

304.8

ARTICLE 15

304.9

ADMINISTRATIVE RULE MAKING

304.10 Section 1. Minnesota Statutes 2016, section 14.03, subdivision 3, is amended to read:

304.11 Subd. 3. **Rulemaking procedures.** (a) The definition of a rule in section 14.02,
304.12 subdivision 4, does not include:

304.13 (1) rules concerning only the internal management of the agency or other agencies that
304.14 do not directly affect the rights of or procedures available to the public;

304.15 (2) an application deadline on a form; and the remainder of a form and instructions for
304.16 use of the form to the extent that they do not impose substantive requirements other than
304.17 requirements contained in statute or rule;

304.18 (3) the curriculum adopted by an agency to implement a statute or rule permitting or
304.19 mandating minimum educational requirements for persons regulated by an agency, provided
304.20 the topic areas to be covered by the minimum educational requirements are specified in
304.21 statute or rule;

304.22 (4) procedures for sharing data among government agencies, provided these procedures
304.23 are consistent with chapter 13 and other law governing data practices.

304.24 (b) The definition of a rule in section 14.02, subdivision 4, does not include:

304.25 (1) rules of the commissioner of corrections relating to the release, placement, term, and
304.26 supervision of inmates serving a supervised release or conditional release term, the internal
304.27 management of institutions under the commissioner's control, and rules adopted under
304.28 section 609.105 governing the inmates of those institutions;

304.29 (2) rules relating to weight limitations on the use of highways when the substance of the
304.30 rules is indicated to the public by means of signs;

304.31 (3) opinions of the attorney general;

305.1 (4) the data element dictionary and the annual data acquisition calendar of the Department
305.2 of Education to the extent provided by section 125B.07;

305.3 (5) the occupational safety and health standards provided in section 182.655;

305.4 (6) revenue notices and tax information bulletins of the commissioner of revenue;

- 305.5 (7) uniform conveyancing forms adopted by the commissioner of commerce under
305.6 section 507.09;
- 305.7 (8) standards adopted by the Electronic Real Estate Recording Commission established
305.8 under section 507.0945; ~~or~~
- 305.9 (9) the interpretive guidelines developed by the commissioner of human services to the
305.10 extent provided in chapter 245A; or
- 305.11 (10) policies established pursuant to section 14.031.
- 305.12 Sec. 2. **[14.031] POLICY PRONOUNCEMENTS.**
- 305.13 Subdivision 1. **Definition.** (a) As used in this section, "policy" means a public written
305.14 policy, guideline, bulletin, manual, or similar document providing an interpretation,
305.15 clarification, or explanation of a statute or rule to provide guidance for agency regulatory
305.16 functions including but not limited to permits or enforcement actions.
- 305.17 The definition of a policy does not include:
- 305.18 (1) policies concerning only the internal management of the agency or other agencies
305.19 that do not directly affect the rights of or procedures available to the public;
- 305.20 (2) forms and instructions for use of the form to the extent that they do not impose
305.21 substantive requirements other than requirements contained in statute or rule;
- 305.22 (3) curriculums adopted by an agency to implement a statute or rule permitting or
305.23 mandating minimum educational requirements for persons regulated by an agency, provided
305.24 the topic areas to be covered by the minimum educational requirements are specified in
305.25 statute or rule;
- 305.26 (4) procedures for sharing data among government agencies, provided these procedures
305.27 are consistent with chapter 13 and other law governing data practices; or
- 305.28 (5) policies concerning agency actions required to comply with treaty obligations.
- 305.29 (b) A policy does not have the force of law.
- 305.30 (c) Policies established by the agency are subject to all of the following requirements:

- 306.1 (1) a policy shall comply with the statutes and rules that are in existence at the time the
306.2 policy is established;
- 306.3 (2) a policy shall not establish any new requirement;
- 306.4 (3) a policy shall be established only by the commissioner of the agency; and
- 306.5 (4) the following statement must be printed on the first page of each policy in uppercase
306.6 letters: "Every five years the agency shall review and update each policy that is established
306.7 before the effective date of this section or that it establishes after the effective date of this
306.8 section and shall prepare written documentation certifying that the policy has been reviewed
306.9 and updated. A policy that has not been reviewed and updated pursuant to this paragraph
306.10 is void."
- 306.11 Subd. 2. **Notice to legislature.** By January 15 each year, each agency must submit each
306.12 policy the agency has or intends to publish under subdivision 3 in the upcoming calendar
306.13 year to the policy and funding committees and divisions with jurisdiction over the agency.
306.14 Each agency must post a link to its policies on the agency's Web site.
- 306.15 Subd. 3. **Public notice.** Before a policy is in effect, the agency must publish public notice
306.16 of the proposed policy and solicit public comment. The agency shall use the procedure set
306.17 forth under section 14.22 to provide public notice and meeting. The agency shall publish
306.18 the public notice on the agency's Web site. The agency must send a copy of the same notice
306.19 to the chairs and ranking minority members of the legislative policy and budget committees
306.20 with jurisdiction over the subject matter of the proposed policy. The public comment period
306.21 shall be 30 days after the date of a public meeting on the policy.
- 306.22 Subd. 4. **Final publication.** The agency must make all policies that conform to this
306.23 section available electronically on the agency's Web site within 60 days of the completion
306.24 of requirements in this section.
- 306.25 Subd. 5. **Committee action; delay action.** The agency shall not use a policy until the
306.26 legislature adjourns the annual legislative session that began the year the legislature received
306.27 notice of the policy under subdivision 2. The speaker of the house and the president of the
306.28 senate shall determine if a committee has jurisdiction over the agency before a committee
306.29 may act under this section.
- 306.30 Subd. 6. **Policy docket.** (a) Each agency shall maintain a policy docket with the agency's
306.31 current public rulemaking docket under section 14.366.
- 306.32 (b) The policy docket must contain:

- 306.33 (1) a listing of the precise subject matter;
- 307.1 (2) the name and address of agency personnel with whom persons may communicate
 307.2 with respect to the matter and an indication of its present status within the agency;
- 307.3 (3) any known timetable for agency decisions or other action in the proceeding;
- 307.4 (4) the date of the public hearing on the policy;
- 307.5 (5) the schedule for public comments on the policy; and
- 307.6 (6) the date the policy became or becomes effective.
- 307.7 Sec. 3. Minnesota Statutes 2016, section 14.127, subdivision 4, is amended to read:
- 307.8 Subd. 4. **Exceptions.** (a) Subdivision 3 does not apply if the administrative law judge
 307.9 approves an agency's determination that the legislature has appropriated money to sufficiently
 307.10 fund the expected cost of the rule upon the business or city proposed to be regulated by the
 307.11 rule.
- 307.12 (b) Subdivision 3 does not apply if the administrative law judge approves an agency's
 307.13 determination that the rule has been proposed pursuant to a specific federal statutory or
 307.14 regulatory mandate.
- 307.15 (c) This section does not apply if the rule is adopted under section 14.388 or under
 307.16 another law specifying that the rulemaking procedures of this chapter do not apply.
- 307.17 (d) This section does not apply to a rule adopted by the Public Utilities Commission.
- 307.18 ~~(e) Subdivision 3 does not apply if the governor waives application of subdivision 3.~~
 307.19 ~~The governor may issue a waiver at any time, either before or after the rule would take~~
 307.20 ~~effect, but for the requirement of legislative approval. As soon as possible after issuing a~~
 307.21 ~~waiver under this paragraph, the governor must send notice of the waiver to the speaker of~~
 307.22 ~~the house and the president of the senate and must publish notice of this determination in~~
 307.23 ~~the State Register.~~
- 307.24 Sec. 4. **[14.1275] RULES IMPACTING RESIDENTIAL CONSTRUCTION OR**
 307.25 **REMODELING; LEGISLATIVE NOTICE AND REVIEW.**
- 307.26 Subdivision 1. **Definition.** As used in this section, "residential construction" means the
 307.27 new construction or remodeling of any building subject to the Minnesota Residential Code.

307.28 Subd. 2. **Impact on housing; agency determination.** (a) An agency must determine if
307.29 implementation of a proposed rule, or any portion of a proposed rule, will, on average,
307.30 increase the cost of residential construction or remodeling by \$1,000 or more per unit, and
307.31 whether the proposed rule meets the state regulatory policy objectives described in section
308.1 14.002. In calculating the cost of implementing a proposed rule, the agency may consider
308.2 the impact of other related proposed rules on the overall cost of residential construction. If
308.3 applicable, the agency may include offsetting savings that may be achieved through
308.4 implementation of related proposed rules in its calculation under this subdivision.

308.5 (b) The agency must make the determination required by paragraph (a) before the close
308.6 of the hearing record, or before the agency submits the record to the administrative law
308.7 judge if there is no hearing. Upon request of a party affected by the proposed rule, the
308.8 administrative law judge must review and approve or disapprove an agency's determination
308.9 under this subdivision.

308.10 Subd. 3. **Notice to legislature; legislative review.** If the agency determines that the
308.11 impact of a proposed rule meets or exceeds the cost threshold provided in subdivision 2, or
308.12 if the administrative law judge separately confirms the cost of any portion of a rule exceeds
308.13 the cost threshold provided in subdivision 2, the agency must notify, in writing, the chair
308.14 and ranking minority members of the policy committees of the house of representatives and
308.15 the senate with jurisdiction over the subject matter of the proposed rule within ten days of
308.16 the determination. The agency shall not adopt the proposed rule until after the adjournment
308.17 of the next annual session of the legislature convened on or after the date that notice required
308.18 in this subdivision is given to the chairs and ranking minority members.

308.19 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to
308.20 administrative rules proposed on or after that date.

308.21 Sec. 5. Minnesota Statutes 2016, section 14.381, is amended by adding a subdivision to
308.22 read:

308.23 Subd. 4. **Fees and expenses.** (a) The administrative law judge shall award fees and other
308.24 expenses to the prevailing party under subdivision 1, unless special circumstances make an
308.25 award unjust.

308.26 (b) A party seeking an award of fees and other expenses shall, within 30 days of
308.27 administrative law judge's report issued in the action, submit to the administrative law judge
308.28 an application of fees and other expenses that shows that the party is a prevailing party and
308.29 is eligible to receive an award, and the amount sought, including an itemized statement from
308.30 any attorney or expert witness representing or appearing on behalf of the party stating the
308.31 actual time expended and the rate at which fees and other expenses were computed.

308.32 (c) The administrative law judge may reduce the amount to be awarded under this section,
308.33 or deny an award, to the extent that during the proceedings the prevailing party engaged in
309.1 conduct that unduly and unreasonably protracted the final resolution of the matter in
309.2 controversy. The decision of an administrative law judge under this section must be made
309.3 a part of the record containing the final decision of the agency and must include written
309.4 findings and conclusions.

309.5 (d) This section does not preclude a party from recovering costs, disbursements, fees,
309.6 and expenses under other applicable law.

309.7 **Sec. 6. REPEALER.**

309.8 Minnesota Statutes 2016, section 14.381, subdivision 3, is repealed.

309.9 **Sec. 7. EFFECTIVE DATE; APPLICATION.**

309.10 (a) This article is effective August 1, 2018, and applies to rules for which a notice of
309.11 hearing under Minnesota Statutes, section 14.14; a notice of intent to adopt under Minnesota
309.12 Statutes, section 14.22; or a dual notice under Minnesota Statutes, section 14.225, is published
309.13 in the State Register on or after that date.

309.14 (b) This article also applies to policies established on or after January 1, 2019. All policies
309.15 existing on or before the date of enactment shall be posted on the agency's public docket
309.16 on or before January 1, 2019.

309.17 **ARTICLE 16**
309.18 **CAMPAIGN FINANCE**

309.19 Section 1. Minnesota Statutes 2016, section 10A.02, subdivision 13, is amended to read:

309.20 Subd. 13. **Rules.** (a) Chapter 14 applies to the board. The board may adopt rules to carry
309.21 out the purposes of this chapter if, before June 1, 2018, the board has published a notice of
309.22 intent to adopt a rule without public hearing under section 14.22, subdivision 1, 14.389,
309.23 subdivision 2, or 14.3895, subdivision 3; a dual notice under section 14.22, subdivision 2;
309.24 or a notice of hearing on a proposed rule under section 14.14.

309.25 (b) After May 31, 2018, the board may only adopt rules that:

309.26 (1) incorporate specific changes set forth in applicable statutes when no interpretation
309.27 of law is required; or

309.28 (2) make changes to rules that do not alter the sense, meaning, or effect of a rule.

309.29 (c) In addition to the notice required under chapter 14, the board shall notify the chairs
309.30 and ranking minority members of the committees or subcommittees in the senate and house
310.1 of representatives with primary jurisdiction over elections within seven calendar days of
310.2 taking the following actions:

310.3 (1) publication of a notice of intent to adopt rules or a notice of hearing;

310.4 (2) publication of proposed rules in the State Register;

310.5 (3) issuance of a statement of need and reasonableness; or

310.6 (4) adoption of final rules.

310.7 **EFFECTIVE DATE.** This section is effective the day following final enactment for
310.8 rules for which a notice of intent to adopt a rule without public hearing under Minnesota
310.9 Statutes, section 14.22, subdivision 1, 14.389, subdivision 2, or 14.3895, subdivision 3; a
310.10 dual notice under Minnesota Statutes, section 14.22, subdivision 2; or a notice of hearing
310.11 on a proposed rule under Minnesota Statutes, section 14.14, was published before June 1,
310.12 2018.

310.13 Sec. 2. Minnesota Statutes 2016, section 10A.31, subdivision 1, is amended to read:

310.14 Subdivision 1. **Designation.** An individual resident of this state who files an income tax
310.15 return or a renter and homeowner property tax refund return with the commissioner of
310.16 revenue may designate on their original return that \$5 be paid from the general fund of the
310.17 state into the state elections campaign account. If a husband and wife file a joint return,
310.18 each spouse may designate that \$5 be paid. No individual is allowed to designate \$5 more
310.19 than once in any year. ~~The taxpayer may designate that the amount be paid into the account~~
310.20 ~~of a political party or into the general account.~~

310.21 Sec. 3. Minnesota Statutes 2016, section 10A.31, subdivision 3, is amended to read:

310.22 Subd. 3. **Form.** The commissioner of revenue must provide on the first page of the
310.23 income tax form and the renter and homeowner property tax refund return a space for the
310.24 individual to indicate a wish to pay \$5 (\$10 if filing a joint return) from the general fund of
310.25 the state to finance election campaigns. ~~The form must also contain language prepared by~~
310.26 ~~the commissioner that permits the individual to direct the state to pay the \$5 (or \$10 if filing~~
310.27 ~~a joint return) to: (1) one of the major political parties; (2) any minor political party that~~
310.28 ~~qualifies under subdivision 3a; or (3) all qualifying candidates as provided by subdivision~~
310.29 ~~7. The renter and homeowner property tax refund return must include instructions that the~~

310.30 individual filing the return may designate \$5 on the return only if the individual has not
310.31 designated \$5 on the income tax return.

311.1 Sec. 4. Minnesota Statutes 2016, section 10A.31, subdivision 4, is amended to read:

311.2 Subd. 4. **Appropriation.** (a) The amounts designated by individuals for the state elections
311.3 campaign account, less three percent, ~~are appropriated from the general fund,~~ must be
311.4 transferred and credited to the ~~appropriate account in the~~ state elections campaign account,
311.5 and are annually appropriated for distribution as set forth in ~~subdivisions 5, 5a, 6, and 7~~ this
311.6 section. The remaining three percent must be kept in the general fund for administrative
311.7 costs.

311.8 (b) In addition to the amounts in paragraph (a), \$1,020,000 for each general election is
311.9 appropriated from the general fund for transfer to the general account of the state elections
311.10 campaign account.

311.11 Sec. 5. Minnesota Statutes 2016, section 10A.31, subdivision 5, is amended to read:

311.12 Subd. 5. **Allocation.** ~~(a) General account.~~ In each calendar year the money in the general
311.13 account must be allocated to candidates as follows:

311.14 (1) 21 percent for the offices of governor and lieutenant governor together;

311.15 (2) 4.2 percent for the office of attorney general;

311.16 (3) 2.4 percent each for the offices of secretary of state and state auditor;

311.17 (4) in each calendar year during the period in which state senators serve a four-year
311.18 term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state
311.19 representative; and

311.20 (5) in each calendar year during the period in which state senators serve a two-year term,
311.21 35 percent each for the offices of state senator and state representative.

311.22 ~~(b) Party account.~~ In each calendar year the money in each party account must be
311.23 ~~allocated as follows:~~

311.24 ~~(1) 14 percent for the offices of governor and lieutenant governor together;~~

311.25 ~~(2) 2.8 percent for the office of attorney general;~~

- 311.26 ~~(3) 1.6 percent each for the offices of secretary of state and state auditor;~~
- 311.27 ~~(4) in each calendar year during the period in which state senators serve a four-year~~
 311.28 ~~term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state~~
 311.29 ~~representative;~~
- 311.30 ~~(5) in each calendar year during the period in which state senators serve a two-year term;~~
 311.31 ~~35 percent each for the offices of state senator and state representative; and~~
- 312.1 ~~(6) ten percent or \$50,000, whichever is less, for the state committee of a political party;~~
 312.2 ~~one-third of any amount in excess of that allocated to the state committee of a political party~~
 312.3 ~~under this clause must be allocated to the office of state senator and two-thirds must be~~
 312.4 ~~allocated to the office of state representative under clause (4).~~
- 312.5 ~~Money allocated to each state committee under clause (6) must be deposited in a separate~~
 312.6 ~~account and must be spent for only those items enumerated in section 10A.275. Money~~
 312.7 ~~allocated to a state committee under clause (6) must be paid to the committee by the board~~
 312.8 ~~as it is received in the account on a monthly basis, with payment on the 15th day of the~~
 312.9 ~~calendar month following the month in which the returns were processed by the Department~~
 312.10 ~~of Revenue, provided that these distributions would be equal to 90 percent of the amount~~
 312.11 ~~of money indicated in the Department of Revenue's weekly unedited reports of income tax~~
 312.12 ~~returns and property tax refund returns processed in the month, as notified by the Department~~
 312.13 ~~of Revenue to the board. The amounts paid to each state committee are subject to biennial~~
 312.14 ~~adjustment and settlement at the time of each certification required of the commissioner of~~
 312.15 ~~revenue under subdivisions 7 and 10. If the total amount of payments received by a state~~
 312.16 ~~committee for the period reflected on a certification by the Department of Revenue is~~
 312.17 ~~different from the amount that should have been received during the period according to~~
 312.18 ~~the certification, each subsequent monthly payment must be increased or decreased to the~~
 312.19 ~~fullest extent possible until the amount of the overpayment is recovered or the underpayment~~
 312.20 ~~is distributed.~~
- 312.21 Sec. 6. Minnesota Statutes 2016, section 10A.31, subdivision 7, is amended to read:
- 312.22 Subd. 7. **Distribution of general account.** (a) As soon as the board has obtained the
 312.23 results of the primary election from the secretary of state, but no later than one week after
 312.24 certification of the primary results by the State Canvassing Board, the board must distribute
 312.25 the available money in the ~~general~~ state elections campaign account, as certified by the
 312.26 commissioner of revenue one week before the state primary and according to allocations
 312.27 set forth in subdivision 5, in equal amounts to all candidates of a major political party whose
 312.28 names are to appear on the ballot in the general election and who:
- 312.29 (1) have signed a spending limit agreement under section 10A.322;

312.30 (2) have filed the affidavit of contributions required by section 10A.323; and

312.31 (3) were opposed in either the primary election or the general election.

312.32 (b) The public subsidy paid under this subdivision may not be paid in an amount that
 312.33 would cause the sum of the public subsidy paid from the party account plus the public
 313.1 subsidy paid from the general account to exceed 50 percent of the expenditure limit for the
 313.2 candidate or 50 percent of the expenditure limit that would have applied to the candidate if
 313.3 the candidate had not been freed from expenditure limits under section 10A.25, subdivision
 313.4 10. Money from the general account not paid to a candidate because of the 50 percent limit
 313.5 must be distributed equally among all other qualifying candidates for the same office until
 313.6 all have reached the 50 percent limit or the balance in the general account is exhausted.

313.7 Sec. 7. Minnesota Statutes 2016, section 10A.31, subdivision 10, is amended to read:

313.8 Subd. 10. **December distribution.** In the event that on the date of either certification
 313.9 by the commissioner of revenue as provided in subdivision 6 or 7, less than 98 percent of
 313.10 the tax returns have been processed, the commissioner of revenue must certify to the board
 313.11 by December 1 the amount accumulated in each the account since the previous certification.
 313.12 By December 15, the board must distribute to each candidate according to the allocations
 313.13 in subdivisions 5 and 5a allocation in subdivision 5 the amounts to which the candidates
 313.14 are entitled.

313.15 Sec. 8. Minnesota Statutes 2016, section 10A.31, subdivision 10b, is amended to read:

313.16 Subd. 10b. **Remainder.** Money accumulated after the final certification must be kept
 313.17 in the respective accounts state elections campaign account for distribution in the next
 313.18 general election year.

313.19 Sec. 9. Minnesota Statutes 2016, section 10A.315, is amended to read:

313.20 **10A.315 SPECIAL ELECTION SUBSIDY.**

313.21 (a) Each eligible candidate for a legislative office in a special election must be paid a
 313.22 public subsidy equal to the sum of:

313.23 (1) the party account money at the last general election for the candidate's party for the
 313.24 office the candidate is seeking; and

313.25 (2) the general account amount of state elections campaign money paid to a candidate
 313.26 for the same office at the last general election.

313.27 (b) A candidate who wishes to receive this public subsidy must submit a signed agreement
313.28 under section 10A.322 to the board and must meet the contribution requirements of section
313.29 10A.323. The special election subsidy must be distributed in the same manner as money in
313.30 the ~~party and general accounts~~ state elections campaign account is distributed to legislative
313.31 candidates in a general election.

314.1 (c) The amount necessary to make the payments required by this section is appropriated
314.2 from the general fund for transfer to the state special elections campaign account for
314.3 distribution by the board as set forth in this section.

314.4 Sec. 10. Minnesota Statutes 2016, section 10A.321, subdivision 1, is amended to read:

314.5 Subdivision 1. **Calculation and certification of estimates.** The commissioner of revenue
314.6 must calculate and certify to the board one week before the first day for filing for office in
314.7 each election year an estimate of the total amount in the ~~state general account of the state~~
314.8 elections campaign account and the amount of money each candidate who qualifies, as
314.9 provided in section 10A.31, ~~subdivisions 6 and subdivision 7~~, may receive from the
314.10 ~~candidate's party account in the state elections campaign account~~. This estimate must be
314.11 based upon the allocations ~~and formulas~~ in section 10A.31, ~~subdivisions 5 and 5a, any~~
314.12 ~~necessary vote totals provided by the secretary of state to apply the formulas in section~~
314.13 ~~10A.31, subdivisions 5 and 5a, subdivision 5~~, and the amount of money expected to be
314.14 available after 100 percent of the tax returns have been processed.

314.15 Sec. 11. Minnesota Statutes 2016, section 290.06, subdivision 23, is amended to read:

314.16 Subd. 23. **Refund of contributions to political parties and candidates.** (a) A taxpayer
314.17 may claim a refund equal to the amount of the taxpayer's contributions made in the calendar
314.18 year to candidates and to a political party. The maximum refund for an individual must not
314.19 exceed \$50 and for a married couple, filing jointly, must not exceed \$100. A refund of a
314.20 contribution is allowed only if the taxpayer files a form required by the commissioner and
314.21 attaches to the form a copy of an official refund receipt form issued by the candidate or
314.22 party and signed by the candidate, the treasurer of the candidate's principal campaign
314.23 committee, or the chair or treasurer of the party unit, after the contribution was received.
314.24 The receipt forms must be numbered, and the data on the receipt that are not public must
314.25 be made available to the campaign finance and public disclosure board upon its request. A
314.26 claim must be filed with the commissioner no sooner than January 1 of the calendar year
314.27 in which the contribution was made and no later than April 15 of the calendar year following
314.28 the calendar year in which the contribution was made. A taxpayer may file only one claim
314.29 per calendar year. Amounts paid by the commissioner after June 15 of the calendar year
314.30 following the calendar year in which the contribution was made must include interest at the
314.31 rate specified in section 270C.405.

314.32 (b) No refund is allowed under this subdivision for a contribution to a candidate unless
314.33 the candidate:

315.1 (1) has signed an agreement to limit campaign expenditures as provided in section
315.2 10A.322;

315.3 (2) is seeking an office for which voluntary spending limits are specified in section
315.4 10A.25; and

315.5 (3) has designated a principal campaign committee.

315.6 This subdivision does not limit the campaign expenditures of a candidate who does not
315.7 sign an agreement but accepts a contribution for which the contributor improperly claims
315.8 a refund.

315.9 (c) For purposes of this subdivision, "political party" means a major political party as
315.10 defined in section 200.02, subdivision 7, or a minor political party ~~qualifying for inclusion~~
315.11 ~~on the income tax or property tax refund form under section 10A.31, subdivision 3a as~~
315.12 defined in section 200.02, subdivision 23.

315.13 A "major party" or "minor party" includes the aggregate of that party's organization
315.14 within each house of the legislature, the state party organization, and the party organization
315.15 within congressional districts, counties, legislative districts, municipalities, and precincts.

315.16 "Candidate" means a candidate as defined in section 10A.01, subdivision 10, except a
315.17 candidate for judicial office.

315.18 "Contribution" means a gift of money.

315.19 (d) The commissioner shall make copies of the form available to the public and candidates
315.20 upon request.

315.21 (e) The following data collected or maintained by the commissioner under this subdivision
315.22 are private: the identities of individuals claiming a refund, the identities of candidates to
315.23 whom those individuals have made contributions, and the amount of each contribution.

315.24 (f) The commissioner shall report to the campaign finance and public disclosure board
315.25 by each August 1 a summary showing the total number and aggregate amount of political
315.26 contribution refunds made on behalf of each candidate and each political party. These data
315.27 are public.

315.28 (g) The amount necessary to pay claims for the refund provided in this section is
315.29 appropriated from the general fund to the commissioner of revenue.

315.30 (h) For a taxpayer who files a claim for refund via the Internet or other electronic means,
315.31 the commissioner may accept the number on the official receipt as documentation that a
315.32 contribution was made rather than the actual receipt as required by paragraph (a).

316.1 Sec. 12. **REPEALER.**

316.2 Minnesota Statutes 2016, sections 10A.30, subdivision 2; and 10A.31, subdivisions 3a,
316.3 5a, 6, and 6a, are repealed.

316.4 Sec. 13. **EFFECTIVE DATE; APPLICABILITY.**

316.5 This article is effective the day following final enactment, and provisions impacting the
316.6 public subsidy for candidates apply to elections held on or after that date. No later than July
316.7 1, 2018, the Campaign Finance and Public Disclosure Board must notify, in writing, all
316.8 candidates who have signed an agreement applicable for the 2018 general election of the
316.9 changes enacted by this article, and provide each candidate an opportunity, at the candidate's
316.10 discretion, to sign a new agreement that reflects these changes. Agreements applicable for
316.11 the 2018 general election that were signed prior to the effective date of this section remain
316.12 valid for the sole purpose of establishing the candidate's eligibility to participate in the
316.13 political contribution refund program authorized by Minnesota Statutes, section 290.06,
316.14 subdivision 23, but are otherwise unenforceable and invalid for any other purpose.

316.15 **ARTICLE 17**

316.16 **MINNESOTA SPORTS FACILITIES AUTHORITY**

316.17 Section 1. Minnesota Statutes 2016, section 13.55, subdivision 1, is amended to read:

316.18 Subdivision 1. **Not public classification.** The following data received, created, or
316.19 maintained by or for publicly owned and operated convention facilities, civic center
316.20 authorities, or the ~~Metropolitan~~ Minnesota Sports Facilities ~~Commission~~ Authority are
316.21 classified as nonpublic data pursuant to section 13.02, subdivision 9; or private data on
316.22 individuals pursuant to section 13.02, subdivision 12:

316.23 (a) a letter or other documentation from any person who makes inquiry to or who is
316.24 contacted by the facility regarding the availability of the facility for staging events;

316.25 (b) identity of firms and corporations which contact the facility;

- 316.26 (c) type of event which they wish to stage in the facility;
- 316.27 (d) suggested terms of rentals; and
- 316.28 (e) responses of authority staff to these inquiries.
- 317.1 Sec. 2. Minnesota Statutes 2016, section 13.55, subdivision 2, is amended to read:
- 317.2 Subd. 2. **Public data.** (a) The data made not public by the provisions of subdivision 1
- 317.3 shall become public upon the occurrence of any of the following:
- 317.4 ~~(a)~~ (1) five years elapse from the date on which the lease or contract is entered into
- 317.5 between the facility and the inquiring party or parties or the event which was the subject of
- 317.6 inquiry occurs at the facility, whichever occurs earlier;
- 317.7 ~~(b)~~ (2) the event which was the subject of inquiry does not occur; or
- 317.8 ~~(c)~~ (3) the event which was the subject of inquiry occurs elsewhere.
- 317.9 (b) Data regarding persons receiving free or discounted admission, tickets, or other gifts
- 317.10 from publicly owned and operated convention facilities, civic center authorities, or the
- 317.11 Minnesota Sports Facilities Authority are public data unless the data are subject to the
- 317.12 provisions of subdivision 1 or 4, paragraph (b).
- 317.13 Sec. 3. Minnesota Statutes 2016, section 16A.965, is amended by adding a subdivision to
- 317.14 read:
- 317.15 Subd. 11. **Prepayment of bonds.** By June 30, 2020, and every fiscal year thereafter,
- 317.16 the commissioner shall set aside, in a separate account in the special revenue fund, an amount
- 317.17 equal to the cumulative reduction in the payment for stadium operating expenses under
- 317.18 section 473J.13, subdivision 2, paragraph (b), over the prior fiscal year. When a sufficient
- 317.19 amount has accumulated in that account to make it practicable, the commissioner must
- 317.20 transfer those amounts to the general fund. The transferred amounts are appropriated to the
- 317.21 commissioner to prepay or defease bonds in a manner that preserves the tax exempt status
- 317.22 of the bonds.
- 317.23 **EFFECTIVE DATE.** This section is effective July 1, 2020, and applies to reductions
- 317.24 to stadium operating expense payments made in that fiscal year and thereafter.
- 317.25 Sec. 4. Minnesota Statutes 2016, section 297A.994, subdivision 4, is amended to read:

317.26 Subd. 4. **General fund allocations.** The commissioner must retain and deposit to the
317.27 general fund the following amounts, as required by subdivision 3, clause (3):

317.28 (1) for state bond debt service support beginning in calendar year 2021, and for each
317.29 calendar year thereafter through calendar year 2046, periodic amounts so that not later than
317.30 December 31, 2046, an aggregate amount equal to a present value of \$150,000,000 has been
317.31 deposited in the general fund. To determine aggregate present value, the commissioner must
318.1 consult with the commissioner of management and budget regarding the present value dates,
318.2 discount rate or rates, and schedules of annual amounts. The present value date or dates
318.3 must be based on the date or dates bonds are sold under section 16A.965, or the date or
318.4 dates other state funds, if any, are deposited into the construction fund. The discount rate
318.5 or rates must be based on the true interest cost of the bonds issued under section 16A.965,
318.6 or an equivalent 30-year bond index, as determined by the commissioner of management
318.7 and budget. The schedule of annual amounts must be certified to the commissioner by the
318.8 commissioner of management and budget and the finance officer of the city;

318.9 (2) for the capital improvement reserve appropriation to the Minnesota Sports Facilities
318.10 Authority beginning in calendar year 2021, and for each calendar year thereafter through
318.11 calendar year 2046, an aggregate annual amount equal to the amount paid by the state for
318.12 this purpose in that calendar year under section 473J.13, subdivision 4;

318.13 (3) for the operating expense appropriation to the Minnesota Sports Facilities Authority
318.14 beginning in calendar year 2021, and for each calendar year thereafter through calendar
318.15 year 2046, an aggregate annual amount equal to the amount paid by the state for this purpose
318.16 in that calendar year under section 473J.13, subdivision 2, determined without regard to
318.17 any reduction under section 473J.13, subdivision 2, paragraph (b);

318.18 (4) for recapture of state advances for capital improvements and operating expenses for
318.19 calendar years 2016 through 2020 beginning in calendar year 2021, and for each calendar
318.20 year thereafter until all amounts under this clause have been paid, proportionate amounts
318.21 periodically until an aggregate amount equal to the present value of all amounts paid by the
318.22 state have been deposited in the general fund. To determine the present value of the amounts
318.23 paid by the state to the authority and the present value of amounts deposited to the general
318.24 fund under this clause, the commissioner shall consult with the commissioner of management
318.25 and budget regarding the present value dates, discount rate or rates, and schedule of annual
318.26 amounts. The present value dates must be based on the dates state funds are paid to the
318.27 authority, or the dates the commissioner of revenue deposits taxes for purposes of this clause
318.28 to the general fund. The discount rates must be based on the reasonably equivalent cost of
318.29 state funds as determined by the commissioner of management and budget. The schedule
318.30 of annual amounts must be revised to reflect amounts paid under section 473J.13, subdivision
318.31 2, paragraph (b), for 2016 to 2020, and subdivision 4, paragraph (c), for 2016 to 2020, and
318.32 taxes deposited to the general fund from time to time under this clause, and the schedule
318.33 and revised schedules must be certified to the commissioner by the commissioner of

- 318.34 management and budget and the finance officer of the city, and are transferred as accrued
318.35 from the general fund for repayment of advances made by the state to the authority;
- 319.1 Determination of the present value amounts must be made without regard to any reduction
319.2 in the state advances resulting from a reduction in the payments under section 473J.13,
319.3 subdivision 2, paragraph (b); and
- 319.4 (5) to capture increases in taxes imposed under the special law, for the benefit of the
319.5 Minnesota Sports Facilities Authority, beginning in calendar year 2013 and for each calendar
319.6 year thereafter through 2046, there shall be deposited to the general fund in proportionate
319.7 periodic payments in the following year, an amount equal to the following:
- 319.8 (i) 50 percent of the difference, if any, by which the amount of the net annual taxes for
319.9 the previous year exceeds the sum of the net actual taxes in calendar year 2011 plus
319.10 \$1,000,000, inflated at two percent per year since 2011, minus
- 319.11 (ii) 25 percent of the difference, if any, by which the amount of the net annual taxes for
319.12 the preceding year exceeds the sum of the net actual taxes in calendar year 2011 plus
319.13 \$3,000,000, inflated at two percent per year since 2011.
- 319.14 **EFFECTIVE DATE.** This section is effective upon compliance by the governing body
319.15 of the city of Minneapolis with Minnesota Statutes, section 645.021.
- 319.16 Sec. 5. Minnesota Statutes 2016, section 297E.021, subdivision 3, is amended to read:
- 319.17 Subd. 3. **Available revenues.** For purposes of this section, "available revenues" equals
319.18 the amount determined under subdivision 2, ~~plus up to \$20,000,000 each fiscal year from~~
319.19 ~~the taxes imposed under section 290.06, subdivision 1:~~
- 319.20 (1) reduced by the following amounts paid for the fiscal year under:
- 319.21 (i) the appropriation to principal and interest on appropriation bonds under section
319.22 16A.965, subdivision 8;
- 319.23 (ii) the appropriation from the general fund to make operating expense payments under
319.24 section 473J.13, subdivision 2, paragraph (b);
- 319.25 (iii) the appropriation for contributions to the capital reserve fund under section 473J.13,
319.26 subdivision 4, paragraph (c);
- 319.27 (iv) the appropriations under Laws 2012, chapter 299, article 4, for administration and
319.28 any successor appropriation;

- 319.29 (v) the reduction in revenues resulting from the sales tax exemptions under section
319.30 297A.71, subdivision 43;
- 319.31 (vi) reimbursements authorized by section 473J.15, subdivision 2, paragraph (d);
- 320.1 (vii) the compulsive gambling appropriations under section 297E.02, subdivision 3,
320.2 paragraph (c), and any successor appropriation; and
- 320.3 (viii) the appropriation for the city of St. Paul under section 16A.726, paragraph (c); and
- 320.4 (2) increased by the revenue deposited in the general fund under section 297A.994,
320.5 subdivision 4, clauses (1) to (3), for the fiscal year.
- 320.6 **EFFECTIVE DATE.** This section is effective for fiscal years beginning after June 30,
320.7 2019.
- 320.8 Sec. 6. Minnesota Statutes 2016, section 297E.021, subdivision 4, is amended to read:
- 320.9 Subd. 4. **Appropriation; general reserve account.** (a) To the extent the commissioner
320.10 determines that revenues are available under subdivision 3 for the fiscal year, those amounts
320.11 are appropriated from the general fund for deposit in a general reserve account established
320.12 by order of the commissioner of management and budget. Appropriations under this
320.13 subdivision for each fiscal year are limited to the amounts necessary to provide a balance
320.14 in the reserve account up to the limit under paragraph (b). Amounts in this reserve are
320.15 appropriated as necessary for application against any shortfall in the amounts deposited to
320.16 the general fund under section 297A.994 or, after consultation with the Legislative
320.17 Commission on Planning and Fiscal Policy, amounts in this reserve are appropriated to the
320.18 commissioner of management and budget for ~~other~~ uses related to the stadium authorized
320.19 under section 473J.03, subdivision 8, that the commissioner deems financially prudent
320.20 ~~including but not~~ limited to reimbursements for ~~capital and~~ operating costs relating to the
320.21 stadium, refundings, and prepayment of debt. In no event, shall available revenues be
320.22 pledged, nor shall the appropriations of available revenues made by this section constitute
320.23 a pledge of available revenues as security for the prepayment of principal and interest on
320.24 the appropriation bonds under section 16A.965.
- 320.25 (b) The balance in the reserve account established by the commissioner under this
320.26 subdivision must not exceed \$26,821,000.
- 320.27 **EFFECTIVE DATE.** This section is effective July 1, 2019, and any amount above the
320.28 limit set in paragraph (b) on that date cancels to the general fund.

320.29 Sec. 7. Minnesota Statutes 2016, section 340A.404, subdivision 1, is amended to read:

320.30 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the
320.31 following establishments located within its jurisdiction:

320.32 (1) hotels;

321.1 (2) restaurants;

321.2 (3) bowling centers;

321.3 (4) clubs or congressionally chartered veterans organizations with the approval of the
321.4 commissioner, provided that the organization has been in existence for at least three years
321.5 and liquor sales will only be to members and bona fide guests, except that a club may permit
321.6 the general public to participate in a wine tasting conducted at the club under section
321.7 340A.419;

321.8 (5) sports facilities, restaurants, clubs, or bars located on land owned or leased by the
321.9 Minnesota Sports Facilities Authority; and

321.10 ~~(6) sports facilities located on land owned by the Metropolitan Sports Commission; and~~

321.11 ~~(7)~~ (6) exclusive liquor stores.

321.12 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or
321.13 an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
321.14 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
321.15 all days of the week to persons attending events at the theater.

321.16 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or
321.17 an on-sale malt liquor license to a convention center within the city, notwithstanding any
321.18 law, local ordinance, or charter provision. A license issued under this paragraph authorizes
321.19 sales on all days of the week to persons attending events at the convention center. This
321.20 paragraph does not apply to convention centers located in the seven-county metropolitan
321.21 area.

321.22 (d) A city may issue an on-sale wine license and an on-sale malt liquor license to a
321.23 person who is the owner of a summer collegiate league baseball team, or to a person holding
321.24 a concessions or management contract with the owner, for beverage sales at a ballpark or
321.25 stadium located within the city for the purposes of summer collegiate league baseball games
321.26 at the ballpark or stadium, notwithstanding any law, local ordinance, or charter provision.

- 321.27 A license issued under this paragraph authorizes sales on all days of the week to persons
321.28 attending baseball games at the ballpark or stadium.
- 321.29 Sec. 8. Minnesota Statutes 2016, section 352.01, subdivision 2a, is amended to read:
- 321.30 Subd. 2a. **Included employees.** (a) "State employee" includes:
- 321.31 (1) employees of the Minnesota Historical Society;
- 321.32 (2) employees of the State Horticultural Society;
- 322.1 (3) employees of the Minnesota Crop Improvement Association;
- 322.2 (4) employees of the adjutant general whose salaries are paid from federal funds and
322.3 who are not covered by any federal civilian employees retirement system;
- 322.4 (5) employees of the Minnesota State Colleges and Universities who are employed under
322.5 the university or college activities program;
- 322.6 (6) currently contributing employees covered by the system who are temporarily
322.7 employed by the legislature during a legislative session or any currently contributing
322.8 employee employed for any special service as defined in subdivision 2b, clause (6);
- 322.9 (7) employees of the legislature who are appointed without a limit on the duration of
322.10 their employment;
- 322.11 (8) trainees who are employed on a full-time established training program performing
322.12 the duties of the classified position for which they will be eligible to receive immediate
322.13 appointment at the completion of the training period;
- 322.14 (9) employees of the Minnesota Safety Council;
- 322.15 (10) any employees who are on authorized leave of absence from the Transit Operating
322.16 Division of the former Metropolitan Transit Commission and who are employed by the
322.17 labor organization which is the exclusive bargaining agent representing employees of the
322.18 Transit Operating Division;
- 322.19 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
322.20 Commission, ~~Metropolitan Sports Facilities Commission~~, or Metropolitan Mosquito Control
322.21 Commission unless excluded under subdivision 2b or are covered by another public pension
322.22 fund or plan under section 473.415, subdivision 3;

- 322.23 (12) judges of the Tax Court;
- 322.24 (13) personnel who were employed on June 30, 1992, by the University of Minnesota
322.25 in the management, operation, or maintenance of its heating plant facilities, whose
322.26 employment transfers to an employer assuming operation of the heating plant facilities, so
322.27 long as the person is employed at the University of Minnesota heating plant by that employer
322.28 or by its successor organization;
- 322.29 (14) personnel who are employed as seasonal employees in the classified or unclassified
322.30 service;
- 323.1 (15) persons who are employed by the Department of Commerce as a peace officer in
323.2 the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory
323.3 retirement age specified in section 43A.34, subdivision 4;
- 323.4 (16) employees of the University of Minnesota unless excluded under subdivision 2b,
323.5 clause (3);
- 323.6 (17) employees of the Middle Management Association whose employment began after
323.7 July 1, 2007, and to whom section 352.029 does not apply;
- 323.8 (18) employees of the Minnesota Government Engineers Council to whom section
323.9 352.029 does not apply;
- 323.10 (19) employees of the Minnesota Sports Facilities Authority;
- 323.11 (20) employees of the Minnesota Association of Professional Employees;
- 323.12 (21) employees of the Minnesota State Retirement System;
- 323.13 (22) employees of the State Agricultural Society;
- 323.14 (23) employees of the Gillette Children's Hospital Board who were employed in the
323.15 state unclassified service at the former Gillette Children's Hospital on March 28, 1974; and
- 323.16 (24) if approved for coverage by the Board of Directors of Conservation Corps Minnesota,
323.17 employees of Conservation Corps Minnesota so employed on June 30, 2003.
- 323.18 (b) Employees specified in paragraph (a), clause (13), are included employees under
323.19 paragraph (a) if employer and employee contributions are made in a timely manner in the
323.20 amounts required by section 352.04. Employee contributions must be deducted from salary.

- 323.21 Employer contributions are the sole obligation of the employer assuming operation of the
 323.22 University of Minnesota heating plant facilities or any successor organizations to that
 323.23 employer.
- 323.24 Sec. 9. Minnesota Statutes 2016, section 473.121, subdivision 5a, is amended to read:
- 323.25 Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan Parks
 323.26 and Open Space Commission; and the Metropolitan Airports Commission, and Metropolitan
 323.27 ~~Sports Facilities Commission.~~
- 323.28 Sec. 10. Minnesota Statutes 2016, section 473.164, is amended to read:
- 323.29 **473.164 SPORTS, AIRPORT COMMISSIONS COMMISSION TO PAY COUNCIL**
 323.30 **COSTS.**
- 324.1 Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities Commission~~
 324.2 ~~and the Metropolitan Airports Commission~~ shall annually reimburse the council for costs
 324.3 incurred by the council in the discharge of its responsibilities relating to the commission.
 324.4 The costs may be charged against any revenue sources of the commission as determined
 324.5 by the commission.
- 324.6 Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council
 324.7 shall transmit to ~~each~~ the commission an estimate of the costs which the council will incur
 324.8 in the discharge of its responsibilities related to the commission in the next budget year
 324.9 including, without limitation, costs in connection with the preparation, review,
 324.10 implementation and defense of plans, programs and budgets of the commission. ~~Each~~ The
 324.11 commission shall include the estimates in its budget for the next budget year and may
 324.12 transmit its comments concerning the estimated amount to the council during the budget
 324.13 review process. Prior to December 15 of each year, the amount budgeted by ~~each~~ the
 324.14 commission for the next budget year may be changed following approval by the council.
 324.15 During each budget year, the commission shall transfer budgeted funds to the council in
 324.16 advance when requested by the council.
- 324.17 Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in
 324.18 cooperation with ~~each~~ the commission, shall adopt a final statement of costs incurred by
 324.19 the council for ~~each~~ the commission. Where costs incurred in the budget year have exceeded
 324.20 the amount budgeted, ~~each~~ the commission shall transfer to the council the additional moneys
 324.21 needed to pay the amount of the costs in excess of the amount budgeted, and shall include
 324.22 a sum in its next budget. Any excess of budgeted costs over actual costs may be retained
 324.23 by the council and applied to the payment of budgeted costs in the next year.
- 324.24 Sec. 11. Minnesota Statutes 2016, section 473.565, subdivision 1, is amended to read:

324.25 Subdivision 1. **In MSRS; exceptions.** All employees of the former commission shall
324.26 be members of the Minnesota State Retirement System with respect to service rendered on
324.27 or after May 17, 1977, except as provided in this section.

324.28 Sec. 12. Minnesota Statutes 2016, section 473.755, subdivision 4, is amended to read:

324.29 Subd. 4. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure, the
324.30 powers and duties of its officers, and other matters relating to the governance of the authority
324.31 and the exercise of its powers. Except as provided in this section, the bylaws adopted under
324.32 this subdivision shall be similar in form and substance to bylaws adopted by the Metropolitan
324.33 Sports Facilities Commission pursuant to Minnesota Statutes 2012, section 473.553.

325.1 Sec. 13. Minnesota Statutes 2016, section 473.763, subdivision 2, is amended to read:

325.2 Subd. 2. **Acquisition.** Subject to the rules of Major League Baseball, the governor ~~and~~
325.3 ~~the Metropolitan Sports Facilities Commission~~ must attempt to facilitate the formation of
325.4 a corporation to acquire the baseball franchise and to identify an individual private managing
325.5 owner of the corporation. The corporation formed to acquire the franchise shall have a
325.6 capital structure in compliance with all of the following provisions:

325.7 (1) there may be two classes of capital stock: common stock and preferred stock. Both
325.8 classes of stock must give holders voting rights with respect to any relocation or voluntary
325.9 contraction of the franchise;

325.10 (2) the private managing owner must own no less than 25 percent and no more than 35
325.11 percent of the common stock. For purposes of this restriction, shares of common stock
325.12 owned by the private managing owner include shares of common stock owned by any related
325.13 taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as amended.
325.14 Other than the rights of all other holders of common stock and preferred stock with respect
325.15 to relocation or voluntary contraction of the franchise, the private managing owner must
325.16 control all aspects of the operation of the corporation;

325.17 (3) other than the private managing owner, no individual or entity may own more than
325.18 five percent of the common stock of the corporation;

325.19 (4) at least 50 percent of the ownership of the common stock must be sold to members
325.20 of the general public in a general solicitation and a person or entity must not own more than
325.21 one percent of common stock of the corporation; and

325.22 (5) the articles of incorporation, bylaws, and other governing documents must provide
325.23 that the franchise may not move outside of the state or agree to voluntary contraction without
325.24 approval of at least 75 percent of the shares of common stock and at least 75 percent of the

325.25 shares of preferred stock. Notwithstanding any law to the contrary, these 75 percent approval
325.26 requirements shall not be amended by the shareholders or by any other means.

325.27 Except as specifically provided by Laws 2006, chapter 257, no state agency may spend
325.28 money from any state fund for the purpose of generating revenue under this subdivision or
325.29 for the purpose of providing operating support or defraying operating losses of a professional
325.30 baseball franchise.

326.1 Sec. 14. Minnesota Statutes 2016, section 473J.03, is amended by adding a subdivision
326.2 to read:

326.3 Subd. 13. **Stadium space.** "Stadium space" means a seat, personal seat license, suite,
326.4 club room, parking, or any other part of the stadium or license to access any part of the
326.5 stadium that a member of the general public would have to pay to use or access.

326.6 Sec. 15. Minnesota Statutes 2016, section 473J.07, subdivision 2, is amended to read:

326.7 Subd. 2. **Membership.** (a) The authority shall consist of five members.

326.8 (b) ~~The chair and two~~ Three members shall be appointed by the governor and confirmed
326.9 by the house of representatives and the senate. One member appointed by the governor shall
326.10 serve until December 31 of the third year following appointment and one member shall
326.11 serve until December 31 of the fourth year following appointment. Thereafter, members
326.12 appointed by the governor shall serve four-year terms, beginning January 1. Each member
326.13 serves until a successor is appointed and takes office unless removed by the appointing
326.14 authority for cause. Cause for removal includes violation of the employee code of ethics in
326.15 section 43A.38. ~~The chair serves at the pleasure of the governor.~~

326.16 (c) The mayor of the city shall appoint and the house of representatives and the senate
326.17 shall confirm two members to the authority. One member appointed by the mayor of the
326.18 city shall serve until December 31 of the third year following appointment and one member
326.19 shall serve until December 31 of the fourth year following appointment. Thereafter, members
326.20 appointed under this paragraph shall serve four-year terms beginning January 1. Each
326.21 member serves until a successor is appointed and takes office unless removed by the
326.22 appointing authority for cause. Cause for removal includes violation of the employee code
326.23 of ethics in section 43A.38. Members appointed under this paragraph may reside within the
326.24 city and may be appointed officials of a political subdivision.

326.25 ~~(d) The initial members of the authority must be appointed not later than June 13, 2012.~~

326.26 **EFFECTIVE DATE.** This section is effective the day following final enactment and
326.27 applies to members appointed on or after the day following final enactment.

326.28 Sec. 16. Minnesota Statutes 2016, section 473J.07, subdivision 3, is amended to read:

326.29 Subd. 3. **Compensation.** The authority may compensate its members, ~~other than the~~
326.30 ~~chair, as provided in section 15.0575. The chair shall receive, unless otherwise provided by~~
326.31 ~~other law, a salary in an amount fixed by the authority, no more than half of the salary of~~
327.1 the executive director of the authority in fiscal year 2019 and shall be reimbursed for
327.2 reasonable expenses to the same extent as a member.

327.3 Sec. 17. Minnesota Statutes 2016, section 473J.07, subdivision 4, is amended to read:

327.4 Subd. 4. **Chair.** The chair presides at all meetings of the authority, if present, and
327.5 performs all other assigned duties and functions. The members of the authority shall
327.6 biennially elect a chair from among its members. The authority may appoint from among
327.7 its members a vice-chair to act for the chair during the temporary absence or disability of
327.8 the chair, and any other officers the authority determines are necessary or convenient.

327.9 Sec. 18. Minnesota Statutes 2016, section 473J.07, subdivision 7, is amended to read:

327.10 Subd. 7. **Audit.** The legislative auditor shall audit the books and accounts of the authority
327.11 once each year or as often as the legislative auditor's funds and personnel permit. The
327.12 authority shall pay the total cost of the audit pursuant to section 3.9741. The legislative
327.13 auditor may conduct examinations of the authority's finances, budgets, expenditures,
327.14 revenues, and its operation. The legislative auditor may periodically examine the authority's
327.15 use of stadium space by the authority's members, staff, family, friends, charitable
327.16 organizations, and vendors.

327.17 Sec. 19. Minnesota Statutes 2016, section 473J.07, subdivision 8, is amended to read:

327.18 Subd. 8. **Executive director; employees.** The authority may appoint an executive director
327.19 to serve as the chief executive officer of the authority. The executive director serves at the
327.20 pleasure of the authority and receives compensation as determined by the authority not to
327.21 exceed \$135,000. The executive director may be responsible for the operation, management,
327.22 and promotion of activities of the authority, as prescribed by the authority. The executive
327.23 director has the powers necessarily incident to the performance of duties required and powers
327.24 granted by the authority, but does not have authority to incur liability or make expenditures
327.25 on behalf of the authority without general or specific directions by the authority, as shown
327.26 by the bylaws or minutes of a meeting of the authority. The executive director is responsible
327.27 for hiring, supervision, and dismissal of all other employees of the authority. The authority

327.28 must conduct an annual employee evaluation of the executive director, which must be
327.29 reviewed and approved by the entire board.

328.1 Sec. 20. Minnesota Statutes 2016, section 473J.07, is amended by adding a subdivision
328.2 to read:

328.3 Subd. 8a. **Budget; report.** After adoption, the authority shall submit its annual budget
328.4 to the commissioner of management and budget and to the chairs and ranking minority
328.5 members of the senate finance and house of representatives ways and means committees.

328.6 Sec. 21. Minnesota Statutes 2016, section 473J.07, is amended by adding a subdivision
328.7 to read:

328.8 Subd. 8b. **Contracts.** The authority may not enter a contract with a value of more than
328.9 \$5,000 unless the terms of the contract have been approved by the authority by public vote
328.10 at a regular or special meeting. The authority may not delegate or authorize the executive
328.11 director to execute contracts on behalf of the authority in a manner that conflicts with this
328.12 subdivision.

328.13 Sec. 22. Minnesota Statutes 2016, section 473J.07, subdivision 9, is amended to read:

328.14 Subd. 9. **Web site.** The authority shall establish a Web site for purposes of providing
328.15 information to the public concerning all actions taken by the authority. At a minimum, the
328.16 Web site must contain a current version of the authority's bylaws, notices of upcoming
328.17 meetings, minutes of the authority's meetings, each annual budget, each use agreement,
328.18 each management agreement, each sponsorship agreement, meeting minutes for all meetings,
328.19 policies, and procedures, and contact telephone, electronic mail, and facsimile numbers for
328.20 public comments. This subdivision does not apply to information that is classified as not
328.21 public data, as defined in section 13.02, subdivision 8a, under other law.

328.22 Sec. 23. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision
328.23 to read:

328.24 Subd. 7a. **Code of conduct and political activities.** (a) The authority shall adopt and
328.25 comply with the latest version of the state code of conduct promulgated by Minnesota
328.26 Management and Budget, and sections 43A.32 and 43A.38 apply to the authority members
328.27 and the authority's employees.

328.28 (b) For purposes of section 43A.38, subdivision 4, use of or preferential access to stadium
328.29 space by an authority member or employee constitutes an impermissible use of state property
328.30 for the employee's private interest, unless the use or terms of access are expressly permitted
328.31 by this section.

329.1 Sec. 24. Minnesota Statutes 2016, section 473J.09, subdivision 13, is amended to read:

329.2 Subd. 13. **Legislative report.** (a) The authority must report in writing to the chairs and
329.3 ranking minority members of the legislative committees with jurisdiction over state
329.4 government finance and to the senate Finance Committee and the house of representatives
329.5 Ways and Means Committee by January 15 of each year ~~on the following~~, and in person to
329.6 the Legislative Commission on Minnesota Sports Facilities at least quarterly. The reports
329.7 must describe:

329.8 (1) any recommended increases in the rate or dollar amount of tax;

329.9 (2) any recommended increases in the debt of the authority;

329.10 (3) the overall work and role of the authority;

329.11 (4) the authority's proposed operating and capital budgets; ~~and~~

329.12 (5) the authority's implementation of the operating and capital budgets, including
329.13 information on actual revenues and expenditures, events conducted, and all expected or
329.14 unexpected maintenance and capital repair needs arising since the time of the last report;

329.15 (6) a listing of all stadium amenities under the control of the authority since the time of
329.16 the last report, and how the amenities were used; and

329.17 (7) at least once each year, a detailed accounting of amounts expended for operating
329.18 expenses of the stadium for the most recently available year by functional category or object
329.19 or both, estimates of those expenses for the current and coming year, and description of any
329.20 plans for managing and improving efficiencies in the operation of the stadium.

329.21 (b) Copies of each report containing the information required by paragraph (a), clause
329.22 (5), must also be provided to the commissioner of management and budget. The authority
329.23 must also provide, at the request of the commissioner, any additional information on its
329.24 expenditures on and plans for managing and budgeting for the costs of operating the stadium,
329.25 including the reserve for capital expenditures. The commissioner must, at least once each
329.26 biennium, review the amounts expended for stadium operations and make recommendations
329.27 to the governor on the amount needed for state payment of those costs. The governor's
329.28 budget must include recommendations for the payments under section 473J.13, subdivisions
329.29 2, paragraph (b), and 4, paragraph (c), and whether modification of the statutorily
329.30 appropriated amounts is recommended or required.

330.1 Sec. 25. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision
330.2 to read:

330.3 Subd. 15. **Consignment agreement; authority's suites.** (a) The authority must negotiate
330.4 an agreement providing for consignment of the authority's suites to the primary tenant
330.5 consistent with the use agreement and subject to this subdivision. The final terms of the
330.6 consignment must be approved by the chairs of the committees of the house of representatives
330.7 and the senate with jurisdiction over state government finance and must include the following:

330.8 (1) the primary tenant is the consignee and must make all commercially reasonable
330.9 efforts to sell access to the suites to third parties;

330.10 (2) the authority must receive a percentage of the revenues from consignment of the
330.11 suites each year equal to at least 90 percent of the first \$400,000 of revenue and 65 percent
330.12 of any amount in excess of that and the amount of revenue retained by the primary tenant
330.13 must not exceed its actual transaction, marketing, and administrative costs that it would not
330.14 have incurred but for the consignment; and

330.15 (3) the terms of the consignment agreement are effective for a period of five years
330.16 beginning no later than August 1, 2018, and must be renegotiated no later than August 1,
330.17 2023, and every five years thereafter.

330.18 (b) Data collected, created, or maintained by the authority related to negotiation of the
330.19 consignment required by this paragraph are nonpublic data, as defined in section 13.02,
330.20 subdivision 9. Data provided to the legislative chairs under the approval requirement in
330.21 paragraph (a) may not be disclosed without the consent of the primary tenant.

330.22 (c) The authority must use revenues from the consignment agreement to pay the operating
330.23 expenses of the stadium.

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

330.25 Sec. 26. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision
330.26 to read:

330.27 Subd. 16. **Report on stadium space use by authority members, staff, and vendors.**
330.28 The authority shall report the following information annually to the governor, the mayor of
330.29 the city of Minneapolis, the chair of the Legislative Commission on Minnesota Sports
330.30 Facilities, and the chairs and ranking minority members of the senate Finance Committee
330.31 and the house of representatives Ways and Means Committee regarding use of stadium

- 330.32 space by authority members, staff, family, friends, charitable organizations, and vendors or
330.33 their guests:
- 331.1 (1) the costs of use;
- 331.2 (2) the identity of each adult attendee and their legitimate business purpose for attendance;
- 331.3 (3) the date, time, and a general description of the stadium event at which the suite was
331.4 used; and
- 331.5 (4) the value and description of any food, parking, or other benefits provided to attendees.
- 331.6 Sec. 27. **[473J.095] AUTHORITY'S USE OF STADIUM SPACE.**
- 331.7 Subdivision 1. **Application.** The restrictions in this section apply to the use of stadium
331.8 space provided to the authority under the terms of the lease or use agreement required under
331.9 section 473J.15, subdivision 3.
- 331.10 Subd. 2. **Use of stadium space by authority members and staff.** (a) Authority members
331.11 and authority staff, including the executive director of the authority, may not use stadium
331.12 space unless the use is for a legitimate business purpose. For purposes of this subdivision,
331.13 "legitimate business purpose" means:
- 331.14 (1) in the case of a suite, the executive director's use of the suite to conduct oversight of
331.15 stadium operations; or
- 331.16 (2) in the case of stadium space other than a suite:
- 331.17 (i) participating in a marketing effort arranged by the authority's management vendor;
- 331.18 (ii) conducting oversight of stadium operations; or
- 331.19 (iii) making stadium space available to nonprofit charitable organizations to provide
331.20 access to events at the stadium for people served by the charitable organization.
- 331.21 The executive director of the authority must ensure that use of stadium space does not
331.22 violate open meeting laws.
- 331.23 (b) Use of stadium space by authority staff must be based on an express written
331.24 assignment of duties by the executive director or, in the case of use by the executive director,
331.25 an express written assignment of duties by the authority chair. In all cases, use of stadium

- 331.26 space by authority staff must be approved by a vote of the authority at a public meeting,
331.27 and the legitimate business purpose for use must be made a part of the public record.
331.28 Authority staff may not be provided free food, beverages, or stadium parking unless necessary
331.29 to complete the assigned duties.
- 331.30 **Subd. 4. Use of stadium space by family, friends, and other guests.** The authority or
331.31 its members may not grant access to stadium space to family members, friends, or other
332.1 guests of the authority's members or staff unless the use is for a legitimate business purpose.
332.2 The use must be approved by a vote of the authority at a public meeting, and the legitimate
332.3 business purpose must be made a part of the public record. For purposes of this subdivision,
332.4 "legitimate business purpose" means being a prospective user of the stadium.
- 332.5 **Subd. 5. Open market purchase.** This section does not prohibit an authority member,
332.6 authority staff, or family, friends, or other guests of authority members or staff from attending
332.7 events or renting stadium space, if a ticket or a right of access to the space was purchased
332.8 on the open market through the same channels, and for the same price, as those available
332.9 to the general public.
- 332.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 332.11 Sec. 28. Minnesota Statutes 2016, section 473J.13, subdivision 2, is amended to read:
- 332.12 **Subd. 2. Operating expenses.** (a) The authority must pay or cause to be paid all operating
332.13 expenses of the stadium. The authority must require in the lease or use agreement with the
332.14 NFL team that the NFL team pay the authority, beginning January 1, 2016, or other date as
332.15 mutually agreed upon by the parties, toward operating costs of the stadium, \$8,500,000
332.16 each year, increased by a three percent annual inflation rate.
- 332.17 (b)(1) Beginning January 1, 2016, or other date as mutually agreed upon by the parties,
332.18 and continuing through 2020, the state shall pay the authority operating expenses, \$6,000,000
332.19 each year, increased by an annual adjustment factor. The payment of \$6,000,000 per year
332.20 beginning in 2016 is a payment by the state, which shall be repaid to the state, using funds
332.21 as provided under section 297A.994, subdivision 4, clause (4). After 2020, the state shall
332.22 assume this payment, using funds generated in accordance with the city of Minneapolis as
332.23 specified under section 297A.994, subdivision 4, clause (3); and
- 332.24 (2) beginning for fiscal year 2020, the payment under this section must be reduced by
332.25 the additional revenue received by the authority under the consignment under section 473J.09,
332.26 subdivision 15, in the prior fiscal year.
- 332.27 (c) The authority may establish an operating reserve to cover operating expense shortfalls
332.28 and may accept funds from any source for deposit in the operating reserve. The establishment
332.29 or funding of an authority operating reserve must not decrease the amounts required to be

332.30 paid to the authority toward operating costs under this subdivision unless agreed to by the
332.31 authority.

332.32 (d) The authority will be responsible for operating cost overruns.

333.1 (e) After the joint selection of the third-party manager or program manager, the authority
333.2 may agree with a program manager or other third-party manager of the stadium on a fixed
333.3 cost operating, management, or employment agreement with operating cost protections
333.4 under which the program manager or third-party manager assumes responsibility for stadium
333.5 operating costs and shortfalls. The agreement with the manager must require the manager
333.6 to prepare an initial and ongoing operating plan and operating budgets for approval by the
333.7 authority in consultation with the NFL team. The manager must agree to operate the stadium
333.8 in accordance with the approved operating plan and operating budget.

333.9 **EFFECTIVE DATE.** This section is effective July 1, 2018.

333.10 Sec. 29. Minnesota Statutes 2016, section 473J.13, subdivision 3, is amended to read:

333.11 Subd. 3. **Public access.** The authority will work to maximize access for public and
333.12 amateur sports, community, and civic events, and other public events in type and on terms
333.13 consistent with those ~~currently~~ held at the ~~existing~~ football stadium, as defined in Minnesota
333.14 Statutes 2012, section 473.551, subdivision 9. The authority may provide that these events
333.15 have exclusive use of the premises at agreed-upon times subject to the scheduling rights of
333.16 the NFL team under the lease or use agreement.

333.17 Sec. 30. Minnesota Statutes 2016, section 473J.25, subdivision 3, is amended to read:

333.18 Subd. 3. **Metropolitan Sports Facilities Commission abolished; interim powers**
333.19 **conferred on authority.** Upon transfer to the authority of all remaining assets, liabilities,
333.20 and obligations of the Metropolitan Sports Facilities Commission, in subdivision 2, the
333.21 Metropolitan Sports Facilities Commission is abolished. When the remaining assets,
333.22 liabilities, and obligations of the Metropolitan Sports Facilities Commission have been
333.23 transferred to the authority and the commission has been abolished, the powers and duties
333.24 of the commission under Minnesota Statutes 2012, sections 473.551 to 473.599, and any
333.25 other law shall devolve upon the authority, in addition to the powers and duties of the
333.26 authority under chapter 473J, until the first NFL home game is played at the stadium.

333.27 Sec. 31. Minnesota Statutes 2016, section 473J.27, subdivision 2, is amended to read:

333.28 Subd. 2. **High school league.** The lessee of the stadium must make the facilities of the
333.29 stadium available for use by the Minnesota State High School League for at least seven
333.30 days each year for high school soccer and football tournaments. The lessee of the stadium
333.31 must provide, and may not directly, or through a management company, charge the league

334.1 a fee for, this use, including security, ticket takers, custodial or cleaning services, or other
334.2 similar services in connection with this use.

334.3 Sec. 32. **RECOVERY; MINNESOTA SPORTS FACILITIES AUTHORITY.**

334.4 The Minnesota Sports Facilities Authority must make every effort to recover the fair
334.5 market value of any food, parking, tickets, and access to stadium suites provided to a person
334.6 prior to January 1, 2017, if the provision of those benefits to the person was not in the public
334.7 interest. The authority shall report on recovery efforts to the commissioner of management
334.8 and budget and to the chairs and ranking minority members of the senate finance and house
334.9 of representatives ways and means committees by May 31, 2018. Money recovered under
334.10 this section is transferred by July 1, 2018, to the commissioner of management and budget
334.11 for deposit in the general reserve account established under Minnesota Statutes, section
334.12 297E.021, subdivision 4.

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

334.14 Sec. 33. **CHAIR SALARY; MINNESOTA SPORTS FACILITIES AUTHORITY.**

334.15 By February 15, 2019, the committees in the house of representatives and the senate
334.16 with jurisdiction over state government finance shall recommend legislation limiting the
334.17 salary of the chair of the Minnesota Sports Facilities Authority that shall apply beginning
334.18 in fiscal year 2020.

334.19 Sec. 34. **REPEALER.**

334.20 (a) Minnesota Statutes 2016, sections 137.50, subdivision 5; 473.551; 473.552; 473.553,
334.21 subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; 473.556, subdivisions 1, 2, 3, 4, 5,
334.22 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, and 17; 473.561; 473.564, subdivisions 2 and 3; 473.572;
334.23 473.581; 473.592, subdivision 1; 473.595; 473.598; 473.599; and 473.76, are repealed.

334.24 (b) Minnesota Statutes 2016, section 473J.09, subdivision 14, is repealed.

334.25 Sec. 35. **EFFECTIVE DATE.**

334.26 This article is effective the day following final enactment. The terms of all current
334.27 members of the Minnesota Sports Facilities Authority terminate January 31, 2019. Appointing
334.28 authorities must appoint new members of the authority by January 15, 2019, to serve terms
334.29 beginning February 1, 2019. Appointments shall be effective and the appointees may exercise
334.30 the duties of the office upon receipt of the letter of appointment by the president of the
334.31 senate and the speaker of the house.