

*Passed to Finance*

**Senators Scheid, Wergin, McGinn, Pappas and Kelley introduced—  
S.F. No. 2634: Referred to the Committee on Finance.**

1.1 A bill for an act  
1.2 relating to state employment; ratifying certain labor agreements and  
1.3 compensation plans.

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

1.5 Section 1. **LABOR AGREEMENTS AND COMPENSATION PLANS.**

1.6 **Subdivision 1. American Federation of State, County, and Municipal Employees.**

1.7 The labor agreement between the state of Minnesota and the American Federation of State,  
1.8 County, and Municipal Employees, Council 5, approved by the Legislative Coordinating  
1.9 Commission Subcommittee on Employee Relations on September 14, 2005, is ratified.

1.11 **Subd. 2. Minnesota Association of Professional Employees.** The labor agreement  
1.12 between the state of Minnesota and the Minnesota Association of Professional Employees,  
1.13 approved by the Legislative Coordinating Commission Subcommittee on Employee  
1.14 Relations on September 14, 2005, is ratified.

1.15 **Subd. 3. Middle Management Association.** The labor agreement between the state  
1.16 of Minnesota and the Middle Management Association, approved by the Legislative  
1.17 Coordinating Commission Subcommittee on Employee Relations on November 7, 2005,  
1.18 is ratified.

1.19 **Subd. 4. Minnesota State College Faculty.** The labor agreement between the  
1.20 state of Minnesota and the Minnesota State College Faculty, approved by the Legislative  
1.21 Coordinating Commission Subcommittee on Employee Relations on November 7, 2005,  
1.22 is ratified.

1.23 **Subd. 5. American Federation of State, County, and Municipal Employees.**  
1.24 The labor agreement between the state of Minnesota and the American Federation of  
State, County, and Municipal Employees, Council 5, Unit 8, approved by the Legislative

2.1 Coordinating Commission Subcommittee on Employee Relations on November 7, 2005,  
2.2 is ratified.

2.3 Subd. 6. **Managerial plan.** The managerial plan, approved by the Legislative  
2.4 Coordinating Commission Subcommittee on Employee Relations on November 7, 2005,  
2.5 is ratified.

2.6 Subd. 7. **Commissioner's plan.** The commissioner of employee relations' plan  
2.7 for unrepresented employees, approved by the Legislative Coordinating Commission  
2.8 Subcommittee on Employee Relations on November 7, 2005, is ratified.

2.9 Subd. 8. **Minnesota Government Engineers Council.** The labor agreement  
2.10 between the state of Minnesota and the Minnesota Government Engineers Council,  
2.11 approved by the Legislative Coordinating Commission Subcommittee on Employee  
2.12 Relations on January 10, 2006, is ratified.

2.13 Subd. 9. **State Residential Schools Education Association.** The labor agreement  
2.14 between the state of Minnesota and the State Residential Schools Education Association,  
2.15 approved by the Legislative Coordinating Commission Subcommittee on Employee  
2.16 Relations on January 10, 2006, is ratified.

2.17 Subd. 10. **Inter Faculty Organization.** The labor agreement between the state of  
2.18 Minnesota and the Inter Faculty Organization, approved by the Legislative Coordinating  
2.19 Commission Subcommittee on Employee Relations on January 10, 2006, is ratified.

2.20 Subd. 11. **Minnesota State University Administrative and Service Faculty.**  
2.21 The labor agreement between the state of Minnesota and the Minnesota State University  
2.22 Administrative and Service Faculty, approved by the Legislative Coordinating  
2.23 Commission Subcommittee on Employee Relations on January 10, 2006, is ratified.

2.24 Subd. 12. **Office of Higher Education.** The compensation plan for unrepresented  
2.25 employees of the Office of Higher Education, approved by the Legislative Coordinating  
2.26 Commission Subcommittee on Employee Relations on January 10, 2006, is ratified.

2.27 Subd. 13. **MNSCU administrators.** The personnel plan for Minnesota State  
2.28 College and University administrators, approved by the Legislative Coordinating  
2.29 Commission Subcommittee on Employee Relations on January 10, 2006, is ratified.

2.30 **Sec. 2. EFFECTIVE DATE.**

2.31 Section 1 is effective the day following final enactment.

*Adopted*

1.1 Senator *Reiter* ..... moves to amend S.F. No. 2634 as follows:

Page 2, after line 29, insert:

1.3 "Subd. 14. **State Board of Investment.** The salary administration plan for  
1.4 the Minnesota State Board of Investments, approved by the Legislative Coordinating  
1.5 Commission Subcommittee on Employee Relations on March 1, 2006, is ratified.

1.6 Subd. 15. **Managerial plan amendment.** The amendment to the managerial plan,  
1.7 approved by the Legislative Coordinating Commission Subcommittee on Employee  
1.8 Relations on March 1, 2006, is ratified.

1.9 Subd. 16. **Commissioner's plan amendment.** The amendment to the  
1.10 commissioner's plan, approved by the Legislative Coordinating Commission  
1.11 Subcommittee on Employee Relations on March 1, 2006, is ratified."

#1

## Subcommittee on Employee Relations Legislative Coordinating Commission



### House

Representative Chris DeLaForest, Chair  
Representative Bruce Anderson  
Representative Debra Hilstrom, Secretary  
Representative Karen Klinzing  
Representative Thomas Rukavina

### Senate

Senator Linda Scheid, Vice Chair  
Senator Steve Kelley  
Senator Mike McGinn  
Senator Sandra Pappas  
Senator Betsy Wergin

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Greg Hubinger, Director  
Sandy Keene, Commission Asst.

**DATE:** March 7, 2006

**TO:** Members of the Senate State Government Budget Division

**FROM:** Greg Hubinger

**RE:** S.F.2634: Labor contract ratification bill

**Background.** This bill approves several collective bargaining agreements and compensation plans for employees in the executive branch. Each of the contracts and plans was reviewed by the LCC Subcommittee on Employee Relations and given interim approval. If the legislature does not ratify the contracts, the terms and conditions of employment provided in the new contracts and plans are voided.

The Department of Employee Relations estimates that the increased costs of these collective bargaining agreements and plans will be 3.6% in this biennium, with an impact of 5.9% on the next biennium. A spreadsheet showing the costs of each agreement and plan is attached.

**Insurance.** Insurance provisions are consistent across all of the contracts. Each of the contracts and compensation plans implements changes to the Advantage health insurance program. This program also applies to the members and staff of the Legislature. Major elements include:

- Monthly premiums paid by the state remain unchanged in CY06 from the current levels in effect in CY05. Premiums are expected to increase about 10% in CY 07.
- Office visit copays increase by \$5 for Tiers 1, 2 and 3; an office visit copay of \$35 has been instituted for Tier 4. However, employees who completed an automated health assessment receive a \$5 reduction in their office copays. The reduced copay will apply to the employee and family members.
- Access to Minute Clinics is available at a \$10 copay for each Tier. There is no deductible.

### **Dental insurance through the State Dental Plan**

- The employer will continue to pay up to 90% of the employee-only coverage, but will require that the employee pay a minimum of \$5 per month for that coverage. The employer will continue to pay 50% of the premium for dependent coverage.

- Coverage for many dental procedures (fillings, oral surgery, crowns) is increased from 50% to 60%.

## **Contract/Compensation Plan Summaries**

### **Section 1**

**Subd. 1. AFSCME Contract.** This contract provides:

- A 2% across-the-board increase on July 1, 2005, and on July 1, 2006. Employees who are above the maximum of their salary ranges also receive these increases. Salary ranges are increased by 2% each year.
- Eligible employees continue to receive step increases on their anniversary dates. These step increases typically cost between 2.5% and 3%. Approximately 50% of employees are at the top of their salary ranges and are ineligible to receive these step increases.

**Subd. 2. Minnesota Association of Professional Employees Contract.** This contract provides:

- A 2% across-the-board increase on July 1, 2005, and on July 1, 2006. Salary ranges are increased by 2% each year.
- All eligible employees continue to receive step increases on their anniversary dates. These step increases typically cost about 3.5%. Approximately 40% of employees are at the top of their salary ranges and are ineligible to receive these step increases.

**Subd. 3. Middle Management Association contract.** This contract provides:

- A 2% across-the-board increase on July 1, 2005, and on August 23, 2006. Salary ranges are increased by 2% each year.
- Eligible employees receive step increases on their anniversary dates, which average 3.6%. About 40% of the employees are eligible for these increases.
- Supervisors employed by MnSCU will receive an increased employer match to the supervisor's supplemental retirement account. The maximum of the match is increased from \$1,200 to \$1,400.

**Subd. 4. Minnesota State College Faculty contract.** This contract provides:

- Effective July 1, 2005, all faculty receive an increase in salary of \$600, and on July 1, 2006, an increase of \$650. Depending on where a faculty member is in the salary schedule, this represents an increase in the first year of between 0.9% and 1.9%.
- Effective July 1, 2005, and January 1, 2007, faculty who are not at the top of their range also receive one-step increases. These step increases are generally \$1,750, and range from 2.7% to 5.8%. Each step in the salary ranges is increased by \$600 the first year and \$650 in the second. Employees who are at the maximum of their salary ranges are not eligible for step increases, but instead receive a lump sum payment of \$4,000; 780 faculty are eligible for this payment.
- Create an "Awards for Excellence" program to recognize completion by a faculty or group of faculty of a project beyond the normal requirements of the individuals' position(s). The projects must be approved by a committee consisting of college administrators and faculty. The awards are up to \$5,000, and are not added to the salary base.

- Increase the payment for adjunct faculty from \$1,050 per credit to \$1,200; a 14% increase.
- The state will continue to match faculty members' contributions to their supplemental retirement accounts. For community college faculty, the amount remains at \$2,300. For technical college faculty, the amount remains at \$1,800 in the first year, and increases to \$2,300 in the second year.

**Subd. 5. AFSCME Correctional Guards Unit contract.** This contract provides:

- A 2% across-the-board increase on July 1, 2005, and on July 1, 2006. Salary ranges are increased by 2% each year.
- All eligible employees continue to receive step increases on their anniversary dates. These step increases average 2.8%. Approximately 40% of employees are at the top of their salary ranges and are ineligible to receive these increases.
- Corrections Officers 2, Corrections Officers 3, and Canine Officers receive inequity adjustments in July 2006 and January 2007. These adjustments effectively add a step to the top of the salary range each year. Employees who have been at the top of their range for longer than a year will move to their new 2006 step on July 1 and January 1, 2007. All other employees will move to the next step on their anniversary dates.
- Added limitations on eligibility for early retirement incentives. These incentives consist of employer contributions toward health insurance. The new provisions require that new employees serve at least ten years in a position included in the Corrections Employee Retirement Plan, and serve in a covered position for at least five years immediately preceding retirement.

**Subd. 6. Managerial Plan.** This compensation plan provides:

- Managers receive across-the-board increases, if they meet performance expectations, of 2% on July 1, 2005, and July 1, 2006. The Appointing Authority may withhold part or all of the general salary increase because of performance, budget constraints or to realign internal salary relationships.
- Managers receive performance-based increases of up to 3.5% on January 1, 2006, and 2007. Managers at the top of their salary ranges are ineligible to receive this increase. An agency can elect not to make these performance increases, or delay increases, because of budgetary reasons.

**Subd. 7. Commissioner's Plan.** This compensation plan, established by the Commissioner of Employee Relations for unrepresented employees, provides:

- Employees receive across-the-board increases of 2% on July 1, 2005, and July 1, 2006.
- Employees receive performance-based increases of up to 3.5% on January 1, 2006, and 2007.
- For MnSCU employees, increase employer contribution to supplemental retirement from \$1,200 per year to \$1,400.

**Subd. 8. Minnesota Government Engineers Council contract.** This contract provides:

- Effective July 1, 2005, ranges are adjusted between 1.5% and 3.8% resulting in parallel across-the-board increases for all engineers. Effective July 1, 2006, ranges are adjusted by 2%, resulting in parallel across-the-board increases.
- Engineers continue to receive step increases on their anniversary dates. These increases typically cost 3.95%. Employees at the top of their ranges (approximately 60%) are ineligible for these increases.

**Subd. 9. State Residential Schools Education Association contract.** This contract provides:

- Two percent across-the-board increase on July 1, 2005, and on July 1, 2006. Salary ranges are also increased by 2% in each year.
- Eligible employees receive step increases on their anniversary dates, which average 3.8%. Steps range in size from 2.90% to 5.5%.

**Subd. 10. Inter Faculty Organization contract.** This contract provides:

- All eligible faculty receive a one-step increase on July 1, 2005, and again on July 1, 2006. Each of these increases is equal to a 2.4% increase. Faculty at the top of their salary ranges in the second year will receive a lump sum payment of \$2,400, not added to their salary base, which is also equivalent to about 2.4%. Faculty who have been at the top of their salary ranges for five years continue to receive a lump sum each year equal to two steps, approximately 4.85%.
- Salary ranges are adjusted by 1.35% in the first year. One new step is added to each salary range. The combination of the range adjustment and the step increases will result in most faculty receiving increases of 3.75% the first year and 2.4% in the second.
- Convert the employer contribution to the faculty member's medical dental expense account of \$500 to a contribution of \$600 to a Health Reimbursement Account.

**Subd. 11. Minnesota State University Administrative and Service Faculty contract.** This contract provides:

- Adjustments to salary ranges result in a 1% increase in salary on July 1, 2005, and July 1, 2006.
- Eligible faculty receive a step increase on October 5, 2005, and July 1, 2006. Step increases range from 2.66% to 3.95%, with an average of 3.0%. Employees at the top of their salary ranges receive a lump sum payment (not added to their salary base) equal to 2.25% the first year and 3.0% the second.
- Medical doctors covered under this contract receive a 1.0% increase on July 1, 2005, a 3.0% increase effective October 5, 2005, and a 4.0% increase effective June 30, 2006.
- Establish a "Special Initiative Award Program," in which faculty (individually or as a group) propose and implement projects that are of benefit to the University, its mission, or to the MnSCU system. As determined by the president, the maximum award is \$5,000, which is provided as a lump sum upon completion of the project.
- Add a requirement that each faculty member with five years service contribute 5% of the first \$6,000 of salary to the Health Care Savings Plan beginning July 1, 2006. The employer will contribute \$350 to that account on January 1, 2007, and \$300 on January 1, 2008, and each year thereafter.

**Subd. 12. Office of Higher Education compensation plan.** This compensation plans provides:

- No across-the-board increase in either year.
- Eligible employees receive performance-based increases on the payroll period closest to January 1<sup>st</sup> of each year, which are limited to 3.5%. These increases are dependent on the

availability of funds. Employees at the maximum of their salary range are ineligible for these increases. Salary ranges are increased by 2% each year.

**Subd. 13. Personnel Plan for MnSCU Administrators.** This compensation plans provides:

- The maximum of the Chancellor's salary range increases by \$20,000 in each of the next three years from the current level of \$280,000. The Chancellor's current salary is \$272,344. Neither the Subcommittee on Employee Relations nor the Legislature reviews or approves the specific salary.
- The maximum of the salary ranges is increased for presidents by an average of 8% in the first year, and 3% in the second year. Neither the Subcommittee on Employee Relations nor the Legislature reviews or approves specific salaries for presidents.
- Merit increases for other administrators increase an average of 4.0% effective July 1, 2005, and 3.5% effective August 23, 2006. The maximum of the salary ranges is increased by 9.6% the first year and 3% the second year.
- Beginning November 1, 2006, MnSCU will contribute \$600 each year to the administrator's Health Reimbursement Account.

**Section 2** provides for an effective date immediately upon final enactment.

Attach: settlement sheet



# STATE EMPLOYEE SALARY SETTLEMENTS

## FY 2006-2007 ESTIMATED COSTS

LCC Subcommittee on Employee Relations

March 1, 2006

Bargaining Unit	Across the board increases (% increase)				BIENNIAL BASE(1)	BIENNIAL NEW MONEY (1)	% INCREASE (2)	% INCREASE BIENNIUM TO BIENNIUM (3)
	7/1/2005	1/1/2006	7/1/2006	1/1/2007				
AFSCME, Council 5 (excluding Unit 8)	2.0%		2.0%		\$1,518,668,000	\$45,321,000	2.98%	5.55%
AFSCME, Council 5, Unit 8, Correctional Guards	2.0%		2.0%		\$199,527,000	\$6,988,000	3.50%	7.12%
MN Association of Professional Employees	2.0%		2.0%		\$1,403,886,000	\$54,330,000	3.87%	7.08%
Middle Management Association	2.0%		2.0%	<sup>5</sup>	\$451,554,000	\$14,072,000	3.12%	5.41%
MN Government Engineers Council	1.5%-3.8%		2.0%		\$139,848,000	\$3,427,000	2.45%	3.98%
Minnesota Nurses Association								
MN Law Enforcement Association								
State Residential Schools Education Assoc	2.0%		2.0%		\$24,105,000	\$674,000	2.80%	4.83%
State University Inter Faculty Organization	1.4%				\$447,776,456	\$17,003,080	3.80%	5.27%
MN State University Admin & Service Faculty	1.0%		1.0%		75,368,406	2,710,422	3.60%	5.97%
Minnesota State College Faculty	\$600		\$650		\$620,905,273	\$30,123,158	4.85%	7.07%
Personnel Plan for MnSCU administrators					\$125,205,946	\$5,706,977	4.56%	6.96%
Personnel Plan for St Bd of Invest employees		<sup>6</sup> Range minimum			\$1,565,200	\$112,006	7.16%	12.56%
Office of Higher Education Plan					\$5,656,000	\$143,000	2.53%	6.20%
Managerial Plan	2.0%		2.0%		\$249,533,000	\$8,844,000	3.54%	6.13%
Commissioners Plan (4)	2.0%		2.0%		\$150,742,000	\$4,687,000	3.11%	5.42%
<b>TOTAL</b>					<b>\$5,414,340,281</b>	<b>\$194,141,643</b>	<b>3.59%</b>	<b>6.40%</b>

The ">" indicates proposed contract or plan not yet acted on by the Subcommittee.

(1) Includes all funds, including higher education agencies. Includes salaries, steps, FICA, insurance & pension.

(2) Percent of new money needed over base.

(3) This percentage reflects the annualized cost of the increases granted during the biennium.

This figure depicts all of the costs of the contract, including "tails."

(4) Groups within plan follow lead of comparable bargaining units.

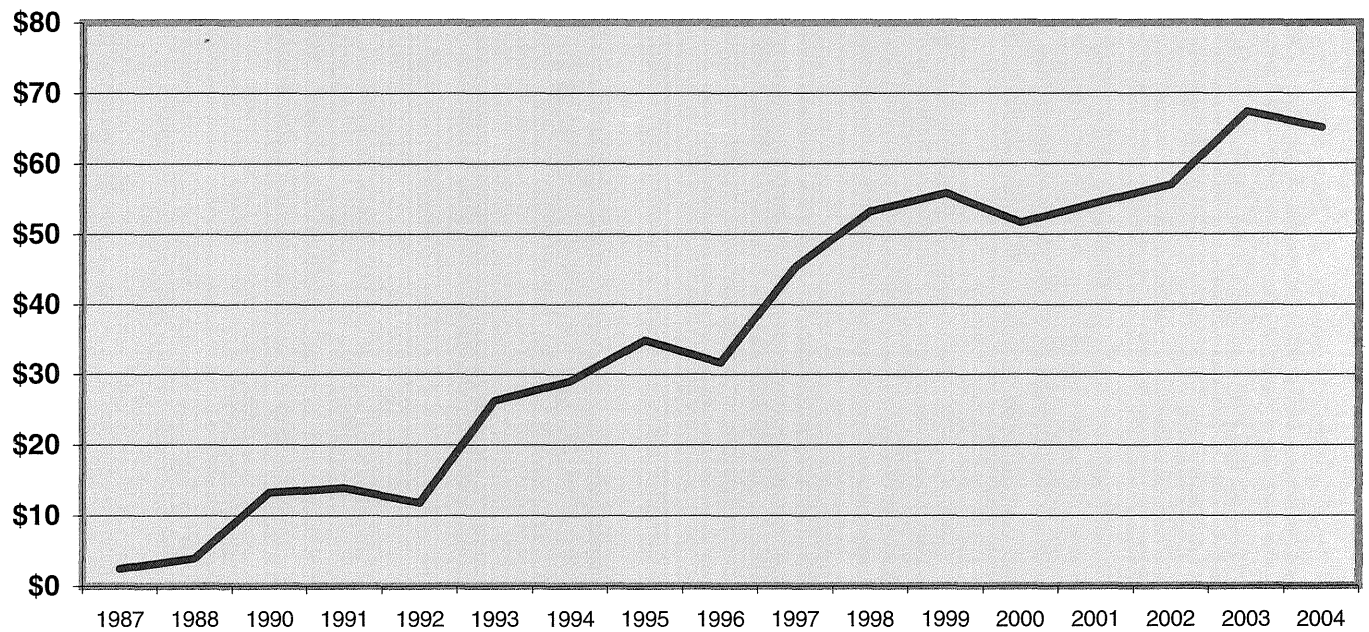
(5) The second year 2% across the board increase is effective August 23, 2006.

(6) All employees' salaries brought to minimum of new range, or amount set by the Board.

# The Good News... #2

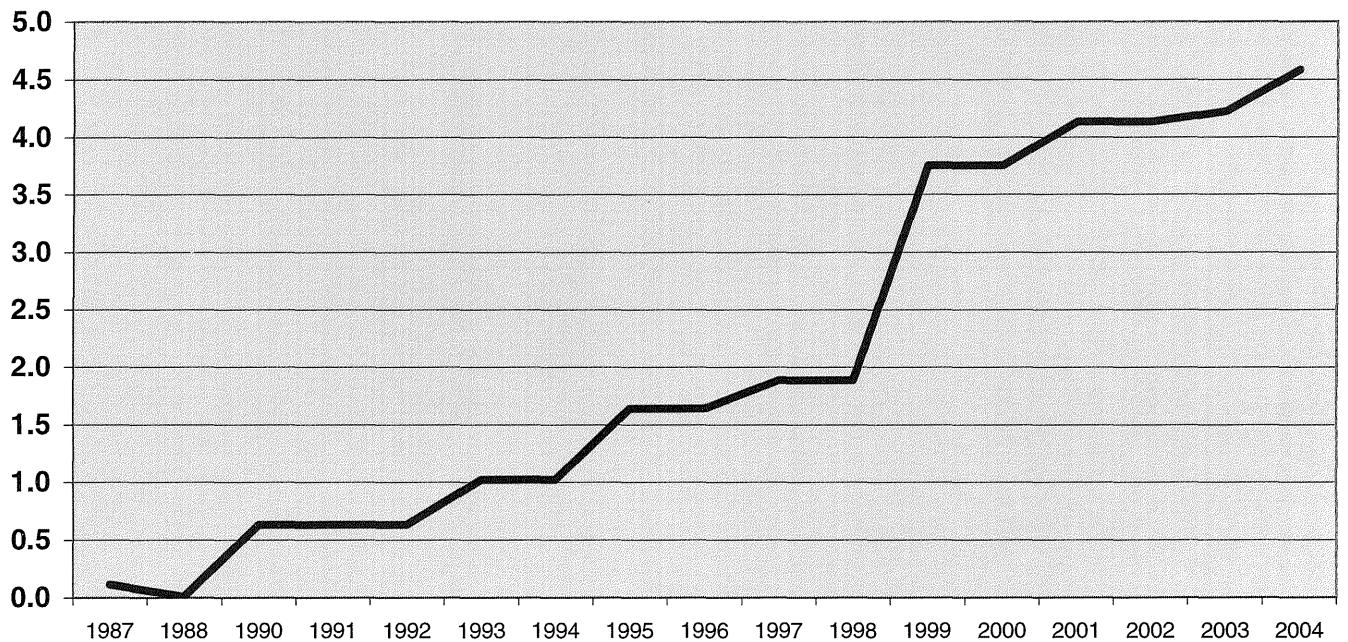
## MASC Statewide Economic Impact

*\$ in millions*



## Attendance MASC Facilities

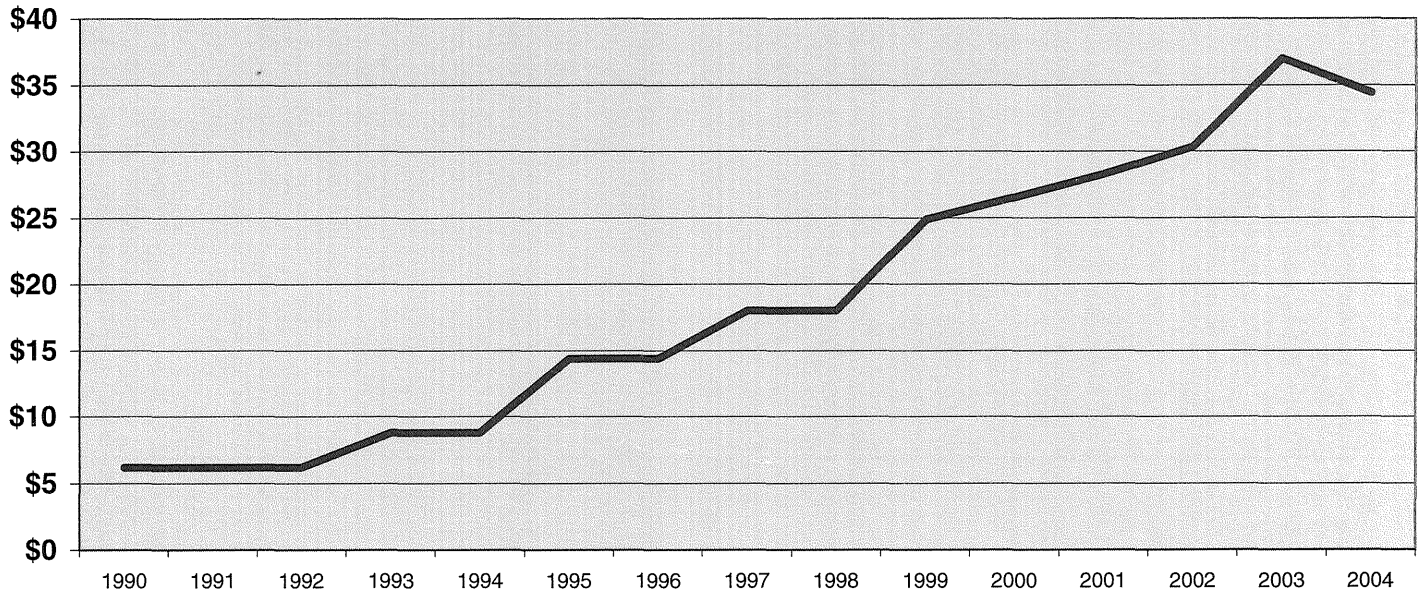
*in millions of visitors*



# More Good News...

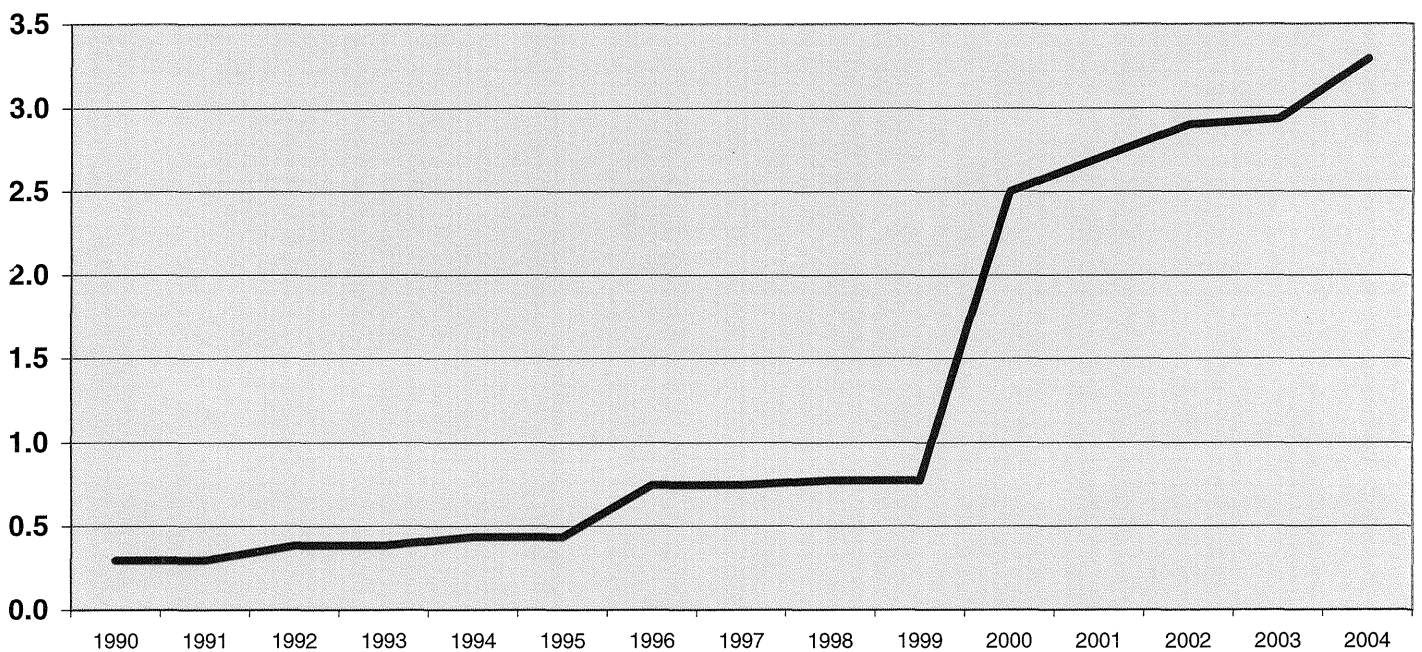
## NSC Economic Impact

*\$ in millions*



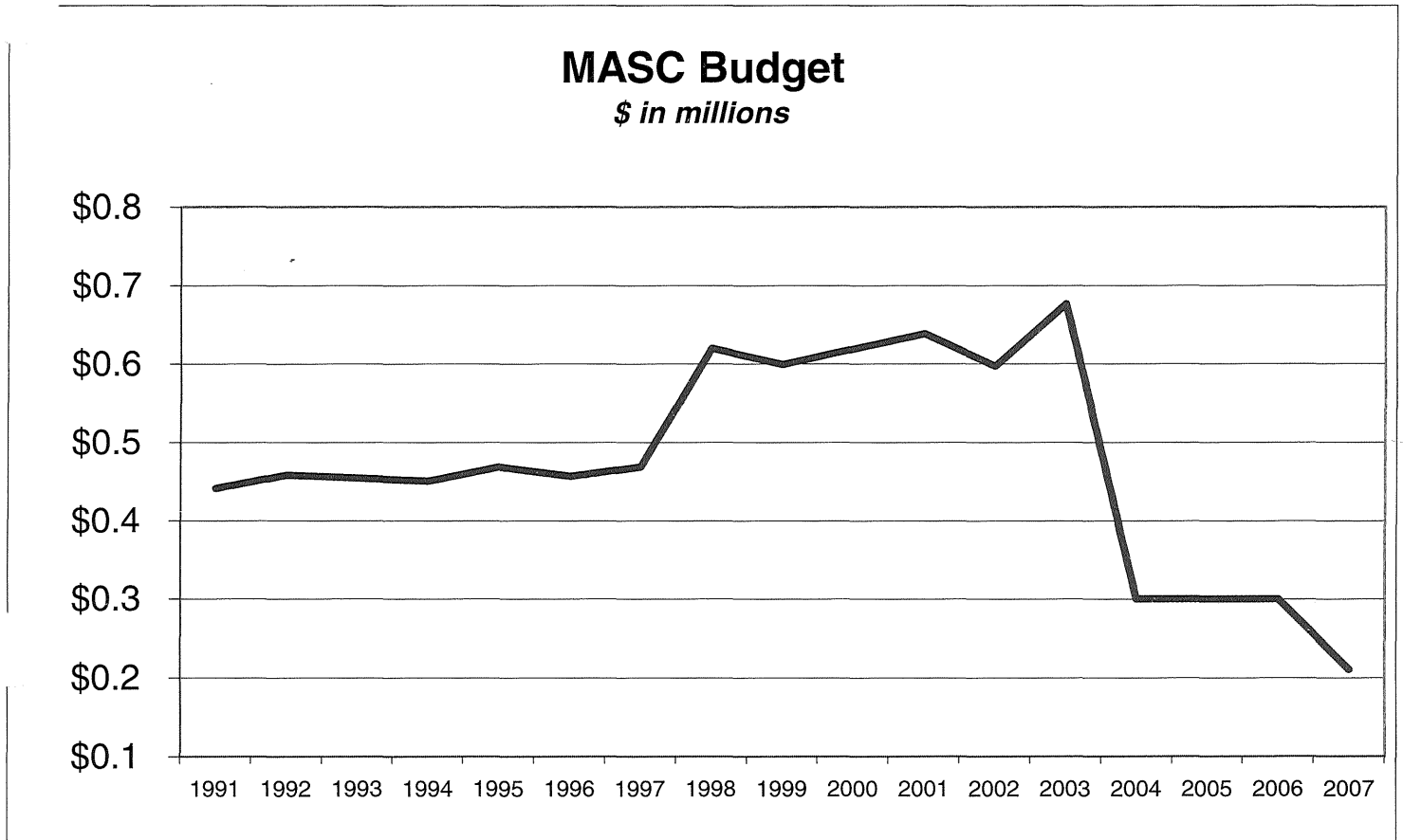
## NSC Attendance

*in millions of visitors*

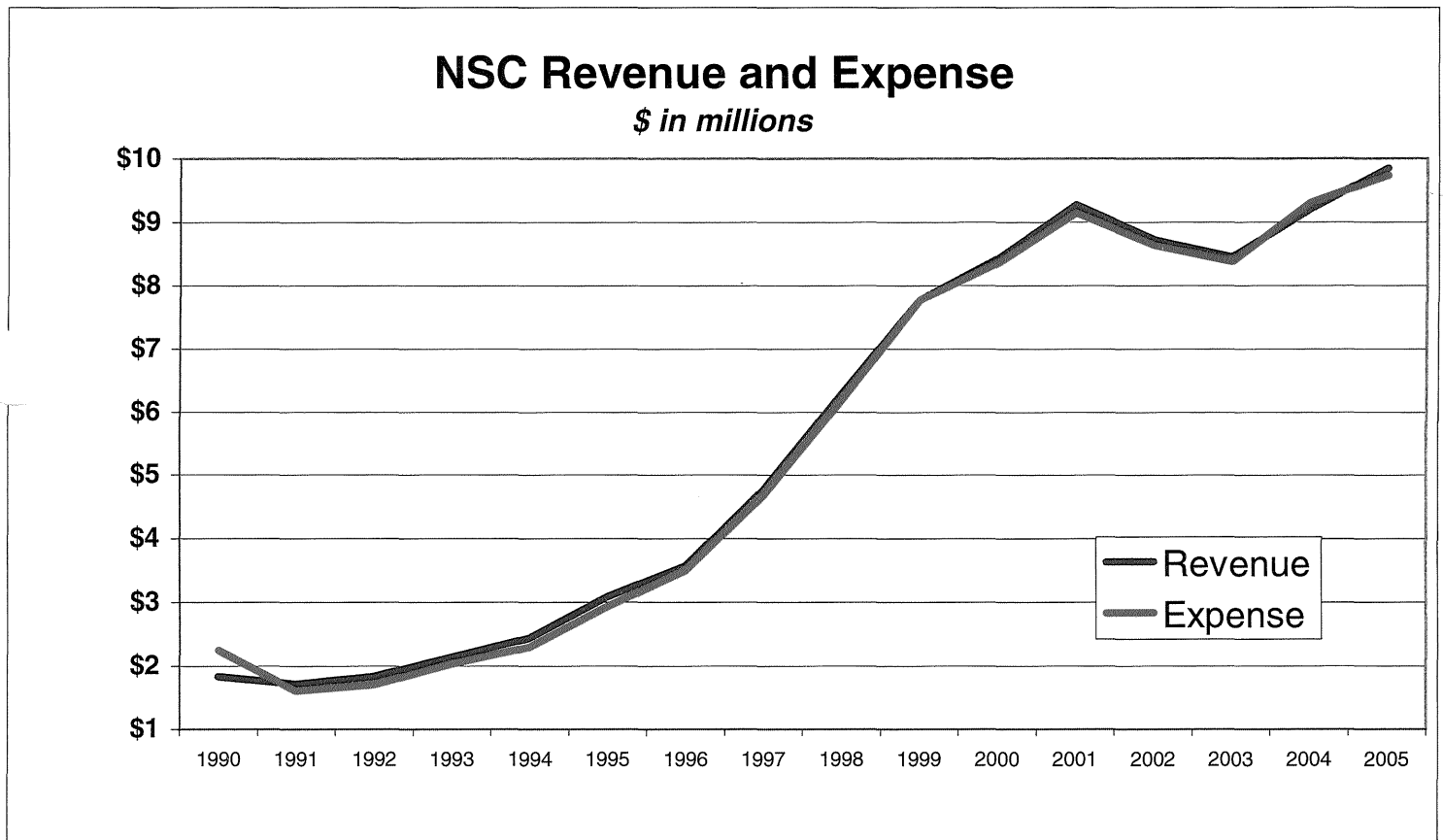


# Now...The Challenges

Challenge #1 The MASC Budget has been reduced



Challenge #2 The NSC Budget cannot subsidize the MASC or the NSC 20 year capital expenses.



The 2001 Admin Report confirmed that the NSC Operating budget, while covering NSC operating costs and short term capital replacement, cannot produce enough net revenue to cover either the MASC Budget or the 20 year capital replacement items.

Challenge #3 The NSC is approaching its 20 year major capital replacement costs.

### **Anticipated Major Capital Replacement Items '08-'12**

Track Repairs	\$300K
Main Parking Lot and Access Roads Resurface	\$250K
Sports Hall Floor	\$200K
Dorm Plumbing and HVAC	\$100K
Stadium Repairs	\$150K
Sports Hall HVAC and Energy Management System	\$100K
Sports Hall Roof	\$500K

### **The Primary Solution**

#### The Sports Mall

The Sports Mall (land lease) project could generate a minimum of \$300k/year in order to cover the MASC operating costs and possibly contribute to major capital replacement costs.

#3  
February 21, 2006

TO: MASC Board Members

FR: Tom Duffy, Chair  
Paul D. Erickson, Executive Director

RE: **UPDATE – Sports Mall/Land Lease Project**

**Please read and respond with your suggestions regarding the next step for the MASC by Friday, March 3, 2006**

**I. January 30 Meeting: MASC Commission, Blaine MN**

Major Business Interest

As a recap, the MASC presented a letter from Frauenshuh where they indicated that they are receiving a very favorable response for three potential anchor tenants.

- 1) 400 room hotel with water park
- 2) Fitness center
- 3) Multi screen movie theatre complex

The major newspaper articles have generated very favorable publicity and interest from businesses.

Schedule

Frauenshuh has indicated that the project will require an EAW environmental evaluation which may take up to a year. This would most likely indicate the following schedule:

- 2006: Appraisal process  
Lease agreement drafting and/or execution  
Site plan refinement  
EAW process  
City process

2007: Execute lease agreement  
Submit building plans  
Spring – begin construction

2008: Spring – opening of certain businesses

#### Appraisal Process

The MASC is very pleased with the Department of Administration's offer to administer an appraisal process for the 16 acre parcel. However, the Department of Administration explained that they have no budget to pay for the appraisal. The MASC also has no funds to pay for the estimated \$15,000 to \$25,000 appraisal. Options are being explored.

#### Lease Agreement Process

The Attorney General's Office has agreed to begin drafting a lease agreement. However, at the January 28th meeting at the Department of Administration, Administration officials expressed concern that a developer would have difficulty obtaining financing limited to a 30 years lease. Administration went on to note that Frauenshuh was requesting a renewal provision in the RFP response. The Department of Administration informed the MASC that state agencies do not have the authority to grant renewals. Consequently, it was reported at the MASC meeting that this lack of renewal could be a significant challenge to achieving the project. It was reported that a meeting should take place with the AG's Office and Department of Administration with the MASC.

## **II. February 9 Meeting: MASC, Department of Administration, Attorney General's Office**

A meeting was held at the Department of Administration in St. Paul, with Administration officials, the AG representative and the MASC Executive Director.

#### Lease Renewal Authority

It was confirmed that state agencies such as the MASC do not have authority to offer any renewal rights in the lease agreement. The authority is limited to the 30 year lease as per the statute and as stated in the RFP. Furthermore, the only option to achieve an "option to renew right" is an act of the legislature.

### Appraisal Process

Preliminary information was presented on the appraisal and the steps necessary to begin the process. It was also noted that the MASC does not have the funds to conduct the appraisal.

### Lease Agreement

The AG's Office indicated that considerable research has taken place and preliminary work has begun.

However, all parties expressed concern that the challenge of the lease renewal issue could place the entire project on hold. It was recommended that a meeting take place with Frauenshuh to inform them of all of the recent developments.

### **III. February 16 Meeting: Frauenshuh & MASC, Blaine MN**

Tom Duffy, Chair and Paul Erickson, Executive Director, met with John Donnelly and Matt Frauenshuh of Frauenshuh Companies and provided an update verbally and in writing of the new information on the lease renewal issue. Frauenshuh responded that a 30 year lease without the customary opportunity for renewal would be very difficult to achieve the project financing. Therefore, both parties agreed to explore options.

### **IV. Input from MASC Members**

We are seeking suggestions from MASC members as to how to approach this challenge with the lease renewal issue potentially with the 2006 legislature.



#4

## SPORTS MALL

The goal of the Sports Mall initiative is to lease 16 acres of the National Sports Center campus to businesses to:

### I. Goals

1. Enhance the NSC as a sport tourism destination.
2. Create a revenue stream to pay MASC agency costs.
3. Create additional monies for NSC capital replacement costs.

### II. Procedure

#### A. Appraisal

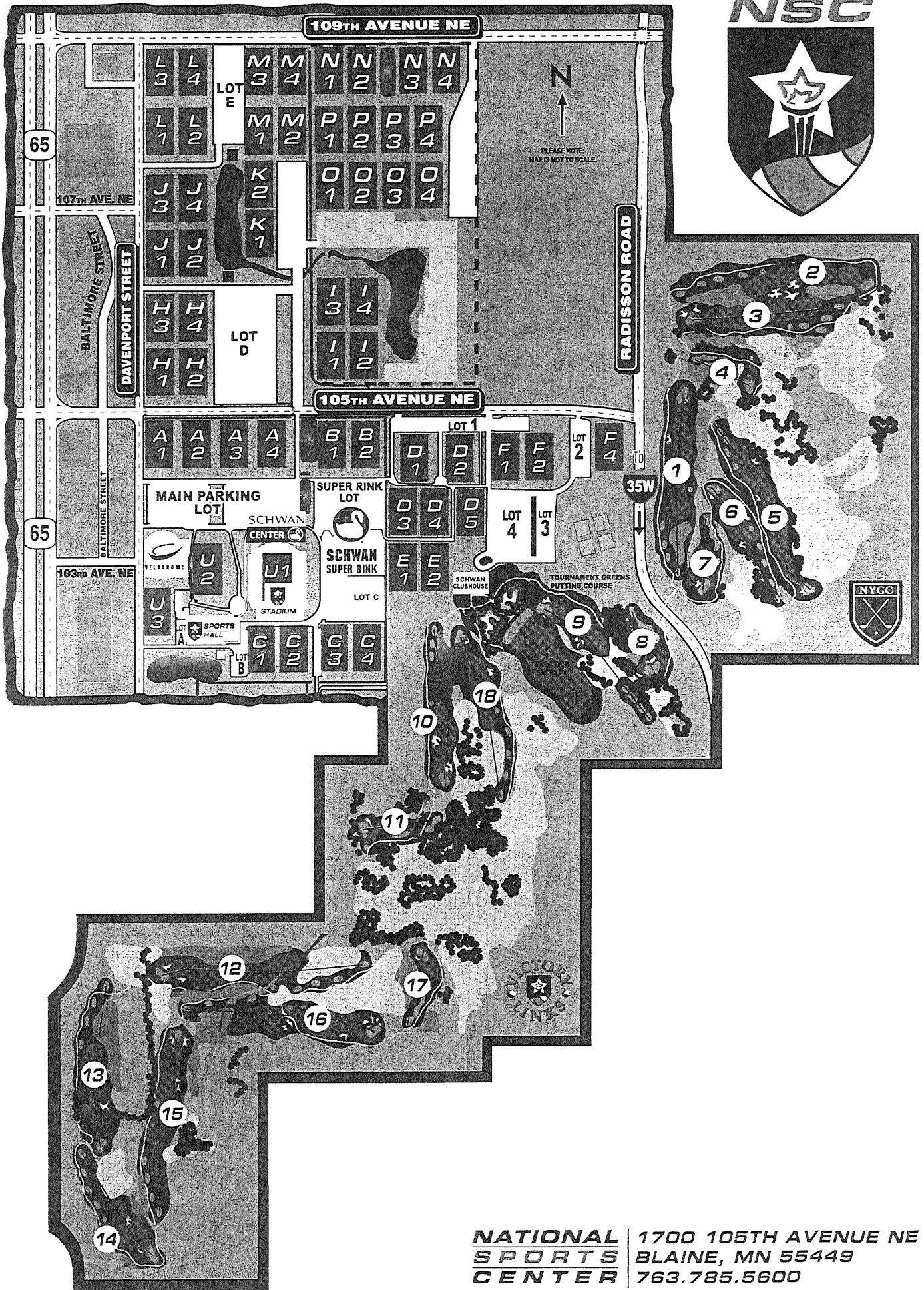
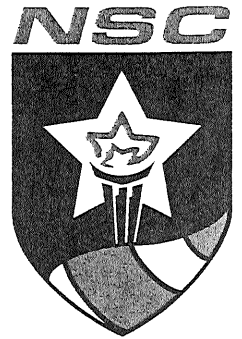
The Department of Administration will manage and execute an appraisal process to identify the lease value of the property.

#### B. Lease Agreement

The Department of Administration will work with the Attorney General's Office to develop a lease agreement that conforms to State law and procedures.

### III. Benefits for the State of Minnesota

- The Sport Mall cost is \$0.
- More out-of-state visitors will be attracted to Blaine, Minnesota because of the onsite hotel, water park, fitness center, movie theaters and other businesses that serve NSC customers. It will increase spending in Minnesota and new net sales tax.
- It will take the MASC off the state budget – saving the state approximately \$300k/year.
- It has the potential to contribute additional dollars to capital replacement costs at the NSC, subject to legislative approval.
- National recognition for Minnesota – with the additional hospitality amenities and the NSC's current facilities, the NSC has the potential to be "the best amateur sports tourism destination in America."



**NATIONAL SPORTS CENTER** | 1700 105TH AVENUE NE  
 BLAINE, MN 55449  
 763.785.5600

1.1 A bill for an act  
 1.2 relating to state government; authorizing the Minnesota Amateur Sports  
 1.3 Commission to renew leases for certain real property; amending Laws 1998,  
 1.4 chapter 404, section 15, subdivision 2, as amended.

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

1.6 Section 1. Laws 1998, chapter 404, section 15, subdivision 2, as amended by Laws  
 1.7 2005, chapter 20, article 1, section 40, as amended by Laws 2005, chapter 156, article 2,  
 1.8 section 43, is amended to read:

1.90 Subd. 2. National Sports Center 4,800,000

1.11  
 1.12 \$1,700,000 is to purchase and develop land  
 1.13 adjacent to the National Sports Center in  
 1.14 Blaine for use as athletic fields.

1.15  
 1.16 \$3,100,000 is to develop the National  
 1.17 Children's Golf Course. The primary  
 1.18 purpose of the National Children's Golf  
 1.19 Course is to serve youth of 18 years and  
 1.20 younger. Market rates must be charged for  
 1.21 adult golf.

1.22  
 1.23 Notwithstanding Minnesota Statutes, section  
 1.24 16B.24, subdivision 5, the Minnesota

Amateur Sports Commission may lease  
 2.2 up to 20 percent of the area of the land  
 2.3 purchased with money from the general  
 2.4 fund appropriations in this subdivision for  
 2.5 a term of up to 30 years, plus two renewals  
 2.6 for a term of up to 30 years each, to one or  
 2.7 more governmental or private entities for  
 2.8 any use by the lessee, whether public or  
 2.9 private, so long as the use provides some  
 2.10 benefit to amateur sports. The commission  
 2.11 must submit proposed leases for the land  
 2.12 described in this subdivision to the chairs of  
 2.13 the legislative committees with jurisdiction  
 2.14 over state government policy and finance for  
 2.15 review at least 30 days before the leases may  
 2.16 be entered into by the commission. Up to  
 2.17 \$300,000 of lease payments received by the  
 2.18 commission each fiscal year is appropriated  
 2.19 to the commission for the purposes specified  
 2.20 in Minnesota Statutes, chapter 240A. The  
 2.21 land purchased from the general fund  
 2.22 appropriations may be used for any amateur  
 2.23 sport.

2.24  
 2.25 EFFECTIVE DATE. This section is effective retroactively on the effective date of  
 2.26 Laws 2005, chapter 20, article 1, section 40.

2.27