions in the appropriations for the clean  
 17.6 water partnership program.

17.7 \$65,000 in 2010 and \$173,000 in 2011 are  
 17.8 reductions in the appropriations for the  
 17.9 county feedlot grant program.

17.10 \$3,000 in 2010 and \$8,000 in 2011 are  
 17.11 reductions in the appropriations for grants to  
 17.12 the Red River Watershed Management Board  
 17.13 for the river watch program.

17.14 \$11,000 in 2010 and \$50,000 in 2011 are  
 17.15 reductions in the appropriations for the  
 17.16 subsurface septic treatment system inventory  
 17.17 grants.

17.18 \$100,000 in 2010 is for a reduction in the  
 17.19 appropriations for grants to local units  
 17.20 of government to control runoff, prevent  
 17.21 erosion, and provide ditch stabilization.

17.22 Subd. 3. **Air** (174,000) (254,000)

17.23 Appropriations by Fund

	<u>2010</u>	<u>2011</u>
17.24 <u>Environmental</u>	<u>(174,000)</u>	<u>(254,000)</u>

17.26 This is a onetime reduction.

17.27 Subd. 4. **Land** (45,000) (130,000)

17.28 Appropriations by Fund

	<u>2010</u>	<u>2011</u>
17.29 <u>General</u>	<u>(14,000)</u>	<u>(35,000)</u>
17.30 <u>Environmental</u>	<u>(31,000)</u>	<u>(95,000)</u>

17.31 Environmental

17.32 \$14,000 in 2010 and \$35,000 in 2011 are  
 17.33 reductions in the general fund appropriations  
 17.34 for environmental health tracking and

18.1	<u>biomonitoring. The environmental fund</u>		
18.2	<u>appropriation reduction is onetime.</u>		
18.3	<b><u>Subd. 5. Environmental Assistance and</u></b>		
18.4	<b><u>Cross-Media</u></b>	<u>(208,000)</u>	<u>(382,000)</u>
18.5	<u>Appropriations by Fund</u>		
18.6		<u>2010</u>	<u>2011</u>
18.7	<u>General</u>	<u>(61,000)</u>	<u>(95,000)</u>
18.8	<u>Environmental</u>	<u>(147,000)</u>	<u>(287,000)</u>
18.9	<u>The environmental fund appropriation</u>		
18.10	<u>reduction is onetime.</u>		
18.11	<b><u>Subd. 6. Administrative Support</u></b>	<u>(40,000)</u>	<u>(106,000)</u>
18.12	<u>Appropriations by Fund</u>		
18.13		<u>2010</u>	<u>2011</u>
18.14	<u>General</u>	<u>(40,000)</u>	<u>(106,000)</u>
18.15	<b><u>Sec. 4. NATURAL RESOURCES</u></b>		
18.16	<b><u>Subdivision 1. Total Appropriation</u></b>	<u>(2,030,000)</u>	<u>(5,301,000)</u>
18.17	<u>The appropriation additions or reductions</u>		
18.18	<u>for each purpose are shown in the following</u>		
18.19	<u>subdivisions.</u>		
18.20	<b><u>Subd. 2. Lands and Minerals</u></b>	<u>(119,000)</u>	<u>(350,000)</u>
18.21	<u>\$49,000 in 2010 and \$204,000 in 2011 are</u>		
18.22	<u>reductions in the appropriations for land and</u>		
18.23	<u>mineral resources management operations.</u>		
18.24	<u>\$3,000 in 2010 and \$7,000 in 2011 are</u>		
18.25	<u>reductions in the appropriations for minerals</u>		
18.26	<u>cooperative research.</u>		
18.27	<u>\$67,000 in 2010 and \$85,000 in 2011 are</u>		
18.28	<u>reductions in the appropriations for the iron</u>		
18.29	<u>ore cooperative research program.</u>		
18.30	<u>\$54,000 in 2011 is a reduction in the</u>		
18.31	<u>appropriation for issuing mining permits in</u>		
18.32	<u>Laws 2009, chapter 88, article 12, section 22.</u>		
18.33	<b><u>Subd. 3. Water Resource Management</u></b>	<u>(329,000)</u>	<u>(877,000)</u>

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19.1	<u>\$327,000 in 2010 and \$872,000 in 2011 are</u>		
19.2	<u>reductions in the appropriations for water</u>		
19.3	<u>resource management operations.</u>		
19.4	<u>\$2,000 in 2010 and \$5,000 in 2011 are</u>		
19.5	<u>reductions in the appropriations for grants to</u>		
19.6	<u>the Mississippi Headwaters Board.</u>		
19.7	<b>Subd. 4. <u>Forest Management</u></b>	<u>(553,000)</u>	<u>(1,437,000)</u>
19.8	<u>\$518,000 in 2010 and \$1,382,000 in 2011</u>		
19.9	<u>are reductions in the appropriations for forest</u>		
19.10	<u>management. Of this amount, \$60,000 in</u>		
19.11	<u>2010 and \$160,000 in 2011 are onetime.</u>		
19.12	<u>\$35,000 in 2010 and \$35,000 in 2011 are</u>		
19.13	<u>reductions in the appropriations for the</u>		
19.14	<u>FORIST system.</u>		
19.15	<u>\$20,000 in 2011 is a reduction in the</u>		
19.16	<u>appropriation for grants to the Forest</u>		
19.17	<u>Resources Council.</u>		
19.18	<b>Subd. 5. <u>Parks and Trails Management</u></b>	<u>(653,000)</u>	<u>(1,712,000)</u>
19.19	<b>Subd. 6. <u>Fish and Wildlife Management</u></b>	<u>-0-</u>	<u>(50,000)</u>
19.20	<u>\$50,000 in 2011 is a reduction in the</u>		
19.21	<u>appropriation for wildlife health programs.</u>		
19.22	<b>Subd. 7. <u>Ecological Services</u></b>	<u>(230,000)</u>	<u>(453,000)</u>
19.23	<u>\$147,000 in 2010 and \$286,000 in 2011</u>		
19.24	<u>are reductions in the appropriations for</u>		
19.25	<u>ecological services operations.</u>		
19.26	<u>\$83,000 in 2010 and \$167,000 in 2011 are</u>		
19.27	<u>reductions in the appropriations for the</u>		
19.28	<u>prevention of the spread of invasive species.</u>		
19.29	<b>Subd. 8. <u>Enforcement</u></b>	<u>(136,000)</u>	<u>(224,000)</u>
19.30	<b>Subd. 9. <u>Operations Support</u></b>	<u>(10,000)</u>	<u>(198,000)</u>
19.31	<b>Sec. 5. <u>BOARD OF WATER AND SOIL</u></b>		
19.32	<b><u>RESOURCES</u></b>	<b><u>\$ (436,000)</u></b>	<b><u>\$ (1,112,000)</u></b>

20.1 \$119,000 in 2010 and \$317,000 in 2011  
20.2 are reductions in the appropriations for  
20.3 administration.

20.4 \$40,000 in 2011 is a reduction in the  
20.5 appropriation for Wetland Conservation Act  
20.6 oversight.

20.7 \$147,000 in 2010 and \$215,000 in 2011 are  
20.8 reductions in the appropriations for natural  
20.9 resources block grants to local governments.

20.10 \$105,000 in 2010 and \$150,000 in 2011 are  
20.11 reductions in the appropriations for general  
20.12 purpose grants to soil and water conservation  
20.13 districts.

20.14 \$50,000 in 2010 and \$50,000 in 2011 are  
20.15 reductions in the appropriations for cost-share  
20.16 grants to soil and water conservation districts.

20.17 Of this amount, \$25,000 in 2010 and \$25,000  
20.18 in 2011 are reductions in cost-share grants  
20.19 to establish and maintain riparian vegetative  
20.20 buffers.

20.21 \$15,000 in 2010 and \$15,000 in 2011 are  
20.22 reductions in the appropriations for feedlot  
20.23 water quality grants.

20.24 \$100,000 in 2011 is a reduction in the  
20.25 appropriation for grants to local units of  
20.26 government in the 11-county metropolitan  
20.27 area for response to Wetland Conservation  
20.28 Act violations.

20.29 \$100,000 in 2011 is a reduction in the  
20.30 appropriation for transfer to the Department  
20.31 of Natural Resources for enforcement of the  
20.32 Wetland Conservation Act.

21.1 \$25,000 in 2011 is a reduction in the  
 21.2 appropriation for assistance to local drainage  
 21.3 officials.

21.4 \$100,000 in 2011 is a reduction in the  
 21.5 appropriation for cost-share grants for  
 21.6 drainage records modernization.

21.7 Notwithstanding Minnesota Statutes,  
 21.8 sections 103B.3369 and 103C.501, in order  
 21.9 to leverage nonstate money or to address  
 21.10 high priority needs identified by board  
 21.11 resolution, the board may shift appropriations  
 21.12 in Laws 2009, chapter 37, article 1, section  
 21.13 5, available in one fiscal year to the other  
 21.14 fiscal year. Any adjustments made under this  
 21.15 paragraph do not affect the agency base for  
 21.16 the programs affected.

21.17 Sec. 6. **METROPOLITAN COUNCIL**                    \$                    -0- \$                    **(410,000)**

21.18 \$410,000 in 2011 is a reduction in the  
 21.19 appropriation for metropolitan parks and  
 21.20 trails. Of this amount, \$112,000 is a onetime  
 21.21 reduction.

21.22 Sec. 7. **ZOOLOGICAL BOARD**                    \$                    **(197,000)** \$                    **(525,000)**

21.23 Sec. 8. **CANCELLATIONS; BOARD OF**  
 21.24 **WATER AND SOIL RESOURCES**

21.25 **Subdivision 1. Cost-Share South East Flood**

21.26 The appropriation in Laws 2008, chapter  
 21.27 363, article 5, section 5, for cost-share flood  
 21.28 work is reduced by \$50,000 and that amount  
 21.29 is canceled to the general fund.

21.30 **Subd. 2. South East Flood Transfer Funds**

21.31 The appropriation in Laws 2007, First  
 21.32 Special Session chapter 2, article 1, section

22.1 8, transferred to the appropriation in Laws  
22.2 2007, First Special Session chapter 2, article  
22.3 1, section 6, subdivision 3, for cost-share  
22.4 flood programs is reduced by \$628,000 and  
22.5 that amount is canceled to the general fund.

22.6 Subd. 3. **Clean Water Legacy**

22.7 The appropriation in Laws 2007, chapter 57,  
22.8 article 1, section 5, for clean water legacy  
22.9 programs and grants is reduced by \$775,000  
22.10 and that amount is canceled to the general  
22.11 fund.

22.12 Subd. 4. **Cost-Share Vegetation Buffer Grants.**

22.13 The appropriation in Laws 2007, chapter 57,  
22.14 article 1, section 5, for grants for establishing  
22.15 and maintaining vegetation buffers is reduced  
22.16 by \$100,000 and that amount is canceled to  
22.17 the general fund.

22.18 Subd. 5. **Cost-Share Grants.**

22.19 The appropriation in Laws 2007, chapter 57,  
22.20 article 1, section 5, for grants for cost-sharing  
22.21 contracts for erosion control and water  
22.22 quality management is reduced by \$250,000  
22.23 and that amount is canceled to the general  
22.24 fund.

22.25 Sec. 9. **TRANSFERS IN**

22.26 Subdivision 1. **Pollution Control Agency**

22.27 (a) The amounts appropriated from the  
22.28 agency indirect costs account in the special  
22.29 revenue fund are reduced by \$328,000 in  
22.30 fiscal year 2010 and \$462,000 in fiscal year  
22.31 2011, and those amounts must be transferred  
22.32 to the general fund by June 30, 2011. The  
22.33 appropriation reductions are onetime.

23.1 (b) By June 30, 2011, the commissioner  
23.2 of management and budget shall transfer  
23.3 \$988,000 from the environmental fund to the  
23.4 general fund.

23.5 **Subd. 2. Department of Natural Resources**

23.6 (a) By June 30, 2010, the commissioner of  
23.7 management and budget shall transfer any  
23.8 remaining balance, estimated to be \$98,000,  
23.9 from the stream protection and improvement  
23.10 fund under Minnesota Statutes, section  
23.11 103G.705, to the general fund. Beginning  
23.12 in fiscal year 2011, all repayment of loans  
23.13 made and administrative fees assessed under  
23.14 Minnesota Statutes, section 103G.705,  
23.15 estimated to be \$195,000 in 2011, must be  
23.16 transferred to the general fund.

23.17 (b) The balance of surcharges on criminal and  
23.18 traffic offenders, estimated to be \$900,000,  
23.19 and credited to the game and fish fund  
23.20 under Minnesota Statutes, section 357.021,  
23.21 subdivision 7, and collected before June 30,  
23.22 2010, must be transferred to the general fund.

23.23 **Subd. 3. Board of Water and Soil Resources**

23.24 The amounts appropriated from the returned  
23.25 grant accounts in the special revenue fund  
23.26 are reduced by \$377,000, and that amount  
23.27 must be transferred to the general fund by  
23.28 June 30, 2011. The appropriation reductions  
23.29 are onetime.

23.30 **Sec. 10. REPEALER.**

23.31 Minnesota Statutes 2008, section 103G.705, subdivision 2, is repealed.

ARTICLE 4

ENERGY

Section 1. SUMMARY OF APPROPRIATIONS.

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

	<u>2010</u>	<u>2011</u>	<u>Total</u>
General	\$ (50,000)	\$ -0-	\$ (50,000)

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 2, or another named law, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or another named fund and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

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

Sec. 3. DEPARTMENT OF COMMERCE-OFFICE OF ENERGY SECURITY

\$	\$ (50,000)	\$ -0-
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The appropriation additions or reductions for each purpose are shown in the following paragraph.

\$50,000 the first year is for E-85 grants.

Sec. 4. CANCELLATIONS; DEPARTMENT OF COMMERCE

Subdivision 1. E-85 Grants

The appropriation in Laws 2007, chapter 57, article 2, section 3, subdivision 6, as amended



25.1 by Laws 2008, chapter 363, article 6, section  
25.2 3, subdivision 4, for E-85 cost-share grants,  
25.3 is reduced by \$574,000 and is canceled to  
25.4 the general fund.

25.5 **Subd. 2. Renewable Hydrogen Initiative**  
25.6 **Grants**

25.7 The remaining balance of the appropriation  
25.8 in Laws 2007, chapter 57, article 2, section  
25.9 3, subdivision 6, as amended by Laws 2008,  
25.10 chapter 363, article 6, section 3, subdivision  
25.11 4, for renewable hydrogen initiative grants,  
25.12 estimated to be \$650,000, is canceled to the  
25.13 general fund.

25.14 **Sec. 5. TRANSFERS IN**

25.15 **Subdivision 1. Wind Energy Conversion**  
25.16 **System Report**

25.17 By July 31, 2010, the commissioner of  
25.18 management and budget shall transfer the  
25.19 amount assessed under Minnesota Statutes,  
25.20 section 216F.09, subdivision 4, estimated to  
25.21 be \$100,000, from the special revenue fund  
25.22 to the general fund.

25.23 **Subd. 2. Pipeline Routing Project**

25.24 By July 31, 2010, the commissioner of  
25.25 management and budget shall transfer the  
25.26 remaining unobligated balance, estimated to  
25.27 be \$19,000, from the pipeline routing project  
25.28 account in the special revenue fund under  
25.29 Minnesota Statutes, section 216G.02, to the  
25.30 general fund.

25.31 **ARTICLE 5**

25.32 **AGRICULTURE**

25.33 **Section 1. SUMMARY OF APPROPRIATIONS.**

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

26.3		<u>2010</u>		<u>2011</u>		<u>Total</u>
26.4	<u>General</u>	\$	<u>(3,860,000)</u>	\$	<u>(4,240,000)</u>	\$ <u>(8,100,000)</u>

26.5 **Sec. 2. APPROPRIATIONS.**

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

26.15		<u>APPROPRIATIONS</u>	
26.16		<u>Available for the Year</u>	
26.17		<u>Ending June 30</u>	
26.18		<u>2010</u>	<u>2011</u>

26.19 **Sec. 3. AGRICULTURE**

26.20	<u>Subdivision 1. <b>Total Appropriation</b></u>	\$	<u>(3,672,000)</u>	\$	<u>(3,909,000)</u>
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26.21 The appropriation additions or reductions  
 26.22 for each purpose are shown in the following  
 26.23 subdivisions.

26.24	<u>Subd. 2. <b>Protection Services</b></u>		<u>(142,000)</u>		<u>(467,000)</u>
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26.25 \$17,000 in 2010 and \$87,000 in 2011 are  
 26.26 reductions in the appropriations for plant  
 26.27 pest surveys.

26.28 \$40,000 in 2010 and \$130,000 in 2011 are  
 26.29 reductions in the appropriations for the gypsy  
 26.30 moth program.

26.31 \$60,000 in 2010 and \$200,000 in 2011 are  
 26.32 reductions in the appropriations for dairy and  
 26.33 food inspection.

27.1	<u>\$25,000 in 2010 and \$50,000 in 2011 are</u>		
27.2	<u>reductions in the appropriations for the food</u>		
27.3	<u>inspection laboratory.</u>		
27.4	<b><u>Subd. 3. Agricultural Marketing and</u></b>		
27.5	<b><u>Development</u></b>	<u>(121,000)</u>	<u>(8,000)</u>
27.6	<b><u>Subd. 4. Bioenergy and Value-Added</u></b>		
27.7	<b><u>Agriculture</u></b>	<u>(3,310,000)</u>	<u>(3,310,000)</u>
27.8	<u>\$3,310,000 in 2010 and \$3,310,000 in</u>		
27.9	<u>2011 are reductions in appropriations for</u>		
27.10	<u>ethanol producer payments under Minnesota</u>		
27.11	<u>Statutes, section 41A.09.</u>		
27.12	<u>Notwithstanding Minnesota Statutes, section</u>		
27.13	<u>16A.28, the appropriation encumbered on or</u>		
27.14	<u>before June 30, 2009, as grants for NextGen</u>		
27.15	<u>bioenergy projects in Laws 2007, chapter 45,</u>		
27.16	<u>article 1, section 3, subdivision 4, is available</u>		
27.17	<u>until June 30, 2011.</u>		
27.18	<b><u>Subd. 5. Administration and Financial</u></b>		
27.19	<b><u>Assistance</u></b>	<u>(99,000)</u>	<u>(124,000)</u>
27.20	<u>\$28,000 in 2011 is a reduction in payments</u>		
27.21	<u>to county and district agricultural societies.</u>		
27.22	<u>\$1,000 in 2011 is a reduction in the grant</u>		
27.23	<u>to the Minnesota Livestock Breeders</u>		
27.24	<u>Association.</u>		
27.25	<u>\$3,000 in 2011 is a reduction in the grant to</u>		
27.26	<u>the Northern Crops Institute.</u>		
27.27	<u>\$1,000 in 2011 is a reduction in the grant to</u>		
27.28	<u>the Minnesota Horticultural Society.</u>		
27.29	<u>\$7,000 in 2010 and \$7,000 in 2011 are</u>		
27.30	<u>reductions in the grants to the Minnesota</u>		
27.31	<u>Turf Seed Council.</u>		
27.32	<u>\$6,000 in 2011 is a reduction in the transfer</u>		
27.33	<u>to the Board of Trustees of the Minnesota</u>		

28.1 State Colleges and Universities for mental  
 28.2 health counseling for farm families.  
 28.3 \$4,000 in 2010 is a reduction in the transfer  
 28.4 to the Minnesota Extension Service for  
 28.5 farm-to-school grants.

28.6 \$60,000 in 2010 is a reduction in the  
 28.7 livestock grants under the agricultural  
 28.8 growth, research, and innovation program.

28.9 \$23,000 in 2010 and \$36,000 in 2011 are  
 28.10 reductions in the dairy development and  
 28.11 profitability enhancement and dairy business  
 28.12 planning grant program.

28.13 \$5,000 in 2010 and \$27,000 in 2011 are  
 28.14 reductions in appropriations to administration  
 28.15 and financial assistance and agency services.

28.16 \$15,000 in 2011 is a reduction in the grant  
 28.17 to the Minnesota Agricultural Education  
 28.18 Leadership Council.

28.19 Sec. 4. **BOARD OF ANIMAL HEALTH**                    \$            **(87,000)** \$            **(141,000)**

28.20 Sec. 5. **AGRICULTURAL UTILIZATION**  
 28.21 **RESEARCH INSTITUTE**                                    \$            **(101,000)** \$            **(190,000)**

28.22 **ARTICLE 6**

28.23 **VETERANS AFFAIRS**

28.24 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

28.27		<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
28.28	<u>General</u>	\$	<u>-0-</u>	\$	<u>100,000</u>	<u>100,000</u>

28.29 Sec. 2. **APPROPRIATIONS.**

28.30 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 28.31 in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 3, to

29.1 the agencies and for the purposes specified in this article. The appropriations are from the  
 29.2 general fund or another named fund and are available for the fiscal years indicated for  
 29.3 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 29.4 to or subtraction from the appropriation listed under them is available for the fiscal year  
 29.5 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 29.6 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 29.7 day following final enactment.

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

29.12 Sec. 3. <b><u>VETERANS AFFAIRS</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>100,000</u></b>
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29.13 The appropriation additions or reductions  
 29.14 for each purpose are shown in the following  
 29.15 paragraph.

29.16 \$100,000 in the second year is for  
 29.17 compensation for honor guards at the  
 29.18 funerals of veterans in accordance with  
 29.19 the program established in Minnesota  
 29.20 Statutes, section 197.231. This is a onetime  
 29.21 appropriation.

29.22 **ARTICLE 7**

29.23 **ECONOMIC DEVELOPMENT**

29.24 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

		<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
29.28 <u>General</u>	<b><u>\$</u></b>	<b><u>(5,751,000)</u></b>	<b><u>\$</u></b>	<b><u>(5,565,000)</u></b>	<b><u>\$</u></b>	<b><u>(11,316,000)</u></b>

29.29 Sec. 2. **APPROPRIATIONS.**

29.30 The sums shown in the columns under "Appropriations" are added to or, if shown  
 29.31 in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1,  
 29.32 or other law to the specified agencies. The appropriations are from the general fund, or  
 29.33 another named fund, and are available for the fiscal years indicated for each purpose. The



31.1 \$160,000 in 2010 must be transferred by the  
 31.2 commissioner of management and budget  
 31.3 from the capital access program account in  
 31.4 the special revenue fund under Minnesota  
 31.5 Statutes, section 116J.876, subdivision 4, to  
 31.6 the general fund.

31.7 \$80,000 in 2010 must be transferred by the  
 31.8 commissioner of management and budget  
 31.9 from the unemployment insurance state  
 31.10 administration account in the special revenue  
 31.11 fund under Minnesota Statutes, section  
 31.12 268.196, subdivision 1, to the general fund.

31.13 Sec. 4. **PUBLIC FACILITIES AUTHORITY**      \$            **(3,000)** \$            **(5,000)**

31.14 Sec. 5. **EXPLORE MINNESOTA TOURISM**

31.15 **Subdivision 1. Total Appropriation**                      \$            **(322,000)** \$            **(475,000)**

31.16 The appropriation additions or reductions  
 31.17 for each purpose are shown in the following  
 31.18 subdivisions.

31.19 **Subd. 2. Explore Minnesota Operating Budget**                      **(275,000)**                      **(459,000)**

31.20 **Subd. 3. Film Board Operations**                                      **(10,000)**                      **(16,000)**

31.21 **Subd. 4. Jobs Production Fund**    **(37,000)**                      **-0-**

31.22 Sec. 6. **HOUSING FINANCE AGENCY**                      \$            **(2,302,000)** \$            **(1,156,000)**

31.23 \$2,061,000 in 2010 must be transferred by  
 31.24 the commissioner of management and budget  
 31.25 from the affordable rental investment fund  
 31.26 program under Minnesota Statutes, section  
 31.27 462A.21, subdivision 8b, in the housing  
 31.28 development fund, to the general fund.

31.29 Sec. 7. **LABOR AND INDUSTRY**                      \$            **(26,000)** \$            **(43,000)**

31.30 Sec. 8. **BUREAU OF MEDIATION**  
 31.31 **SERVICES**

\$            **(50,000)** \$            **(83,000)**

32.1	Sec. 9. <u>MINNESOTA HISTORICAL</u>			
32.2	<u>SOCIETY</u>	\$	<u>(500,000)</u>	\$ <u>(824,000)</u>
32.3	Sec. 10. <u>PUBLIC BROADCASTING</u>	\$	<u>(60,000)</u>	\$ <u>(101,000)</u>
32.4	Sec. 11. <u>ARTS BOARD</u>	\$	<u>(259,000)</u>	\$ <u>(431,000)</u>
32.5	Sec. 12. <u>COMMERCE</u>			
32.6	Subdivision 1. <u>Total Appropriation</u>	\$	<u>78,000</u>	\$ <u>(536,000)</u>
32.7	<u>The amounts that may be spent for each</u>			
32.8	<u>purpose are specified in the following</u>			
32.9	<u>subdivisions.</u>			
32.10	Subd. 2. <u>Administrative Services and Market</u>			
32.11	<u>Assurance</u>		<u>(322,000)</u>	<u>(536,000)</u>
32.12	Subd. 3. <u>Nationwide Mortgage Licensing</u>			
32.13	<u>System and Registry Access</u>		<u>400,000</u>	<u>-0-</u>
32.14	<u>The commissioner of commerce shall</u>			
32.15	<u>establish by rule fees for mortgage loan</u>			
32.16	<u>originators to apply for or renew licenses</u>			
32.17	<u>through the Nationwide Mortgage Licensing</u>			
32.18	<u>System and Registry. The fees must be in an</u>			
32.19	<u>amount sufficient to recover the cost to the</u>			
32.20	<u>commissioner of obtaining the access.</u>			
32.21	Subd. 4. <u>Transfers In</u>			
32.22	<u>\$64,000 in 2010 and \$48,000 in 2011</u>			
32.23	<u>must be transferred by the commissioner</u>			
32.24	<u>of management and budget from the</u>			
32.25	<u>unexpended balance of the insurance fraud</u>			
32.26	<u>prevention account established in Minnesota</u>			
32.27	<u>Statutes, section 45.0135, to the general fund.</u>			
32.28	<u>\$284,000 in 2010 and \$302,000 in 2011</u>			
32.29	<u>must be transferred by the commissioner</u>			
32.30	<u>of management and budget from the</u>			
32.31	<u>unexpended balance of the license</u>			
32.32	<u>technology surcharge account established</u>			



- 33.1 in Minnesota Statutes, section 45.24, to the  
33.2 general fund.
- 33.3 \$7,000 in 2010 must be transferred by  
33.4 the commissioner of management and  
33.5 budget from the unexpended balance of the  
33.6 consumer education account established in  
33.7 Minnesota Statutes, section 58.10, to the  
33.8 general fund.
- 33.9 \$1,049,000 in 2010 and \$5,000 in 2011  
33.10 must be transferred by the commissioner  
33.11 of management and budget from the  
33.12 unexpended balance of the real estate  
33.13 education, research, and recovery fund  
33.14 established in Minnesota Statutes, section  
33.15 82.43, to the general fund.
- 33.16 \$1,569,000 in 2010 and \$1,032,000 in 2011  
33.17 must be transferred by the commissioner  
33.18 of management and budget from the  
33.19 unexpended balance of the petroleum tank  
33.20 fund established in Minnesota Statutes,  
33.21 section 115C.08, to the general fund.
- 33.22 \$1,133,000 in 2010 and \$111,000 in 2011  
33.23 must be transferred by the commissioner  
33.24 of management and budget from the  
33.25 unexpended balance of the automobile theft  
33.26 prevention account established in Minnesota  
33.27 Statutes, section 168A.40, to the general  
33.28 fund.
- 33.29 \$4,000 in 2010 and \$9,000 in 2011  
33.30 must be transferred by the commissioner  
33.31 of management and budget from the  
33.32 unexpended balance of the health  
33.33 maintenance organization regulation account  
33.34 established under Minnesota Statutes, section  
33.35 471.59, to the general fund.

34.1	Sec. 13. <u>ACCOUNTANCY BOARD</u>	\$	<u>(15,000)</u>	\$	<u>(25,000)</u>
34.2	Sec. 14. <u>BOARD OF ARCHITECTURE,</u>				
34.3	<u>ENGINEERING, SURVEYING, AND</u>				
34.4	<u>LANDSCAPING</u>	\$	<u>(24,000)</u>	\$	<u>(41,000)</u>
34.5	Sec. 15. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>(6,000)</u>	\$	<u>(9,000)</u>
34.6	Sec. 16. <u>BOARD OF COSMETOLOGIST</u>				
34.7	<u>EXAMINERS</u>	\$	<u>(21,000)</u>	\$	<u>(33,000)</u>
34.8	Sec. 17. <u>COMBATIVE SPORTS</u>				
34.9	<u>COMMISSION</u>	\$	<u>(2,000)</u>	\$	<u>(4,000)</u>
34.10	Sec. 18. <u>HUMANITIES COMMISSION</u>	\$	<u>(8,000)</u>	\$	<u>(13,000)</u>
34.11	Sec. 19. <u>REGION 3 - OCCUPATION TAX</u>	\$	<u>(17,000)</u>	\$	<u>(29,000)</u>

34.12 This reduction is from the open appropriation  
 34.13 in Minnesota Statutes, section 298.17, and  
 34.14 is onetime.

34.15 Sec. 20. Minnesota Statutes 2009 Supplement, section 45.30, subdivision 6, is  
 34.16 amended to read:

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

35.1 accreditation and assignment of credit hours for courses. Courses must be at least one hour  
35.2 in length, except courses for real estate appraisers must be at least two hours in length.

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

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

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

35.10 (c) Approval must be granted for a subsequent offering of identical continuing  
35.11 education courses without requiring a new application. The commissioner must deny  
35.12 future offerings of courses if they are found not to be in compliance with the laws relating  
35.13 to course approval.

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

35.18 Sec. 21. Minnesota Statutes 2008, section 80A.46, is amended to read:

35.19 **80A.46 SECTION 202; EXEMPT TRANSACTIONS.**

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

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

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

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

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

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

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

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

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

36.10 (iii) an audited balance sheet of the issuer as of a date within 18 months before the  
36.11 date of the transaction or, in the case of a reorganization or merger when the parties to  
36.12 the reorganization or merger each had an audited balance sheet, a pro forma balance  
36.13 sheet for the combined organization; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 38.1 (B) a general solicitation or general advertisement of the transaction is not made; and  
38.2 (C) a commission or other remuneration is not paid or given, directly or indirectly, to  
38.3 a person not registered under this chapter as a broker-dealer or as an agent;
- 38.4 (12) a transaction by an executor, administrator of an estate, sheriff, marshal,  
38.5 receiver, trustee in bankruptcy, guardian, or conservator;
- 38.6 (13) a sale or offer to sell to:
- 38.7 (A) an institutional investor;  
38.8 (B) an accredited investor;  
38.9 (C) a federal covered investment adviser; or  
38.10 (D) any other person exempted by rule adopted or order issued under this chapter;
- 38.11 (14) a sale or an offer to sell securities by an issuer, if the transaction is part of  
38.12 a single issue in which:
- 38.13 (A) not more than 35 purchasers are present in this state during any 12 consecutive  
38.14 months, other than those designated in paragraph (13);
- 38.15 (B) a general solicitation or general advertising is not made in connection with  
38.16 the offer to sell or sale of the securities;
- 38.17 (C) a commission or other remuneration is not paid or given, directly or indirectly, to  
38.18 a person other than a broker-dealer registered under this chapter or an agent registered  
38.19 under this chapter for soliciting a prospective purchaser in this state; and
- 38.20 (D) the issuer reasonably believes that all the purchasers in this state, other than  
38.21 those designated in paragraph (13), are purchasing for investment.
- 38.22 Any issuer selling to purchasers in this state in reliance on this clause (14) exemption  
38.23 must provide to the administrator notice of the transaction by filing a statement of issuer  
38.24 form as adopted by rule. Notice must be filed at least ten days in advance of any sale or  
38.25 such shorter period as permitted by the administrator. However, an issuer who makes sales  
38.26 to ten or fewer purchasers in Minnesota during any period of 12 consecutive months is not  
38.27 required to provide this notice;
- 38.28 (15) a transaction under an offer to existing security holders of the issuer, including  
38.29 persons that at the date of the transaction are holders of convertible securities, options,  
38.30 or warrants, if a commission or other remuneration, other than a standby commission, is  
38.31 not paid or given, directly or indirectly, for soliciting a security holder in this state. The  
38.32 person making the offer and effecting the transaction must provide to the administrator  
38.33 notice of the transaction by filing a written description of the transaction. Notice must be  
38.34 filed at least ten days in advance of any transaction or such shorter period as permitted by  
38.35 the administrator;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

40.16 (22) a transaction involving:

40.17 (A) a stock dividend or equivalent equity distribution, whether the corporation or  
40.18 other business organization distributing the dividend or equivalent equity distribution is  
40.19 the issuer or not, if nothing of value is given by stockholders or other equity holders for  
40.20 the dividend or equivalent equity distribution other than the surrender of a right to a cash  
40.21 or property dividend if each stockholder or other equity holder may elect to take the  
40.22 dividend or equivalent equity distribution in cash, property, or stock;

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

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

40.28 (23) a nonissuer transaction in an outstanding security by or through a broker-dealer  
40.29 registered or exempt from registration under this chapter, if the issuer is a reporting  
40.30 issuer in a foreign jurisdiction designated by this paragraph or by rule adopted or order  
40.31 issued under this chapter; has been subject to continuous reporting requirements in the  
40.32 foreign jurisdiction for not less than 180 days before the transaction; and the security is  
40.33 listed on the foreign jurisdiction's securities exchange that has been designated by this  
40.34 paragraph or by rule adopted or order issued under this chapter, or is a security of the same  
40.35 issuer that is of senior or substantially equal rank to the listed security or is a warrant or  
40.36 right to purchase or subscribe to any of the foregoing. For purposes of this paragraph,



41.1 Canada, together with its provinces and territories, is a designated foreign jurisdiction  
41.2 and The Toronto Stock Exchange, Inc., is a designated securities exchange. After an  
41.3 administrative hearing in compliance with chapter 14, the administrator, by rule adopted  
41.4 or order issued under this chapter, may revoke the designation of a securities exchange  
41.5 under this paragraph, if the administrator finds that revocation is necessary or appropriate  
41.6 in the public interest and for the protection of investors;

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

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

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

41.24 (i) the issuer, before the completion of the sale of the securities, provides each  
41.25 offeree or purchaser disclosure materials that, to the extent material to an understanding of  
41.26 the issuer, its business, and the securities being offered, substantially meet the disclosure  
41.27 conditions and limitations found in rule 502(b) of Regulation D promulgated by the  
41.28 Securities and Exchange Commission, Code of Federal Regulations, title 17, section  
41.29 230.502; and

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

41.35 (C) a cooperative may, at or about the same time as offers or sales are being  
41.36 completed in reliance upon the exemptions from registration found in this subpart and as

42.1 part of a common plan of financing, offer or sell its securities in reliance upon any other  
42.2 exemption from registration available under this chapter. The offer or sale of securities in  
42.3 reliance upon the exemptions found in this subpart will not be considered or deemed a part  
42.4 of or be integrated with any offer or sale of securities conducted by the cooperative in  
42.5 reliance upon any other exemption from registration available under this chapter, nor will  
42.6 offers or sales of securities by the cooperative in reliance upon any other exemption from  
42.7 registration available under this chapter be considered or deemed a part of or be integrated  
42.8 with any offer or sale conducted by the cooperative in reliance upon this paragraph.

42.9 Sec. 22. Minnesota Statutes 2008, section 80A.65, subdivision 1, is amended to read:

42.10 Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of  
42.11 \$100 for every application for registration or notice filing. There shall be an additional fee  
42.12 of one-tenth of one percent of the maximum aggregate offering price at which the securities  
42.13 are to be offered in this state, and the maximum combined fees shall not exceed \$300.

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

42.18 (c) Where a filing is made in connection with a federal covered security under  
42.19 section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing.  
42.20 If the filing is made in connection with redeemable securities issued by an open end  
42.21 management company or unit investment trust, as defined in the Investment Company Act  
42.22 of 1940, there is an additional annual fee of ~~+20~~ 0.105 of one percent of the maximum  
42.23 aggregate offering price at which the securities are to be offered in this state during the  
42.24 notice filing period. The fee must be paid at the time of the initial filing and thereafter in  
42.25 connection with each renewal no later than July 1 of each year and must be sufficient to  
42.26 cover the shares the issuer expects to sell in this state over the next 12 months. If during a  
42.27 current notice filing the issuer determines it is likely to sell shares in excess of the shares  
42.28 for which fees have been paid to the administrator, the issuer shall submit an amended  
42.29 notice filing to the administrator under section 80A.50, together with a fee of ~~+20~~ 1/15  
42.30 of one percent of the maximum aggregate offering price of the additional shares. Shares  
42.31 for which a fee has been paid, but which have not been sold at the time of expiration of  
42.32 the notice filing, may not be sold unless an additional fee to cover the shares has been  
42.33 paid to the administrator as provided in this section and section 80A.50. If the filing is  
42.34 made in connection with redeemable securities issued by such a company or trust, there  
42.35 is no maximum fee for securities filings made according to this paragraph. If the filing

43.1 is made in connection with any other federal covered security under Section 18(b)(2) of  
 43.2 the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the  
 43.3 maximum aggregate offering price at which the securities are to be offered in this state,  
 43.4 and the combined fees shall not exceed \$300.

43.5 Sec. 23. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

43.6 **Subd. 2. Business and Community**  
 43.7 **Development** 8,980,000 8,980,000

43.8	Appropriations by Fund		
43.9 General	7,941,000		7,941,000
43.10 Remediation	700,000		700,000
43.11 Workforce			
43.12 Development	339,000		339,000

43.13 (a) \$700,000 the first year and \$700,000 the  
 43.14 second year are from the remediation fund for  
 43.15 contaminated site cleanup and development  
 43.16 grants under Minnesota Statutes, section  
 43.17 116J.554. This appropriation is available  
 43.18 until expended.

43.19 (b) \$200,000 each year is from the general  
 43.20 fund for a grant to WomenVenture for  
 43.21 women's business development programs  
 43.22 and for programs that encourage and assist  
 43.23 women to enter nontraditional careers in the  
 43.24 trades; manual and technical occupations;  
 43.25 science, technology, engineering, and  
 43.26 mathematics-related occupations; and green  
 43.27 jobs. This appropriation may be matched  
 43.28 dollar for dollar with any resources available  
 43.29 from the federal government for these  
 43.30 purposes with priority given to initiatives  
 43.31 that have a goal of increasing by at least ten  
 43.32 percent the number of women in occupations  
 43.33 where women currently comprise less than 25  
 43.34 percent of the workforce. The appropriation  
 43.35 is available until expended.

44.1 (c) \$105,000 each year is from the general  
44.2 fund and \$50,000 each year is from the  
44.3 workforce development fund for a grant to  
44.4 the Metropolitan Economic Development  
44.5 Association for continuing minority business  
44.6 development programs in the metropolitan  
44.7 area. This appropriation must be used for the  
44.8 sole purpose of providing free or reduced  
44.9 fee business consulting services to minority  
44.10 entrepreneurs and contractors.

44.11 (d)(1) \$500,000 each year is from the  
44.12 general fund for a grant to BioBusiness  
44.13 Alliance of Minnesota for bioscience  
44.14 business development programs to promote  
44.15 and position the state as a global leader  
44.16 in bioscience business activities. This  
44.17 appropriation is added to the department's  
44.18 base. These funds may be used to create,  
44.19 recruit, retain, and expand biobusiness  
44.20 activity in Minnesota; implement the  
44.21 destination 2025 statewide plan; update  
44.22 a statewide assessment of the bioscience  
44.23 industry and the competitive position of  
44.24 Minnesota-based bioscience businesses  
44.25 relative to other states and other nations;  
44.26 and develop and implement business and  
44.27 scenario-planning models to create, recruit,  
44.28 retain, and expand biobusiness activity in  
44.29 Minnesota.

44.30 (2) The BioBusiness Alliance must report  
44.31 each year by February 15 to the committees  
44.32 of the house of representatives and the senate  
44.33 having jurisdiction over bioscience industry  
44.34 activity in Minnesota on the use of funds;  
44.35 the number of bioscience businesses and  
44.36 jobs created, recruited, retained, or expanded

45.1 in the state since the last reporting period;  
45.2 the competitive position of the biobusiness  
45.3 industry; and utilization rates and results of  
45.4 the business and scenario-planning models  
45.5 and outcomes resulting from utilization of  
45.6 the business and scenario-planning models.

45.7 (e)(1) Of the money available in the  
45.8 Minnesota Investment Fund, Minnesota  
45.9 Statutes, section 116J.8731, to the  
45.10 commissioner of the Department of  
45.11 Employment and Economic Development,  
45.12 up to \$3,000,000 is appropriated in fiscal year  
45.13 2010 for a loan to an aircraft manufacturing  
45.14 and assembly company, associated with the  
45.15 aerospace industry, for equipment utilized  
45.16 to establish an aircraft completion center  
45.17 at the Minneapolis-St. Paul International  
45.18 Airport. The finishing center must use the  
45.19 state's vocational training programs designed  
45.20 specifically for aircraft maintenance training,  
45.21 and to the extent possible, work to recruit  
45.22 employees from these programs. The center  
45.23 must create at least 200 new manufacturing  
45.24 jobs within 24 months of receiving the  
45.25 loan, and create not less than 500 new  
45.26 manufacturing jobs over a five-year period  
45.27 in Minnesota.

45.28 (2) This loan is not subject to loan limitations  
45.29 under Minnesota Statutes, section 116J.8731,  
45.30 subdivision 5. Any match requirements  
45.31 under Minnesota Statutes, section 116J.8731,  
45.32 subdivision 3, may be made from current  
45.33 resources. This is a onetime appropriation  
45.34 and is effective the day following final  
45.35 enactment.

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

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

46.8 (h) \$500,000 the first year and \$500,000 the  
46.9 second year are for a grant to Enterprise  
46.10 Minnesota, Inc., for the small business  
46.11 growth acceleration program under  
46.12 Minnesota Statutes, section 116O.115. This  
46.13 is a onetime appropriation and is available  
46.14 until expended.

46.15 (i)(1) \$100,000 each year is from the  
46.16 workforce development fund for a grant  
46.17 under Minnesota Statutes, section 116J.421,  
46.18 to the Rural Policy and Development  
46.19 Center at St. Peter, Minnesota. The grant  
46.20 shall be used for research and policy  
46.21 analysis on emerging economic and social  
46.22 issues in rural Minnesota, to serve as a  
46.23 policy resource center for rural Minnesota  
46.24 communities, to encourage collaboration  
46.25 across higher education institutions, to  
46.26 provide interdisciplinary team approaches  
46.27 to research and problem-solving in rural  
46.28 communities, and to administer overall  
46.29 operations of the center.

46.30 (2) The grant shall be provided upon the  
46.31 condition that each state-appropriated  
46.32 dollar be matched with a nonstate dollar.  
46.33 Acceptable matching funds are nonstate  
46.34 contributions that the center has received and  
46.35 have not been used to match previous state

47.1 grants. Any funds not spent the first year are  
47.2 available the second year.

47.3 (j) Notwithstanding Minnesota Statutes,  
47.4 section 268.18, subdivision 2, \$414,000 of  
47.5 funds collected for unemployment insurance  
47.6 administration under this subdivision is  
47.7 appropriated as follows: \$250,000 to Lake  
47.8 County for ice storm damage; \$64,000 is for  
47.9 the city of Green Isle for reimbursement of  
47.10 fire relief efforts and other expenses incurred  
47.11 as a result of the fire in the city of Green Isle;  
47.12 and \$100,000 is to develop the construction  
47.13 mitigation pilot program to make grants for  
47.14 up to five projects statewide available to local  
47.15 government units to mitigate the impacts of  
47.16 transportation construction on local small  
47.17 business. These are onetime appropriations  
47.18 and are available until expended.

47.19 (k) Up to \$10,000,000 is appropriated  
47.20 from the Minnesota minerals 21st century  
47.21 fund to the commissioner of Iron Range  
47.22 resources and rehabilitation to make a grant  
47.23 or forgivable loan to a manufacturer of  
47.24 windmill blades, other renewable energy  
47.25 manufacturing, or biomass projects at  
47.26 a facility facilities to be located within  
47.27 the taconite tax relief area defined in  
47.28 Minnesota Statutes, section 273.134. No  
47.29 match is required for the renewable energy  
47.30 manufacturing or biomass projects.

47.31 (l) \$1,000,000 is appropriated from the  
47.32 Minnesota minerals 21st century fund to  
47.33 the Board of Trustees of the Minnesota  
47.34 State Colleges and Universities for a grant  
47.35 to the Northeast Higher Education District

48.1 for planning, design, and construction of  
48.2 classrooms and housing facilities for upper  
48.3 division students in the engineering program.

48.4 (m)(1) \$189,000 each year is appropriated  
48.5 from the workforce development fund for  
48.6 grants of \$63,000 to eligible organizations  
48.7 each year to assist in the development of  
48.8 entrepreneurs and small businesses. Each  
48.9 state grant dollar must be matched with \$1  
48.10 of nonstate funds. Any balance in the first  
48.11 year does not cancel but is available in the  
48.12 second year.

48.13 (2) Three grants must be awarded to  
48.14 continue or to develop a program. One  
48.15 grant must be awarded to the Riverbend  
48.16 Center for Entrepreneurial Facilitation  
48.17 in Blue Earth County, and two to other  
48.18 organizations serving Faribault and Martin  
48.19 Counties. Grant recipients must report to the  
48.20 commissioner by February 1 of each year  
48.21 that the organization receives a grant with the  
48.22 number of customers served; the number of  
48.23 businesses started, stabilized, or expanded;  
48.24 the number of jobs created and retained; and  
48.25 business success rates. The commissioner  
48.26 must report to the house of representatives  
48.27 and senate committees with jurisdiction  
48.28 over economic development finance on the  
48.29 effectiveness of these programs for assisting  
48.30 in the development of entrepreneurs and  
48.31 small businesses.

48.32 **ARTICLE 8**

48.33 **TRANSPORTATION**

48.34 Section 1. **SUMMARY OF APPROPRIATIONS.**



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

49.3	<u>2010</u>	<u>2011</u>	<u>Total</u>
49.4 <u>General</u>	\$ -0-	\$ (9,500,000)	\$ (9,500,000)
49.5 <u>Trunk Highway</u>	-0-	109,000,000	109,000,000
49.6 <b><u>Total</u></b>	<b>\$ -0-</b>	<b>\$ 99,500,000</b>	<b>\$ 99,500,000</b>

49.7 Sec. 2. **APPROPRIATIONS.**

49.8 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 49.9 in parentheses, subtracted from the appropriations under Laws 2009, chapter 36, article  
 49.10 1, to the agencies and for the purposes specified in this article. The appropriations are  
 49.11 from the trunk highway fund or another named fund and are available for the fiscal years  
 49.12 indicated for each purpose. The figures "2010" and "2011" used in this article mean  
 49.13 that the addition to or subtraction from the appropriation listed under them is available  
 49.14 for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental  
 49.15 appropriations and reductions to appropriations for the fiscal year ending June 30, 2010,  
 49.16 are effective the day following final enactment.

49.17	<b><u>APPROPRIATIONS</u></b>	
49.18	<b><u>Available for the Year</u></b>	
49.19	<b><u>Ending June 30</u></b>	
49.20	<b><u>2010</u></b>	<b><u>2011</u></b>

49.21 Sec. 3. **TRANSPORTATION**

49.22 Subdivision 1. **Total Appropriation** \$ -0- \$ 109,000,000

49.23	<u>Appropriations by Fund</u>	
49.24	<u>2010</u>	<u>2011</u>
49.25 <u>Trunk Highway</u>	<u>-0-</u>	<u>109,000,000</u>

49.26 The amounts that may be spent or must be  
 49.27 reduced for each purpose are specified in the  
 49.28 following subdivisions.

49.29 Subd. 2. **State Roads** -0- 104,000,000

49.30 \$104,000,000 in fiscal year 2011 is  
 49.31 appropriated to the commissioner of  
 49.32 transportation for state road construction.  
 49.33 This appropriation is added to appropriations  
 49.34 under Laws 2009, chapter 36, article 1,

50.1 section 3, subdivision 3, paragraph (b),  
50.2 clause (2). This additional appropriation is  
50.3 funded by additional federal highway aid  
50.4 of \$104,000,000 above that specified in  
50.5 Laws 2009, chapter 36, article 1, section 3,  
50.6 subdivision 3, paragraph (b), clause (2). This  
50.7 is a onetime appropriation.

50.8 **Subd. 3. Federal Emergency Relief Account** -0- 5,000,000

50.9 \$5,000,000 in fiscal year 2011 is appropriated  
50.10 to the commissioner of transportation for the  
50.11 purposes of the trunk highway emergency  
50.12 relief account, as defined in new Minnesota  
50.13 Statutes, section 161.04, subdivision 5. This  
50.14 is a onetime appropriation.

50.15 **Sec. 4. METROPOLITAN COUNCIL** \$ -0- \$ (9,500,000)

50.16 This reduction is from the appropriation from  
50.17 the general fund for bus system operations in  
50.18 Laws 2009, chapter 36, article 1, section 4,  
50.19 subdivision 2. \$3,000,000 of this reduction  
50.20 is onetime.

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

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

50.27 (b) Reimbursements by the Federal Highway Administration for emergency relief  
50.28 payments made from the trunk highway emergency relief account must be credited to the  
50.29 account. Interest accrued on the account must be credited to the account. Notwithstanding  
50.30 section 16A.28, money in the account is available until spent. If the balance of the account  
50.31 at the end of a fiscal year is greater than \$10,000,000, the amount above \$10,000,000  
50.32 must be canceled to the trunk highway fund.

50.33 (c) By September 1, 2012, and in every subsequent even-numbered year by  
50.34 September 1, the commissioner shall submit a report to the chairs and ranking minority

51.1 members of the senate and house of representatives committees having jurisdiction over  
 51.2 transportation policy and finance. The report must include the balance, as well as details  
 51.3 of payments made from and deposits made to the trunk highway emergency relief account  
 51.4 since the last report.

51.5 **ARTICLE 9**

51.6 **PUBLIC SAFETY**

51.7 Section 1. **OUTCOME MEASUREMENT.**

51.8 In enacting this article, the legislature does not intend that the outcome of the  
 51.9 article's budget reductions will adversely affect public safety. It is not the intent of the  
 51.10 legislature to impair the ability of local units of government to provide sufficient police  
 51.11 and fire protection to the public.

51.12 Sec. 2. **SUMMARY OF APPROPRIATIONS.**

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

	<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
51.15					
51.16	<u>General</u>	\$ (6,178,000)	\$	(11,004,000)	\$ (17,182,000)
51.17	<u>Special Revenue</u>	-0-		4,748,000	4,748,000
51.18	<b><u>Total</u></b>	<b>\$ (6,178,000)</b>	<b>\$</b>	<b>(6,256,000)</b>	<b>\$ (12,434,000)</b>

51.19 Sec. 3. **PUBLIC SAFETY APPROPRIATIONS.**

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

51.30 **APPROPRIATIONS**  
 51.31 **Available for the Year**  
 51.32 **Ending June 30**  
 51.33 **2010** **2011**



53.1	<u>This appropriation is available until June 30,</u>		
53.2	<u>2012.</u>		
53.3	<b>Subd. 5. <u>Alcohol and Gambling Enforcement</u></b>	<u>(34,000)</u>	<u>(68,000)</u>
53.4	<b>Subd. 6. <u>Office of Justice Programs</u></b>	<u>(398,000)</u>	<u>(816,000)</u>
53.5	<u>The limitations on program reductions</u>		
53.6	<u>specified in Laws 2009, chapter 83, article</u>		
53.7	<u>1, section 10, subdivision 6, paragraph (b),</u>		
53.8	<u>do not apply to the reductions made in this</u>		
53.9	<u>subdivision.</u>		
53.10	<u>No portion of this reduction may come</u>		
53.11	<u>from grants to youth intervention, domestic</u>		
53.12	<u>violence, or sexual violence programs.</u>		
53.13	<b>Sec. 5. <u>PRIVATE DETECTIVE BOARD</u></b>	<b>\$ <u>(3,000)</u></b>	<b>\$ <u>(5,000)</u></b>
53.14	<b>Sec. 6. <u>HUMAN RIGHTS</u></b>	<b>\$ <u>(71,000)</u></b>	<b>\$ <u>(144,000)</u></b>
53.15	<b>Sec. 7. <u>CORRECTIONS</u></b>		
53.16	<b>Subdivision 1. <u>Total Appropriation</u></b>	<b>\$ <u>(5,100,000)</u></b>	<b>\$ <u>(10,402,000)</u></b>
53.17	<u>The appropriation additions or reductions</u>		
53.18	<u>for each purpose are shown in the following</u>		
53.19	<u>subdivisions.</u>		
53.20	<u>The limitations on how the commissioner</u>		
53.21	<u>must make the appropriation reductions</u>		
53.22	<u>specified in Laws 2009, chapter 83, article</u>		
53.23	<u>1, section 14, do not apply to the reductions</u>		
53.24	<u>made in this section.</u>		
53.25	<u>No portion of this reduction may come from</u>		
53.26	<u>offender reentry programs or from discharge</u>		
53.27	<u>planning for mentally ill offenders.</u>		
53.28	<b>Subd. 2. <u>Correctional Institutions</u></b>	<u>(3,334,000)</u>	<u>(6,786,000)</u>
53.29	<b><u>Transfers In</u></b>		
53.30	<u>(a) Notwithstanding Minnesota Statutes,</u>		
53.31	<u>section 241.27, the commissioner of</u>		

54.1 management and budget shall transfer  
 54.2 \$574,000 the first year and \$989,000 the  
 54.3 second year from the Minnesota correctional  
 54.4 industries revolving fund to the general fund.

54.5 These are onetime transfers.

54.6 (b) Notwithstanding any law to the contrary,  
 54.7 the commissioner of management and  
 54.8 budget shall transfer \$201,000 the first year  
 54.9 and \$402,000 the second year from the  
 54.10 Department of Corrections' special revenue  
 54.11 accounts to the general fund. These are  
 54.12 onetime transfers. The commissioner of  
 54.13 corrections shall adjust expenditures to stay  
 54.14 within the remaining revenues.

54.15 <u>Subd. 3. <b>Community Services</b></u>	<u>(1,331,000)</u>	<u>(2,732,000)</u>
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54.16 No portion of this reduction may come from  
 54.17 sentencing-to-service programs.

54.18 <u>Subd. 4. <b>Operations Support</b></u>	<u>(435,000)</u>	<u>(884,000)</u>
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54.19 <u>Sec. 8. <b>SENTENCING GUIDELINES</b></u>	<u>\$</u>	<u>(12,000)</u>	<u>\$</u>	<u>(25,000)</u>
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54.20 Sec. 9. Minnesota Statutes 2008, section 297I.06, subdivision 3, is amended to read:

54.21 Subd. 3. **Fire safety account, annual transfers, allocation.** A special account, to  
 54.22 be known as the fire safety account, is created in the state treasury. The account consists  
 54.23 of the proceeds under subdivisions 1 and 2. \$468,000 in fiscal year 2008, \$4,268,000  
 54.24 in fiscal year 2009, \$7,868,000 in fiscal year 2010, and ~~\$2,268,000~~ \$2,368,000 in each  
 54.25 year thereafter is transferred from the fire safety account in the special revenue fund to  
 54.26 the general fund to offset the loss of revenue caused by the repeal of the one-half of one  
 54.27 percent tax on fire insurance premiums.

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

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

54.30	<del>8,125,000</del>	<del>8,125,000</del>
54.31 <u>Subd. 4. <b>Fire Marshal</b></u>	<u>13,625,000</u>	<u>12,525,000</u>

55.1 This appropriation is from the fire safety  
 55.2 account in the special revenue fund.  
 55.3 Of this amount, ~~\$5,857,000 each~~ \$5,757,000  
 55.4 the first year and \$10,157,000 the second  
 55.5 year ~~is are~~ for activities under Minnesota  
 55.6 Statutes, section 299F.012, and ~~\$2,268,000~~  
 55.7 ~~each~~ \$7,868,000 the first year and \$2,368,000  
 55.8 the second year ~~is are~~ for transfer to the  
 55.9 general fund under Minnesota Statutes,  
 55.10 section 297I.06, subdivision 3.

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

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

55.13	Sec. 11. <b>PEACE OFFICER STANDARDS</b>			<b><u>4,012,000</u></b>
55.14	<b>AND TRAINING BOARD (POST)</b>	\$	<b>4,012,000</b>	\$ <b><u>4,360,000</u></b>

55.15 (a) **Excess Amounts Transferred.** This  
 55.16 appropriation is from the peace officer  
 55.17 training account in the special revenue fund.  
 55.18 Any new receipts credited to that account in  
 55.19 the first year in excess of \$4,012,000 must be  
 55.20 transferred and credited to the general fund.  
 55.21 Any new receipts credited to that account  
 55.22 in the second year in excess of ~~\$4,012,000~~  
 55.23 \$4,360,000 must be transferred and credited  
 55.24 to the general fund.

55.25 (b) **Peace Officer Training**  
 55.26 **Reimbursements.** ~~\$2,859,000 each year is~~  
 55.27 \$2,859,000 the first year and \$3,207,000 the  
 55.28 second year are for reimbursements to local  
 55.29 governments for peace officer training costs.

55.30 (c) **Prohibition on Use of Appropriation.**  
 55.31 No portion of this appropriation may be  
 55.32 used for the purchase of motor vehicles  
 55.33 or out-of-state travel that is not directly

56.1 connected with and necessary to carry out  
 56.2 the core functions of the board.

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

56.4 Sec. 12. **PROPOSED SENTENCING GUIDELINES' CHANGES DELAYED.**

56.5 The proposed changes to the sentencing guidelines relating to the crimes of  
 56.6 solicitation, inducement, and promotion of prostitution and sex trafficking, described on  
 56.7 pages 8 to 9, and riot, described in Appendix E, of the Minnesota Sentencing Guidelines  
 56.8 Commission's January 2010 report to the legislature take effect on August 1, 2011.

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

56.10 **ARTICLE 10**

56.11 **JUDICIARY**

56.12 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>Total</b></u>
56.15 <u>General</u>	\$ (4,950,000)	\$ (10,050,000)	\$ (15,000,000)

56.17 Sec. 2. **JUDICIARY APPROPRIATIONS.**

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

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

56.31 Sec. 3. <u><b>SUPREME COURT</b></u>	\$	<u><b>(582,000)</b></u>	\$	<u><b>(1,178,000)</b></u>
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57.1 The appropriation additions or reductions for  
 57.2 each purpose are as follows:

57.3	<u>(a) Supreme Court Operations</u>		<u>(420,000)</u>		<u>(850,000)</u>
57.4	<u>(b) Civil Legal Services</u>		<u>(162,000)</u>		<u>(328,000)</u>
57.5	Sec. 4. <u>COURT OF APPEALS</u>	\$	<u>(137,000)</u>	\$	<u>(278,000)</u>
57.6	Sec. 5. <u>TRIAL COURTS</u>	\$	<u>(3,335,000)</u>	\$	<u>(6,772,000)</u>
57.7	Sec. 6. <u>TAX COURT</u>	\$	<u>(8,000)</u>	\$	<u>(16,000)</u>
57.8	Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	\$	<u>-0-</u>	\$	<u>(2,000)</u>
57.9	Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	\$	<u>(8,000)</u>	\$	<u>(16,000)</u>
57.10	Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	\$	<u>(880,000)</u>	\$	<u>(1,788,000)</u>

57.11 **ARTICLE 11**

57.12 **STATE GOVERNMENT**

57.13 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

57.16			<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
57.17	<u>General</u>	\$	<u>(3,595,000)</u>	\$	<u>(693,000)</u>	\$	<u>(4,288,000)</u>

57.18 Sec. 2. **APPROPRIATIONS.**

57.19 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 57.20 in parentheses, subtracted from the appropriations in Laws 2009, chapter 101, article 1, to  
 57.21 the agencies and for the purposes specified in this article. The appropriations are from the  
 57.22 general fund or another named fund and are available for the fiscal years indicated for  
 57.23 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 57.24 to or subtraction from the appropriation listed under them is available for the fiscal year  
 57.25 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 57.26 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 57.27 day following final enactment.

58.1		<u>APPROPRIATIONS</u>	
58.2		<u>Available for the Year</u>	
58.3		<u>Ending June 30</u>	
58.4		<u>2010</u>	<u>2011</u>
58.5	Sec. 3. <u>LEGISLATURE</u>		
58.6	Subdivision 1. <u>Total Reduction</u>	\$ (821,000)	\$ (2,028,000)
58.7	<u>The appropriation additions or reductions</u>		
58.8	<u>for each purpose are shown in the following</u>		
58.9	<u>subdivisions.</u>		
58.10	Subd. 2. <u>Senate</u>	(205,000)	(668,000)
58.11	Subd. 3. <u>House of Representatives</u>	(395,000)	(898,000)
58.12	Subd. 4. <u>Legislative Coordinating Commission</u>	(221,000)	(462,000)
58.13	Sec. 4. <u>GOVERNOR</u>	\$ (128,000)	\$ (210,000)
58.14	<u>\$300,000 in 2010 and \$702,000 in 2011 must</u>		
58.15	<u>be transferred to the general fund from the</u>		
58.16	<u>special revenue account for the governor's</u>		
58.17	<u>office in the special revenue fund.</u>		
58.18	Sec. 5. <u>STATE AUDITOR</u>	\$ (32,000)	\$ (55,000)
58.19	Sec. 6. <u>ATTORNEY GENERAL</u>	\$ (436,000)	\$ (695,000)
58.20	Sec. 7. <u>SECRETARY OF STATE</u>	\$ (104,000)	\$ (177,000)
58.21	Sec. 8. <u>CAMPAIGN FINANCE AND PUBLIC</u>		
58.22	<u>DISCLOSURE BOARD</u>	\$ (14,000)	\$ (30,000)
58.23	Sec. 9. <u>STATE BOARD OF INVESTMENT</u>	\$ (2,000)	\$ (6,000)
58.24	Sec. 10. <u>OFFICE OF ENTERPRISE</u>		
58.25	<u>TECHNOLOGY</u>	\$ (111,000)	\$ (225,000)
58.26	Sec. 11. <u>OFFICE OF ADMINISTRATIVE</u>		
58.27	<u>HEARINGS</u>	\$ (8,000)	\$ (11,000)
58.28	Sec. 12. <u>ADMINISTRATION</u>	\$ -0-	\$ (563,000)

59.1 (a) \$127,000 in 2011 is from the transfer  
 59.2 to the commissioner of human services for  
 59.3 a grant to the Council on Developmental  
 59.4 Disabilities.

59.5 (b) \$209,000 of the balance in the central  
 59.6 stores fund must be transferred to the general  
 59.7 fund on or before June 30, 2010. This is a  
 59.8 onetime transfer.

59.9 (c) The balance in the commuter van program  
 59.10 account in the special revenue fund must be  
 59.11 transferred to the general fund on or before  
 59.12 June 30, 2010. This is a onetime transfer.

59.13 (d) The balance in the archaeology burial  
 59.14 account of the special revenue fund must be  
 59.15 transferred to the general fund on or before  
 59.16 June 30, 2010. This is a onetime transfer.

59.17 (e) \$1,492 in fiscal year 2010 must be  
 59.18 transferred to the general fund from the  
 59.19 utility rebates account in the special revenue  
 59.20 fund. This is a onetime transfer.

59.21 **Sec. 13. CAPITOL AREA**

59.22 **ARCHITECTURAL AND PLANNING**  
 59.23 **BOARD**

**\$ (6,000) \$ (14,000)**

59.24 **Sec. 14. MANAGEMENT AND BUDGET**

**\$ (386,000) \$ (799,000)**

59.25 (a) \$300 in 2010 and \$300 in 2011 must  
 59.26 be transferred to the general fund from the  
 59.27 combined charities administration account in  
 59.28 the special revenue fund. These are onetime  
 59.29 transfers.

59.30 (b) \$8,700 in 2010 and \$10,700 in 2011 must  
 59.31 be transferred to the general fund from the  
 59.32 information systems division account in the  
 59.33 special revenue fund. These are onetime  
 59.34 transfers.

60.1	Sec. 15. <b><u>REVENUE</u></b>	<b><u>\$</u></b>	<b><u>(768,000)</u></b>	<b><u>\$</u></b>	<b><u>4,187,000</u></b>
60.2	<u>\$6,727,000 in 2011 is for additional activities</u>				
60.3	<u>to identify and collect tax liabilities from</u>				
60.4	<u>individuals and businesses that currently</u>				
60.5	<u>do not pay all taxes owed. \$235,000 of</u>				
60.6	<u>this appropriation is for a training and</u>				
60.7	<u>mentoring initiative for personnel paid from</u>				
60.8	<u>this appropriation. This initiative is expected</u>				
60.9	<u>to result in new general fund revenues of</u>				
60.10	<u>\$26,865,000 for the biennium ending June</u>				
60.11	<u>30, 2011.</u>				
60.12	Sec. 16. <b><u>AMATEUR SPORTS COMMISSION</u></b>	<b><u>\$</u></b>	<b><u>(4,000)</u></b>	<b><u>\$</u></b>	<b><u>(11,000)</u></b>
60.13	Sec. 17. <b><u>COUNCIL ON BLACK</u></b>				
60.14	<b><u>MINNESOTANS</u></b>	<b><u>\$</u></b>	<b><u>(5,000)</u></b>	<b><u>\$</u></b>	<b><u>(13,000)</u></b>
60.15	Sec. 18. <b><u>COUNCIL ON CHICANO/LATINO</u></b>				
60.16	<b><u>AFFAIRS</u></b>	<b><u>\$</u></b>	<b><u>(6,000)</u></b>	<b><u>\$</u></b>	<b><u>(12,000)</u></b>
60.17	Sec. 19. <b><u>COUNCIL ON ASIAN-PACIFIC</u></b>				
60.18	<b><u>MINNESOTANS</u></b>	<b><u>\$</u></b>	<b><u>(5,000)</u></b>	<b><u>\$</u></b>	<b><u>(11,000)</u></b>
60.19	Sec. 20. <b><u>INDIAN AFFAIRS COUNCIL</u></b>	<b><u>\$</u></b>	<b><u>(9,000)</u></b>	<b><u>\$</u></b>	<b><u>(20,000)</u></b>
60.20	Sec. 21. <b><u>GENERAL CONTINGENT</u></b>				
60.21	<b><u>ACCOUNTS</u></b>	<b><u>\$</u></b>	<b><u>(750,000)</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>
60.22	<u>\$750,000 is from the appropriation for</u>				
60.23	<u>potential state matching requirements under</u>				
60.24	<u>the American Recovery and Reinvestment</u>				
60.25	<u>Act of 2009.</u>				
60.26	Sec. 22. <b><u>[16A.1287] SYSTEM NAME.</u></b>				
60.27	<u>The statewide accounting and procurement system must be known as the Cash</u>				
60.28	<u>Accounting and Tabulation System (CATS).</u>				
60.29	<b><u>EFFECTIVE DATE.</u></b> <u>This section is effective the day following final enactment</u>				
60.30	<u>and must be implemented swiftly.</u>				

61.1 Sec. 23. Minnesota Statutes 2009 Supplement, section 16A.152, subdivision 2, is  
61.2 amended to read:

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

61.8 (1) the cash flow account established in subdivision 1 until that account reaches  
61.9 \$350,000,000;

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

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

61.16 (4) the amount necessary to restore all or a portion of the net aid reductions under  
61.17 section 127A.441 and to reduce the property tax revenue recognition shift under section  
61.18 123B.75, subdivision 5, paragraph (b), and Laws 2003, First Special Session chapter 9,  
61.19 article 5, section 34, as amended by Laws 2003, First Special Session chapter 23, section  
61.20 20, by the same amount; ~~and~~

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

61.24 (6) the budget reserve account established in subdivision 1a until that account  
61.25 reaches \$1,300,000,000.

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

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

61.35 Sec. 24. **STATE OFFICE BUILDING PARKING RAMP.**

62.1 The commissioner of administration shall charge \$99 per month for the use of a  
 62.2 parking stall in the below-ground level portion of the State Office Building parking  
 62.3 ramp. Notwithstanding Minnesota Statutes, section 16B.58, subdivision 5, the increase  
 62.4 in revenue attributable to the rate required under this section must be deposited in the  
 62.5 general fund.

62.6 **ARTICLE 12**

62.7 **STATE AGENCY POSITIONS ABOLISHED**

62.8 Section 1. **APPROPRIATIONS.**

62.9 The sums shown in parentheses in the columns marked "Appropriations" are  
 62.10 subtracted from the appropriations in Laws 2009, chapters 36, 37, 78, 83, 94, 95, and  
 62.11 101, to the agencies specified in this article. The appropriation reductions are from the  
 62.12 general fund or another named fund for the fiscal years indicated for each purpose.  
 62.13 The figures "2010" and "2011" used in this article mean that the subtraction from the  
 62.14 appropriation listed under them is for the fiscal year ending June 30, 2010, or June 30,  
 62.15 2011, respectively. Reductions to appropriations for the fiscal year ending June 30, 2010,  
 62.16 are effective the day following final enactment.

62.17 **APPROPRIATIONS**  
 62.18 **Available for the Year**  
 62.19 **Ending June 30**  
 62.20 **2010                      2011**

62.21 **Sec. 2. STATE AGENCY POSITIONS**  
 62.22 **ABOLISHED**

62.23 **Subdivision 1. Total Appropriation Reduction    \$                      -0-    \$                      (8,028,000)**

62.24 **Appropriations by Fund**

	<u>2010</u>	<u>2011</u>
62.25		
62.26	<u>-0-</u>	<u>(4,850,000)</u>
62.27	<u>-0-</u>	<u>(1,211,000)</u>
62.28	<u>-0-</u>	<u>(595,000)</u>
62.29		
62.30	<u>-0-</u>	<u>(374,000)</u>
62.31	<u>-0-</u>	<u>(94,000)</u>
62.32	<u>-0-</u>	<u>(15,000)</u>
62.33		
62.34	<u>-0-</u>	<u>(63,000)</u>
62.35	<u>-0-</u>	<u>(105,000)</u>
62.36	<u>-0-</u>	<u>(50,000)</u>

63.1	<u>Internal</u>		
63.2	<u>Services/Enterprise</u>	<u>-0-</u>	<u>(443,000)</u>
63.3	<u>Tech Lease Project</u>	<u>-0-</u>	<u>(47,000)</u>
63.4	<u>State Employee</u>		
63.5	<u>Insurance</u>	<u>-0-</u>	<u>(67,000)</u>
63.6	<u>Federal</u>	<u>-0-</u>	<u>(114,000)</u>
63.7	<u>The positions abolished and appropriations</u>		
63.8	<u>reduced in each state agency are specified in</u>		
63.9	<u>the following subdivisions.</u>		
63.10	<u>Subd. 2. <b>Education</b></u>	<u>-0-</u>	<u>(725,000)</u>
63.11	<u>Appropriations by Fund</u>		
63.12	<u>General</u>	<u>-0-</u>	<u>(631,000)</u>
63.13	<u>Federal</u>	<u>-0-</u>	<u>(94,000)</u>
63.14	<u>The following positions are abolished:</u>		
63.15	<u>(1) Assistant Commissioner (two positions);</u>		
63.16	<u>(2) Director of Communications and Media</u>		
63.17	<u>Relations;</u>		
63.18	<u>(3) Executive Secretary Teaching Board;</u>		
63.19	<u>(4) Project Manager;</u>		
63.20	<u>(5) Education Specialist 2; and</u>		
63.21	<u>(6) Executive Aide.</u>		
63.22	<u>Subd. 3. <b>Pollution Control Agency</b></u>		<u>(256,000)</u>
63.23	<u>The following positions are abolished:</u>		
63.24	<u>Assistant Commissioner (two positions).</u>		
63.25	<u>Subd. 4. <b>Natural Resources</b></u>	<u>-0-</u>	<u>(332,000)</u>
63.26	<u>Appropriations by Fund</u>		
63.27	<u>General</u>	<u>-0-</u>	<u>(160,000)</u>
63.28	<u>Game and Fish</u>	<u>-0-</u>	<u>(94,000)</u>
63.29	<u>Water Recreation</u>	<u>-0-</u>	<u>(15,000)</u>
63.30	<u>DNR-Professional</u>		
63.31	<u>Services</u>	<u>-0-</u>	<u>(63,000)</u>
63.32	<u>The following positions are abolished:</u>		
63.33	<u>(1) Assistant Commissioner (three positions);</u>		
63.34	<u>and</u>		

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64.1	<u>(2) Executive Aide.</u>		
64.2	<b><u>Subd. 5. Agriculture</u></b>	<u>-0-</u>	<u>(332,000)</u>
64.3	<u>Appropriations by Fund</u>		
64.4	<u>General</u>	<u>-0-</u>	<u>(22,000)</u>
64.5	<u>Special Revenue</u>	<u>-0-</u>	<u>(310,000)</u>
64.6	<u>The following positions are abolished:</u>		
64.7	<u>(1) Assistant Commissioner (three positions);</u>		
64.8	<u>and</u>		
64.9	<u>(2) State Program Administrator, Senior.</u>		
64.10	<b><u>Subd. 6. Veterans Affairs</u></b>	<u>-0-</u>	<u>(247,000)</u>
64.11	<u>Appropriations by Fund</u>		
64.12	<u>General</u>	<u>-0-</u>	<u>(191,000)</u>
64.13	<u>Special Revenue</u>	<u>-0-</u>	<u>(56,000)</u>
64.14	<u>The following positions are abolished:</u>		
64.15	<u>(1) Deputy Commissioner; and</u>		
64.16	<u>(2) State Program Administrator, Senior.</u>		
64.17	<b><u>Subd. 7. Employment and Economic</u></b>		
64.18	<b><u>Development</u></b>		<u>(255,000)</u>
64.19	<u>The following positions are abolished:</u>		
64.20	<u>(1) Deputy Commissioner (three positions);</u>		
64.21	<u>and</u>		
64.22	<u>(2) Administrative Services Director (two</u>		
64.23	<u>positions).</u>		
64.24	<b><u>Subd. 8. Labor and Industry</u></b>	<u>-0-</u>	<u>(599,000)</u>
64.25	<u>Appropriations by Fund</u>		
64.26	<u>Special Revenue</u>	<u>-0-</u>	<u>(216,000)</u>
64.27	<u>Workers'</u>		
64.28	<u>Compensation</u>	<u>-0-</u>	<u>(333,000)</u>
64.29	<u>Construction Code</u>	<u>-0-</u>	<u>(50,000)</u>
64.30	<u>These reductions are from the workers'</u>		
64.31	<u>compensation fund.</u>		
64.32	<u>The following positions are abolished:</u>		
64.33	<u>(1) Deputy Commissioner;</u>		



65.1	<u>(2) Assistant Commissioner (two positions);</u>		
65.2	<u>(3) Compensation Attorney Principal; and</u>		
65.3	<u>(4) Research Director.</u>		
65.4	<b>Subd. 9. Commerce</b>	<u>-0-</u>	<u>(803,000)</u>
65.5	<u>Appropriations by Fund</u>		
65.6	<u>General</u>	<u>-0-</u>	<u>(642,000)</u>
65.7	<u>Special Revenue</u>	<u>-0-</u>	<u>(100,000)</u>
65.8	<u>Workers'</u>		
65.9	<u>Compensation</u>	<u>-0-</u>	<u>(41,000)</u>
65.10	<u>Federal</u>	<u>-0-</u>	<u>(20,000)</u>
65.11	<u>The following positions are abolished:</u>		
65.12	<u>(1) Deputy Commissioner (three positions);</u>		
65.13	<u>(2) Assistant Commissioner (two positions);</u>		
65.14	<u>(3) State Program Administrator, Senior; and</u>		
65.15	<u>(4) Attorney 4.</u>		
65.16	<b>Subd. 10. Transportation</b>	<u>-0-</u>	<u>(269,000)</u>
65.17	<u>This reduction is from the trunk highway</u>		
65.18	<u>fund.</u>		
65.19	<u>The following positions are abolished:</u>		
65.20	<u>(1) Deputy Commissioner;</u>		
65.21	<u>(2) Assistant Commissioner (two positions);</u>		
65.22	<u>and</u>		
65.23	<u>(3) Assistant to the Commissioner.</u>		
65.24	<b>Subd. 11. Public Safety</b>	<u>-0-</u>	<u>(535,000)</u>
65.25	<u>Appropriations by Fund</u>		
65.26	<u>General</u>	<u>-0-</u>	<u>(104,000)</u>
65.27	<u>Trunk Highway</u>	<u>-0-</u>	<u>(326,000)</u>
65.28	<u>911 Emergency</u>	<u>-0-</u>	<u>(105,000)</u>
65.29	<u>The following positions are abolished:</u>		
65.30	<u>(1) Assistant Commissioner;</u>		
65.31	<u>(2) Director of Community and Media</u>		
65.32	<u>Relations; and</u>		

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66.1	<u>(3) State Program Administrator, Senior</u>		
66.2	<u>(three positions).</u>		
66.3	<b>Subd. 12. <u>Corrections</u></b>	<u>-0-</u>	<u>(505,000)</u>
66.4	<u>The following positions are abolished:</u>		
66.5	<u>(1) Deputy Commissioner;</u>		
66.6	<u>(2) Assistant Commissioner (two positions);</u>		
66.7	<u>(3) Senior Administrative Officer (0.5</u>		
66.8	<u>position); and</u>		
66.9	<u>(4) Corrections Alternative Program</u>		
66.10	<u>Manager.</u>		
66.11	<b>Subd. 13. <u>Administration</u></b>	<u>-0-</u>	<u>(168,000)</u>
66.12	<u>Appropriations by Fund</u>		
66.13	<u>General</u>	<u>-0-</u>	<u>(13,000)</u>
66.14	<u>Special Revenue</u>	<u>-0-</u>	<u>(10,000)</u>
66.15	<u>Internal</u>		
66.16	<u>Services/Enterprise</u>	<u>-0-</u>	<u>(145,000)</u>
66.17	<u>The following positions are abolished:</u>		
66.18	<u>(1) Deputy Commissioner;</u>		
66.19	<u>(2) Assistant Commissioner; and</u>		
66.20	<u>(3) State Program Administrator, Senior.</u>		
66.21	<b>Subd. 14. <u>Management and Budget</u></b>		<u>(801,000)</u>
66.22	<u>Appropriations by Fund</u>		
66.23	<u>General</u>	<u>-0-</u>	<u>(687,000)</u>
66.24	<u>Tech Lease Project</u>	<u>-0-</u>	<u>(47,000)</u>
66.25	<u>State Employee</u>		
66.26	<u>Insurance</u>	<u>-0-</u>	<u>(67,000)</u>
66.27	<u>The following positions are abolished:</u>		
66.28	<u>(1) Assistant Commissioner (five positions);</u>		
66.29	<u>and</u>		
66.30	<u>(2) Employee Management Division</u>		
66.31	<u>Director.</u>		
66.32	<b>Subd. 15. <u>Revenue</u></b>	<u>-0-</u>	<u>(390,000)</u>
66.33	<u>The following positions are abolished:</u>		

67.1 (1) Assistant Commissioner (two positions);

67.2 and

67.3 (2) Senior Administrative Officer.

67.4 Subd. 16. **Human Services** -0- (845,000)

67.5 The following positions are abolished:

67.6 (1) Assistant Commissioner (three positions);

67.7 and

67.8 (2) Senior Administrative Officer (3.5

67.9 positions).

67.10 Subd. 17. **Health** -0- (519,000)

67.11 This reduction is from the special revenue

67.12 fund.

67.13 The following positions are abolished:

67.14 (1) Assistant Commissioner (three positions);

67.15 and

67.16 (2) State Program Administrator, Senior.

67.17 Subd. 18. **Office of Enterprise Technology** (447,000)

67.18 Appropriations by Fund

67.19 General -0- (149,000)

67.20 Internal

67.21 Services/Enterprise -0- (298,000)

67.22 The following positions are abolished:

67.23 Assistant Commissioner (three positions).

67.24 Sec. 3. Minnesota Statutes 2008, section 15.06, subdivision 8, is amended to read:

67.25 Subd. 8. **Number of deputy commissioners.** ~~Unless specifically authorized by~~

67.26 ~~statute, other than section 43A.08, subdivision 2,~~ No department or agency specified in

67.27 subdivision 1 shall have more than one deputy commissioner.

67.28 Sec. 4. Minnesota Statutes 2008, section 16B.03, is amended to read:

67.29 **16B.03 APPOINTMENTS.**

67.30 The commissioner is authorized to appoint staff, including ~~two~~ one deputy

67.31 ~~commissioners~~ commissioner, in accordance with chapter 43A.

68.1 Sec. 5. Minnesota Statutes 2008, section 43A.08, subdivision 1, is amended to read:

68.2 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees  
68.3 who are:

68.4 (1) chosen by election or appointed to fill an elective office;

68.5 (2) heads of agencies required by law to be appointed by the governor or other  
68.6 elective officers, and the executive or administrative heads of departments, bureaus,  
68.7 divisions, and institutions specifically established by law in the unclassified service;

68.8 (3) deputy ~~and assistant~~ agency heads and one confidential secretary in the agencies  
68.9 listed in ~~subdivision 1a and in the Office of Strategic and Long-Range Planning section~~  
68.10 15.06, subdivision 1;

68.11 (4) the confidential secretary to each of the elective officers of this state and, for the  
68.12 secretary of state and state auditor, an additional deputy, clerk, or employee;

68.13 (5) intermittent help employed by the commissioner of public safety to assist in  
68.14 the issuance of vehicle licenses;

68.15 (6) employees in the offices of the governor and of the lieutenant governor and one  
68.16 confidential employee for the governor in the Office of the Adjutant General;

68.17 (7) employees of the Washington, D.C., office of the state of Minnesota;

68.18 (8) employees of the legislature and of legislative committees or commissions;  
68.19 provided that employees of the Legislative Audit Commission, except for the legislative  
68.20 auditor, the deputy legislative auditors, and their confidential secretaries, shall be  
68.21 employees in the classified service;

68.22 (9) presidents, vice-presidents, deans, other managers and professionals in  
68.23 academic and academic support programs, administrative or service faculty, teachers,  
68.24 research assistants, and student employees eligible under terms of the federal Economic  
68.25 Opportunity Act work study program in the Perpich Center for Arts Education and the  
68.26 Minnesota State Colleges and Universities, but not the custodial, clerical, or maintenance  
68.27 employees, or any professional or managerial employee performing duties in connection  
68.28 with the business administration of these institutions;

68.29 (10) officers and enlisted persons in the National Guard;

68.30 (11) attorneys, legal assistants, and three confidential employees appointed by the  
68.31 attorney general or employed with the attorney general's authorization;

68.32 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and  
68.33 notaries public, except referees and adjusters employed by the Department of Labor  
68.34 and Industry;

69.1 (13) members of the State Patrol; provided that selection and appointment of State  
69.2 Patrol troopers must be made in accordance with applicable laws governing the classified  
69.3 service;

69.4 (14) examination monitors and intermittent training instructors employed by the  
69.5 Departments of Management and Budget and Commerce and by professional examining  
69.6 boards and intermittent staff employed by the technical colleges for the administration of  
69.7 practical skills tests and for the staging of instructional demonstrations;

69.8 (15) student workers;

69.9 (16) executive directors or executive secretaries appointed by and reporting to any  
69.10 policy-making board or commission established by statute;

69.11 (17) employees unclassified pursuant to other statutory authority;

69.12 (18) intermittent help employed by the commissioner of agriculture to perform  
69.13 duties relating to pesticides, fertilizer, and seed regulation;

69.14 (19) the administrators and the deputy administrators at the State Academies for the  
69.15 Deaf and the Blind; and

69.16 (20) chief executive officers in the Department of Human Services.

69.17 Sec. 6. Minnesota Statutes 2008, section 45.013, is amended to read:

69.18 **45.013 POWER TO APPOINT STAFF.**

69.19 The commissioner of commerce may appoint ~~four~~ one deputy commissioners, ~~four~~  
69.20 ~~assistant commissioners, and an assistant to the commissioner. Those positions, as well as~~  
69.21 ~~that of~~ and a confidential secretary, are in the unclassified service. The commissioner may  
69.22 appoint other employees necessary to carry out the duties and responsibilities entrusted to  
69.23 the commissioner.

69.24 Sec. 7. Minnesota Statutes 2008, section 84.01, subdivision 3, is amended to read:

69.25 Subd. 3. **Employees; delegation.** ~~Subject to the provisions of Laws 1969, chapter~~  
69.26 ~~1129, and to other applicable laws~~ The commissioner shall organize the department and  
69.27 employ ~~up to three assistant commissioners, each of whom shall serve at the pleasure of~~  
69.28 ~~the commissioner in the unclassified service, one of whom shall have responsibility for~~  
69.29 ~~coordinating and directing the planning of every division within the agency, and such other~~  
69.30 officers, employees, and agents as the commissioner may deem necessary to discharge the  
69.31 functions of the department, define the duties of such officers, employees, and agents and  
69.32 to delegate to them any of the commissioner's powers, duties, and responsibilities subject  
69.33 to the control of, and under the conditions prescribed by, the commissioner. Appointments  
69.34 to exercise delegated power shall be by written order filed with the secretary of state.

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70.1 Sec. 8. Minnesota Statutes 2008, section 116.03, subdivision 1, is amended to read:

70.2 Subdivision 1. **Office.** (a) The office of commissioner of the Pollution Control  
70.3 Agency is created and is under the supervision and control of the commissioner, who is  
70.4 appointed by the governor under the provisions of section 15.06.

70.5 (b) The commissioner may appoint a deputy commissioner ~~and assistant~~  
70.6 ~~commissioners~~ who shall be in the unclassified service.

70.7 (c) The commissioner shall make all decisions on behalf of the agency that are not  
70.8 required to be made by the agency under section 116.02.

70.9 Sec. 9. Minnesota Statutes 2008, section 116J.01, subdivision 5, is amended to read:

70.10 Subd. 5. **Departmental organization.** (a) The commissioner shall organize the  
70.11 department as provided in section 15.06.

70.12 (b) The commissioner may establish divisions and offices within the department.  
70.13 ~~The commissioner may employ four deputy commissioners in the unclassified service.~~

70.14 (c) The commissioner shall:

70.15 (1) employ assistants and other officers, employees, and agents that the commissioner  
70.16 considers necessary to discharge the functions of the commissioner's office;

70.17 (2) define the duties of the officers, employees, and agents, and delegate to them any  
70.18 of the commissioner's powers, duties, and responsibilities, subject to the commissioner's  
70.19 control and under conditions prescribed by the commissioner.

70.20 (d) The commissioner shall ensure that there are at least three employment and  
70.21 economic development officers in state offices in nonmetropolitan areas of the state who  
70.22 will work with local units of government on developing local employment and economic  
70.23 development.

70.24 Sec. 10. Minnesota Statutes 2008, section 116J.035, subdivision 4, is amended to read:

70.25 Subd. 4. **Delegation of powers.** The commissioner may delegate, in written orders  
70.26 filed with the secretary of state, any powers or duties subject to the commissioner's  
70.27 control to officers and employees in the department. Regardless of any other law, the  
70.28 commissioner may delegate the execution of specific contracts or specific types of  
70.29 contracts to the commissioner's ~~deputies~~ deputy, an assistant commissioner, or a program  
70.30 director if the delegation has been approved by the commissioner of administration and  
70.31 filed with the secretary of state.

70.32 Sec. 11. Minnesota Statutes 2008, section 174.02, subdivision 2, is amended to read:

71.1 Subd. 2. **Unclassified positions.** The commissioner may ~~establish four positions~~  
71.2 ~~in the unclassified service at the~~ appoint a deputy and assistant commissioner, assistant  
71.3 ~~to commissioner or~~ and a personal secretary ~~levels. No more than two of these positions~~  
71.4 ~~shall be at the deputy commissioner level~~ in the unclassified service.

71.5 Sec. 12. Minnesota Statutes 2008, section 241.01, subdivision 2, is amended to read:

71.6 Subd. 2. ~~Deputies~~ **Deputy.** The commissioner of corrections may appoint and  
71.7 employ ~~no more than two~~ a deputy commissioner. The commissioner may  
71.8 also appoint a personal secretary, who shall serve at the commissioner's pleasure in the  
71.9 unclassified civil service.

71.10 Sec. 13. **UNCLASSIFIED POSITION FREEZE.**

71.11 During the biennium ending June 30, 2011, no new unclassified positions in  
71.12 Minnesota Statutes, section 179A.10, subdivision 1, clause (1), may be created under  
71.13 Minnesota Statutes, section 43A.08, subdivision 1a or 2a, and any position previously  
71.14 created under either of those subdivisions that becomes vacant may not be filled.

71.15 Sec. 14. **REPEALER.**

71.16 Minnesota Statutes 2008, section 43A.08, subdivision 1b, is repealed.

## 71.17 ARTICLE 13

### 71.18 PROPERTY TAX AIDS AND CREDITS

71.19 Section 1. Minnesota Statutes 2009 Supplement, section 273.111, subdivision 9,  
71.20 is amended to read:

71.21 Subd. 9. **Additional taxes.** (a) Except as provided in paragraph (b), when real  
71.22 property which is being, or has been valued and assessed under this section no longer  
71.23 qualifies under subdivision 3, the portion no longer qualifying shall be subject to additional  
71.24 taxes, in the amount equal to the difference between the taxes determined in accordance  
71.25 with subdivision 4, and the amount determined under subdivision 5. Provided, however,  
71.26 that the amount determined under subdivision 5 shall not be greater than it would have  
71.27 been had the actual bona fide sale price of the real property at an arm's-length transaction  
71.28 been used in lieu of the market value determined under subdivision 5. Such additional  
71.29 taxes shall be extended against the property on the tax list for the current year, provided,  
71.30 however, that no interest or penalties shall be levied on such additional taxes if timely  
71.31 paid, and provided further, that such additional taxes shall only be levied with respect to  
71.32 the last three years that the said property has been valued and assessed under this section.

72.1 (b) Real property that has been valued and assessed under this section prior to  
72.2 May 29, 2008, and that ceases to qualify under this section after May 28, 2008, and is  
72.3 withdrawn from the program before ~~May 1, 2010~~ August 16, 2010, is not subject to  
72.4 additional taxes under this subdivision or subdivision 3, paragraph (c). If additional taxes  
72.5 have been paid under this subdivision with respect to property described in this paragraph  
72.6 prior to April 3, 2009, the county must repay the property owner in the manner prescribed  
72.7 by the commissioner of revenue.

72.8 **EFFECTIVE DATE.** This section is effective for withdrawals after April 30, 2010.

72.9 Sec. 2. Minnesota Statutes 2008, section 273.1384, is amended by adding a subdivision  
72.10 to read:

72.11 Subd. 6. **Credit reduction.** In 2011 and each year thereafter, the market value  
72.12 credit reimbursement amount for each taxing jurisdiction determined under this section  
72.13 is reduced by the dollar amount of the reduction in market value credit reimbursements  
72.14 for that taxing jurisdiction in 2010 due to unallotment reductions announced prior to  
72.15 February 28, 2010, under section 16A.152. No taxing jurisdiction's market value credit  
72.16 reimbursements are reduced to less than zero under this subdivision. The commissioner of  
72.17 revenue shall pay the annual market value credit reimbursement amounts, after reduction  
72.18 under this subdivision, to the affected taxing jurisdictions as provided in this section.

72.19 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and  
72.20 thereafter.

72.21 Sec. 3. Minnesota Statutes 2009 Supplement, section 275.70, subdivision 5, is  
72.22 amended to read:

72.23 Subd. 5. **Special levies.** "Special levies" means those portions of ad valorem taxes  
72.24 levied by a local governmental unit for the following purposes or in the following manner:

72.25 (1) to pay the costs of the principal and interest on bonded indebtedness or to  
72.26 reimburse for the amount of liquor store revenues used to pay the principal and interest  
72.27 due on municipal liquor store bonds in the year preceding the year for which the levy  
72.28 limit is calculated;

72.29 (2) to pay the costs of principal and interest on certificates of indebtedness issued for  
72.30 any corporate purpose except for the following:

72.31 (i) tax anticipation or aid anticipation certificates of indebtedness;

72.32 (ii) certificates of indebtedness issued under sections 298.28 and 298.282;



73.1 (iii) certificates of indebtedness used to fund current expenses or to pay the costs of  
73.2 extraordinary expenditures that result from a public emergency; or

73.3 (iv) certificates of indebtedness used to fund an insufficiency in tax receipts or  
73.4 an insufficiency in other revenue sources;

73.5 (3) to provide for the bonded indebtedness portion of payments made to another  
73.6 political subdivision of the state of Minnesota;

73.7 (4) to fund payments made to the Minnesota State Armory Building Commission  
73.8 under section 193.145, subdivision 2, to retire the principal and interest on armory  
73.9 construction bonds;

73.10 (5) property taxes approved by voters which are levied against the referendum  
73.11 market value as provided under section 275.61;

73.12 (6) to fund matching requirements needed to qualify for federal or state grants or  
73.13 programs to the extent that either (i) the matching requirement exceeds the matching  
73.14 requirement in calendar year 2001, or (ii) it is a new matching requirement that did not  
73.15 exist prior to 2002;

73.16 (7) to pay the expenses reasonably and necessarily incurred in preparing for or  
73.17 repairing the effects of natural disaster including the occurrence or threat of widespread  
73.18 or severe damage, injury, or loss of life or property resulting from natural causes, in  
73.19 accordance with standards formulated by the Emergency Services Division of the state  
73.20 Department of Public Safety, as allowed by the commissioner of revenue under section  
73.21 275.74, subdivision 2;

73.22 (8) pay amounts required to correct an error in the levy certified to the county  
73.23 auditor by a city or county in a levy year, but only to the extent that when added to the  
73.24 preceding year's levy it is not in excess of an applicable statutory, special law or charter  
73.25 limitation, or the limitation imposed on the governmental subdivision by sections 275.70  
73.26 to 275.74 in the preceding levy year;

73.27 (9) to pay an abatement under section 469.1815;

73.28 (10) to pay any costs attributable to increases in the employer contribution rates  
73.29 under chapter 353, or locally administered pension plans, that are effective after June  
73.30 30, 2001;

73.31 (11) to pay the operating or maintenance costs of a county jail as authorized in  
73.32 section 641.01 or 641.262, or of a correctional facility as defined in section 241.021,  
73.33 subdivision 1, paragraph (f), to the extent that the county can demonstrate to the  
73.34 commissioner of revenue that the amount has been included in the county budget as  
73.35 a direct result of a rule, minimum requirement, minimum standard, or directive of the  
73.36 Department of Corrections, or to pay the operating or maintenance costs of a regional jail

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74.1 as authorized in section 641.262. For purposes of this clause, a district court order is  
74.2 not a rule, minimum requirement, minimum standard, or directive of the Department of  
74.3 Corrections. If the county utilizes this special levy, except to pay operating or maintenance  
74.4 costs of a new regional jail facility under sections 641.262 to 641.264 which will not  
74.5 replace an existing jail facility, any amount levied by the county in the previous levy year  
74.6 for the purposes specified under this clause and included in the county's previous year's  
74.7 levy limitation computed under section 275.71, shall be deducted from the levy limit  
74.8 base under section 275.71, subdivision 2, when determining the county's current year  
74.9 levy limitation. The county shall provide the necessary information to the commissioner  
74.10 of revenue for making this determination;

74.11 (12) to pay for operation of a lake improvement district, as authorized under section  
74.12 103B.555. If the county utilizes this special levy, any amount levied by the county in the  
74.13 previous levy year for the purposes specified under this clause and included in the county's  
74.14 previous year's levy limitation computed under section 275.71 shall be deducted from  
74.15 the levy limit base under section 275.71, subdivision 2, when determining the county's  
74.16 current year levy limitation. The county shall provide the necessary information to the  
74.17 commissioner of revenue for making this determination;

74.18 (13) to repay a state or federal loan used to fund the direct or indirect required  
74.19 spending by the local government due to a state or federal transportation project or other  
74.20 state or federal capital project. This authority may only be used if the project is not a  
74.21 local government initiative;

74.22 (14) to pay for court administration costs as required under section 273.1398,  
74.23 subdivision 4b, less the (i) county's share of transferred fines and fees collected by the  
74.24 district courts in the county for calendar year 2001 and (ii) the aid amount certified to be  
74.25 paid to the county in 2004 under section 273.1398, subdivision 4c; however, for taxes  
74.26 levied to pay for these costs in the year in which the court financing is transferred to the  
74.27 state, the amount under this clause is limited to the amount of aid the county is certified to  
74.28 receive under section 273.1398, subdivision 4a;

74.29 (15) to fund a police or firefighters relief association as required under section 69.77  
74.30 to the extent that the required amount exceeds the amount levied for this purpose in 2001;

74.31 (16) for purposes of a storm sewer improvement district under section 444.20;

74.32 (17) to pay for the maintenance and support of a city or county society for the  
74.33 prevention of cruelty to animals under section 343.11, but not to exceed in any year  
74.34 \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most  
74.35 recent federal census, whichever is greater. If the city or county uses this special levy, any  
74.36 amount levied by the city or county in the previous levy year for the purposes specified

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75.1 in this clause and included in the city's or county's previous year's levy limit computed  
75.2 under section 275.71, must be deducted from the levy limit base under section 275.71,  
75.3 subdivision 2, in determining the city's or county's current year levy limit;

75.4 (18) for counties, to pay for the increase in their share of health and human service  
75.5 costs caused by reductions in federal health and human services grants effective after  
75.6 September 30, 2007;

75.7 (19) for a city, for the costs reasonably and necessarily incurred for securing,  
75.8 maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by  
75.9 the commissioner of revenue under section 275.74, subdivision 2. A city must have either  
75.10 (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a foreclosure rate in 2007 in  
75.11 the city or in a zip code area of the city that is at least 50 percent higher than the average  
75.12 foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2,  
75.13 to use this special levy. For purposes of this paragraph, "foreclosure rate" means the  
75.14 number of foreclosures, as indicated by sheriff sales records, divided by the number of  
75.15 households in the city in 2007;

75.16 (20) for a city, for the unreimbursed costs of redeployed traffic-control agents and  
75.17 lost traffic citation revenue due to the collapse of the Interstate 35W bridge, as certified  
75.18 to the Federal Highway Administration;

75.19 (21) to pay costs attributable to wages and benefits for sheriff, police, and fire  
75.20 personnel. If a local governmental unit did not use this special levy in the previous year its  
75.21 levy limit base under section 275.71 shall be reduced by the amount equal to the amount it  
75.22 levied for the purposes specified in this clause in the previous year;

75.23 (22) an amount equal to any reductions in the certified aids or credits payable  
75.24 under sections 477A.011 to 477A.014, and section 273.1384, due to unallotment under  
75.25 section 16A.152 or reductions under another provision of law. The amount of the levy  
75.26 allowed under this clause is equal to the amount unallotted or reduced in the calendar year  
75.27 in which the tax is levied unless the unallotment or reduction amount is not known by  
75.28 September 1 of the levy year, and the local government has not adjusted its levy under  
75.29 section 275.065, subdivision 6, or 275.07, subdivision 6, in which case the unallotment  
75.30 or reduction amount may be levied in the following year;

75.31 (23) to pay for the difference between one-half of the costs of confining sex offenders  
75.32 undergoing the civil commitment process and any state payments for this purpose pursuant  
75.33 to section 253B.185, subdivision 5;

75.34 (24) for a county to pay the costs of the first year of maintaining and operating a new  
75.35 facility or new expansion, either of which contains courts, corrections, dispatch, criminal  
75.36 investigation labs, or other public safety facilities and for which all or a portion of the

76.1 funding for the site acquisition, building design, site preparation, construction, and related  
76.2 equipment was issued or authorized prior to the imposition of levy limits in 2008. The  
76.3 levy limit base shall then be increased by an amount equal to the new facility's first full  
76.4 year's operating costs as described in this clause; and

76.5 (25) for the estimated amount of reduction to ~~credits~~ market value credit  
76.6 reimbursements under section 273.1384 for credits payable in the year in which the levy is  
76.7 payable.

76.8 **EFFECTIVE DATE.** This section is effective for taxes payable in 2011 and  
76.9 thereafter.

76.10 Sec. 4. Minnesota Statutes 2009 Supplement, section 477A.011, subdivision 36,  
76.11 is amended to read:

76.12 Subd. 36. **City aid base.** (a) Except as otherwise provided in this subdivision,  
76.13 "city aid base" is zero.

76.14 (b) The city aid base for any city with a population less than 500 is increased by  
76.15 \$40,000 for aids payable in calendar year 1995 and thereafter, and the maximum amount  
76.16 of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also  
76.17 increased by \$40,000 for aids payable in calendar year 1995 only, provided that:

76.18 (i) the average total tax capacity rate for taxes payable in 1995 exceeds 200 percent;

76.19 (ii) the city portion of the tax capacity rate exceeds 100 percent; and

76.20 (iii) its city aid base is less than \$60 per capita.

76.21 (c) The city aid base for a city is increased by \$20,000 in 1998 and thereafter and  
76.22 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
76.23 paragraph (c), is also increased by \$20,000 in calendar year 1998 only, provided that:

76.24 (i) the city has a population in 1994 of 2,500 or more;

76.25 (ii) the city is located in a county, outside of the metropolitan area, which contains a  
76.26 city of the first class;

76.27 (iii) the city's net tax capacity used in calculating its 1996 aid under section  
76.28 477A.013 is less than \$400 per capita; and

76.29 (iv) at least four percent of the total net tax capacity, for taxes payable in 1996, of  
76.30 property located in the city is classified as railroad property.

76.31 (d) The city aid base for a city is increased by \$200,000 in 1999 and thereafter and  
76.32 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
76.33 paragraph (c), is also increased by \$200,000 in calendar year 1999 only, provided that:

76.34 (i) the city was incorporated as a statutory city after December 1, 1993;

76.35 (ii) its city aid base does not exceed \$5,600; and

77.1 (iii) the city had a population in 1996 of 5,000 or more.

77.2 (e) The city aid base for a city is increased by \$150,000 for aids payable in 2000 and  
77.3 thereafter, and the maximum amount of total aid it may receive under section 477A.013,  
77.4 subdivision 9, paragraph (c), is also increased by \$150,000 in calendar year 2000 only,  
77.5 provided that:

77.6 (1) the city has a population that is greater than 1,000 and less than 2,500;

77.7 (2) its commercial and industrial percentage for aids payable in 1999 is greater  
77.8 than 45 percent; and

77.9 (3) the total market value of all commercial and industrial property in the city  
77.10 for assessment year 1999 is at least 15 percent less than the total market value of all  
77.11 commercial and industrial property in the city for assessment year 1998.

77.12 (f) The city aid base for a city is increased by \$200,000 in 2000 and thereafter, and  
77.13 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
77.14 paragraph (c), is also increased by \$200,000 in calendar year 2000 only, provided that:

77.15 (1) the city had a population in 1997 of 2,500 or more;

77.16 (2) the net tax capacity of the city used in calculating its 1999 aid under section  
77.17 477A.013 is less than \$650 per capita;

77.18 (3) the pre-1940 housing percentage of the city used in calculating 1999 aid under  
77.19 section 477A.013 is greater than 12 percent;

77.20 (4) the 1999 local government aid of the city under section 477A.013 is less than  
77.21 20 percent of the amount that the formula aid of the city would have been if the need  
77.22 increase percentage was 100 percent; and

77.23 (5) the city aid base of the city used in calculating aid under section 477A.013  
77.24 is less than \$7 per capita.

77.25 (g) The city aid base for a city is increased by \$102,000 in 2000 and thereafter, and  
77.26 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
77.27 paragraph (c), is also increased by \$102,000 in calendar year 2000 only, provided that:

77.28 (1) the city has a population in 1997 of 2,000 or more;

77.29 (2) the net tax capacity of the city used in calculating its 1999 aid under section  
77.30 477A.013 is less than \$455 per capita;

77.31 (3) the net levy of the city used in calculating 1999 aid under section 477A.013 is  
77.32 greater than \$195 per capita; and

77.33 (4) the 1999 local government aid of the city under section 477A.013 is less than  
77.34 38 percent of the amount that the formula aid of the city would have been if the need  
77.35 increase percentage was 100 percent.

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78.1 (h) The city aid base for a city is increased by \$32,000 in 2001 and thereafter, and  
78.2 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
78.3 paragraph (c), is also increased by \$32,000 in calendar year 2001 only, provided that:

78.4 (1) the city has a population in 1998 that is greater than 200 but less than 500;

78.5 (2) the city's revenue need used in calculating aids payable in 2000 was greater  
78.6 than \$200 per capita;

78.7 (3) the city net tax capacity for the city used in calculating aids available in 2000  
78.8 was equal to or less than \$200 per capita;

78.9 (4) the city aid base of the city used in calculating aid under section 477A.013  
78.10 is less than \$65 per capita; and

78.11 (5) the city's formula aid for aids payable in 2000 was greater than zero.

78.12 (i) The city aid base for a city is increased by \$7,200 in 2001 and thereafter, and  
78.13 the maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
78.14 paragraph (c), is also increased by \$7,200 in calendar year 2001 only, provided that:

78.15 (1) the city had a population in 1998 that is greater than 200 but less than 500;

78.16 (2) the city's commercial industrial percentage used in calculating aids payable in  
78.17 2000 was less than ten percent;

78.18 (3) more than 25 percent of the city's population was 60 years old or older according  
78.19 to the 1990 census;

78.20 (4) the city aid base of the city used in calculating aid under section 477A.013  
78.21 is less than \$15 per capita; and

78.22 (5) the city's formula aid for aids payable in 2000 was greater than zero.

78.23 (j) The city aid base for a city is increased by \$45,000 in 2001 and thereafter and  
78.24 by an additional \$50,000 in calendar years 2002 to 2011, and the maximum amount of  
78.25 total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also  
78.26 increased by \$45,000 in calendar year 2001 only, and by \$50,000 in calendar year 2002  
78.27 only, provided that:

78.28 (1) the net tax capacity of the city used in calculating its 2000 aid under section  
78.29 477A.013 is less than \$810 per capita;

78.30 (2) the population of the city declined more than two percent between 1988 and 1998;

78.31 (3) the net levy of the city used in calculating 2000 aid under section 477A.013 is  
78.32 greater than \$240 per capita; and

78.33 (4) the city received less than \$36 per capita in aid under section 477A.013,  
78.34 subdivision 9, for aids payable in 2000.

78.35 (k) The city aid base for a city with a population of 10,000 or more which is located  
78.36 outside of the seven-county metropolitan area is increased in 2002 and thereafter, and the

79.1 maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
79.2 paragraph (b) or (c), is also increased in calendar year 2002 only, by an amount equal to  
79.3 the lesser of:

79.4 (1)(i) the total population of the city, as determined by the United States Bureau of  
79.5 the Census, in the 2000 census, (ii) minus 5,000, (iii) times 60; or

79.6 (2) \$2,500,000.

79.7 (l) The city aid base is increased by \$50,000 in 2002 and thereafter, and the  
79.8 maximum amount of total aid it may receive under section 477A.013, subdivision 9,  
79.9 paragraph (c), is also increased by \$50,000 in calendar year 2002 only, provided that:

79.10 (1) the city is located in the seven-county metropolitan area;

79.11 (2) its population in 2000 is between 10,000 and 20,000; and

79.12 (3) its commercial industrial percentage, as calculated for city aid payable in 2001,  
79.13 was greater than 25 percent.

79.14 (m) The city aid base for a city is increased by \$150,000 in calendar years 2002 to  
79.15 2011 and by an additional \$75,000 in calendar years 2009 to 2014 and the maximum  
79.16 amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is  
79.17 also increased by \$150,000 in calendar year 2002 only and by \$75,000 in calendar year  
79.18 2009 only, provided that:

79.19 (1) the city had a population of at least 3,000 but no more than 4,000 in 1999;

79.20 (2) its home county is located within the seven-county metropolitan area;

79.21 (3) its pre-1940 housing percentage is less than 15 percent; and

79.22 (4) its city net tax capacity per capita for taxes payable in 2000 is less than \$900  
79.23 per capita.

79.24 (n) The city aid base for a city is increased by \$200,000 beginning in calendar  
79.25 year 2003 and the maximum amount of total aid it may receive under section 477A.013,  
79.26 subdivision 9, paragraph (c), is also increased by \$200,000 in calendar year 2003 only,  
79.27 provided that the city qualified for an increase in homestead and agricultural credit aid  
79.28 under Laws 1995, chapter 264, article 8, section 18.

79.29 (o) The city aid base for a city is increased by \$200,000 in 2004 only and the  
79.30 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is  
79.31 also increased by \$200,000 in calendar year 2004 only, if the city is the site of a nuclear  
79.32 dry cask storage facility.

79.33 (p) The city aid base for a city is increased by \$10,000 in 2004 and thereafter and the  
79.34 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
79.35 by \$10,000 in calendar year 2004 only, if the city was included in a federal major disaster

80.1 designation issued on April 1, 1998, and its pre-1940 housing stock was decreased by  
80.2 more than 40 percent between 1990 and 2000.

80.3 (q) The city aid base for a city is increased by \$30,000 in 2009 and thereafter and the  
80.4 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
80.5 by \$25,000 in calendar year 2006 only if the city had a population in 2003 of at least 1,000  
80.6 and has a state park for which the city provides rescue services and which comprised at  
80.7 least 14 percent of the total geographic area included within the city boundaries in 2000.

80.8 (r) The city aid base for a city is increased by \$80,000 in 2009 and thereafter and  
80.9 the minimum and maximum amount of total aid it may receive under section 477A.013,  
80.10 subdivision 9, is also increased by \$80,000 in calendar year 2009 only, if:

80.11 (1) as of May 1, 2006, at least 25 percent of the tax capacity of the city is proposed  
80.12 to be placed in trust status as tax-exempt Indian land;

80.13 (2) the placement of the land is being challenged administratively or in court; and

80.14 (3) due to the challenge, the land proposed to be placed in trust is still on the tax  
80.15 rolls as of May 1, 2006.

80.16 (s) The city aid base for a city is increased by \$100,000 in 2007 and thereafter and  
80.17 the minimum and maximum total amount of aid it may receive under this section is also  
80.18 increased in calendar year 2007 only, provided that:

80.19 (1) the city has a 2004 estimated population greater than 200 but less than 2,000;

80.20 (2) its city net tax capacity for aids payable in 2006 was less than \$300 per capita;

80.21 (3) the ratio of its pay 2005 tax levy compared to its city net tax capacity for aids  
80.22 payable in 2006 was greater than 110 percent; and

80.23 (4) it is located in a county where at least 15,000 acres of land are classified as  
80.24 tax-exempt Indian reservations according to the 2004 abstract of tax-exempt property.

80.25 (t) The city aid base for a city is increased by \$30,000 in 2009 only, and the  
80.26 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
80.27 by \$30,000 in calendar year 2009, only if the city had a population in 2005 of less than  
80.28 3,000 and the city's boundaries as of 2007 were formed by the consolidation of two cities  
80.29 and one township in 2002.

80.30 (u) The city aid base for a city is increased by \$100,000 in 2009 and thereafter, and  
80.31 the maximum total aid it may receive under section 477A.013, subdivision 9, is also  
80.32 increased by \$100,000 in calendar year 2009 only, if the city had a city net tax capacity for  
80.33 aids payable in 2007 of less than \$150 per capita and the city experienced flooding on  
80.34 March 14, 2007, that resulted in evacuation of at least 40 homes.



81.1 (v) The city aid base for a city is increased by \$100,000 in 2009 to 2013, and the  
81.2 maximum total aid it may receive under section 477A.013, subdivision 9, is also increased  
81.3 by \$100,000 in calendar year 2009 only, if the city:

81.4 (1) is located outside of the Minneapolis-St. Paul standard metropolitan statistical  
81.5 area;

81.6 (2) has a 2005 population greater than 7,000 but less than 8,000; and

81.7 (3) has a 2005 net tax capacity per capita of less than \$500.

81.8 (w) The city aid base is increased by \$25,000 in calendar years 2009 to 2013 and the  
81.9 maximum amount of total aid it may receive under section 477A.013, subdivision 9, is  
81.10 increased by \$25,000 in calendar year 2009 only, provided that:

81.11 (1) the city is located in the seven-county metropolitan area;

81.12 (2) its population in 2006 is less than 200; and

81.13 (3) the percentage of its housing stock built before 1940, according to the 2000  
81.14 United States Census, is greater than 40 percent.

81.15 (x) The city aid base is increased by \$90,000 in calendar year 2009 only and the  
81.16 minimum and maximum total amount of aid it may receive under section 477A.013,  
81.17 subdivision 9, is also increased by \$90,000 in calendar year 2009 only, provided that the  
81.18 city is located in the seven-county metropolitan area, has a 2006 population between 5,000  
81.19 and 7,000 and has a 1997 population of over 7,000.

81.20 (y) In calendar year 2010 only, the city aid base for a city is increased by \$225,000 if  
81.21 it was eligible for a \$450,000 payment in calendar year 2008 under Minnesota Statutes  
81.22 2006, section 477A.011, subdivision 36, paragraph (e), and the second half of the payment  
81.23 under that paragraph in December 2008 was canceled due to the governor's unallotment.  
81.24 The payment under this paragraph is not subject to any aid reductions under section  
81.25 477A.0133 or any future unallotment of the city aid under section 16A.152.

81.26 (z) The city aid base and the maximum total aid the city may receive under section  
81.27 477A.013, subdivision 9, is increased by \$25,000 in calendar year 2010 only if:

81.28 (1) the city is a first class city in the seven-county metropolitan area with a  
81.29 population below 300,000; and

81.30 (2) the city has made an equivalent grant to its local growers' association to  
81.31 reimburse up to \$1,000 each for membership fees and retail leases for members of the  
81.32 association who farm in and around Dakota County and who incurred crop damage as a  
81.33 result of the hail storm in that area on July 10, 2008.

81.34 The payment under this paragraph is not subject to any aid reductions under section  
81.35 477A.0133 or any future unallotment of the city aid under section 16A.152.

82.1            (aa) The city aid base for a city is increased by \$106,964 in 2011 only and the  
82.2 minimum and maximum amount of total aid it may receive under section 477A.013,  
82.3 subdivision 9, is also increased by \$106,964 in calendar year 2011 only, if the city had a  
82.4 population as defined in Minnesota Statutes, section 477A.011, subdivision 3, that was in  
82.5 excess of 1,000 in 2007 and that was less than 1,000 in 2008.

82.6            Sec. 5. Minnesota Statutes 2008, section 477A.013, subdivision 9, is amended to read:

82.7            **Subd. 9. City aid distribution.** (a) In calendar year 2009 and thereafter, each  
82.8 city shall receive an aid distribution equal to the sum of (1) the city formula aid under  
82.9 subdivision 8, and (2) its city aid base.

82.10           (b) For aids payable in ~~2009~~ 2010 only, the total aid for any city shall ~~not exceed the~~  
82.11 ~~sum of (1) 35 percent of the city's net levy for the year prior to the aid distribution, plus (2)~~  
82.12 ~~its total aid in the previous year~~ mean the amount of aid it was certified to receive for aids  
82.13 payable in 2010 under this section minus the amount of its aid reduction under section  
82.14 477A.0133. For aids payable in 2011 and thereafter, the total aid for any city means the  
82.15 amount of aid it was certified to receive under this section in the previous payable year.

82.16           (c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed  
82.17 the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution  
82.18 plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total  
82.19 aid for any city with a population of 2,500 or more may not be less than its total aid under  
82.20 this section in the previous year minus the lesser of \$10 multiplied by its population, or ten  
82.21 percent of its net levy in the year prior to the aid distribution.

82.22           (d) For aids payable in 2010 and thereafter, the total aid for a city with a population  
82.23 less than 2,500 must not be less than the amount it was certified to receive in the  
82.24 previous year minus the lesser of \$10 multiplied by its population, or five percent of its  
82.25 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a  
82.26 population less than 2,500 must not be less than what it received under this section in the  
82.27 previous year unless its total aid in calendar year 2008 was aid under section 477A.011,  
82.28 subdivision 36, paragraph (s), in which case its minimum aid is zero.

82.29           (e) A city's aid loss under this section may not exceed \$300,000 in any year in  
82.30 which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or  
82.31 greater than the appropriation under that subdivision in the previous year, unless the  
82.32 city has an adjustment in its city net tax capacity under the process described in section  
82.33 469.174, subdivision 28.

82.34           (f) If a city's net tax capacity used in calculating aid under this section has decreased  
82.35 in any year by more than 25 percent from its net tax capacity in the previous year due to

83.1 property becoming tax-exempt Indian land, the city's maximum allowed aid increase  
83.2 under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the  
83.3 year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease  
83.4 resulting from the property becoming tax exempt.

83.5 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year  
83.6 2011 and thereafter.

83.7 Sec. 6. **[477A.0133] ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

83.8 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms  
83.9 have the meanings given them in this subdivision.

83.10 (b) The "2010 revenue base" for a county is the sum of the county's certified property  
83.11 tax levy for taxes payable in 2010, plus the amount of county program aid under section  
83.12 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite  
83.13 aids under sections 298.28 and 298.282 that the county was certified to receive in 2010  
83.14 including any amounts required to be placed in a special fund for distribution in a later year.

83.15 (c) The "2010 revenue base" for a statutory or home rule charter city is the sum of  
83.16 the city's certified property tax levy for taxes payable in 2010, plus the amount of local  
83.17 government aid under section 477A.013, subdivision 9, that the city was certified to  
83.18 receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that  
83.19 the city was certified to receive in 2010 including any amounts required to be placed in a  
83.20 special fund for distribution in a later year.

83.21 Subd. 2. **2010 reductions; counties and cities.** The commissioner of revenue  
83.22 must compute additional 2010 aid and credit reimbursement reduction amounts for each  
83.23 county and city under this section, after implementing any reduction of county program  
83.24 aid under section 477A.0124, local government aid under section 477A.013, or market  
83.25 value credit reimbursements under section 273.1384, to reflect the reduction of allotments  
83.26 under section 16A.152.

83.27 The additional reduction amounts under this section are limited to the sum of the  
83.28 amount of county program aid under section 477A.0124, local government aid under  
83.29 section 477A.013, and market value credit reimbursements under section 273.1384  
83.30 payable to the county or city in 2010 before the reductions in this section, but after the  
83.31 reductions for unallotments.

83.32 The reduction amount under this section is applied first to reduce the amount  
83.33 payable to the county or city in 2010 as market value credit reimbursements under section  
83.34 273.1384, and then if necessary, to reduce the amount payable as either county program

84.1 aid under section 477A.0124 in the case of a county, or local government aid under section  
84.2 477A.013 in the case of a city.

84.3 No aid or reimbursement amount is reduced to less than zero under this section.

84.4 The additional 2010 aid reduction amount for a county is equal to 1.85803 percent  
84.5 of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city  
84.6 is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28  
84.7 multiplied by the city's 2008 population.

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

84.9 Sec. 7. Minnesota Statutes 2008, section 477A.03, subdivision 2a, is amended to read:

84.10 Subd. 2a. **Cities.** For aids payable in ~~2009~~ 2011 and thereafter, the total aid  
84.11 paid under section 477A.013, subdivision 9, is ~~\$526,148,487, subject to adjustment in~~  
84.12 ~~subdivision 5~~ \$533,456,076.

84.13 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and  
84.14 thereafter.

84.15 Sec. 8. Minnesota Statutes 2008, section 477A.03, subdivision 2b, is amended to read:

84.16 Subd. 2b. **Counties.** (a) For aids payable in ~~2009~~ 2011 and thereafter, the total aid  
84.17 payable under section 477A.0124, subdivision 3, is ~~\$111,500,000 minus one-half of the~~  
84.18 ~~total aid amount determined under section 477A.0124, subdivision 5, paragraph (b),~~  
84.19 ~~subject to adjustment in subdivision 5~~ \$92,666,800. Each calendar year, \$500,000 shall be  
84.20 retained by the commissioner of revenue to make reimbursements to the commissioner of  
84.21 management and budget for payments made under section 611.27. For calendar year 2004,  
84.22 the amount shall be in addition to the payments authorized under section 477A.0124,  
84.23 subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted  
84.24 from the appropriation under this paragraph. The reimbursements shall be to defray the  
84.25 additional costs associated with court-ordered counsel under section 611.27. Any retained  
84.26 amounts not used for reimbursement in a year shall be included in the next distribution  
84.27 of county need aid that is certified to the county auditors for the purpose of property tax  
84.28 reduction for the next taxes payable year.

84.29 (b) For aids payable in ~~2009~~ 2011 and thereafter, the total aid under section  
84.30 477A.0124, subdivision 4, is ~~\$116,132,923 minus one-half of the total aid amount~~  
84.31 ~~determined under section 477A.0124, subdivision 5, paragraph (b), subject to adjustment~~  
84.32 ~~in subdivision 5~~ \$97,581,404. The commissioner of management and budget shall bill the  
84.33 commissioner of revenue for the cost of preparation of local impact notes as required by

85.1 section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter. The commissioner  
85.2 of education shall bill the commissioner of revenue for the cost of preparation of local  
85.3 impact notes for school districts as required by section 3.987, not to exceed \$7,000 in fiscal  
85.4 year 2004 and thereafter. The commissioner of revenue shall deduct the amounts billed  
85.5 under this paragraph from the appropriation under this paragraph. The amounts deducted  
85.6 are appropriated to the commissioner of management and budget and the commissioner of  
85.7 education for the preparation of local impact notes.

85.8 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and  
85.9 thereafter.

85.10 Sec. 9. Laws 2008, chapter 366, article 2, section 12, is amended to read:

85.11 Sec. 12. **STUDY OF AIDS TO LOCAL GOVERNMENTS.**

85.12 The chairs of the senate and house of representatives committees with jurisdiction  
85.13 over taxes shall each appoint five members to a study group of the tax committees to  
85.14 examine the current system of aids to local governments and make recommendations on  
85.15 improvements to the system. Of the five members appointed by each chair, two must be  
85.16 members of the tax committee, one of whom is a majority party member and one of  
85.17 whom is a minority party member. The remaining members must represent local units of  
85.18 government. The chairs of the divisions of the tax committees having jurisdiction over  
85.19 property taxes shall also be members and shall serve as cochairs of the study group.  
85.20 The study shall include, but not be limited to, consideration of existing disparities in  
85.21 the distribution of local government aid, an analysis of current law need and capacity  
85.22 factors as well as alternative need factors, alternative analytical methods for determining  
85.23 correlations between factors and need, the formula used to calculate aid for small cities,  
85.24 and volatility in the local government aid distribution. The group must report on its  
85.25 specific recommendations to the legislature by December 15, ~~2010~~ 2012.

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

85.27 Sec. 10. **REPEALER.**

85.28 Minnesota Statutes 2008, section 477A.03, subdivision 5, is repealed.

85.29 **EFFECTIVE DATE.** This section is effective for aids payable in 2011 and  
85.30 thereafter.

APPENDIX  
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