

1.1 A bill for an act

1.2 relating to state buildings; providing for repairs to the Elmer L. Andersen and
1.3 Orville L. Freeman buildings; amending Minnesota Statutes 2006, section
1.4 16B.24, subdivision 5.

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

1.6 Section 1. Minnesota Statutes 2006, section 16B.24, subdivision 5, is amended to read:

1.7 Subd. 5. **Renting out state property.** (a) **Authority.** The commissioner may rent
1.8 out state property, real or personal, that is not needed for public use, if the rental is not
1.9 otherwise provided for or prohibited by law. The property may not be rented out for
1.10 more than five years at a time without the approval of the State Executive Council and
1.11 may never be rented out for more than 25 years. A rental agreement may provide that
1.12 the state will reimburse a tenant for a portion of capital improvements that the tenant
1.13 makes to state real property if the state does not permit the tenant to renew the lease at
1.14 the end of the rental agreement.

1.15 (b) **Restrictions.** Paragraph (a) does not apply to state trust fund lands, other state
1.16 lands under the jurisdiction of the Department of Natural Resources, lands forfeited for
1.17 delinquent taxes, lands acquired under section 298.22, or lands acquired under section
1.18 41.56 which are under the jurisdiction of the Department of Agriculture.

1.19 (c) **Rental of living accommodations.** The commissioner shall establish rental rates
1.20 for all living accommodations provided by the state for its employees. Money collected as
1.21 rent by state agencies pursuant to this paragraph must be deposited in the state treasury
1.22 and credited to the general fund.

1.23 (d) **Lease of space in certain state buildings to state agencies.** The commissioner
1.24 may lease portions of the state-owned buildings ~~in the Capitol complex, the Capitol~~

S.F. No. 1981, 1st Engrossment - 85th Legislative Session (2007-2008)

2.1 ~~Square Building, the Health Building, and the building at 1246 University Avenue, St.~~
2.2 ~~Paul, Minnesota, under the custodial control of the commissioner to state agencies and~~
2.3 ~~the court administrator on behalf of the judicial branch of state government and charge~~
2.4 ~~rent on the basis of space occupied. Notwithstanding any law to the contrary, all money~~
2.5 ~~collected as rent pursuant to the terms of this section shall be deposited in the state~~
2.6 ~~treasury. Money collected as rent to recover the bond interest costs of a building funded~~
2.7 ~~from the state bond proceeds fund shall be credited to the general fund. Money collected~~
2.8 ~~as rent to recover the depreciation costs of a building funded from the state bond proceeds~~
2.9 ~~fund and money collected as rent to recover capital expenditures from capital asset~~
2.10 ~~preservation and replacement appropriations and statewide building access appropriations~~
2.11 ~~shall be credited to a segregated asset preservation and replacement account in a special~~
2.12 ~~revenue fund. Fifty percent of the money credited to the account each fiscal year must~~
2.13 ~~be transferred to the general fund. The remaining money in the account is appropriated~~
2.14 ~~to the commissioner to be expended for asset preservation projects as determined by the~~
2.15 ~~commissioner. Money collected as rent to recover the depreciation and interest costs of~~
2.16 ~~a building built with other state dedicated funds shall be credited to the dedicated fund~~
2.17 ~~which funded the original acquisition or construction. All other money received shall be~~
2.18 ~~credited to the general services revolving fund.~~

2.19 (e) Lease of space in Andersen and Freeman buildings. The commissioner may
2.20 lease space in the Elmer L. Andersen and Orville L. Freeman buildings to state agencies
2.21 and charge rent on the basis of space occupied. Money collected as rent under this
2.22 paragraph to fund future building repairs must be credited to a segregated account for each
2.23 building in the special revenue fund and is appropriated to the commissioner to make
2.24 the repairs. When the state acquires title to each building, the account for that building
2.25 must be abolished and any balance remaining in the account must be transferred to the
2.26 appropriate asset preservation and replacement account created under paragraph (d).