

1.1 moves to amend H.F. No. 630, the delete everything amendment
1.2 (A13-0404), as follows:

1.3 Page 137, after line 27, insert:

1.4 "Sec. 3. Minnesota Statutes 2012, section 134.32, is amended to read:

1.5 **134.32 GRANT AUTHORIZATION; TYPES OF GRANTS AND AID.**

1.6 Subdivision 1. **Provision of grants.** The department shall provide the grants and aid
1.7 specified in this section from any available state, federal, or other funds.

1.8 Subd. 3. **Regional library basic system support grants aid.** It shall provide
1.9 regional library basic system support grants aid to regional public library systems which
1.10 meet the requirements of section 134.34, to assist those systems in providing basic system
1.11 services.

1.12 Subd. 4. **Special project grants.** It may provide special project grants to assist
1.13 innovative and experimental library programs including, but not limited to, special
1.14 services for American Indians and the Spanish-speaking, delivery of library materials to
1.15 homebound persons, other extensions of library services to persons without access to
1.16 libraries and projects to strengthen and improve library services.

1.17 Subd. 5. **Interlibrary exchange grants.** It may provide grants for interlibrary
1.18 exchange of books, periodicals, resource material, reference information and the expenses
1.19 incident to the sharing of library resources and materials, including planning, development
1.20 and operating grants to multicounty, multitype library systems.

1.21 Subd. 6. **Library service grants.** It may provide grants for the improvement of
1.22 library services at welfare and corrections institutions and for library service for the blind
1.23 and physically disabled.

1.24 Subd. 7. **Construction or remodeling grants.** It may provide grants for
1.25 construction or remodeling of library facilities from any state and federal funds specifically
1.26 appropriated for this purpose.

2.1 Subd. 8. **Rulemaking.** (a) The commissioner shall promulgate rules consistent
2.2 with sections 134.32 to 134.355 governing:

2.3 (1) applications for these grants and aid;

2.4 (2) computation formulas for determining the amounts of establishment grants and
2.5 regional library basic system support ~~grants aid~~; and

2.6 (3) eligibility criteria for grants and aid.

2.7 (b) To the extent allowed under federal law, a construction grant applicant, in
2.8 addition to the points received under Minnesota Rules, part 3530.2632, shall receive an
2.9 additional five points if the construction grant is for a project combining public library
2.10 services and school district library services at a single location.

2.11 Sec. 4. Minnesota Statutes 2012, section 134.34, is amended to read:

2.12 **134.34 REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS AID;**
2.13 **REQUIREMENTS.**

2.14 Subdivision 1. **Local support levels.** (a) ~~A~~ Regional library basic system support
2.15 ~~grant aid~~ shall be ~~made~~ provided to any regional public library system where there are at
2.16 least three participating counties and where each participating city and county is providing
2.17 for public library service support the lesser of (a) an amount equivalent to .82 percent of
2.18 the average of the adjusted net tax capacity of the taxable property of that city or county,
2.19 as determined by the commissioner of revenue for the second, third, and fourth year
2.20 preceding that calendar year or (b) a per capita amount calculated under the provisions of
2.21 this subdivision. The per capita amount is established for calendar year 1993 as \$7.62.
2.22 In succeeding calendar years, the per capita amount shall be increased by a percentage
2.23 equal to one-half of the percentage by which the total state adjusted net tax capacity of
2.24 property as determined by the commissioner of revenue for the second year preceding
2.25 that calendar year increases over that total adjusted net tax capacity for the third year
2.26 preceding that calendar year.

2.27 (b) The minimum level of support specified under this subdivision or subdivision 4
2.28 shall be certified annually to the participating cities and counties by the Department of
2.29 Education. If a city or county chooses to reduce its local support in accordance with
2.30 subdivision 4, paragraph (b) or (c), it shall notify its regional public library system. The
2.31 regional public library system shall notify the Department of Education that a revised
2.32 certification is required. The revised minimum level of support shall be certified to the
2.33 city or county by the Department of Education.

2.34 (c) A city which is a part of a regional public library system shall not be required to
2.35 provide this level of support if the property of that city is already taxable by the county for

3.1 the support of that regional public library system. In no event shall the Department of
3.2 Education require any city or county to provide a higher level of support than the level
3.3 of support specified in this section in order for a system to qualify for a regional library
3.4 basic system support ~~grant~~ aid. This section shall not be construed to prohibit a city or
3.5 county from providing a higher level of support for public libraries than the level of
3.6 support specified in this section.

3.7 Subd. 3. **Regional designation.** Regional library basic system support ~~grants~~ aid
3.8 shall be ~~made~~ provided only to those regional public library systems officially designated
3.9 by the commissioner of education as the appropriate agency to strengthen, improve and
3.10 promote public library services in the participating areas. The commissioner of education
3.11 shall designate no more than one such regional public library system located entirely within
3.12 any single development region existing under sections 462.381 to 462.398 or chapter 473.

3.13 Subd. 4. **Limitation.** (a) For calendar year 2010 and later, a regional library basic
3.14 system support ~~grant~~ aid shall not be ~~made~~ provided to a regional public library system
3.15 for a participating city or county which decreases the dollar amount provided for support
3.16 for operating purposes of public library service below the amount provided by it for the
3.17 second, or third preceding year, whichever is less. For purposes of this subdivision and
3.18 subdivision 1, any funds provided under section 473.757, subdivision 2, for extending
3.19 library hours of operation shall not be considered amounts provided by a city or county for
3.20 support for operating purposes of public library service. This subdivision shall not apply
3.21 to participating cities or counties where the adjusted net tax capacity of that city or county
3.22 has decreased, if the dollar amount of the reduction in support is not greater than the dollar
3.23 amount by which support would be decreased if the reduction in support were made in
3.24 direct proportion to the decrease in adjusted net tax capacity.

3.25 (b) For calendar year 2009 and later, in any calendar year in which a city's or
3.26 county's aid under sections 477A.011 to 477A.014 or credit reimbursement under section
3.27 273.1384 is reduced after the city or county has certified its levy payable in that year, it
3.28 may reduce its local support by the lesser of:

3.29 (1) ten percent; or

3.30 (2) a percent equal to the ratio of the aid and credit reimbursement reductions to the
3.31 city's or county's revenue base, based on aids certified for the current calendar year. For
3.32 calendar year 2009 only, the reduction under this paragraph shall be based on 2008 aid and
3.33 credit reimbursement reductions under the December 2008 unallotment, as well as any
3.34 aid and credit reimbursement reductions in calendar year 2009. For pay 2009 only, the
3.35 commissioner of revenue will calculate the reductions under this paragraph and certify
3.36 them to the commissioner of education within 15 days of May 17, 2009.

4.1 (c) For taxes payable in 2010 and later, in any payable year in which the total
4.2 amounts certified for city or county aids under sections 477A.011 to 477A.014 are less
4.3 than the total amounts paid under those sections in the previous calendar year, a city or
4.4 county may reduce its local support by the lesser of:

4.5 (1) ten percent; or

4.6 (2) a percent equal to the ratio of:

4.7 (i) the difference between (A) the sum of the aid it was paid under sections
4.8 477A.011 to 477A.014 and the credit reimbursement it received under section 273.1384
4.9 in the previous calendar year and (B) the sum of the aid it is certified to be paid in the
4.10 current calendar year under sections 477A.011 to 477A.014 and the credit reimbursement
4.11 estimated to be paid under section 273.1384; to

4.12 (ii) its revenue base for the previous year, based on aids actually paid in the previous
4.13 calendar year. The commissioner of revenue shall calculate the percent aid cut for each
4.14 county and city under this paragraph and certify the percentage cuts to the commissioner
4.15 of education by August 1 of the year prior to the year in which the reduced aids and
4.16 credit reimbursements are to be paid. The percentage of reduction related to reductions
4.17 to credit reimbursements under section 273.1384 shall be based on the best estimation
4.18 available as of July 30.

4.19 (d) Notwithstanding paragraph (a), (b), or (c), no city or county shall reduce its
4.20 support for public libraries below the minimum level specified in subdivision 1.

4.21 (e) For purposes of this subdivision, "revenue base" means the sum of:

4.22 (1) its levy for taxes payable in the current calendar year, including the levy on
4.23 the fiscal disparities distribution under section 276A.06, subdivision 3, paragraph (a),
4.24 or 473F.08, subdivision 3, paragraph (a);

4.25 (2) its aid under sections 477A.011 to 477A.014 in the current calendar year; and

4.26 (3) its taconite aid in the current calendar year under sections 298.28 and 298.282.

4.27 **Subd. 7. Proposed budget.** In addition to the annual report required in section
4.28 134.13, a regional public system that receives a basic system support grant aid under this
4.29 section must provide each participating county and city with its proposed budget for
4.30 the next year.

4.31 **Sec. 5. Minnesota Statutes 2012, section 134.351, subdivision 3, is amended to read:**

4.32 **Subd. 3. Agreement.** In order for a multicounty, multitype library system to qualify
4.33 for a planning, development or operating grant aid pursuant to sections 134.353 and
4.34 134.354, each participating library in the system shall adopt an organizational agreement
4.35 providing for the following:

- 5.1 (a) Sharing of resources among all participating libraries;
- 5.2 (b) Long-range planning for cooperative programs;
- 5.3 (c) The development of a delivery system for services and programs;
- 5.4 (d) The development of a bibliographic database; and
- 5.5 (e) A communications system among all cooperating libraries.

5.6 Sec. 6. Minnesota Statutes 2012, section 134.351, subdivision 7, is amended to read:

5.7 Subd. 7. **Reports.** Each multicounty, multitype system receiving a ~~grant aid~~
 5.8 pursuant to section 134.353 or 134.354 shall provide an annual progress report to the
 5.9 Department of Education.

5.10 Sec. 7. Minnesota Statutes 2012, section 134.353, is amended to read:

5.11 **134.353 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM**
 5.12 **DEVELOPMENT GRANT AID.**

5.13 The commissioner of education may provide development ~~grants aid~~ to multicounty,
 5.14 multitype library systems. In awarding a development ~~grant aid~~, the commissioner shall
 5.15 consider the extra costs incurred in systems located in sparsely populated and large
 5.16 geographic regions.

5.17 Sec. 8. Minnesota Statutes 2012, section 134.354, is amended to read:

5.18 **134.354 MULTICOUNTY, MULTITYPE LIBRARY SYSTEM OPERATING**
 5.19 **GRANT AID.**

5.20 The commissioner of education may provide operating ~~grants aid~~ to multicounty,
 5.21 multitype library systems. In awarding ~~an operating grant aid~~, the commissioner shall
 5.22 consider the extra costs incurred in systems located in sparsely populated and large
 5.23 geographic areas.

5.24 Sec. 9. Minnesota Statutes 2012, section 134.355, subdivision 1, is amended to read:

5.25 Subdivision 1. **Appropriations.** Basic system support ~~grants aid~~ and regional library
 5.26 telecommunications aid provide the appropriations for the basic regional library system.

5.27 Sec. 10. Minnesota Statutes 2012, section 134.355, subdivision 2, is amended to read:

5.28 Subd. 2. **Grant application.** Any regional public library system which qualifies
 5.29 according to the provisions of section 134.34 may apply for ~~an annual grant aid~~ for
 5.30 regional library basic system support. Regional public library districts under section

6.1 134.201 may not compensate board members using grant aid funds. The amount of each
6.2 grant aid for each fiscal year shall be calculated as provided in this section.

6.3 Sec. 11. Minnesota Statutes 2012, section 134.355, subdivision 3, is amended to read:

6.4 Subd. 3. **Per capita distribution.** Fifty-seven and one-half percent of the available
6.5 grant aid funds shall be distributed to provide all qualifying systems an equal amount
6.6 per capita. Each system's allocation pursuant to this subdivision shall be based on the
6.7 population it serves.

6.8 Sec. 12. Minnesota Statutes 2012, section 134.355, subdivision 4, is amended to read:

6.9 Subd. 4. **Per square mile distribution.** Twelve and one-half percent of the
6.10 available grant aid funds shall be distributed to provide all qualifying systems an equal
6.11 amount per square mile. Each system's allocation pursuant to this subdivision shall be
6.12 based on the area it serves.

6.13 Sec. 13. Minnesota Statutes 2012, section 134.355, subdivision 5, is amended to read:

6.14 Subd. 5. **Base grant aid distribution.** Five percent of the available grant aid funds
6.15 shall be paid to each system as a base grant aid for basic system services.

6.16 Sec. 14. Minnesota Statutes 2012, section 134.355, subdivision 6, is amended to read:

6.17 Subd. 6. **Adjusted net tax capacity per capita distribution.** Twenty-five percent
6.18 of the available grant aid funds shall be distributed to regional public library systems based
6.19 upon the adjusted net tax capacity per capita for each member county or participating
6.20 portion of a county as calculated for the second year preceding the fiscal year for which
6.21 ~~the grant aid is made~~ provided. Each system's entitlement shall be calculated as follows:

6.22 (a) Multiply the adjusted net tax capacity per capita for each county or participating
6.23 portion of a county by .0082.

6.24 (b) Add sufficient grant aid funds that are available under this subdivision to raise
6.25 the amount of the county or participating portion of a county with the lowest value
6.26 calculated according to paragraph (a) to the amount of the county or participating portion
6.27 of a county with the next highest value calculated according to paragraph (a). Multiply the
6.28 amount of the additional grant aid funds by the population of the county or participating
6.29 portion of a county.

6.30 (c) Continue the process described in paragraph (b) by adding sufficient grant aid
6.31 funds that are available under this subdivision to the amount of a county or participating
6.32 portion of a county with the next highest value calculated in paragraph (a) to raise it and

7.1 the amount of counties and participating portions of counties with lower values calculated
7.2 in paragraph (a) up to the amount of the county or participating portion of a county
7.3 with the next highest value, until reaching an amount where funds available under this
7.4 subdivision are no longer sufficient to raise the amount of a county or participating portion
7.5 of a county and the amount of counties and participating portions of counties with lower
7.6 values up to the amount of the next highest county or participating portion of a county.

7.7 (d) If the point is reached using the process in paragraphs (b) and (c) at which the
7.8 remaining grant aid funds under this subdivision are not adequate for raising the amount of
7.9 a county or participating portion of a county and all counties and participating portions of
7.10 counties with amounts of lower value to the amount of the county or participating portion
7.11 of a county with the next highest value, those funds are to be divided on a per capita basis
7.12 for all counties or participating portions of counties that received grant aid funds under
7.13 the calculation in paragraphs (b) and (c).

7.14 Sec. 15. Minnesota Statutes 2012, section 134.36, is amended to read:

7.15 **134.36 RULES.**

7.16 The commissioner of education shall promulgate rules as necessary for
7.17 implementation of library grant and aid programs."

7.18 Renumber the sections in sequence and correct the internal references

7.19 Amend the title accordingly