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State of Minnesota

HOUSE OF REPRESENTATIVES

SPECIAL SESSION

H. F. No. **5**

- 05/24/2017 Authored by Urdahl
The bill was referred to the Committee on Rules and Legislative Administration
- 05/25/2017 Rules suspended, urgency declared
Read for the Second Time
Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
Passed by the Senate and returned to the House
- 05/26/2017 Presented to Governor
- 05/30/2017 Governor Approval

1.1 A bill for an act

1.2 relating to capital investment; authorizing spending to acquire and better public

1.3 land and buildings and other improvements of a capital nature with certain

1.4 conditions; modifying previous appropriations; establishing new programs and

1.5 modifying existing programs; authorizing the sale and issuance of state bonds;

1.6 appropriating money; amending Minnesota Statutes 2016, sections 15B.32,

1.7 subdivision 4; 16A.967; 84.946, subdivision 2; 85.34, subdivision 1; 116J.8738,

1.8 subdivisions 2, 3; 174.50, subdivisions 5, 6b, 6c, 7, by adding a subdivision;

1.9 326B.124; 446A.072; 446A.073; 446A.081, subdivision 9; 446A.12, subdivision

1.10 1; 462A.37, subdivisions 2a, 2b, 5, by adding a subdivision; Laws 2006, chapter

1.11 258, section 18, subdivision 6, as amended; Laws 2012, chapter 293, sections 7,

1.12 subdivision 3; 17, subdivision 4; Laws 2014, chapter 294, article 1, sections 7,

1.13 subdivisions 11, 15; 17, subdivisions 6, 12; 21, subdivision 12, as amended; Laws

1.14 2015, First Special Session chapter 5, article 1, section 10, subdivisions 3, 7;

1.15 proposing coding for new law in Minnesota Statutes, chapters 16C; 219; repealing

1.16 Minnesota Statutes 2016, section 123A.446.

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

1.18 **ARTICLE 1**

1.19 **APPROPRIATIONS**

1.20 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

1.21 The sums shown in the column under "Appropriations" are appropriated from the bond

1.22 proceeds fund, or another named fund, to the state agencies or officials indicated, to be

1.23 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by

1.24 the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public

1.25 land and buildings and other public improvements of a capital nature, or as authorized by

1.26 the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless

1.27 otherwise specified, money appropriated in this article for a capital program or project may

1.28 be used to pay state agency staff costs that are attributed directly to the capital program or

2.1 project in accordance with accounting policies adopted by the commissioner of management
 2.2 and budget. Unless otherwise specified, the appropriations in this act are available until the
 2.3 project is completed or abandoned subject to Minnesota Statutes, section 16A.642. Unless
 2.4 otherwise specified in this article, money appropriated in this article for activities under
 2.5 Minnesota Statutes, sections 16B.307, 84.946, and 135A.046, should not be used for projects
 2.6 that can be financed within a reasonable time frame under Minnesota Statutes, section
 2.7 16B.322 or 16C.144.

2.8 **APPROPRIATIONS**

2.9 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.10 **Subdivision 1. Total Appropriation** **\$ 119,934,000**

2.11 To the Board of Regents of the University of
 2.12 Minnesota for the purposes specified in this
 2.13 section.

2.14 **Subd. 2. Higher Education Asset Preservation**
 2.15 **and Replacement (HEAPR)** **20,600,000**

2.16 To be spent in accordance with Minnesota
 2.17 Statutes, section 135A.046.

2.18 **Subd. 3. Duluth - Chemical Sciences and**
 2.19 **Advanced Materials Science Building** **28,267,000**

2.20 To design, construct, furnish, and equip a new
 2.21 laboratory building on the Duluth campus,
 2.22 including classrooms and research and
 2.23 undergraduate instructional laboratories.

2.24 **Subd. 4. Twin Cities - Health Sciences Education**
 2.25 **Facility** **66,667,000**

2.26 To demolish obsolete health sciences facilities
 2.27 and to design, renovate, furnish, equip, and
 2.28 construct a health science education facility
 2.29 on the Twin Cities campus to meet the needs
 2.30 of the Medical School and the Academic
 2.31 Health Center.

2.32 **Subd. 5. Twin Cities - Plant Growth Research**
 2.33 **Facility** **4,400,000**

3.1 To demolish the existing biological sciences
 3.2 greenhouse and to predesign, design,
 3.3 construct, furnish, and equip a greenhouse to
 3.4 support learning and research on the St. Paul
 3.5 campus.

3.6 **Subd. 6. University Share**

3.7 Except for the appropriation for HEAPR, the
 3.8 appropriations in this section are intended to
 3.9 cover approximately two-thirds of the cost of
 3.10 each project. The remaining costs must be paid
 3.11 from university sources.

3.12 **Subd. 7. Unspent Appropriations**

3.13 Upon substantial completion of a project
 3.14 authorized in this section and after written
 3.15 notice to the commissioner of management
 3.16 and budget, the Board of Regents must use
 3.17 any money remaining in the appropriation for
 3.18 that project for HEAPR under Minnesota
 3.19 Statutes, section 135A.046. The Board of
 3.20 Regents must report by February 1 of each
 3.21 even-numbered year to the chairs of the house
 3.22 of representatives and senate committees with
 3.23 jurisdiction over capital investment and higher
 3.24 education finance, and to the chairs of the
 3.25 house of representatives Ways and Means
 3.26 Committee and the senate Finance Committee,
 3.27 on how the remaining money has been
 3.28 allocated or spent.

3.29 **Sec. 3. MINNESOTA STATE COLLEGES AND**
 3.30 **UNIVERSITIES**

3.31 **Subdivision 1. Total Appropriation** **\$ 92,325,000**

3.32 To the Board of Trustees of the Minnesota
 3.33 State Colleges and Universities for the
 3.34 purposes specified in this section.

4.1	<u>Subd. 2. Higher Education Asset Preservation</u>	
4.2	<u>and Replacement (HEAPR)</u>	<u>25,000,000</u>
4.3	<u>To be spent in accordance with Minnesota</u>	
4.4	<u>Statutes, section 135A.046.</u>	
4.5	<u>Subd. 3. Hibbing Community College</u>	<u>11,223,000</u>
4.6	<u>To demolish Building G and connecting links</u>	
4.7	<u>or portions thereof, and to construct, renovate,</u>	
4.8	<u>furnish, and equip buildings, links, and entry</u>	
4.9	<u>spaces on the campus.</u>	
4.10	<u>Subd. 4. Minnesota State Community and</u>	
4.11	<u>Technical College</u>	
4.12	<u>(a) Fergus Falls Campus</u>	<u>978,000</u>
4.13	<u>To design, renovate, furnish, and equip a new</u>	
4.14	<u>Center for Student and Workforce Success</u>	
4.15	<u>(CSWS) that integrates the Regional</u>	
4.16	<u>Workforce Center. The board must enter into</u>	
4.17	<u>a lease agreement with the commissioner of</u>	
4.18	<u>employment and economic development, or</u>	
4.19	<u>partners of the commissioner, for use of the</u>	
4.20	<u>workforce center subject to Minnesota</u>	
4.21	<u>Statutes, section 16A.695. The board must use</u>	
4.22	<u>nonstate money for the remainder of the cost</u>	
4.23	<u>of the renovation.</u>	
4.24	<u>(b) Wadena Campus</u>	<u>820,000</u>
4.25	<u>To design, renovate, furnish, and equip the</u>	
4.26	<u>relocation of the current library to</u>	
4.27	<u>underutilized space and convert the vacated</u>	
4.28	<u>space into a centralized student services center.</u>	
4.29	<u>Subd. 5. Northland Community and Technical</u>	
4.30	<u>College, East Grand Forks</u>	<u>826,000</u>
4.31	<u>To design, renovate, furnish, and equip science</u>	
4.32	<u>and radiological lab space on the East Grand</u>	
4.33	<u>Forks campus.</u>	
4.34	<u>Subd. 6. South Central College, North Mankato</u>	<u>9,600,000</u>

5.1 To design, renovate, renew, furnish, and equip
 5.2 laboratory, classroom, and office spaces on
 5.3 the North Mankato campus.

5.4 **Subd. 7. St. Cloud State University** **18,572,000**

5.5 To construct, renovate, furnish, and equip
 5.6 Eastman Hall for the relocation of
 5.7 consolidated student health services and
 5.8 academic programs.

5.9 **Subd. 8. Winona State University, Education**
 5.10 **Village, Phase 2** **25,306,000**

5.11 To complete design, construct, renovate,
 5.12 furnish, and equip Phase 2 of the Education
 5.13 Village project, including the renovation of
 5.14 Cathedral and Wabasha Halls and Wabasha
 5.15 Rec, and remove obsolete portions of Wabasha
 5.16 Rec and accomplishing related site work.

5.17 **Subd. 9. Debt Service**

5.18 (a) Except as provided in paragraph (b), the
 5.19 Board of Trustees shall pay the debt service
 5.20 on one-third of the principal amount of state
 5.21 bonds sold to finance projects authorized by
 5.22 this section. After each sale of general
 5.23 obligation bonds, the commissioner of
 5.24 management and budget shall notify the board
 5.25 of the amounts assessed for each year for the
 5.26 life of the bonds.

5.27 (b) The board need not pay debt service on
 5.28 bonds sold to finance HEAPR. Where a
 5.29 nonstate match is required, the debt service is
 5.30 due on a principal amount equal to one-third
 5.31 of the total project cost, less the match
 5.32 committed before the bonds are sold.

5.33 (c) The commissioner of management and
 5.34 budget shall reduce the board's assessment

6.1 each year by one-third of the net income from
6.2 investment of general obligation bond
6.3 proceeds in proportion to the amount of
6.4 principal and interest otherwise required to be
6.5 paid by the board. The board shall pay its
6.6 resulting net assessment to the commissioner
6.7 of management and budget by December 1
6.8 each year. If the board fails to make a payment
6.9 when due, the commissioner of management
6.10 and budget shall reduce allotments for
6.11 appropriations from the general fund otherwise
6.12 available to the board and apply the amount
6.13 of the reduction to cover the missed debt
6.14 service payment. The commissioner of
6.15 management and budget shall credit the
6.16 payments received from the board to the bond
6.17 debt service account in the state bond fund
6.18 each December 1 before money is transferred
6.19 from the general fund under Minnesota
6.20 Statutes, section 16A.641, subdivision 10.

6.21 **Subd. 10. Unspent Appropriations**

6.22 (a) Upon substantial completion of a project
6.23 authorized in this section and after written
6.24 notice to the commissioner of management
6.25 and budget, the board must use any money
6.26 remaining in the appropriation for that project
6.27 for HEAPR under Minnesota Statutes, section
6.28 135A.046. The Board of Trustees must report
6.29 by February 1 of each even-numbered year to
6.30 the chairs of the house of representatives and
6.31 senate committees with jurisdiction over
6.32 capital investment and higher education
6.33 finance, and to the chairs of the house of
6.34 representatives Ways and Means Committee
6.35 and the senate Finance Committee, on how

7.1 the remaining money has been allocated or
 7.2 spent.

7.3 (b) The unspent portion of an appropriation
 7.4 for a project in this section that is complete is
 7.5 available for HEAPR under this subdivision,
 7.6 at the same campus as the project for which
 7.7 the original appropriation was made and the
 7.8 debt service requirement under this section is
 7.9 reduced accordingly. Minnesota Statutes,
 7.10 section 16A.642, applies from the date of the
 7.11 original appropriation to the unspent amount
 7.12 transferred.

7.13 **Sec. 4. EDUCATION**

7.14 **Subdivision 1. Total Appropriation** **\$ 4,000,000**

7.15 To the commissioner of education for the
 7.16 purposes specified in this section.

7.17 **Subd. 2. Library Construction Grants** **2,000,000**

7.18 For library construction grants under
 7.19 Minnesota Statutes, section 134.45.

7.20 **Subd. 3. Olmsted County - Dyslexia Institute of**
 7.21 **Minnesota** **1,500,000**

7.22 For a grant to Olmsted County to acquire land
 7.23 for, and to predesign, design, construct,
 7.24 furnish, and equip a facility in Olmsted County
 7.25 to support the local, regional, and national
 7.26 literacy work of the Dyslexia Institute of
 7.27 Minnesota, subject to Minnesota Statutes,
 7.28 section 16A.695. This appropriation is not
 7.29 available until the commissioner of
 7.30 management and budget determines that an
 7.31 amount sufficient to complete the project is
 7.32 committed to it from nonstate sources.

7.33 **Subd. 4. Grand Rapids - Myles Reif Center** **500,000**

8.1 From the general fund for a grant to
 8.2 Independent School District No. 318, Grand
 8.3 Rapids, to cover cost overruns for the Myles
 8.4 Reif Center for the Performing Arts project in
 8.5 Grand Rapids. This appropriation is added to
 8.6 and is for the same purposes as the project in
 8.7 Laws 2014, chapter 294, article 1, section 21,
 8.8 subdivision 8. This appropriation does not
 8.9 require a nonstate contribution.

8.10 **Sec. 5. MINNESOTA STATE ACADEMIES**

8.11 **Subdivision 1. Total Appropriation** **\$ 2,050,000**

8.12 To the commissioner of administration for the
 8.13 purposes specified in this section.

8.14 **Subd. 2. Asset Preservation** **2,000,000**

8.15 For capital asset preservation improvements
 8.16 and betterments on both campuses of the
 8.17 Minnesota State Academies, to be spent in
 8.18 accordance with Minnesota Statutes, section
 8.19 16B.307.

8.20 **Subd. 3. Security Corridor** **50,000**

8.21 For predesign for a safety corridor on the
 8.22 Minnesota State Academy for the Deaf
 8.23 campus.

8.24 **Sec. 6. NATURAL RESOURCES**

8.25 **Subdivision 1. Total Appropriation** **\$ 67,203,000**

8.26 (a) To the commissioner of natural resources
 8.27 for the purposes specified in this section.

8.28 (b) The appropriations in this section are
 8.29 subject to the requirements of the natural
 8.30 resources capital improvement program under
 8.31 Minnesota Statutes, section 86A.12, unless
 8.32 this section or the statutes referred to in this

9.1 section provide more specific standards,
 9.2 criteria, or priorities for projects than
 9.3 Minnesota Statutes, section 86A.12.

9.4 **Subd. 2. Natural Resources Asset Preservation** 15,000,000

9.5 For the renovation of state-owned facilities
 9.6 and recreational assets operated by the
 9.7 commissioner of natural resources to be spent
 9.8 in accordance with Minnesota Statutes, section
 9.9 84.946. Notwithstanding Minnesota Statutes,
 9.10 section 84.946:

9.11 (1) the commissioner may use this
 9.12 appropriation to replace buildings if,
 9.13 considering the embedded energy in the
 9.14 building, that is the most energy-efficient and
 9.15 carbon-reducing method of renovation; and

9.16 (2) this appropriation may be used for projects
 9.17 to remove life safety hazards such as building
 9.18 code violations or structural defects.

9.19 **Subd. 3. Flood Hazard Mitigation** 11,555,000

9.20 (a) For the state share of flood hazard
 9.21 mitigation grants for publicly owned capital
 9.22 improvements to prevent or alleviate flood
 9.23 damage under Minnesota Statutes, section
 9.24 103F.161.

9.25 (b) Levee projects, to the extent practical, shall
 9.26 meet the state standard of three feet above the
 9.27 100-year flood elevation.

9.28 (c) Project priorities shall be determined by
 9.29 the commissioner as appropriate and based on
 9.30 need.

9.31 (d) This appropriation includes \$1,700,000 for
 9.32 the Cedar River Watershed District, \$750,000

10.1 for the city of Browns Valley project, and
 10.2 \$1,800,000 for the city of Ortonville project.

10.3 (e) For any project listed in this subdivision
 10.4 that the commissioner determines is not ready
 10.5 to proceed or does not expend all the money
 10.6 allocated to it, the commissioner may allocate
 10.7 that project's money to a project on the
 10.8 commissioner's priority list.

10.9 (f) To the extent that the cost of a project
 10.10 exceeds two percent of the median household
 10.11 income in a municipality or township
 10.12 multiplied by the number of households in the
 10.13 municipality or township, this appropriation
 10.14 is also for the local share of the project.

10.15 Subd. 4. **Dam Renovation, Repair, Removal** 15,400,000

10.16 (a) For design, engineering, and construction
 10.17 to repair, reconstruct, or remove dams and
 10.18 respond to dam safety emergencies. The
 10.19 commissioner shall determine project priorities
 10.20 as appropriate under Minnesota Statutes,
 10.21 sections 103G.511 and 103G.515. Of this
 10.22 appropriation:

10.23 (1) \$4,400,000 is for emergencies on
 10.24 state-owned dams; for repairs to the Lake
 10.25 Bronson dam; and for state dams at Brawner,
 10.26 West Leaf Lake, Collinwood, Grindstone
 10.27 River, Sullivan, and Willow River;

10.28 (2) \$4,000,000 is for a grant to the city of
 10.29 Lanesboro for repair of the Lanesboro dam
 10.30 and notwithstanding the match requirements
 10.31 in Minnesota Statutes, section 103G.511, does
 10.32 not require a nonstate contribution. This
 10.33 includes funding for repairs of the hydropower
 10.34 system;

11.1 (3) \$500,000 is for a grant to the city of
 11.2 Pelican Rapids for engineering work on the
 11.3 Pelican Rapids dam;

11.4 (4) \$200,000 is for a grant to the city of Pine
 11.5 River for engineering work on the Norway
 11.6 Lake dam;

11.7 (5) \$200,000 is for a grant to Yellow Medicine
 11.8 County for the Canby R-6 impoundment dam;

11.9 (6) \$100,000 is for a grant to St. Louis County
 11.10 for the Little Stone Lake dam; and

11.11 (7) \$6,000,000 is for a grant to Dakota County
 11.12 to design and construct capital improvements
 11.13 to the hydroelectric generating facility,
 11.14 including replacement of obsolete turbines, at
 11.15 the Byllesby Dam located on the Cannon
 11.16 River.

11.17 (b) If the commissioner determines that a
 11.18 project is not ready to proceed, this
 11.19 appropriation may be used for other projects
 11.20 on the commissioner's priority list.

11.21 **Subd. 5. Reforestation and Stand Improvement** 1,000,000

11.22 To provide for reforestation and stand
 11.23 improvement on state forest lands to meet the
 11.24 reforestation requirements of Minnesota
 11.25 Statutes, section 89.002, subdivision 2,
 11.26 including purchasing native seeds and native
 11.27 seedlings, planting, seeding, site preparation,
 11.28 and protection on state lands administered by
 11.29 the commissioner.

11.30 **Subd. 6. State Trail, Recreation Area, and Park**
 11.31 **Acquisition and Development** 18,698,000

11.32 (a) \$2,590,000 is for the Glacial Lakes Trail,
 11.33 to complete an approximately 6-1/4 mile trail
 11.34 connection between New London and Sibley

- 12.1 State Park, and repair of the bicycle trail in
12.2 Sibley State Park.
- 12.3 (b) \$3,300,000 is to design, develop, and
12.4 complete the Heartland State Trail from
12.5 Detroit Lakes to Frazee and, to the extent there
12.6 is sufficient money, for work on the spur from
12.7 Park Rapids to Itasca State Park.
- 12.8 (c) \$3,600,000 is for acquisition and
12.9 development in the Cuyuna Country State
12.10 Recreation Area, including the Cuyuna
12.11 Mountain Bike System.
- 12.12 (d) \$1,600,000 is to construct, furnish, and
12.13 equip a multiuse state trail connection between
12.14 the city of Little Falls and the Soo Line Trails
12.15 as part of the Camp Ripley/Veterans State
12.16 Trail in Morrison County. The trail connection
12.17 may include separated segments to
12.18 accommodate recreational vehicles separately
12.19 from nonmotorized vehicles and pedestrians.
- 12.20 (e) \$3,500,000 is for continued development
12.21 of Lake Vermilion-Soudan Underground Mine
12.22 State Park recreational facilities.
- 12.23 (f) \$328,000 is for design and acquisition of
12.24 the Mill Towns State Trail from Faribault to
12.25 Northfield.
- 12.26 (g) \$3,130,000 is for acquisition and
12.27 development of the Gitchi-Gami State Trail,
12.28 from Grand Marais to Cascade State Park, and
12.29 through the town of Tofte.
- 12.30 (h) The commissioner may allocate money
12.31 not needed to complete a project listed in this
12.32 subdivision to another project listed in this
12.33 subdivision that needs additional money to be
12.34 completed. For any project listed in this

13.1 subdivision that the commissioner determines
 13.2 is not ready to proceed, the commissioner may
 13.3 reallocate that project's money to another
 13.4 project described in this subdivision or other
 13.5 state trail, recreation area, or park
 13.6 infrastructure. The chairs of the house of
 13.7 representatives and senate committees with
 13.8 jurisdiction over environment and natural
 13.9 resources and legislators from the affected
 13.10 legislative districts must be notified of any
 13.11 changes.

13.12 **Subd. 7. Champlin - Mill Pond** 3,300,000

13.13 For a grant to the city of Champlin to dredge
 13.14 and remove sediment and for other capital
 13.15 improvements to the Champlin Mill Pond
 13.16 necessary to improve water quality, restore
 13.17 fish habitat, and provide other public benefits.

13.18 **Subd. 8. Lake County - Prospectors ATV Trail**
 13.19 **System** 1,000,000

13.20 For a grant to Lake County for construction,
 13.21 including bridges, of the Prospectors ATV
 13.22 Trail System linking the communities of Ely,
 13.23 Babbitt, Embarrass, and Tower; Bear Head
 13.24 Lake and Lake Vermilion-Soudan
 13.25 Underground Mine State Parks; the Taconite
 13.26 State Trail; and the Lake County Regional
 13.27 ATV Trail System. This appropriation is not
 13.28 available until the commissioner of
 13.29 management and budget determines that an
 13.30 equal amount is committed from other sources.

13.31 **Subd. 9. Morrison County - Soo Line Trail**
 13.32 **Bridge** 400,000

13.33 For a grant to Morrison County to predesign,
 13.34 design, and construct the rehabilitation of the
 13.35 Soo Line Trail bridge over the Mississippi

14.1 River, including specifically the bridge's piers
 14.2 and abutments. This appropriation does not
 14.3 require a nonstate match.

14.4 **Subd. 10. St. Paul - Shade Tree Reforestation** **1,500,000**

14.5 For a grant to St. Paul for the planting of
 14.6 publicly owned shade trees on public land to
 14.7 provide environmental benefits; replace trees
 14.8 lost to forest pests, disease, or storm; or to
 14.9 establish a more diverse community forest
 14.10 better able to withstand disease and forest
 14.11 pests. For purposes of this appropriation,
 14.12 "shade tree" means a woody perennial grown
 14.13 primarily for aesthetic or environmental
 14.14 purposes with minimal to residual timber value
 14.15 and no intent to harvest the tree for its wood.
 14.16 Any tree planted with funding under this
 14.17 subdivision must be a species native to
 14.18 Minnesota.

14.19 **Subd. 11. Unspent Appropriations**

14.20 The unspent portion of an appropriation for a
 14.21 project in this section that is complete, upon
 14.22 written notice to the commissioner of
 14.23 management and budget, is available for asset
 14.24 preservation under Minnesota Statutes, section
 14.25 84.946. Minnesota Statutes, section 16A.642,
 14.26 applies from the date of the original
 14.27 appropriation to the unspent amount
 14.28 transferred.

14.29 **Sec. 7. POLLUTION CONTROL AGENCY**

14.30 **Subdivision 1. Total Appropriation** **\$ 46,010,000**

14.31 To the Pollution Control Agency for the
 14.32 purposes specified in this section.

14.33 **Subd. 2. St. Louis River Cleanup** **25,410,000**

- 15.1 To design and implement contaminated
- 15.2 sediment management actions identified in
- 15.3 the St. Louis River remedial action plan to
- 15.4 restore water quality in the St. Louis River
- 15.5 Area of Concern.
- 15.6 **Subd. 3. Closed Landfill Cleanup** 11,350,000
- 15.7 To design and construct remedial systems and
- 15.8 acquire land at closed landfills throughout the
- 15.9 state in accordance with the closed landfill
- 15.10 program under Minnesota Statutes, sections
- 15.11 115B.39 to 115B.42. The agency must follow
- 15.12 the agency priorities, which includes a
- 15.13 construction project at the waste disposal
- 15.14 engineering (WDE) site in Anoka County.
- 15.15 **Subd. 4. Capital Assistance Program** 9,250,000
- 15.16 For a grant to Polk County under the solid
- 15.17 waste capital assistance grant program under
- 15.18 Minnesota Statutes, section 115A.54, in order
- 15.19 to complete a regional integrated solid waste
- 15.20 management system.
- 15.21 **Sec. 8. BOARD OF WATER AND SOIL**
- 15.22 **RESOURCES**
- 15.23 **Subdivision 1. Total Appropriation** **\$ 15,000,000**
- 15.24 To the Board of Water and Soil Resources for
- 15.25 the purposes specified in this section.
- 15.26 **Subd. 2. Reinvest in Minnesota (RIM) Reserve**
- 15.27 **Program** 10,000,000
- 15.28 (a) To acquire conservation easements from
- 15.29 landowners to preserve, restore, create, and
- 15.30 enhance wetlands and associated uplands of
- 15.31 prairie and grasslands, and restore and enhance
- 15.32 rivers and streams, riparian lands, and
- 15.33 associated uplands of prairie and grasslands
- 15.34 in order to protect soil and water quality,

16.1 support fish and wildlife habitat, reduce flood
 16.2 damage, and provide other public benefits.

16.3 The provisions of Minnesota Statutes, section
 16.4 103F.515, apply to this program.

16.5 (b) The board shall give priority to leveraging
 16.6 federal money by enrolling targeted new lands
 16.7 or enrolling environmentally sensitive lands
 16.8 that have expiring federal conservation
 16.9 agreements.

16.10 (c) The board is authorized to enter into new
 16.11 agreements and amend past agreements with
 16.12 landowners as required by Minnesota Statutes,
 16.13 section 103F.515, subdivision 5, to allow for
 16.14 restoration. Of this appropriation, up to five
 16.15 percent may be used for restoration and
 16.16 enhancement.

16.17 **Subd. 3. Local Government Roads Wetland**
 16.18 **Replacement Program**

5,000,000

16.19 To acquire land or permanent easements and
 16.20 to restore, create, enhance, and preserve
 16.21 wetlands to replace those wetlands drained or
 16.22 filled as a result of the repair, reconstruction,
 16.23 replacement, or rehabilitation of existing
 16.24 public roads as required by Minnesota
 16.25 Statutes, section 103G.222, subdivision 1,
 16.26 paragraphs (l) and (m). The board may vary
 16.27 the priority order of Minnesota Statutes,
 16.28 section 103G.222, subdivision 3, paragraph
 16.29 (a), to implement an in-lieu fee agreement
 16.30 approved by the U.S. Army Corps of
 16.31 Engineers under section 404 of the Clean
 16.32 Water Act. The purchase price paid for
 16.33 acquisition of land or perpetual easement must
 16.34 be a fair market value as determined by the
 16.35 board. The board may enter into agreements

17.1 with the federal government, other state
 17.2 agencies, political subdivisions, nonprofit
 17.3 organizations, fee title owners, or other
 17.4 qualified private entities to acquire wetland
 17.5 replacement credits in accordance with
 17.6 Minnesota Rules, chapter 8420.
 17.7 Up to \$560,000 of this appropriation may be
 17.8 spent to replace wetlands drained or filled that
 17.9 are associated with a new public road project
 17.10 to improve public safety in a greater than 80
 17.11 percent area, as defined in Minnesota Statutes,
 17.12 section 103G.005, subdivision 10b.

17.13 **Sec. 9. AGRICULTURE**

17.14 **Subdivision 1. Total Appropriations** **\$ 270,000**

17.15 To the commissioner of agriculture for the
 17.16 purposes specified in this section.

17.17 **Subd. 2. AURI** **270,000**

17.18 From the general fund for a grant to
 17.19 Agricultural Utilization Research Institute
 17.20 (AURI) for construction of a development
 17.21 kitchen, sensory lab, and safety and security
 17.22 upgrades at AURI's Marshall facility and for
 17.23 updated equipment and renovations at the
 17.24 Waseca facility.

17.25 **Sec. 10. MINNESOTA ZOOLOGICAL**
 17.26 **GARDEN**

17.27 **Subdivision 1. Total Appropriation** **\$ 4,000,000**

17.28 To the Minnesota Zoological Garden Board
 17.29 for the purposes specified in this section.

17.30 **Subd. 2. Asset Preservation** **4,000,000**

17.31 For capital asset preservation improvements
 17.32 and betterments to infrastructure and exhibits

18.1 at the Minnesota Zoo, to be spent in
 18.2 accordance with Minnesota Statutes, section
 18.3 16B.307. Notwithstanding the specified uses
 18.4 of money under Minnesota Statutes, section
 18.5 16B.307, the board may use this appropriation
 18.6 to replace buildings that are in poor condition,
 18.7 outdated, and no longer support the work of
 18.8 the Minnesota Zoo and to construct and
 18.9 renovate trails and roads on the Minnesota
 18.10 Zoo site.

18.11 **Sec. 11. ADMINISTRATION**

18.12 **Subdivision 1. Total Appropriation** **\$ 18,178,000**

18.13 To the commissioner of administration for the
 18.14 purposes specified in this section.

18.15 **Subd. 2. Centennial Parking Ramp** **10,878,000**

18.16 (a) To complete design and for structural
 18.17 repairs to the Centennial parking ramp,
 18.18 including removal of the top deck green space
 18.19 to provide additional parking capacity,
 18.20 repairing damaged post-tension cables, and
 18.21 installation of a deck surface protection
 18.22 coating.

18.23 (b) Any unexpended amount of this
 18.24 appropriation after completing the project in
 18.25 paragraph (a) may be used to design and
 18.26 construct a storm water retention basin
 18.27 adjacent to the Centennial parking ramp, if the
 18.28 commissioner of administration determines
 18.29 that the basin is feasible.

18.30 **Subd. 3. Capital Asset Preservation and**
 18.31 **Replacement Account** **5,000,000**

18.32 To be spent in accordance with Minnesota
 18.33 Statutes, section 16A.632.

18.34 **Subd. 4. Granite Falls - Pioneer Public Television** **1,950,000**

19.1 From the general fund to provide an equipment
 19.2 grant to Pioneer Public Television as part of
 19.3 the station's construction of a new facility in
 19.4 Granite Falls, Minnesota. The money may be
 19.5 used to purchase and install equipment
 19.6 necessary to the station's operation. This
 19.7 appropriation does not require a nonstate
 19.8 contribution.

19.9 **Subd. 5. Capitol Complex Monuments and**
 19.10 **Memorials**

350,000

19.11 To design and complete critical repairs to the
 19.12 Peace Officers and Roy Wilkins Memorials
 19.13 located on the Capitol complex.

19.14 **Sec. 12. MN.IT**

\$ 1,432,000

19.15 To the commissioner of administration to
 19.16 predesign, design, construct, renovate, furnish,
 19.17 and equip existing state data center facilities
 19.18 at the Bureau of Criminal Apprehension's
 19.19 Maryland Avenue office building, at the
 19.20 Centennial Office Building, and at the
 19.21 Department of Revenue's Stassen Office
 19.22 Building for the purpose of decommissioning
 19.23 and repurposing into usable office space.

19.24 **Sec. 13. MILITARY AFFAIRS**

19.25 **Subdivision 1. Total Appropriation**

\$ 2,500,000

19.26 To the adjutant general for the purposes
 19.27 specified in this section.

19.28 **Subd. 2. Asset Preservation**

2,500,000

19.29 For asset preservation improvements and
 19.30 betterments of a capital nature at military
 19.31 affairs facilities statewide, to be spent in
 19.32 accordance with Minnesota Statutes, section
 19.33 16B.307.

20.1	Sec. 14. <u>PUBLIC SAFETY</u>		
20.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>3,521,000</u>
20.3	<u>To the named official for the purposes</u>		
20.4	<u>specified in this section.</u>		
20.5	<u>Subd. 2. Camp Ripley Training Facility</u>		<u>3,521,000</u>
20.6	<u>To the adjutant general to predesign, design,</u>		
20.7	<u>construct, and equip a joint emergency railroad</u>		
20.8	<u>and pipeline emergency response training</u>		
20.9	<u>facility at Camp Ripley. The project includes</u>		
20.10	<u>construction of stations and capital</u>		
20.11	<u>infrastructure needed for mock disaster</u>		
20.12	<u>training, including infrastructure for training</u>		
20.13	<u>in hazardous materials abatement and site</u>		
20.14	<u>recovery work.</u>		
20.15	Sec. 15. <u>TRANSPORTATION</u>		
20.16	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>254,918,000</u>
20.17	<u>To the commissioner of transportation for the</u>		
20.18	<u>purposes specified in this section.</u>		
20.19	<u>Subd. 2. Local Bridge Replacement and</u>		
20.20	<u>Rehabilitation</u>		<u>49,212,000</u>
20.21	<u>From the bond proceeds account in the state</u>		
20.22	<u>transportation fund to match federal money</u>		
20.23	<u>and to replace or rehabilitate local deficient</u>		
20.24	<u>bridges as provided in Minnesota Statutes,</u>		
20.25	<u>section 174.50.</u>		
20.26	<u>\$31,875,000 of this appropriation is for a grant</u>		
20.27	<u>under Minnesota Statutes, section 174.50,</u>		
20.28	<u>subdivision 6d, to the city of Minneapolis to</u>		
20.29	<u>repair and rehabilitate the bridge over the</u>		
20.30	<u>Mississippi River that is aligned on the east</u>		
20.31	<u>side of the river with 10th Avenue, also</u>		
20.32	<u>designated Route 328, on the municipal</u>		
20.33	<u>state-aid system, notwithstanding any law or</u>		

21.1 rule to the contrary. This appropriation does
 21.2 not require a local match.

21.3 \$800,000 of this appropriation is for a grant
 21.4 to the city of Isle for demolition and
 21.5 construction necessary to replace the Malone
 21.6 Island Bridge, including the replacement of
 21.7 accompanying water and sewer lines.

21.8 **Subd. 3. Local Road Improvement Fund Grants** 115,932,000

21.9 (a) From the bond proceeds account in the
 21.10 state transportation fund as provided in
 21.11 Minnesota Statutes, section 174.50, for trunk
 21.12 highway corridor projects under Minnesota
 21.13 Statutes, section 174.52, subdivision 2, for
 21.14 construction and reconstruction of local roads
 21.15 with statewide or regional significance under
 21.16 Minnesota Statutes, section 174.52,
 21.17 subdivision 4, or for grants to counties to assist
 21.18 in paying the costs of rural road safety capital
 21.19 improvement projects on county state-aid
 21.20 highways under Minnesota Statutes, section
 21.21 174.52, subdivision 4a.

21.22 (b) Of this amount, \$9,000,000 is for a grant
 21.23 to Anoka County to realign and make
 21.24 associated improvements to County State-Aid
 21.25 Highway 23 (Lake Drive), County State-Aid
 21.26 Highway 54 (West Freeway Drive), and to
 21.27 Hornsby Street in the city of Columbus.

21.28 (c) Of this amount, \$3,246,000 is for a grant
 21.29 to the city of Blaine to predesign, design, and
 21.30 reconstruct 105th Avenue in the vicinity of
 21.31 the National Sports Center in Blaine. The
 21.32 reconstruction will include changing the street
 21.33 from five lanes to four lanes with median, turn
 21.34 lanes, sidewalk, trail, landscaping, lighting,
 21.35 and consolidation of access driveways. This

- 22.1 appropriation is not available until the
22.2 commissioner of management and budget
22.3 determines that at least \$3,000,000 is
22.4 committed to the project from sources
22.5 available to the city, including municipal state
22.6 aid and county turnback funds.
- 22.7 (d) Of this amount, \$25,000,000 is for a grant
22.8 to Hennepin County, the city of Minneapolis,
22.9 or both, for design, right-of-way acquisition,
22.10 engineering, and construction of public
22.11 improvements related to the Interstate
22.12 Highway 35W and Lake Street access project
22.13 and related improvements within the Interstate
22.14 Highway 35W corridor, notwithstanding any
22.15 provision of Minnesota Statutes, section
22.16 174.52, or rule to the contrary. This
22.17 appropriation is not available until the
22.18 commissioner of management and budget
22.19 determines that an amount sufficient to
22.20 complete this portion of the Interstate
22.21 Highway 35W and Lake Street access project
22.22 has been committed to this portion of the
22.23 project.
- 22.24 (e) Of this amount, \$10,500,000 is for a grant
22.25 to Carver County for environmental analysis
22.26 and to acquire right-of-way access, predesign,
22.27 design, engineer, and construct an interchange
22.28 at marked Trunk Highway 212 and Carver
22.29 County Road 44 in the city of Chaska,
22.30 including a new bridge and ramps, to support
22.31 the development of approximately 400 acres
22.32 of property in the city of Chaska's
22.33 comprehensive plan.
- 22.34 (f) Of this amount, \$700,000 is for a grant to
22.35 Redwood County for improvements to Nobles

- 23.1 Avenue, including paving, as the main access
23.2 road to a new State Veterans Cemetery to be
23.3 located in Paxton Township.
- 23.4 (g) Of this amount, \$1,000,000 is for a grant
23.5 to the town of Appleton in Swift County for
23.6 upgrades to an existing township road to
23.7 provide for a paved, ten-ton capacity township
23.8 road extending between marked Trunk
23.9 Highways 7 and 119.
- 23.10 (h) Of this amount, \$20,500,000 is for a grant
23.11 to Ramsey County for preliminary and final
23.12 design, right-of-way acquisition, engineering,
23.13 contract administration, and construction of
23.14 public improvements related to the
23.15 construction of the interchange of marked
23.16 Interstate Highway 694 and Rice Street,
23.17 Ramsey County State-Aid Highway 49, in
23.18 Ramsey County.
- 23.19 (i) Of this amount, \$11,300,000 is for a grant
23.20 to Hennepin County for preliminary and final
23.21 design, engineering, environmental analysis,
23.22 right-of-way acquisition, construction, and
23.23 reconstruction of local roads related to the (1)
23.24 realignment at the intersections of marked U.S.
23.25 Highway 12 with Hennepin County State-Aid
23.26 Highway 92; (2) realignment and safety
23.27 improvements at the intersection of marked
23.28 U.S. Highway 12 with Hennepin County
23.29 State-Aid Highway 90; and (3) safety median
23.30 improvements from the interchange with
23.31 Wayzata Boulevard in Wayzata to
23.32 approximately one-half mile east of the
23.33 interchange of marked U.S. Highway 12 with
23.34 Hennepin County State-Aid Highway 6.

24.1 (j) Of this amount, \$1,000,000 is for a grant
 24.2 to the city of Inver Grove Heights for
 24.3 preliminary design, design, engineering, and
 24.4 reconstruction of Broderick Boulevard
 24.5 between 80th Street and Concord Boulevard
 24.6 abutting Trunk Highway 52 and Inver Hills
 24.7 Community College in Inver Grove Heights.
 24.8 The project includes replacement or renovation
 24.9 of public infrastructure, including water lines,
 24.10 sanitary sewers, storm water sewers, and other
 24.11 public utilities. This appropriation does not
 24.12 require a nonstate contribution.

24.13 (k) Of this amount, \$2,350,000 is for a grant
 24.14 to McLeod County to acquire land or interests
 24.15 in land and to design and construct a new
 24.16 urban street extension of County State-Aid
 24.17 Highway (CSAH) 15, including railroad
 24.18 crossing, storm water, and drainage
 24.19 improvements.

24.20 (l) Of this amount, \$6,000,000 is for a grant
 24.21 to the city of Baxter for 50 percent of total
 24.22 project cost for the acquisition of land or
 24.23 interests in land, environmental analysis and
 24.24 environmental cleanup, predesign, design,
 24.25 engineering, and construction of improvements
 24.26 to Cypress Drive, including expansion to a
 24.27 four-lane divided urban roadway, between
 24.28 Excelsior Road and College Road.

24.29 **Subd. 4. Rail Grade Separation on Crude Oil**
 24.30 **Rail Corridors**

71,124,000

24.31 (a) Of this amount, \$42,262,000 is for a grant
 24.32 to the city of Moorhead for environmental
 24.33 analysis, design, engineering, removal of an
 24.34 existing structure, and construction of a rail

- 25.1 grade crossing separation in the vicinity of
- 25.2 21st Street South.
- 25.3 (b) \$14,100,000 is for a grant to Anoka County
- 25.4 for environmental analysis, design,
- 25.5 engineering, removal of an existing structure,
- 25.6 and construction of a rail grade crossing
- 25.7 separation at Anoka County State-Aid
- 25.8 Highway 78, known as Hanson Boulevard, in
- 25.9 Coon Rapids. Any unspent portion of the
- 25.10 appropriation under this paragraph may be
- 25.11 used by Anoka County for design costs of
- 25.12 other rail crossings in Anoka County that are
- 25.13 on the commissioner's rail safety priority list.
- 25.14 (c) Of this amount, \$14,762,000 is for a grant
- 25.15 to the city of Red Wing for environmental
- 25.16 analysis, design, engineering, removal of an
- 25.17 existing structure, and construction of a rail
- 25.18 grade crossing separation at Sturgeon Lake
- 25.19 Road.
- 25.20 (d) Any unspent portion of this appropriation
- 25.21 after completion of a project in this
- 25.22 subdivision may be used for grants in
- 25.23 accordance with Minnesota Statutes, section
- 25.24 219.016.
- 25.25 **Subd. 5. Railroad Warning Devices** 1,000,000
- 25.26 To design, construct, and equip replacement
- 25.27 of active highway-rail grade warning devices
- 25.28 that have reached the end of their useful life.
- 25.29 **Subd. 6. Rail Service Improvement** 1,000,000
- 25.30 For rail service improvement grants under
- 25.31 Minnesota Statutes, section 222.50.
- 25.32 **Subd. 7. Minnesota Valley Regional Railroad**
- 25.33 **Authority** 4,000,000

26.1 For a grant to the Minnesota Valley Regional
 26.2 Rail Authority for the rehabilitation of a
 26.3 portion of the railroad track between Winthrop
 26.4 and Hanley Falls. The grant under this
 26.5 subdivision may also be used for any required
 26.6 environmental documentation and
 26.7 remediation, predesign, design, and
 26.8 rehabilitation or replacement of bridges with
 26.9 new bridges or culverts between Winthrop and
 26.10 Hanley Falls. A grant under this section is in
 26.11 addition to any grant, loan, or loan guarantee
 26.12 for this project made by the commissioner
 26.13 under Minnesota Statutes, sections 222.46 to
 26.14 222.62. This appropriation is in addition to
 26.15 the appropriations in Laws 2006, chapter 258,
 26.16 section 16, subdivision 6; Laws 2008, chapter
 26.17 179, section 16, subdivision 5; Laws 2009,
 26.18 chapter 93, article 1, section 11, subdivision
 26.19 4; Laws 2010, chapter 189, section 15,
 26.20 subdivision 5; and Laws 2015, First Special
 26.21 Session chapter 5, article 1, section 10,
 26.22 subdivision 4.

26.23 **Subd. 8. Hugo - Short Line Railway**

1,500,000

26.24 For a grant to Minnesota Commercial Railway
 26.25 for construction of repairs and other capital
 26.26 improvements to approximately 6.5 miles of
 26.27 railroad track described as that portion of the
 26.28 Minnesota Commercial Railway main running
 26.29 lead, between M & D Junction in White Bear
 26.30 Lake and the end of the track in Hugo. This
 26.31 appropriation must be used for the purposes
 26.32 set forth in the Minnesota Constitution, article
 26.33 XI, section 5, clause (i), to improve and
 26.34 rehabilitate railroad rights-of-way and other
 26.35 rail facilities, whether public or private. This

- 27.1 appropriation does not require a nonstate
- 27.2 match.
- 27.3 **Subd. 9. Port Development Assistance** 5,000,000
- 27.4 For grants under Minnesota Statutes, chapter
- 27.5 457A. Any improvements made with the
- 27.6 proceeds of these grants must be publicly
- 27.7 owned.
- 27.8 **Subd. 10. International Falls-Koochiching**
- 27.9 **County Airport Commission** 3,000,000
- 27.10 (a) For a grant to the International
- 27.11 Falls-Koochiching County Airport
- 27.12 Commission for the following improvements
- 27.13 to the Falls International Airport:
- 27.14 (1) demolition of the existing terminal
- 27.15 building;
- 27.16 (2) rehabilitation;
- 27.17 (3) site preparation, including utilities and civil
- 27.18 work;
- 27.19 (4) design, construction, furnishing, and
- 27.20 equipping Phase II of the new terminal
- 27.21 building, including a Transportation Safety
- 27.22 Administration office, weather office,
- 27.23 conference room, circulation corridor, airport
- 27.24 administration offices, United States Customs
- 27.25 and Border Protection storage rooms, offices,
- 27.26 restrooms, passenger-processing area,
- 27.27 wet-hold room, interview room, search room,
- 27.28 precustoms and postcustoms passenger waiting
- 27.29 areas, and vestibule; and
- 27.30 (5) associated appurtenances of a capital
- 27.31 nature.
- 27.32 (b) After completion of the improvements
- 27.33 under paragraph (a), any unspent money from

28.1 this appropriation may be used by the
 28.2 International Falls-Koochiching County
 28.3 Airport Commission for a commercial airline
 28.4 apron expansion project at the Falls
 28.5 International Airport.

28.6 (c) This appropriation does not require a
 28.7 nonstate contribution or match.

28.8 **Subd. 11. Grand Rapids - Pedestrian Bridge** 750,000

28.9 For a grant to the city of Grand Rapids to
 28.10 design the construction of a bridge over the
 28.11 Mississippi River for pedestrian and bicycle
 28.12 use to provide a safe alternative route to the
 28.13 existing marked Trunk Highway 169 vehicle
 28.14 bridge, and to serve as a connection to existing
 28.15 trail systems on each side of the river. This
 28.16 appropriation is not available until the
 28.17 commissioner determines that at least an equal
 28.18 amount has been committed to the project
 28.19 from nonstate sources.

28.20 **Subd. 12. Safe Routes to School** 1,000,000

28.21 For grants under Minnesota Statutes, section
 28.22 174.40.

28.23 **Subd. 13. Eden Prairie - Rail Grade Crossings** 1,400,000

28.24 For a grant to the city of Eden Prairie to (1)
 28.25 design, construct, and equip new passive and
 28.26 active rail grade crossing warning safety
 28.27 devices at existing and proposed highway-rail
 28.28 grade crossings, or (2) replace existing
 28.29 highway-rail grade crossings. Upon request
 28.30 by the city of Eden Prairie, the commissioner
 28.31 of transportation must provide reasonable
 28.32 technical assistance regarding highway-rail
 28.33 grade crossing project development and the
 28.34 establishment of rail quiet zones.

29.1	Sec. 16. <u>METROPOLITAN COUNCIL</u>		
29.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>45,044,000</u>
29.3	<u>To the Metropolitan Council for the purposes</u>		
29.4	<u>specified in this section.</u>		
29.5	<u>Subd. 2. Metropolitan Regional Parks and Trails</u>		
29.6	<u>Capital Improvements</u>		<u>5,000,000</u>
29.7	<u>For the cost of improvements and betterments</u>		
29.8	<u>of a capital nature and acquisition by the</u>		
29.9	<u>council and local government units of regional</u>		
29.10	<u>recreational open-space lands in accordance</u>		
29.11	<u>with the council's policy plan as provided in</u>		
29.12	<u>Minnesota Statutes, section 473.147. This</u>		
29.13	<u>appropriation must not be used to purchase</u>		
29.14	<u>easements.</u>		
29.15	<u>Subd. 3. Metropolitan Cities Inflow and</u>		
29.16	<u>Infiltration Grants</u>		<u>3,739,000</u>
29.17	<u>For grants to cities within the metropolitan</u>		
29.18	<u>area, as defined in Minnesota Statutes, section</u>		
29.19	<u>473.121, subdivision 2, for capital</u>		
29.20	<u>improvements in municipal wastewater</u>		
29.21	<u>collection systems to reduce the amount of</u>		
29.22	<u>inflow and infiltration to the Metropolitan</u>		
29.23	<u>Council's metropolitan sanitary sewer disposal</u>		
29.24	<u>system. Grants from this appropriation are for</u>		
29.25	<u>up to 50 percent of the cost to mitigate inflow</u>		
29.26	<u>and infiltration in the publicly owned</u>		
29.27	<u>municipal wastewater collection systems. To</u>		
29.28	<u>be eligible for a grant, a city must be identified</u>		
29.29	<u>by the council as a contributor of excessive</u>		
29.30	<u>inflow and infiltration in the metropolitan</u>		
29.31	<u>disposal system or have a measured flow rate</u>		
29.32	<u>within 20 percent of its allowable</u>		
29.33	<u>council-determined inflow and infiltration</u>		
29.34	<u>limits. The council must award grants based</u>		
29.35	<u>on applications from cities that identify</u>		

30.1 eligible capital costs and include a timeline
 30.2 for inflow and infiltration mitigation
 30.3 construction, pursuant to guidelines
 30.4 established by the council.

30.5 **Subd. 4. Metro Orange Line BRT** 12,100,000

30.6 Up to \$12,100,000, but an amount that is no
 30.7 more than ten percent of the total project cost,
 30.8 is for the Metropolitan Council, or for the
 30.9 Metropolitan Council to make grants to
 30.10 political subdivisions, for design, acquisition
 30.11 of right-of-way, engineering, and construction
 30.12 of capital improvements along the I-35W
 30.13 corridor for completion of the Metro Orange
 30.14 Bus Rapid Transit (BRT) Line.

30.15 **Subd. 5. Mall of America Station** 8,750,000

30.16 For design and construction of improvements
 30.17 to the Mall of America station on the Hiawatha
 30.18 Corridor light rail transit line, subject to
 30.19 Minnesota Statutes, section 16A.695. The
 30.20 Metropolitan Council must consult with the
 30.21 city of Bloomington throughout the design
 30.22 and construction process.

30.23 **Subd. 6. St. Paul - Como Zoo** 15,000,000

30.24 For a grant to the city of St. Paul for predesign,
 30.25 design, engineering, and construction of Phase
 30.26 I of the renovation of seal and sea lion habitat
 30.27 at the Como Zoo. The renovated habitat will
 30.28 support the zoo education programs. This
 30.29 appropriation is not available until the
 30.30 commissioner of management and budget
 30.31 determines that at least \$1,100,000 is
 30.32 committed to the project from nonstate
 30.33 sources.

31.1 Subd. 7. White Bear Lake Multiuse Trails 255,000

31.2 To develop a multiuse pedestrian and bicycle

31.3 path around White Bear Lake. Of this amount,

31.4 \$130,000 is for a grant to the city of White

31.5 Bear Lake to construct, furnish, and equip a

31.6 multiuse trail for pedestrians and bicycles on

31.7 Old White Bear Avenue between Lion's Park

31.8 and South Shore Boulevard/Hazel; \$38,000 is

31.9 for grants to the cities of Mahtomedi and

31.10 Dellwood for preliminary engineering of a

31.11 multiuse trail for pedestrians and bicycles near

31.12 White Bear Lake in the cities of Mahtomedi

31.13 and Dellwood to be located within the

31.14 right-of-way to marked Trunk Highway 244;

31.15 \$15,000 is for a grant to the city of Mahtomedi

31.16 for preliminary engineering for a multiuse trail

31.17 for pedestrians and bicycles near White Bear

31.18 Lake within the right-of-way to Birchwood

31.19 Road in the city of Mahtomedi and Hall

31.20 Avenue in the city of Birchwood; and \$50,000

31.21 is for a grant to Ramsey County for

31.22 preliminary engineering of a multiuse trail for

31.23 pedestrians and bicycles to South Shore

31.24 Boulevard between White Bear Avenue and

31.25 Trunk Highway 120.

31.26 Subd. 8. West St. Paul - River to River Regional

31.27 Greenway 200,000

31.28 For a grant to the city of West St. Paul to

31.29 predesign, design, and construct a grade

31.30 separated crossing of Robert Street in the area

31.31 near Wentworth Avenue in West St. Paul for

31.32 the River to River Regional Greenway. This

31.33 appropriation may also be used to acquire

31.34 property or purchase rights-of-way needed for

31.35 construction. This appropriation is in addition

31.36 to the appropriation in Laws 2014, chapter

32.1 294, article 1, section 17, subdivision 12, as
 32.2 amended by article 2.

32.3 **Sec. 17. HUMAN SERVICES**

32.4 **Subdivision 1. Total Appropriation** **\$ 100,365,000**

32.5 To the commissioner of administration, or
 32.6 another named agency, for the purposes
 32.7 specified in this section.

32.8 **Subd. 2. Minnesota Security Hospital - St. Peter** **70,255,000**

32.9 To complete design, remodel, construct,
 32.10 furnish, and equip the second phase of the
 32.11 two-phase project to remodel existing, and to
 32.12 develop new, residential, program, activity,
 32.13 and ancillary facilities for the Minnesota
 32.14 Security Hospital on the upper campus of the
 32.15 St. Peter Regional Treatment Center. This
 32.16 appropriation includes money to: demolish,
 32.17 renovate, and remodel existing space;
 32.18 construct new space; address fire and life
 32.19 safety, and other building code deficiencies;
 32.20 replace or renovate interior finishes; purchase
 32.21 furnishings, fixtures, and equipment; replace
 32.22 or renovate the Minnesota Security Hospital
 32.23 building's HVAC, plumbing, electrical,
 32.24 security, and life safety systems; tuck-point;
 32.25 replace windows and doors; design and abate
 32.26 asbestos and hazardous materials; and
 32.27 complete site work necessary to support the
 32.28 programmed use of the facilities on the St.
 32.29 Peter Regional Treatment Center upper
 32.30 campus.

32.31 **Subd. 3. Child and Adolescent Behavioral Health**
 32.32 **Services** **7,530,000**

32.33 (a) To predesign, design, construct, furnish,
 32.34 and equip a new community-based 16-bed

33.1 psychiatric hospital facility to house the Child
 33.2 and Adolescent Behavioral Health Services
 33.3 (CABHS) program to be located in or near the
 33.4 city of Willmar. This appropriation includes
 33.5 funds for land purchase, surveying, predesign
 33.6 and design fees, construction administration,
 33.7 project management, site work, site and
 33.8 building infrastructure, construction, and
 33.9 furniture, fixtures, and equipment.

33.10 (b) Notwithstanding any law to the contrary,
 33.11 the 16 hospital beds licensed to the CABHS's
 33.12 facility on January 1, 2017, by the Department
 33.13 of Health, may transfer to this new facility
 33.14 upon completion, and approved inspection by
 33.15 the Departments of Health and Human
 33.16 Services.

33.17 **Subd. 4. Anoka Metro Regional Treatment**
 33.18 **Center - Safety and Security Renovations**

2,250,000

33.19 To provide security upgrades of a capital
 33.20 nature at the Anoka Metro Regional Treatment
 33.21 Center campus, including but not limited to
 33.22 control centers, electronic monitoring and
 33.23 perimeter security equipment, new or updated
 33.24 security fencing, and other building security
 33.25 renovations. This appropriation includes
 33.26 money for: predesign, design, furnishing,
 33.27 fixtures, and equipment; construction of safety
 33.28 and security improvements to courtyards on
 33.29 residential treatment units; securely enclosing
 33.30 the nursing station on Unit G; and installing
 33.31 a campus-wide closed-circuit television video
 33.32 security system, a facility-wide personal
 33.33 duress alarm system, a key control system,
 33.34 and an electronic access control system.

33.35 **Subd. 5. Hennepin County - Regional Medical**
 33.36 **Examiner's Facility**

2,680,000

34.1 To the commissioner of human services for a
 34.2 grant to Hennepin County to design an
 34.3 approximately 67,000 square foot regional,
 34.4 state-of-the-art medical examiner's facility.
 34.5 The facility shall: (1) provide forensic death
 34.6 investigation and autopsy services for Dakota,
 34.7 Hennepin, and Scott Counties with the
 34.8 flexibility to accommodate future partner
 34.9 counties and agencies; (2) serve as a teaching
 34.10 facility for the state, on the science of forensic
 34.11 pathology; and (3) be sited on property located
 34.12 at 14300 County Road 62 in Minnetonka.

34.13 **Subd. 6. Perspectives Family Center**

600,000

34.14 From the general fund to the commissioner of
 34.15 human services for a grant to Perspectives,
 34.16 Inc. to predesign and design the expansion and
 34.17 renovation of the existing Perspectives Family
 34.18 Center facility in St. Louis Park. The expanded
 34.19 and renovated facility must be used to promote
 34.20 the public welfare by providing any or all of
 34.21 the following programs and services: (1)
 34.22 supportive housing programs for homeless
 34.23 women and their children; (2) mental and
 34.24 chemical health programs; (3) employment
 34.25 services; (4) academic, social skills, and
 34.26 nutritional programs for homeless and at-risk
 34.27 children; (5) an all-day therapeutic early
 34.28 childhood development program for homeless
 34.29 and at-risk children; and (6) a culturally
 34.30 sensitive safe and nurturing environment for
 34.31 at-risk children to meet with their
 34.32 nonresidential parents. This appropriation is
 34.33 not available until the commissioner of
 34.34 management and budget has determined that
 34.35 at least an equal amount has been expended
 34.36 or committed to the project from nonstate

35.1 sources. Nonstate money spent on the project
 35.2 since May 1, 2015, shall be included in the
 35.3 determination of nonstate commitments to the
 35.4 project.

35.5 **Subd. 7. St. Paul - Dorothy Day Opportunity**
 35.6 **Center**

12,000,000

35.7 To the commissioner of human services for a
 35.8 grant to the city of St. Paul to predesign,
 35.9 design, construct, furnish, and equip an
 35.10 opportunity center to serve as an integrated
 35.11 one-stop delivery system connecting persons
 35.12 at risk of becoming homeless, and persons
 35.13 working to move up and out of homelessness,
 35.14 and to provide services that improve their
 35.15 health, income, housing stability, or
 35.16 well-being, subject to Minnesota Statutes,
 35.17 section 16A.695. This appropriation may be
 35.18 used to acquire property for these purposes.
 35.19 This appropriation is not available until the
 35.20 commissioner of management and budget has
 35.21 determined that at least an equal amount has
 35.22 been committed to the project from nonstate
 35.23 sources. This appropriation is in addition to
 35.24 the appropriation in Laws 2014, chapter 294,
 35.25 article 1, section 18, subdivision 9.

35.26 **Subd. 8. Carver County - Regional Residential**
 35.27 **Crisis Stabilization Clinic**

1,250,000

35.28 To the commissioner of human services for a
 35.29 grant to Carver County to design, construct,
 35.30 furnish, and equip a facility in the city of
 35.31 Chaska to provide regional residential crisis
 35.32 stabilization services subject to Minnesota
 35.33 Statutes, section 16A.695. This appropriation
 35.34 shall be used for construction of a 12-bed
 35.35 facility in conjunction with the expansion of
 35.36 an existing hospital unit in Carver County, to

36.1 maximize the space available for more than
 36.2 12 crisis stabilization beds. The new facility
 36.3 shall provide acute stabilization for persons
 36.4 with a primary or secondary mental health
 36.5 diagnosis in lieu of inpatient psychiatric
 36.6 hospitalization and must be open to referrals
 36.7 from a hospital and freestanding emergency
 36.8 room in Carver County, a critical access
 36.9 hospital in Sibley County, and a critical access
 36.10 hospital in Le Sueur County.

36.11 **Subd. 9. Minneapolis - The Family Partnership** 1,600,000

36.12 From the general fund to the commissioner of
 36.13 human services for a grant to the Family
 36.14 Partnership in Minneapolis to predesign and
 36.15 design a facility to provide mental health, early
 36.16 childhood education, and other services to
 36.17 support children and families. This
 36.18 appropriation is not available until at least an
 36.19 equal amount of money is committed from
 36.20 nonstate sources.

36.21 **Subd. 10. Minneapolis - People's Center** 2,200,000

36.22 From the general fund to the commissioner of
 36.23 human services for a grant to the People's
 36.24 Center in Minneapolis to design, renovate,
 36.25 improve, construct, and equip a facility that
 36.26 provides medical, dental, mental health, and
 36.27 wellness services to all patients, regardless of
 36.28 their ability to pay. This appropriation is not
 36.29 available until the commissioner of
 36.30 management and budget confirms that an
 36.31 amount sufficient to complete the project has
 36.32 been committed from nonstate sources.

36.33 **Sec. 18. VETERANS AFFAIRS**

36.34 **Subdivision 1. Total Appropriation** **\$ 12,881,000**

- 37.1 To the commissioner of administration for the
- 37.2 purposes specified in this section.
- 37.3 **Subd. 2. Asset Preservation** 5,000,000
- 37.4 For asset preservation improvements and
- 37.5 betterments of a capital nature at the veterans
- 37.6 homes in Minneapolis, Hastings, Fergus Falls,
- 37.7 Silver Bay, and Luverne, to be spent in
- 37.8 accordance with Minnesota Statutes, section
- 37.9 16B.307.
- 37.10 **Subd. 3. Minneapolis Veterans Home Truss**
- 37.11 **Bridge Project** 7,851,000
- 37.12 To design, construct, renovate, and equip the
- 37.13 historic truss bridge on the Minneapolis
- 37.14 Veterans Home campus, including asbestos
- 37.15 and hazardous materials abatement and
- 37.16 associated site work.
- 37.17 **Subd. 4. Rice County Veterans Memorial** 30,000
- 37.18 For a grant to Rice County to complete the
- 37.19 Rice County Veterans Memorial on the
- 37.20 grounds of the Rice County Court House in
- 37.21 Faribault. Because approximately \$345,000
- 37.22 of nonstate money has been spent or
- 37.23 committed to the project before the enactment
- 37.24 of this appropriation, no further nonstate
- 37.25 contribution is required.
- 37.26 **Sec. 19. CORRECTIONS**
- 37.27 **Subdivision 1. Total Appropriation** \$ 39,600,000
- 37.28 To the commissioner of administration for the
- 37.29 purposes specified in this section.
- 37.30 **Subd. 2. Asset Preservation** 20,000,000
- 37.31 For asset preservation improvements and
- 37.32 betterments of a capital nature at Minnesota
- 37.33 correctional facilities statewide, to be spent in

38.1	<u>accordance with Minnesota Statutes, section</u>	
38.2	<u>16B.307.</u>	
38.3	<u>Subd. 3. Minnesota Correctional Facility - St.</u>	
38.4	<u>Cloud</u>	<u>19,000,000</u>
38.5	<u>To construct and equip a new intake unit and</u>	
38.6	<u>a loading dock with a secure connection to a</u>	
38.7	<u>new central warehouse at the St. Cloud</u>	
38.8	<u>correctional facility.</u>	
38.9	<u>Subd. 4. Northeast Regional Corrections Center</u>	<u>600,000</u>
38.10	<u>For a grant to the Arrowhead Regional</u>	
38.11	<u>Corrections Joint Powers Board to renovate,</u>	
38.12	<u>remodel, and complete other capital</u>	
38.13	<u>improvements to buildings that support</u>	
38.14	<u>vocational, educational, and farm work</u>	
38.15	<u>programming and experiences at the Northeast</u>	
38.16	<u>Regional Corrections Center. Nonstate</u>	
38.17	<u>contributions to improvements at the center</u>	
38.18	<u>made before or after the enactment of this</u>	
38.19	<u>subdivision are considered to be a sufficient</u>	
38.20	<u>match and no further nonstate contribution is</u>	
38.21	<u>required.</u>	
38.22	<u>Subd. 5. Unspent Appropriations</u>	
38.23	<u>The unspent portion of an appropriation for a</u>	
38.24	<u>Department of Corrections project in this</u>	
38.25	<u>section that is complete, upon written notice</u>	
38.26	<u>to the commissioner of management and</u>	
38.27	<u>budget, is available for asset preservation</u>	
38.28	<u>under Minnesota Statutes, section 16B.307.</u>	
38.29	<u>Minnesota Statutes, section 16A.642, applies</u>	
38.30	<u>from the date of the original appropriation to</u>	
38.31	<u>the unspent amount transferred.</u>	
38.32	<u>Sec. 20. EMPLOYMENT AND ECONOMIC</u>	
38.33	<u>DEVELOPMENT</u>	
38.34	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 101,402,000</u>

39.1	<u>To the commissioner of employment and</u>	
39.2	<u>economic development for the purposes</u>	
39.3	<u>specified in this section.</u>	
39.4	<u>Subd. 2. Asset Preservation</u>	<u>1,342,000</u>
39.5	<u>For asset preservation improvements and</u>	
39.6	<u>betterments of a capital nature at the South</u>	
39.7	<u>Minneapolis Workforce Center, to be spent in</u>	
39.8	<u>accordance with Minnesota Statutes, section</u>	
39.9	<u>16B.307.</u>	
39.10	<u>Subd. 3. Transportation Economic Development</u>	<u>3,500,000</u>
39.11	<u>For grants under Minnesota Statutes, section</u>	
39.12	<u>116J.436.</u>	
39.13	<u>Subd. 4. Greater Minnesota Business</u>	
39.14	<u>Development Public Infrastructure Grants</u>	<u>12,000,000</u>
39.15	<u>For grants under Minnesota Statutes, section</u>	
39.16	<u>116J.431.</u>	
39.17	<u>Subd. 5. Innovative Business Development Public</u>	
39.18	<u>Infrastructure Grants</u>	<u>1,158,000</u>
39.19	<u>For grants under Minnesota Statutes, section</u>	
39.20	<u>116J.435.</u>	
39.21	<u>Subd. 6. Chisago County - Law Enforcement</u>	
39.22	<u>and Emergency Operations Center</u>	<u>3,000,000</u>
39.23	<u>For a grant to Chisago County to predesign,</u>	
39.24	<u>design, construct, furnish, and equip a</u>	
39.25	<u>municipal complex that includes a law</u>	
39.26	<u>enforcement and emergency operations center,</u>	
39.27	<u>and related facilities and infrastructure, for</u>	
39.28	<u>interconnection to the county emergency</u>	
39.29	<u>communications center. This appropriation is</u>	
39.30	<u>not available until the commissioner has</u>	
39.31	<u>determined that at least an equal amount has</u>	
39.32	<u>been committed to the project from nonstate</u>	
39.33	<u>sources. Amounts expended by Chisago</u>	
39.34	<u>County for project costs since July 1, 2015,</u>	
39.35	<u>shall count toward the matching requirement.</u>	

40.1 Subd. 7. **Duluth - Steam Plant** 15,000,000

40.2 The commissioner of management and budget

40.3 shall determine the balance remaining in the

40.4 renewable development account in the special

40.5 revenue fund established in 2017 S.F. No.

40.6 1456, article 10, section 3, if enacted, after all

40.7 appropriations are made from the account in

40.8 2017 S.F. No. 1456. Notwithstanding any law

40.9 to the contrary, the balance determined by the

40.10 commissioner, in an amount not to exceed

40.11 \$15,000,000, is appropriated to the

40.12 commissioner of employment and economic

40.13 development in fiscal year 2018 for a grant to

40.14 the city of Duluth to upgrade the municipal

40.15 district heating facility and systems, including

40.16 conversion of the distribution system along

40.17 Superior Street from steam with no condensate

40.18 return to closed-loop hot water. This

40.19 appropriation (1) may be used for one or more

40.20 of the project elements or phases: predesign,

40.21 design, engineering, renovation, construction,

40.22 furnishing, and equipping the facility, systems,

40.23 and infrastructure; and (2) is available until

40.24 expended.

40.25 Subd. 8. **Eagle Bend High School** 1,500,000

40.26 For a grant to Independent School District No.

40.27 786, Bertha-Hewitt, or other independent

40.28 school district to which that portion of the

40.29 territory of former Independent School District

40.30 No. 2759, Eagle Valley, containing the Eagle

40.31 Bend school is attached by action of the Todd

40.32 County Board, to prepare and develop the

40.33 Eagle Bend High School building site,

40.34 including demolition of buildings and

40.35 infrastructure, to remove life safety hazards

- 41.1 and to facilitate the redevelopment and reuse
- 41.2 of the site. This appropriation does not require
- 41.3 a nonstate contribution.
- 41.4 **Subd. 9. Eagle's Healing Nest** 500,000
- 41.5 From the general fund for a grant to Eagle's
- 41.6 Healing Nest in Sauk Centre.
- 41.7 **Subd. 10. Hennepin County - Hennepin Center**
- 41.8 **for the Arts** 3,000,000
- 41.9 From the general fund for a grant to Hennepin
- 41.10 County for improvements and betterments of
- 41.11 a capital nature to renovate the historic
- 41.12 Hennepin Center for the Arts. This
- 41.13 appropriation is not available until the
- 41.14 commissioner of management and budget
- 41.15 determines that an amount sufficient to
- 41.16 complete the project has been committed from
- 41.17 nonstate sources.
- 41.18 **Subd. 11. Hermantown - Arrowhead Regional**
- 41.19 **Health and Wellness Center** 8,000,000
- 41.20 For a grant to the city of Hermantown to
- 41.21 prepare the middle school site on the
- 41.22 Hermantown School District campus,
- 41.23 including demolition of a portion of the middle
- 41.24 school, and to design, construct a new addition
- 41.25 to the middle school building and renovate the
- 41.26 remaining existing building, furnish, and equip
- 41.27 the facility as the Arrowhead Regional Health
- 41.28 and Wellness Center. The city may enter into
- 41.29 lease or management agreements under
- 41.30 Minnesota Statutes, section 16A.695, for
- 41.31 operation of the center. This appropriation is
- 41.32 not available until at least an equal amount is
- 41.33 committed to the project from nonstate
- 41.34 sources.
- 41.35 **Subd. 12. LaSalle - Community Center and Fire**
- 41.36 **Hall** 100,000

42.1 For a grant to the city of La Salle for
 42.2 renovations to the community center and fire
 42.3 hall in the city of LaSalle, including replacing
 42.4 and resurfacing the roof and renovating the
 42.5 interior of the building. This appropriation
 42.6 may also be used to renovate a furnace room
 42.7 in the community center and fire hall to
 42.8 accommodate the city generator and to replace
 42.9 carpet and tile. No local match is required.

42.10 **Subd. 13. Litchfield - Phase 2 Power Generation**
 42.11 **Improvements**

4,000,000

42.12 For a grant to the city of Litchfield to design
 42.13 and construct electrical generation
 42.14 improvements in the city of Litchfield to
 42.15 expand the current standby capacity. This
 42.16 appropriation is not available until the
 42.17 commissioner of management and budget
 42.18 determines that at least an equal amount is
 42.19 committed to the project from nonstate
 42.20 sources.

42.21 **Subd. 14. Minneapolis - Pioneers and Soldiers**
 42.22 **Cemetery Restoration**

1,029,000

42.23 For a grant to the city of Minneapolis to
 42.24 restore the historic steel and limestone pillar
 42.25 fence along Cedar Avenue and Lake Street,
 42.26 install a new steel fence and pillars along 21st
 42.27 Avenue South, and install a waterproofing
 42.28 system for preservation of the fence and
 42.29 pillars, at the Pioneer and Soldiers Cemetery.
 42.30 This appropriation does not require a nonstate
 42.31 contribution.

42.32 **Subd. 15. Minneapolis - Norway House**

5,000,000

42.33 For a grant to the city of Minneapolis to
 42.34 acquire land and predesign, design, construct,
 42.35 furnish, and equip a conference and event

- 43.1 center at 913 East Franklin Avenue and
- 43.2 adjacent property in Minneapolis to celebrate
- 43.3 the culture of Norway and American
- 43.4 Norwegians, subject to Minnesota Statutes,
- 43.5 section 16A.695. This appropriation is not
- 43.6 available until the commissioner of
- 43.7 management and budget determines that an
- 43.8 amount sufficient to complete the project is
- 43.9 committed from nonstate sources.
- 43.10 **Subd. 16. Minneapolis American Indian Center** 155,000
- 43.11 From the general fund for a grant to the
- 43.12 Minneapolis American Indian Center to
- 43.13 predesign the renovation of the center on
- 43.14 Franklin Avenue, taking into account and
- 43.15 protecting the significant and unique art and
- 43.16 features of the center.
- 43.17 **Subd. 17. Mountain Iron - Enterprise Drive**
- 43.18 **North** 400,000
- 43.19 For a grant to the city of Mountain Iron for its
- 43.20 share of the cost of improvements to
- 43.21 Enterprise Drive North where this road
- 43.22 intersects marked U.S. Highway 169 in
- 43.23 Mountain Iron. This project is due to and will
- 43.24 be done in conjunction with the reconstruction
- 43.25 of marked U.S. Highway 169.
- 43.26 **Subd. 18. Red Wing - River Town Renaissance** 4,400,000
- 43.27 For a grant to the city of Red Wing to
- 43.28 complete removal and replacement of 250
- 43.29 linear feet of the harbor retaining wall; to
- 43.30 design, construct, furnish, and equip the
- 43.31 renovation of the historic T.B. Sheldon
- 43.32 Performing Arts Theater; and to design and
- 43.33 construct transient riverboat docking facilities,
- 43.34 levee wall extension, and levee promenade
- 43.35 improvements at Levee Park. This

44.1 appropriation is not available until the
 44.2 commissioner of management and budget
 44.3 determines that an amount sufficient to
 44.4 complete the project has been committed from
 44.5 nonstate sources.

44.6 **Subd. 19. St. James - Public Infrastructure** 5,943,000

44.7 For a grant to the city of St. James. Of this
 44.8 amount, \$2,193,000 is for engineering,
 44.9 right-of-way acquisition, and reconstruction
 44.10 of streets, sidewalks, storm water and sanitary
 44.11 sewer, water mains, lighting, utilities, and
 44.12 other capital improvements of publicly owned
 44.13 infrastructure required for the reconstruction
 44.14 of marked Trunk Highway 4 in the city of St.
 44.15 James, \$1,250,000 is for replacement of the
 44.16 storm sewer drain that serves St. James Lake
 44.17 and the entire southern section of the city of
 44.18 St. James, and \$2,500,000 is to design,
 44.19 engineer, and construct and install larger storm
 44.20 sewers and a storm water retention pond.

44.21 **Subd. 20. St. Paul - Science Museum of**
 44.22 **Minnesota Building Preservation** 13,000,000

44.23 For a grant to the city of St. Paul for predesign,
 44.24 design, and construction work to replace
 44.25 water-damaged elements of the Science
 44.26 Museum of Minnesota's exterior envelope and
 44.27 some resultant interior damage caused by
 44.28 latent design and construction defects, subject
 44.29 to Minnesota Statutes, section 16A.695. This
 44.30 appropriation is not available until the
 44.31 commissioner of management and budget
 44.32 determines that an equal amount has been
 44.33 committed to the project from nonstate
 44.34 sources. Capital costs paid by the Science
 44.35 Museum of Minnesota since January 1, 2014,

45.1 relating to the water intrusion damage, shall
 45.2 count towards the match requirement.

45.3 Subd. 21. **St. Paul - Minnesota Museum of**
 45.4 **American Art** 6,000,000

45.5 For a grant to the St. Paul Port Authority to
 45.6 design, construct, furnish, and equip new
 45.7 museum galleries and an art study facility for
 45.8 the Minnesota Museum of American Art. This
 45.9 facility provides space to celebrate the legacy
 45.10 of Minnesota art and artists and is part of the
 45.11 restoration of the historic Pioneer Endicott
 45.12 Building, and a part of a multiphase project,
 45.13 of which only the museum galleries and art
 45.14 study facility constructed with this
 45.15 appropriation shall be state bond financed
 45.16 property subject to Minnesota Statutes, section
 45.17 16A.695. This appropriation is not available
 45.18 until the commissioner of management and
 45.19 budget has determined that:

45.20 (1) at least an amount equal to this
 45.21 appropriation has been committed or
 45.22 previously expended for design, construction,
 45.23 and furnishing of the adjacent Minnesota
 45.24 Museum of American Art Center for
 45.25 Creativity facilities, which are not subject to
 45.26 Minnesota Statutes, section 16A.695, with
 45.27 funds from nonstate sources; and

45.28 (2) sufficient other state and nonstate funds
 45.29 are available, if funds beyond this
 45.30 appropriation are required, to complete the
 45.31 museum galleries and art study facility.

45.32 Funds invested in the Minnesota Museum of
 45.33 American Art Center for Creativity facilities
 45.34 by an investor receiving an assignment of state
 45.35 historic tax credits as provided in Minnesota

46.1 Statutes, section 290.0681, are nonstate funds
 46.2 for purposes of this requirement. Only
 46.3 expenditures made after January 1, 2012, shall
 46.4 qualify for the required match. Due to the
 46.5 integrated nature of the overall development,
 46.6 public bidding shall not be required.

46.7 **Subd. 22. Virginia - Miner's Memorial Building** 12,000,000

46.8 For a grant to the city of Virginia for phase I
 46.9 of the renovation and reconstruction of the
 46.10 Miner's Memorial Building in Virginia. This
 46.11 appropriation is not available until the
 46.12 commissioner of management and budget
 46.13 determines an amount has been committed to
 46.14 complete the project from nonstate sources.

46.15 **Subd. 23. Waseca - Tink Larson Field** 375,000

46.16 For a grant to the city of Waseca for
 46.17 construction of a new grandstand and athletic
 46.18 facilities at Tink Larson Field, due to losses
 46.19 incurred during a 2016 fire. Money raised for
 46.20 this project and insurance proceeds received
 46.21 for the fire loss satisfy the local match
 46.22 requirement.

46.23 **Sec. 21. PUBLIC FACILITIES AUTHORITY**

46.24 **Subdivision 1. Total Appropriation** **\$ 116,888,000**

46.25 To the Public Facilities Authority for the
 46.26 purposes specified in this section. The Public
 46.27 Facilities Authority may use the funds in this
 46.28 section or other available funds to amend
 46.29 project financing agreements awarded after
 46.30 July 1, 2016, based on program changes to
 46.31 Minnesota Statutes, sections 446A.072 and
 46.32 446A.073, in article 2 of this act.

46.33 **Subd. 2. State Match for Federal Grants** 17,000,000

47.1 To match federal grants for the clean water
 47.2 revolving fund under Minnesota Statutes,
 47.3 section 446A.07, and the drinking water
 47.4 revolving fund under Minnesota Statutes,
 47.5 section 446A.081. This appropriation must be
 47.6 used for qualified capital projects.

47.7 **Subd. 3. Water Infrastructure Funding Program** **55,000,000**

47.8 (a) For grants to eligible municipalities under
 47.9 the water infrastructure funding program under
 47.10 Minnesota Statutes, section 446A.072.

47.11 (b) \$40,000,000 is for wastewater projects
 47.12 listed on the Pollution Control Agency's
 47.13 project priority list in the fundable range under
 47.14 the clean water revolving fund program.

47.15 (c) \$15,000,000 is for drinking water projects
 47.16 listed on the commissioner of health's project
 47.17 priority list in the fundable range under the
 47.18 drinking water revolving fund program.

47.19 (d) After all eligible projects under paragraph
 47.20 (b) or (c) have been funded, the Public
 47.21 Facilities Authority may transfer any
 47.22 remaining, uncommitted money to eligible
 47.23 projects under a program defined in paragraph
 47.24 (b) or (c) based on that program's project
 47.25 priority list.

47.26 (e) Notwithstanding Minnesota Statutes,
 47.27 section 446A.072, subdivision 5a, paragraph
 47.28 (b), the Western Lake Superior Sanitary
 47.29 District is eligible for a grant to predesign,
 47.30 design, construct, furnish, and equip a
 47.31 combined heat and power system.

47.32 **Subd. 4. Point Source Implementation Grants**
 47.33 **Program** **33,737,000**

48.1 For grants to eligible municipalities under the
 48.2 point source implementation grants program
 48.3 under Minnesota Statutes, section 446A.073.
 48.4 This appropriation must be used for qualified
 48.5 capital projects.

48.6 Notwithstanding the limitations on grants in
 48.7 Minnesota Statutes, section 446A.073,
 48.8 subdivision 1, the city of Detroit Lakes is
 48.9 eligible to receive a grant for up to 80 percent
 48.10 of eligible project costs of the city's
 48.11 wastewater treatment facility phosphorus
 48.12 removal project.

48.13 **Subd. 5. Big Lake Area Sanitary District - Sewer**
 48.14 **System and Force Main**

1,200,000

48.15 For a grant to the Big Lake Area Sanitary
 48.16 District to construct a pressure sewer system
 48.17 and force main to convey sewage to the
 48.18 Western Lake Superior Sanitary District
 48.19 connection in the city of Cloquet. This
 48.20 appropriation is not available until the
 48.21 commissioner of management and budget
 48.22 determines that an equal amount is committed
 48.23 from nonstate sources. This appropriation is
 48.24 in addition to the appropriation in Laws 2014,
 48.25 chapter 294, article 1, section 22, subdivision
 48.26 4.

48.27 **Subd. 6. Clearbrook - Infrastructure Restoration**

850,000

48.28 For a grant to the city of Clearbrook to
 48.29 predesign, design, engineer, and construct
 48.30 public infrastructure improvements
 48.31 necessitated by the city's water and wastewater
 48.32 improvements, including street, curb, and
 48.33 boulevard restoration. This appropriation does
 48.34 not require a nonstate contribution.

49.1	<u>Subd. 7. Clear Lake and Clearwater -</u>	
49.2	<u>Wastewater Treatment Facility</u>	<u>300,000</u>
49.3	<u>For a grant to the Clear Lake-Clearwater</u>	
49.4	<u>Sewer Authority to remove and replace the</u>	
49.5	<u>existing wastewater treatment facility. This</u>	
49.6	<u>project is intended to prevent the discharge of</u>	
49.7	<u>phosphorus into the Mississippi River. This</u>	
49.8	<u>appropriation is not available until the</u>	
49.9	<u>commissioner of management and budget</u>	
49.10	<u>determines that at least \$200,000 is committed</u>	
49.11	<u>to the project from nonstate sources and the</u>	
49.12	<u>authority has applied for at least two grants to</u>	
49.13	<u>offset the cost. Any money received by the</u>	
49.14	<u>authority from grants must be returned to the</u>	
49.15	<u>general fund and are appropriated to the Public</u>	
49.16	<u>Facilities Authority for the purposes specified</u>	
49.17	<u>in Minnesota Statutes, section 446A.072, and</u>	
49.18	<u>subject to Minnesota Statutes, section</u>	
49.19	<u>16A.642, from the date of the original</u>	
49.20	<u>appropriation.</u>	
49.21	<u>Subd. 8. Dennison - Sewage Treatment System</u>	
49.22	<u>Improvements</u>	<u>726,000</u>
49.23	<u>For a grant to the city of Dennison to</u>	
49.24	<u>predesign, design, and construct a new lift</u>	
49.25	<u>station and make sewage pond improvements.</u>	
49.26	<u>This appropriation does not require a nonstate</u>	
49.27	<u>contribution.</u>	
49.28	<u>Subd. 9. East Grand Forks - Wastewater</u>	
49.29	<u>Interconnection Infrastructure</u>	<u>5,300,000</u>
49.30	<u>For a grant to the city of East Grand Forks to</u>	
49.31	<u>design and construct wastewater infrastructure</u>	
49.32	<u>improvements interconnecting the wastewater</u>	
49.33	<u>system of East Grand Forks to the wastewater</u>	
49.34	<u>treatment system in Grand Forks, North</u>	
49.35	<u>Dakota, and to design and construct the</u>	
49.36	<u>decommissioning of the wastewater</u>	

50.1 stabilization ponds in East Grand Forks,
 50.2 Minnesota. This appropriation may not be used
 50.3 for improvements outside the state. This
 50.4 appropriation is in addition to grants under
 50.5 Minnesota Statutes, section 446A.072. A
 50.6 nonstate match is not required.

50.7 **Subd. 10. Lilydale - Highway 13 Storm Water**
 50.8 **Conveyance**

275,000

50.9 From the general fund for a grant to the city
 50.10 of Lilydale to design, acquire, construct, and
 50.11 install a storm water sewer and drop structure
 50.12 along Trunk Highway 13 in Lilydale that will
 50.13 be large enough to effectively collect water
 50.14 from springs and storm water runoff from
 50.15 above the road and safely convey the water to
 50.16 below the bluff. The city must coordinate this
 50.17 project with the Department of
 50.18 Transportation's Trunk Highway 13 project.
 50.19 The appropriation and project also include
 50.20 capital repairs and improvements to existing
 50.21 drainage structures along the Big Rivers
 50.22 Regional Trail at the base of the bluff. This
 50.23 appropriation may be used in part or in whole
 50.24 to reimburse the city for project costs already
 50.25 paid for and does not require a nonstate
 50.26 contribution.

50.27 **Subd. 11. Koochiching County - Voyageurs**
 50.28 **National Park Clean Water Project**

2,000,000

50.29 (a) For a grant to Koochiching County to
 50.30 acquire land or interests in land, and to design,
 50.31 engineer, construct, and equip sanitary sewage
 50.32 systems and facilities to implement a portion
 50.33 or portions of the Voyageurs National Park
 50.34 clean water project comprehensive plan. This
 50.35 appropriation is available after the
 50.36 commissioner of management and budget

51.1 determines that \$4,500,000 is committed from
51.2 nonstate sources.

51.3 (b) This appropriation is in addition to the
51.4 appropriation in Laws 2014, chapter 294,
51.5 article 1, section 22, subdivision 7.

51.6 Notwithstanding the match requirement in
51.7 Laws 2014, chapter 294, article 1, section 22,
51.8 subdivision 7, the nonstate match required for
51.9 this appropriation and the 2014 appropriation
51.10 for a grant to Koochiching County is 25
51.11 percent of the state grant amounts. Any money
51.12 remaining from this appropriation after
51.13 completion of the projects in paragraph (a) is
51.14 available for grants to Koochiching or St.
51.15 Louis County to be used for other capital
51.16 projects described in the comprehensive plan
51.17 and as determined by the Voyageurs National
51.18 Park Clean Water Joint Powers Board.

51.19 **Subd. 12. Oronoco - Wastewater Collection and**
51.20 **Treatment Facilities**

500,000

51.21 From the general fund for a grant to the city
51.22 of Oronoco to commission a study to evaluate
51.23 options for solving the wastewater
51.24 infrastructure needs for the region including
51.25 the city of Oronoco, the city of Pine Island, or
51.26 the city of Rochester. This appropriation does
51.27 not require a nonstate match.

51.28 **Sec. 22. MINNESOTA HOUSING FINANCE**
51.29 **AGENCY**

\$ 10,000,000

51.30 For transfer to the housing development fund
51.31 to finance the costs of rehabilitation to
51.32 preserve public housing under Minnesota
51.33 Statutes, section 462A.202, subdivision 3a.
51.34 For purposes of this section, "public housing"
51.35 means housing for low-income persons and

52.1 households financed by the federal
 52.2 government and owned and operated by the
 52.3 public housing authorities and agencies formed
 52.4 by cities and counties. Public housing
 52.5 authorities receiving a public housing
 52.6 assessment composite score of 80 or above or
 52.7 an equivalent designation are eligible to
 52.8 receive funding. Priority must be given to
 52.9 proposals that maximize federal or local
 52.10 resources to finance the capital costs. The
 52.11 priority in Minnesota Statutes, section
 52.12 462A.202, subdivision 3a, for projects to
 52.13 increase the supply of affordable housing and
 52.14 the restrictions of Minnesota Statutes, section
 52.15 462A.202, subdivision 7, do not apply to this
 52.16 appropriation.

52.17 **Sec. 23. MINNESOTA HISTORICAL**
 52.18 **SOCIETY**

52.19 **Subdivision 1. Total Appropriation** **\$ 6,500,000**

52.20 To the Minnesota Historical Society for the
 52.21 purposes specified in this section.

52.22 **Subd. 2. Historic Sites Asset Preservation** **2,500,000**

52.23 For capital improvements and betterments at
 52.24 state historic sites, buildings, landscaping at
 52.25 historic buildings, exhibits, markers, and
 52.26 monuments, to be spent in accordance with
 52.27 Minnesota Statutes, section 16B.307. The
 52.28 society shall determine project priorities as
 52.29 appropriate based on need.

52.30 **Subd. 3. Historic Fort Snelling** **4,000,000**

52.31 To design facilities to support visitor services
 52.32 and history programs at Historic Fort Snelling.

52.33 **Sec. 24. BOND SALE EXPENSES** **\$ 1,039,000**

53.1 To the commissioner of management and
53.2 budget for bond sale expenses under
53.3 Minnesota Statutes, section 16A.641,
53.4 subdivision 8.

53.5 Sec. 25. **BOND SALE AUTHORIZATION.**

53.6 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from
53.7 the bond proceeds fund, the commissioner of management and budget shall sell and issue
53.8 bonds of the state in an amount up to \$873,366,000 in the manner, upon the terms, and with
53.9 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
53.10 Minnesota Constitution, article XI, sections 4 to 7.

53.11 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the
53.12 state transportation fund, the commissioner of management and budget shall sell and issue
53.13 bonds of the state in an amount up to \$165,144,000 in the manner, upon the terms, and with
53.14 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
53.15 Minnesota Constitution, article XI, sections 4 to 7.

53.16 Sec. 26. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

53.17 (a) The remaining uncommitted appropriations from the bond proceeds fund in Laws
53.18 1990, chapter 610, are canceled and the bond sale authorization in Laws 1990, chapter 610,
53.19 article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

53.20 (b) The remaining uncommitted appropriations from the bond proceeds fund in Laws
53.21 1994, chapter 643, are canceled and the bond sale authorization in Laws 1994, chapter 643,
53.22 section 31, subdivision 1, as amended, is reduced by \$24,480.

53.23 (c) The remaining uncommitted appropriations from the bond proceeds fund in Laws
53.24 1997, Second Special Session chapter 2, are canceled and the bond sale authorization in
53.25 Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by \$96,992.

53.26 (d) The remaining uncommitted appropriations from the bond proceeds fund in Laws
53.27 1999, chapter 240, are canceled and the bond sale authorization in Laws 1999, chapter 240,
53.28 article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

53.29 (e) The remaining uncommitted appropriations from the bond proceeds fund in Laws
53.30 2000, chapter 492, are canceled and the bond sale authorization in Laws 2000, chapter 492,
53.31 article 1, section 26, subdivision 1, as amended, is reduced by \$7,933,538.

54.1 (f) The remaining uncommitted appropriations from the bond proceeds fund in Laws
54.2 2002, chapter 393, are canceled and the bond sale authorization in Laws 2002, chapter 393,
54.3 section 30, subdivision 1, as amended, is reduced by \$188,471.

54.4 (g) The remaining uncommitted appropriations from the bond proceeds fund in Laws
54.5 2002, First Special Session chapter 1, are canceled and the bond sale authorization in Laws
54.6 2002, First Special Session chapter 1, section 9, subdivision 1, is reduced by \$217,959.

54.7 (h) The remaining uncommitted appropriations from the trunk highway bond proceeds
54.8 fund in Laws 2003, First Special Session chapter 19, article 3, are canceled and the bond
54.9 sale authorization in Laws 2003, First Special Session chapter 19, article 3, section 2, is
54.10 reduced by \$201,530.

54.11 (i) The remaining uncommitted appropriations from the trunk highway bond proceeds
54.12 fund in Laws 2003, First Special Session chapter 19, article 4, are canceled and the bond
54.13 sale authorization in Laws 2003, First Special Session chapter 19, article 4, section 4, is
54.14 reduced by \$326,534.

54.15 (j) The remaining uncommitted appropriations from the bond proceeds fund in Laws
54.16 2005, chapter 20, are canceled and the bond sale authorization in Laws 2005, chapter 20,
54.17 article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

54.18 (k) The \$300,000 appropriation from the general fund in Laws 2015, First Special Session
54.19 chapter 5, article 1, section 14, subdivision 4, for Eagle's Healing Nest is canceled.

54.20 (l) The uncommitted and unobligated amount of the appropriation from the bond proceeds
54.21 fund in Laws 2014, chapter 294, article 1, section 18, subdivision 8, for the Arrowhead
54.22 Economic Opportunity Agency and Range Mental Health Center, estimated to be \$1,200,000,
54.23 is canceled, and the bond sale authorization in Laws 2014, chapter 294, article 1, section
54.24 26, subdivision 1, is reduced by the same amount.

54.25 (m) The amounts of the general obligation bond proceeds appropriations, general fund
54.26 appropriations, and trunk highway bond proceeds appropriations listed in the cancellation
54.27 report submitted to the legislature in January 2017, pursuant to Minnesota Statutes, section
54.28 16A.642, are canceled on the effective date of this section, with the exception of the
54.29 cancellation of Laws 2006, chapter 258, section 18, subdivision 6, as amended by Laws
54.30 2013, chapter 136, section 13, that is reauthorized in article 2, section 24, of this act. The
54.31 corresponding bond sale authorizations are reduced by the same amounts. If an appropriation
54.32 in this section is canceled more than once, the cancellation must be given effect only once.

55.1 Sec. 27. **BOND SALE SCHEDULE.**

55.2 The commissioner of management and budget shall schedule the sale of state general
55.3 obligation bonds so that, during the biennium ending June 30, 2019, no more than
55.4 \$1,555,301,000 will need to be transferred from the general fund to the state bond fund to
55.5 pay principal and interest due and to become due on outstanding state general obligation
55.6 bonds. During the biennium, before each sale of state general obligation bonds, the
55.7 commissioner of management and budget shall calculate the amount of debt service payments
55.8 needed on bonds previously issued and shall estimate the amount of debt service payments
55.9 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the
55.10 amount of bonds scheduled to be sold so as to remain within the limit set by this section.
55.11 The amount needed to make the debt service payments is appropriated from the general
55.12 fund as provided in Minnesota Statutes, section 16A.641.

55.13 Sec. 28. **EFFECTIVE DATE.**

55.14 Except as otherwise provided, this article is effective the day following final enactment.

55.15 **ARTICLE 2**55.16 **MISCELLANEOUS**

55.17 Section 1. Minnesota Statutes 2016, section 15B.32, subdivision 4, is amended to read:

55.18 Subd. 4. **Officers and meetings.** (a) The governor is the chair of the commission. The
55.19 lieutenant governor is the vice-chair of the commission and may act as the chair of the
55.20 commission in the absence of the governor. The governor may designate a staff member to
55.21 attend commission meetings and vote on the governor's behalf in the absence of the governor.

55.22 (b) The commission shall meet at least ~~quarterly~~ annually and at other times at the call
55.23 of the chair. Meetings of the commission are subject to chapter 13D.

55.24 Sec. 2. Minnesota Statutes 2016, section 16A.967, is amended to read:

55.25 **16A.967 LEWIS AND CLARK APPROPRIATION BONDS.**

55.26 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

55.27 (b) "Appropriation bond" or "bond" means a bond, note, or other similar instrument of
55.28 the state payable during a biennium from one or more of the following sources:

56.1 (1) money appropriated by law from the general fund in any biennium for debt service
 56.2 due with respect to obligations described in ~~subdivision 2, paragraph (e)~~ subdivisions 2a
 56.3 and 2b;

56.4 (2) proceeds of the sale of obligations described in ~~subdivision 2, paragraph (e)~~
 56.5 subdivisions 2a and 2b;

56.6 (3) payments received for that purpose under agreements and ancillary arrangements
 56.7 described in subdivision 2, paragraph ~~(e)~~ (d); and

56.8 (4) investment earnings on amounts in clauses (1) to (3).

56.9 (c) "Debt service" means the amount payable in any biennium of principal, premium, if
 56.10 any, and interest on appropriation bonds.

56.11 **Subd. 2. Authorization to issue appropriation bonds.** (a) Subject to the limitations of
 56.12 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
 56.13 this section for public purposes as provided by law, ~~including, in particular, the financing~~
 56.14 ~~of the land acquisition, design, engineering, and construction of facilities and infrastructure~~
 56.15 ~~necessary to complete the next phase of the Lewis and Clark Regional Water System project,~~
 56.16 ~~including completion of the pipeline to Magnolia, extension of the project to the~~
 56.17 ~~Lincoln Pipestone Rural Water System connection near Adrian, and engineering, design,~~
 56.18 ~~and easement acquisition for the final phase of the project to Worthington. No bonds shall~~
 56.19 ~~be sold until the commissioner determines that a nonstate match of at least \$9,000,000 is~~
 56.20 ~~committed to this project phase.~~ Grant agreements entered into under this section must
 56.21 provide for reimbursement to the state from any federal money provided for the project,
 56.22 consistent with the Lewis and Clark Regional Water System, Inc., agreement.

56.23 (b) The appropriation bonds may be issued and sold only after the commissioner
 56.24 determines that the construction and administration for work done on the project will comply
 56.25 with (1) all federal requirements and regulations associated with the Lewis and Clark Rural
 56.26 Water System Act of 2000, and (2) the cooperative agreement between the United States
 56.27 Department of the Interior and the Lewis and Clark Regional Water System, Inc. Proceeds
 56.28 of the appropriation bonds must be credited to a special appropriation Lewis and Clark bond
 56.29 proceeds fund in the state treasury. All income from investment of the bond proceeds, as
 56.30 estimated by the commissioner, is appropriated to the commissioner for the payment of
 56.31 principal and interest on the appropriation bonds.

56.32 ~~(c) Appropriation bonds may be sold and issued in amounts that, in the opinion of the~~
 56.33 ~~commissioner, are necessary to provide sufficient money, not to exceed \$19,000,000 net of~~
 56.34 ~~costs of issuance, for the purposes as provided under paragraph (a), and pay debt service~~

57.1 ~~including capitalized interest, costs of issuance, costs of credit enhancement, or make~~
 57.2 ~~payments under other agreements entered into under paragraph (e).~~

57.3 ~~(d)~~ (c) Appropriation bonds may be issued in one or more issues or series on the terms
 57.4 and conditions the commissioner determines to be in the best interests of the state, but the
 57.5 term on any series of appropriation bonds may not exceed 25 years. The appropriation bonds
 57.6 of each issue and series thereof shall be dated and bear interest, and may be includable in
 57.7 or excludable from the gross income of the owners for federal income tax purposes.

57.8 ~~(e)~~ (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any
 57.9 time thereafter, so long as the appropriation bonds are outstanding, the commissioner may
 57.10 enter into agreements and ancillary arrangements relating to the appropriation bonds,
 57.11 including but not limited to trust indentures, grant agreements, lease or use agreements,
 57.12 operating agreements, management agreements, liquidity facilities, remarketing or dealer
 57.13 agreements, letter of credit agreements, insurance policies, guaranty agreements,
 57.14 reimbursement agreements, indexing agreements, or interest exchange agreements. Any
 57.15 payments made or received according to the agreement or ancillary arrangement shall be
 57.16 made from or deposited as provided in the agreement or ancillary arrangement. The
 57.17 determination of the commissioner included in an interest exchange agreement that the
 57.18 agreement relates to an appropriation bond shall be conclusive.

57.19 ~~(f)~~ (e) The commissioner may enter into written agreements or contracts relating to the
 57.20 continuing disclosure of information necessary to comply with or facilitate the issuance of
 57.21 appropriation bonds in accordance with federal securities laws, rules, and regulations,
 57.22 including Securities and Exchange Commission rules and regulations in Code of Federal
 57.23 Regulations, title 17, section 240.15c 2-12. An agreement may be in the form of covenants
 57.24 with purchasers and holders of appropriation bonds set forth in the order or resolution
 57.25 authorizing the issuance of the appropriation bonds, or a separate document authorized by
 57.26 the order or resolution.

57.27 ~~(g)~~ (f) The appropriation bonds are not subject to chapter 16C.

57.28 Subd. 2a. **Project authorization.** Appropriation bonds may be sold and issued in amounts
 57.29 that, in the opinion of the commissioner, are necessary to provide sufficient money to the
 57.30 Public Facilities Authority under subdivision 7, paragraph (a), not to exceed \$19,000,000
 57.31 net of costs of issuance, for the purposes as provided under this subdivision, and pay debt
 57.32 service including capitalized interest, costs of issuance, costs of credit enhancement, or
 57.33 make payments under other agreements entered into under subdivision 2, paragraph (d).
 57.34 The bonds authorized by this subdivision are for the purposes of financing the land

58.1 acquisition, design, engineering, and construction of facilities and infrastructure necessary
58.2 to complete Phase 2 of the Lewis and Clark Regional Water System project, including
58.3 completion of the pipeline to Magnolia; extension of the project to the Lincoln-Pipestone
58.4 Rural Water System connection near Adrian; engineering, design, and easement acquisition
58.5 for the final phase of the project to Worthington; and to begin and proceed with Phase 3,
58.6 described in subdivision 2b. No bonds shall be sold under this subdivision until the
58.7 commissioner determines that a nonstate match of at least \$9,000,000 is committed to this
58.8 project phase. Upon certification by the Lewis and Clark Joint Powers Board that the bond
58.9 sale authorization provided by this subdivision has fully met the needs of Phase 2 of the
58.10 project, and to the extent there is additional authorization remaining, this authorization is
58.11 also available for the purposes of and on the same conditions as subdivision 2b.

58.12 Subd. 2b. **Additional project authorization.** Appropriation bonds may be sold and
58.13 issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient
58.14 money to the Public Facilities Authority under subdivision 7, paragraph (b), not to exceed
58.15 \$3,500,000 net of costs of issuance, for the purposes as provided under this subdivision,
58.16 and pay debt service including capitalized interest, costs of issuance, costs of credit
58.17 enhancement, or make payments under other agreements entered into under subdivision 2,
58.18 paragraph (d). The bonds authorized by this subdivision are for the purposes of financing
58.19 the land acquisition, design, engineering, and construction of facilities and infrastructure
58.20 necessary to complete Phase 3 of the Lewis and Clark Regional Water System project,
58.21 including extension of the project from the Lincoln-Pipestone Rural Water System connection
58.22 near Adrian to Worthington, construction of a reservoir in Nobles County and a meter
58.23 building in Worthington, and acquisition and installation of a supervisory control and data
58.24 acquisition (SCADA) system. No bonds shall be sold under this subdivision until the
58.25 commissioner determines that a nonstate match of at least \$9,000,000 is committed to the
58.26 final phase of the project.

58.27 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,
58.28 notes, or other similar instruments, and in the manner provided in section 16A.672. In the
58.29 event that any provision of section 16A.672 conflicts with this section, this section shall
58.30 control.

58.31 (b) Every appropriation bond shall include a conspicuous statement of the limitation
58.32 established in subdivision 6.

58.33 (c) Appropriation bonds may be sold at either public or private sale upon such terms as
58.34 the commissioner shall determine are not inconsistent with this section and may be sold at
58.35 any price or percentage of par value. Any bid received may be rejected.

59.1 (d) Appropriation bonds must bear interest at a fixed or variable rate.

59.2 (e) Notwithstanding any other law, appropriation bonds issued under this section shall
59.3 be fully negotiable.

59.4 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
59.5 purpose of refunding any appropriation bonds then outstanding, including the payment of
59.6 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
59.7 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
59.8 refunding bonds may, in the discretion of the commissioner, be applied to the purchase or
59.9 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
59.10 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
59.11 bonds and may, pending application, be placed in escrow to be applied to the purchase,
59.12 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
59.13 invested and reinvested in obligations that are authorized investments under section 11A.24.
59.14 The income earned or realized on the investment may also be applied to the payment of the
59.15 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
59.16 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
59.17 fully satisfied, any balance of the proceeds and any investment income may be returned to
59.18 the general fund or, if applicable, the special appropriation Lewis and Clark bond proceeds
59.19 fund for use in any lawful manner. All refunding bonds issued under this subdivision must
59.20 be prepared, executed, delivered, and secured by appropriations in the same manner as the
59.21 appropriation bonds to be refunded.

59.22 Subd. 5. **Appropriation bonds as legal investments.** Any of the following entities may
59.23 legally invest any sinking funds, money, or other funds belonging to them or under their
59.24 control in any appropriation bonds issued under this section:

59.25 (1) the state, the investment board, public officers, municipal corporations, political
59.26 subdivisions, and public bodies;

59.27 (2) banks and bankers, savings and loan associations, credit unions, trust companies,
59.28 savings banks and institutions, investment companies, insurance companies, insurance
59.29 associations, and other persons carrying on a banking or insurance business; and

59.30 (3) personal representatives, guardians, trustees, and other fiduciaries.

59.31 Subd. 6. **No full faith and credit; state not required to make appropriations.** The
59.32 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
59.33 powers of the state are not pledged to the payment of the appropriation bonds or to any
59.34 payment that the state agrees to make under this section. Appropriation bonds shall not be

60.1 obligations paid directly, in whole or in part, from a tax of statewide application on any
 60.2 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
 60.3 in each fiscal year only from amounts that the legislature may appropriate for debt service
 60.4 for any fiscal year, provided that nothing in this section shall be construed to require the
 60.5 state to appropriate money sufficient to make debt service payments with respect to the
 60.6 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no
 60.7 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
 60.8 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
 60.9 of final payment of the principal of and interest on the appropriation bonds.

60.10 Subd. 7. **Appropriation of proceeds.** (a) The proceeds of appropriation bonds issued
 60.11 under subdivision 2a and interest credited to the special appropriation Lewis and Clark bond
 60.12 proceeds fund are appropriated as follows:

60.13 (1) to the ~~commissioner~~ Public Facilities Authority for a grant to the Lewis and Clark
 60.14 Joint Powers Board for payment of capital expenses for the purposes provided by as specified
 60.15 in subdivision 2, ~~paragraph (a), 2a;~~ and

60.16 (2) to the commissioner for debt service on the bonds including capitalized interest,
 60.17 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds and
 60.18 payments under any agreements entered into under subdivision 2, paragraph ~~(e)~~ (d), each
 60.19 as permitted by state and federal law, ~~and such proceeds may be granted, loaned, or otherwise~~
 60.20 provided for the public purposes provided by subdivision 2, paragraph (a).

60.21 (b) The proceeds of appropriation bonds issued under subdivision 2b and interest credited
 60.22 to the special appropriation Lewis and Clark bond proceeds fund are appropriated as follows:

60.23 (1) to the Public Facilities Authority for a grant to the Lewis and Clark Joint Powers
 60.24 Board for payment of capital expenses as specified in subdivision 2b; and

60.25 (2) to the commissioner for debt service on the bonds including capitalized interest,
 60.26 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds, and
 60.27 payments under any agreements entered into under subdivision 2, paragraph (d), each as
 60.28 permitted by state and federal law.

60.29 Subd. 8. **Appropriation for debt service and other purposes.** (a) An amount, up to
 60.30 \$1,351,000 needed to pay principal and interest on appropriation bonds issued under this
 60.31 section ~~subdivision 2a~~ is appropriated each fiscal year from the general fund to the
 60.32 commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 60.33 otherwise pursuant to subdivision 6, for deposit into the bond payments account established

61.1 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 61.2 appropriation is available beginning in fiscal year 2017 and through fiscal year 2038.

61.3 (b) An amount up to \$265,000 needed to pay principal and interest on appropriation
 61.4 bonds issued under subdivision 2b is appropriated each fiscal year from the general fund
 61.5 to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 61.6 otherwise pursuant to subdivision 6, for deposit into the bond payments account established
 61.7 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 61.8 appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.

61.9 Subd. 9. **Waiver of immunity.** The waiver of immunity by the state provided for by
 61.10 section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary
 61.11 contracts to which the commissioner is a party.

61.12 Sec. 3. **[16C.054] ACCOMMODATION FOR HARD-OF-HEARING IN**
 61.13 **STATE-FUNDED CAPITAL PROJECTS.**

61.14 Subdivision 1. **Definition.** For purposes of this section, "public gathering space" means
 61.15 a space that is constructed or renovated as part of the project: (1) that accommodates and
 61.16 is intended to be used for gatherings of 15 or more people; and (2) in which audible
 61.17 communications are integral to a use of the space.

61.18 Subd. 2. **Accommodation for hard-of-hearing in state-funded capital projects.** No
 61.19 commissioner or agency head may approve a contract or grant state funds for a capital
 61.20 improvement project to construct or renovate a public gathering space in a building unless:

61.21 (1) the project includes equipping the public gathering space, if the public gathering
 61.22 space has or will have a permanent audio-amplification system, with audio-induction loops
 61.23 to provide an electromagnetic signal for hearing aids and cochlear implants; and

61.24 (2) the project includes meeting the American National Standards Institute Acoustical
 61.25 Performance Criteria, Design Requirements and Guidelines for Schools on maximum
 61.26 background noise level and reverberation times in the public gathering space.

61.27 Subd. 3. **Exemption.** A commissioner or agency head may approve a contract or grant
 61.28 state funds for a capital improvement project to construct or renovate a building that does
 61.29 not meet a requirement of subdivision 2, when the commissioner or agency head determines
 61.30 that meeting that requirement is not feasible, is in conflict with other requirements in law,
 61.31 is in conflict with other project requirements, or that costs outweigh the benefits. The
 61.32 commissioner must consult with the Commission of Deaf, Deafblind, and Hard-of-Hearing
 61.33 Minnesotans before making the determination.

62.1 Subd. 4. **Exemption reports.** A commissioner or agency head who determines a contract
62.2 is exempt under subdivision 3 must report the exemption to the Commission of Deaf,
62.3 Deafblind, and Hard-of-Hearing Minnesotans within three months of making the
62.4 determination. The chair of the Commission of Deaf, Deafblind, and Hard-of-Hearing
62.5 Minnesotans shall submit a report to the chairs and ranking minority members of the
62.6 committees in the house of representatives and senate with jurisdiction over state contracting
62.7 by January 30 of even-numbered years beginning in 2020 identifying each exemption
62.8 reported in the previous two calendar years.

62.9 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment,
62.10 and, except as provided in paragraph (b), applies to any project funded with an appropriation
62.11 enacted after January 1, 2017.

62.12 (b) This section does not apply to a project that has completed schematic design on the
62.13 effective date of this section, but the commissioner and agency heads are encouraged to
62.14 comply with it.

62.15 Sec. 4. Minnesota Statutes 2016, section 84.946, subdivision 2, is amended to read:

62.16 Subd. 2. **Standards.** (a) An appropriation for asset preservation may be used only for a
62.17 capital expenditure on a capital asset previously owned by the state, within the meaning of
62.18 generally accepted accounting principles as applied to public expenditures. The commissioner
62.19 of natural resources will consult with the commissioner of management and budget to the
62.20 extent necessary to ensure this and will furnish the commissioner of management and budget
62.21 a list of projects to be financed from the account in order of their priority. The legislature
62.22 assumes that many projects for preservation and replacement of portions of existing capital
62.23 assets will constitute betterments and capital improvements within the meaning of the
62.24 Constitution and capital expenditures under generally accepted accounting principles, and
62.25 will be financed more efficiently and economically under this section than by direct
62.26 appropriations for specific projects.

62.27 (b) An appropriation for asset preservation must not be used to acquire land or to acquire
62.28 or construct buildings or other facilities.

62.29 (c) Capital budget expenditures for natural resource asset preservation and replacement
62.30 projects must be for one or more of the following types of capital projects that support the
62.31 existing programmatic mission of the department: code compliance including health and
62.32 safety, Americans with Disabilities Act requirements, hazardous material abatement, access
62.33 improvement, or air quality improvement; building energy efficiency improvements using
62.34 current best practices; building or infrastructure repairs necessary to preserve the interior

63.1 and exterior of existing buildings; projects to remove life safety hazards such as building
63.2 code violations or structural defects; or renovation of other existing improvements to land,
63.3 including but not limited to trails and bridges.

63.4 (d) Up to ten percent of an appropriation awarded under this section may be used for
63.5 design costs for projects eligible to be funded from this account in anticipation of future
63.6 funding from the account.

63.7 Sec. 5. Minnesota Statutes 2016, section 85.34, subdivision 1, is amended to read:

63.8 Subdivision 1. **Upper bluff; lease terms.** The commissioner of natural resources with
63.9 the approval of the Executive Council may lease for purposes of restoration, preservation,
63.10 historical, recreational, educational, and commercial use and development, that portion of
63.11 Fort Snelling State Park known as the upper bluff consisting of officer's row, area J, the
63.12 polo grounds, the adjacent golf course, and all buildings and improvements located thereon,
63.13 all lying within an area bounded by Minneapolis-St. Paul International Airport, Trunk
63.14 Highways numbered 5 and 55, and Bloomington Road. The lease or leases shall be in a
63.15 form approved by the attorney general and for a term of not to exceed 99 years. The lease
63.16 or leases may provide for the provision of capital improvements or other performance by
63.17 the tenant or tenants in lieu of all or some of the payments of rent that would otherwise be
63.18 required. Notwithstanding the continuing ownership of the upper bluff by the state, any
63.19 lease of one or more buildings improved with state general obligation bond proceeds that
63.20 exceeds 50 years shall be treated as a sale of the buildings for purposes of section 16A.695,
63.21 subdivision 3. Any disposition proceeds payable to the commissioner upon execution of a
63.22 lease relating to state-bond-financed buildings at the upper bluff shall be applied according
63.23 to section 16A.695, subdivision 3, and used to pay, redeem, or defease state general obligation
63.24 bonds issued for purposes of improving those buildings. Any lease revenues paid to the
63.25 commissioner subsequent to the payment, redemption, or defeasance of state general
63.26 obligation bonds shall be used by the commissioner as further described in this section.

63.27 Sec. 6. Minnesota Statutes 2016, section 116J.8738, subdivision 2, is amended to read:

63.28 Subd. 2. **Qualified business.** (a) A business is a qualified business if it satisfies the
63.29 requirement of this paragraph and is not disqualified under the provisions of paragraph (b).
63.30 To qualify, the business must:

63.31 (1) have operated its trade or business in a city or cities in greater Minnesota for at least
63.32 one year before applying under subdivision 3;

64.1 (2) pay or agree to pay in the future each employee compensation, including benefits
64.2 not mandated by law, that on an annualized basis equal at least 120 percent of the federal
64.3 poverty level for a family of four;

64.4 (3) plan and agree to expand its employment in one or more cities in greater Minnesota
64.5 by the minimum number of employees required under subdivision 3, paragraph (c); and

64.6 (4) have received certification from the commissioner under subdivision 3 that it is a
64.7 qualified business.

64.8 (b) A business is not a qualified business if it is either:

64.9 (1) primarily engaged in making retail sales to purchasers who are physically present at
64.10 the business's location or locations in greater Minnesota;

64.11 (2) a public utility, as defined in section 336B.01; or

64.12 (3) primarily engaged in lobbying; gambling; entertainment; professional sports; political
64.13 consulting; leisure; hospitality; or professional services provided by attorneys, accountants,
64.14 business consultants, physicians, or health care consultants.

64.15 (c) The requirements in paragraph (a) that the business's operations and expansion be
64.16 located in a city do not apply to an agricultural processing facility or a project designed to
64.17 qualify under section 41A.20.

64.18 Sec. 7. Minnesota Statutes 2016, section 116J.8738, subdivision 3, is amended to read:

64.19 Subd. 3. **Certification of qualified business.** (a) A business may apply to the
64.20 commissioner for certification as a qualified business under this section. The commissioner
64.21 shall specify the form of the application, the manner and times for applying, and the
64.22 information required to be included in the application. The commissioner may impose an
64.23 application fee in an amount sufficient to defray the commissioner's cost of processing
64.24 certifications. Application fees are deposited in the greater Minnesota business expansion
64.25 administration account in the special revenue fund. A business must file a copy of its
64.26 application with the chief clerical officer of the city at the same time it applies to the
64.27 commissioner. For an agricultural processing facility or a project designed to qualify under
64.28 section 41A.20 located outside the boundaries of a city, the business must file a copy of the
64.29 application with the county auditor.

64.30 (b) The commissioner shall certify each business as a qualified business that:

64.31 (1) satisfies the requirements of subdivision 2;

65.1 (2) the commissioner determines would not expand its operations in greater Minnesota
65.2 without the tax incentives available under subdivision 4; and

65.3 (3) enters a business subsidy agreement with the commissioner that pledges to satisfy
65.4 the minimum expansion requirements of paragraph (c) within three years or less following
65.5 execution of the agreement.

65.6 The commissioner must act on an application within 90 days after its filing. Failure by
65.7 the commissioner to take action within the 90-day period is deemed approval of the
65.8 application.

65.9 (c) The business must increase the number of full-time equivalent employees in greater
65.10 Minnesota from the time the business subsidy agreement is executed by two employees or
65.11 ten percent, whichever is greater.

65.12 (d) The city, or a county for an agricultural processing facility or a project designed to
65.13 qualify under section 41A.20 located outside the boundaries of a city, in which the business
65.14 proposes to expand its operations may file comments supporting or opposing the application
65.15 with the commissioner. The comments must be filed within 30 days after receipt by the city
65.16 or county of the application and may include a notice of any contribution the city or county
65.17 intends to make to encourage or support the business expansion, such as the use of tax
65.18 increment financing, property tax abatement, additional city or county services, or other
65.19 financial assistance.

65.20 (e) Certification of a qualified business is effective for the seven-year period beginning
65.21 on the first day of the calendar month immediately following the date that the commissioner
65.22 informs the business of the award of the benefit.

65.23 Sec. 8. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

65.24 Subd. 5. **Certification and disbursement for project of political subdivision.** Before
65.25 disbursement of an appropriation made from the fund to the commissioner of transportation
65.26 for grants to subdivisions of the state, the commissioner ~~shall~~ must certify that:

65.27 (1) ~~that the project for which the grant is made has been reviewed as provided in~~
65.28 ~~subdivision 4;~~

65.29 (2) ~~that~~ the project conforms to the program authorized by the appropriation law and
65.30 rules adopted by the Department of Transportation consistent therewith; and

65.31 (3) ~~that~~ (2) the financing of any estimated cost of the project in excess of the amount of
65.32 the grant is assured by the appropriation of the proceeds of bonds or other funds of the

66.1 subdivision, or by a grant from an agency of the federal government, within the amount of
 66.2 funds then appropriated to that agency and allocated by it to projects within the state, and
 66.3 by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to
 66.4 use all funds so made available exclusively for the project, and to pay any additional amount
 66.5 by which the cost exceeds the estimate through appropriation to the construction fund of
 66.6 additional funds or the proceeds of additional bonds to be issued by the subdivision.

66.7 Sec. 9. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

66.8 Subd. 6b. **Bridge costs in smaller cities.** (a) The commissioner may make grants from
 66.9 the state transportation fund to a home rule or statutory city with a population of 5,000 or
 66.10 less for design, engineering, and construction of bridges on city streets.

66.11 ~~(b) Grants under this subdivision are subject to the procedures and criteria established~~
 66.12 ~~under subdivisions 5, 6, and 7.~~

66.13 ~~(e)~~ (b) Grants may be used for:

66.14 (1) 100 percent of the design and engineering costs that are in excess of \$10,000;

66.15 (2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

66.16 (3) 100 percent of the bridge construction work costs.

66.17 Sec. 10. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

66.18 Subd. 6c. **Fracture-critical bridges.** ~~(a)~~ The commissioner may make a grant to any
 66.19 political subdivision for replacement or rehabilitation of a fracture-critical bridge. To be
 66.20 eligible for a grant under this subdivision, the project must produce a bridge structure:

66.21 (1) that is no longer classified as fracture critical, by having alternate load paths; and

66.22 (2) whose failure of a main component will not result in the collapse of the bridge.

66.23 ~~(b) A grant under this subdivision is subject to the procedures and criteria established~~
 66.24 ~~under subdivisions 5 and 6.~~

66.25 Sec. 11. Minnesota Statutes 2016, section 174.50, is amended by adding a subdivision to
 66.26 read:

66.27 Subd. 6d. **Major local bridges.** For an appropriation made specifically for purposes of
 66.28 this subdivision, the commissioner may make a grant under this section to any political
 66.29 subdivision for replacement or rehabilitation of a major local bridge in which the grant
 66.30 award is \$7,000,000 or more. If in any year money appropriated for local bridge replacement

67.1 and rehabilitation projects under this subdivision remains available after all identified and
67.2 eligible projects under this subdivision have been funded, the commissioner may use
67.3 remaining funds to make grants under this section for less than \$7,000,000.

67.4 Sec. 12. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

67.5 Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation
67.6 shall develop rules, procedures for application for grants, conditions of grant administration,
67.7 standards, and criteria as provided under subdivision 6, including bridge specifications, in
67.8 cooperation with road authorities of political subdivisions, for use in the administration of
67.9 funds appropriated to the commissioner and for the administration of grants to subdivisions.
67.10 Grants under this section are subject to the procedures and criteria established in this
67.11 subdivision and in subdivisions 5 and 6.

67.12 (b) The maximum use of standardized bridges is encouraged. Regardless of the size of
67.13 the existing bridge, a bridge or replacement bridge is eligible for assistance from the state
67.14 transportation fund if a hydrological survey indicates that the bridge or replacement bridge
67.15 must be ten feet or more in length.

67.16 (c) As part of the standards or rules, the commissioner shall, in consultation with local
67.17 road authorities, establish a minimum distance between any two bridges that cross over the
67.18 same river, stream, or waterway, so that only one of the bridges is eligible for a grant under
67.19 this section. As appropriate, the commissioner may establish exceptions from the minimum
67.20 distance requirement or procedures for obtaining a variance.

67.21 (d) Political subdivisions may use grants made under this section to construct or
67.22 reconstruct bridges, including but not limited to:

67.23 (1) matching federal aid grants to construct or reconstruct key bridges;

67.24 (2) paying the costs to abandon an existing bridge that is deficient and in need of
67.25 replacement but where no replacement will be made; and

67.26 (3) paying the costs to construct a road or street to facilitate the abandonment of an
67.27 existing bridge if the commissioner determines that the bridge is deficient, and that
67.28 construction of the road or street is more economical than replacement of the existing bridge.

67.29 (e) Funds appropriated to the commissioner from the Minnesota state transportation
67.30 fund shall be segregated from the highway tax user distribution fund and other funds created
67.31 by article XIV of the Minnesota Constitution.

68.1 (f) Except as provided in subdivision 6d, the commissioner is prohibited from awarding
68.2 a grant under this section for a local bridge replacement or rehabilitation project with a total
68.3 project cost estimate of \$7,000,000 or more.

68.4 (g) Notwithstanding paragraph (f), the commissioner may award a grant under this
68.5 section for a portion of a local bridge replacement or rehabilitation project with a total
68.6 project cost estimate of \$7,000,000 or more if every other local bridge replacement or
68.7 rehabilitation project on the commissioner's priority list with a total project cost estimate
68.8 of less than \$7,000,000 has been fully funded.

68.9 **Sec. 13. [219.016] HAZARDOUS MATERIALS RAIL SAFETY.**

68.10 Subdivision 1. **Program established.** A hazardous materials rail safety program is
68.11 established for the purpose of reducing the risks associated with the transportation of oil,
68.12 ethanol, and other hazardous material by rail.

68.13 Subd. 2. **Accounts established.** Two hazardous materials rail safety program accounts
68.14 are created, one in the special revenue fund and one in the bond proceeds fund. The account
68.15 in the special revenue fund consists of money as provided by law, and any other money
68.16 donated, allotted, transferred, or otherwise provided to the account. Money in each account
68.17 is appropriated to the commissioner of transportation to make grants as provided in this
68.18 section.

68.19 Subd. 3. **Eligible applicant.** A county, statutory or home rule charter city, or town that
68.20 is responsible for establishing and maintaining public highway-rail grade crossings on rail
68.21 corridors transporting crude oil and other hazardous materials may apply to the commissioner
68.22 for financial assistance under this section.

68.23 Subd. 4. **Eligible project.** (a) A project is eligible for a grant from the account in the
68.24 bond proceeds fund if the project is for the acquisition or betterment of public land, buildings,
68.25 and other public improvements of a capital nature within the meaning of the Minnesota
68.26 Constitution, article XI, section 5, clause (a) or (i), including capital costs associated with
68.27 hazardous materials rail safety projects on public highway-rail grade crossings. Qualifying
68.28 capital costs include but are not limited to upgrades to existing protection systems, the
68.29 closing of crossings and necessary roadwork, and reconstruction of at-grade crossings to
68.30 full grade separations.

68.31 (b) A project is eligible for a grant from the account in the special revenue fund if it is
68.32 for purposes described in paragraph (a) or other capital facility improvement purposes that
68.33 support the purposes for which this grant program is established, including capital costs

69.1 associated with planning, engineering, administration, and construction of public highway-rail
69.2 grade crossing improvements on rail corridors transporting crude oil and other hazardous
69.3 materials. Improvements may include upgrades to existing protection systems, the closing
69.4 of crossings and necessary roadwork, and reconstruction of at-grade crossings to full grade
69.5 separations.

69.6 Subd. 5. **Grants; criteria for grant award.** The commissioner must consider the
69.7 following criteria to evaluate applications for a grant award under this section:

69.8 (1) whether the crossing was identified as a potential candidate for grade separation in
69.9 the Department of Transportation's crude by rail grade crossing study (Improvements to
69.10 Highway Grade Crossings and Rail Safety, December 2014);

69.11 (2) roadway traffic volumes and speeds;

69.12 (3) train volumes and speeds;

69.13 (4) adjacent land use;

69.14 (5) crash history;

69.15 (6) use of the crossing by emergency vehicles;

69.16 (7) use of the crossing by vehicles carrying hazardous materials; and

69.17 (8) local financial contributions to the project.

69.18 Subd. 6. **Process.** The commissioner must develop forms and procedures for soliciting
69.19 and reviewing applications for grants under this section. An applicant must apply for a grant
69.20 in the manner and at the times determined by the commissioner.

69.21 Subd. 7. **Grant cancellation.** If, five years after execution of a grant agreement, the
69.22 commissioner determines that the grantee has not proceeded in a timely manner with
69.23 implementation of the project funded, the commissioner must cancel the grant and the
69.24 grantee must repay to the commissioner all grant money paid to the grantee. Section 16A.642
69.25 applies to any appropriations made from the bond proceeds fund to the commissioner under
69.26 this section that have not been awarded as financial assistance.

69.27 Sec. 14. Minnesota Statutes 2016, section 326B.124, is amended to read:

69.28 **326B.124 EXEMPTIONS.**

69.29 (a) The commissioner may exempt a part of a historic building occupied by the state
69.30 from the state or another building, fire, safety, or other code if the exemption is necessary
69.31 to preserve the historic or esthetic character of the building or to prevent theft, vandalism,

70.1 terrorism, or another crime. When the commissioner grants an exemption, the commissioner
 70.2 shall consider providing equivalent protection. A certificate of occupancy may not be denied
 70.3 because of an exemption under this section.

70.4 (b) The house of representatives and senate chambers located in the State Capitol are
 70.5 exempt from any State Building Code and State Fire Code requirements pertaining to: (1)
 70.6 exit sign placement at exit access doors; and (2) occupancy limit signs. The house of
 70.7 representatives and senate may install exit and occupancy limit signs within the house of
 70.8 representatives and senate chambers located in the State Capitol that are minimal in size
 70.9 and historic in appearance as appropriate for each chamber. Any sign installed by the house
 70.10 of representatives or the senate under the authority provided in this paragraph is not subject
 70.11 to the approval of the commissioner.

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

70.13 Sec. 15. Minnesota Statutes 2016, section 446A.072, is amended to read:

70.14 **446A.072 ~~WASTEWATER~~ WATER INFRASTRUCTURE FUNDING PROGRAM.**

70.15 Subdivision 1. **Establishment of program.** The authority will establish a ~~wastewater~~
 70.16 water infrastructure funding program to provide supplemental assistance to governmental
 70.17 units receiving funding through the clean water revolving fund program, the drinking water
 70.18 revolving fund program, or the United States Department of Agriculture Rural Economic
 70.19 and Community Development's (USDA/RECD) Water and Waste Disposal Loans and
 70.20 Grants program for the predesign, design, and construction of municipal wastewater ~~treatment~~
 70.21 and drinking water systems, including purchase of land and easements. The purpose of the
 70.22 program is to assist governmental units demonstrating financial need to build cost-effective
 70.23 projects to address existing environmental or public health problems. To implement the
 70.24 program, the authority shall establish a ~~wastewater~~ water infrastructure fund to provide
 70.25 ~~grants and loans~~ for the purposes authorized under title VI of the Federal Water Pollution
 70.26 Control Act and the federal Safe Drinking Water Act. The fund shall be credited with all
 70.27 investment income from the fund and all repayments of loans, grants, and penalties.

70.28 Subd. 3. **Program administration.** (a) The authority shall provide supplemental
 70.29 assistance, as provided in subdivision 5a to governmental units:

70.30 (1) whose projects are listed on the Pollution Control Agency's project priority list or
 70.31 the Department of Health's project priority list;

70.32 (2) that demonstrate their projects are a cost-effective solution to an existing
 70.33 environmental or public health problem; and

71.1 (3) whose projects are approved by the USDA/RECD or certified by the commissioner
71.2 of the Pollution Control Agency or the Department of Health.

71.3 (b) For a governmental unit receiving grant funding from the USDA/RECD, applications
71.4 must be made to the USDA/RECD with additional information submitted to the authority
71.5 as required by the authority. Eligible project costs and affordability criteria shall be
71.6 determined by the USDA/RECD.

71.7 (c) For a governmental unit not receiving grant funding from the USDA/RECD,
71.8 application must be made to the authority on forms prescribed by the authority for the clean
71.9 water revolving fund program or the drinking water revolving fund program with additional
71.10 information as required by the authority. In accordance with section 116.182, the Pollution
71.11 Control Agency or Department of Health shall:

71.12 (1) calculate the essential project component percentage based on the portion of project
71.13 costs necessary to convey or treat the existing wastewater flows and loadings or, for drinking
71.14 water projects, to provide safe drinking water to meet existing needs, which must be
71.15 multiplied by the total project cost to determine the eligible project cost for the program
71.16 under this section; and

71.17 (2) review and certify approved projects to the authority.

71.18 (d) Each fiscal year the authority shall make funds available for projects based on their
71.19 ranking on the Pollution Control Agency's project priority list or the Department of Health's
71.20 project priority list. The authority shall reserve funds for a project when the applicant receives
71.21 a funding commitment from the United States Department of Agriculture Rural Development
71.22 (USDA/RECD) or ~~submits plans and specifications to~~ the project is certified by the Pollution
71.23 Control Agency or Department of Health. Funds must be reserved in an amount based on
71.24 the project cost estimate submitted to the authority ~~prior to the appropriation of the funds~~
71.25 ~~and awarded based on the lesser of that amount or the as-bid cost~~ when the project is certified
71.26 or the as-bid cost, whichever is less.

71.27 Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving grant
71.28 funding from the USDA/RECD, the authority may provide assistance in the form of a grant
71.29 of up to 65 percent of the eligible grant need determined by USDA/RECD. A governmental
71.30 unit may not receive a grant under this paragraph for more than ~~\$4,000,000~~ \$5,000,000 per
71.31 project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less, unless specifically
71.32 approved by law.

71.33 (b) For a governmental unit receiving a loan from the clean water revolving fund under
71.34 section 446A.07, the authority may provide assistance under this section in the form of a

72.1 grant if the average annual residential wastewater system cost after completion of the project
72.2 would otherwise exceed 1.4 percent of the median household income of the project service
72.3 area. In determining whether the average annual residential wastewater system cost would
72.4 exceed 1.4 percent, the authority must consider the total costs associated with building,
72.5 operating, and maintaining the wastewater system, including existing wastewater debt
72.6 service, debt service on the eligible project cost, and operation and maintenance costs. Debt
72.7 service costs for the proposed project are calculated based on the maximum loan term
72.8 permitted for the clean water revolving fund loan under section 446A.07, subdivision 7.
72.9 The amount of the grant is equal to 80 percent of the amount needed to reduce the average
72.10 annual residential wastewater system cost to 1.4 percent of median household income in
72.11 the project service area, to a maximum of ~~\$4,000,000~~ \$5,000,000 per project or ~~\$15,000~~
72.12 \$20,000 per existing connection, whichever is less, unless specifically approved by law.
72.13 The eligible project cost is determined by multiplying the total project costs minus any other
72.14 grants by the essential project component percentage calculated under subdivision 3,
72.15 paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the
72.16 eligible project cost.

72.17 (c) For a governmental unit receiving a loan from the drinking water revolving fund
72.18 under section 446A.081, the authority may provide assistance under this section in the form
72.19 of a grant if the average annual residential drinking water system cost after completion of
72.20 the project would otherwise exceed 1.2 percent of the median household income of the
72.21 project service area. In determining whether the average annual residential drinking water
72.22 system cost would exceed 1.2 percent, the authority must consider the total costs associated
72.23 with building, operating, and maintaining the drinking water system, including existing
72.24 drinking water debt service, debt service on the eligible project cost, and operation and
72.25 maintenance costs. Debt service costs for the proposed project are calculated based on the
72.26 maximum loan term permitted for the drinking water revolving fund loan under section
72.27 446A.081, subdivision 8, paragraph (c). The amount of the grant is equal to 80 percent of
72.28 the amount needed to reduce the average annual residential drinking water system cost to
72.29 1.2 percent of median household income in the project service area, to a maximum of
72.30 \$5,000,000 per project or \$20,000 per existing connection, whichever is less, unless
72.31 specifically approved by law. The eligible project cost is determined by multiplying the
72.32 total project costs minus any other grants by the essential project component percentage
72.33 calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the
72.34 grant exceed 80 percent of the eligible project cost.

73.1 (e) ~~(d)~~ Notwithstanding the limits in paragraphs (a) ~~and~~, (b), ~~and~~ (c), for a governmental
 73.2 unit receiving supplemental assistance under this section after January 1, 2002, if the authority
 73.3 determines that the governmental unit's construction and installation costs are significantly
 73.4 increased due to geological conditions of crystalline bedrock or karst areas and discharge
 73.5 limits that are more stringent than secondary treatment, the maximum award under this
 73.6 section shall not be more than \$25,000 per existing connection.

73.7 ~~Subd. 5b. **Special assessment deferral.** A governmental unit receiving a loan under~~
 73.8 ~~subdivision 5a that levies special assessments to repay the loan under subdivision 5a or~~
 73.9 ~~section 446A.07 may defer payment of such assessments under the provisions of sections~~
 73.10 ~~435.193 to 435.195.~~

73.11 Subd. 6. **Disbursements.** Disbursements of grants ~~or loans~~ awarded under this section
 73.12 by the authority to recipients must be made for eligible project costs as incurred by the
 73.13 recipients, and must be made by the authority in accordance with the project financing
 73.14 agreement and applicable state and federal laws and rules governing the payments.

73.15 ~~Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section 475.54,~~
 73.16 ~~subdivision 1, this subdivision shall govern the maturities and mandatory sinking fund~~
 73.17 ~~redemptions of the loans under this section. A governmental unit receiving a loan under~~
 73.18 ~~this section shall repay the loan in semiannual payment amounts determined by the authority.~~
 73.19 ~~The payment amount must be based on the average payments on the governmental unit's~~
 73.20 ~~clean water revolving fund loan or, if greater, the minimum amount required to fully repay~~
 73.21 ~~the loan by the maturity date. Payments must begin within one year of the date of the~~
 73.22 ~~governmental unit's final payment on the clean water revolving fund loan. The final maturity~~
 73.23 ~~date of the loan under this section must be no later than 20 years from the date of the first~~
 73.24 ~~payment on the loan under this section and no later than 40 years from the date of the first~~
 73.25 ~~payment on the clean water revolving fund loan.~~

73.26 Subd. 8. **Eligibility.** A governmental unit is eligible for assistance under this section
 73.27 only after applying for grant funding from other sources and funding has been obtained,
 73.28 rejected, or the authority has determined that the potential funding is unlikely.

73.29 Subd. 9. **Funding limitation.** Supplemental assistance may not be used to reduce the
 73.30 ~~sewer~~ service charges of a significant ~~wastewater contributor~~ industrial user that has a
 73.31 separate service charge agreement with the recipient, or a single user that has caused the
 73.32 need for the project or whose current or projected ~~flow and load exceed~~ usage exceeds
 73.33 one-half of the current wastewater ~~treatment plant's~~ or drinking water system capacity.

74.1 Subd. 11. **Report on needs.** By February 1 of each even-numbered year, the authority,
 74.2 in conjunction with the Pollution Control Agency and the Department of Health, shall
 74.3 prepare a report to the Finance Division of the senate Environment and Natural Resources
 74.4 Committee and the house of representatives Environment and Natural Resources Finance
 74.5 Committee on wastewater and drinking water funding assistance needs of governmental
 74.6 units under this section.

74.7 Subd. 12. **System replacement fund.** Each governmental unit receiving a ~~loan or grant~~
 74.8 under this section shall establish a system replacement fund and shall annually deposit a
 74.9 minimum of \$.50 per 1,000 gallons of flow for major rehabilitation ~~or~~ expansion, or
 74.10 replacement of the ~~treatment~~ wastewater or drinking water system, ~~or replacement of the~~
 74.11 ~~treatment system at the end of its useful life~~. Money must remain in the account for the life
 74.12 of the corresponding project loan from the authority or USDA/RECD, unless use of the
 74.13 fund is approved in writing by the authority for major rehabilitation, expansion, or
 74.14 replacement of the ~~treatment~~ wastewater or drinking water system. By March 1 each year
 74.15 during the life of the loan, each recipient shall submit a report to the authority regarding the
 74.16 amount deposited and the fund balance for the prior calendar year. A recipient is not required
 74.17 to maintain a fund balance greater than the amount of the grant received. Failure to comply
 74.18 with the requirements of this subdivision shall result in the authority assessing a penalty
 74.19 fee to the recipient equal to one percent of the supplemental assistance amount for each
 74.20 year of noncompliance. ~~Failure to make the required deposit or pay the penalty fee as~~
 74.21 ~~required constitutes a default on the loan.~~

74.22 Subd. 14. **Consistency with land use plans.** A governmental unit applying for a project
 74.23 in an unsewered area shall include in its application to the authority a certification from the
 74.24 county in which the project is located that:

74.25 (1) the project is consistent with the county comprehensive land use plan, if the county
 74.26 has adopted one;

74.27 (2) the project is consistent with the county water plan, if the county has adopted one;
 74.28 and

74.29 (3) the county has adopted specific land use ordinances or controls so as to meet or
 74.30 exceed the requirements of Minnesota Rules, part 7082.0050.

74.31 Sec. 16. Minnesota Statutes 2016, section 446A.073, is amended to read:

74.32 **446A.073 POINT SOURCE IMPLEMENTATION GRANTS.**

75.1 Subdivision 1. **Program established.** When money is appropriated for grants under this
 75.2 program, the authority shall award grants up to a maximum of ~~\$3,000,000~~ \$7,000,000 to
 75.3 governmental units to cover ~~up to one-half~~ 80 percent of the cost of water infrastructure
 75.4 projects made necessary by:

75.5 (1) a wasteload reduction prescribed under a total maximum daily load plan required by
 75.6 section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);

75.7 (2) a phosphorus concentration or mass limit which requires discharging one milligram
 75.8 per liter or less at permitted design flow which is incorporated into a permit issued by the
 75.9 Pollution Control Agency;

75.10 (3) any other water quality-based effluent limit established under section 115.03,
 75.11 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the Pollution
 75.12 Control Agency that exceeds secondary treatment limits; or

75.13 (4) a total nitrogen concentration or mass limit of that requires discharging ten milligrams
 75.14 per liter or less ~~for a land-based treatment system~~ at permitted design flow.

75.15 Subd. 2. **Grant application.** Application for a grant must be made to the authority on
 75.16 forms prescribed by the authority ~~for the total maximum daily load grant program, with~~
 75.17 ~~additional information as required by the authority,~~ including a project schedule and cost
 75.18 estimate for the work necessary to comply with the ~~point source wasteload allocation~~
 75.19 requirements listed in subdivision 1. The Pollution Control Agency shall:

75.20 ~~(1) in accordance with section 116.182, calculate the essential project component~~
 75.21 ~~percentage, which must be multiplied by the total project cost to determine the eligible~~
 75.22 ~~project cost; and~~

75.23 ~~(2)~~ review and certify to the authority those projects that have plans and specifications
 75.24 approved under section 115.03, subdivision 1, paragraph (f).

75.25 Subd. 3. **Project priorities.** ~~When money is appropriated for grants under this program,~~
 75.26 The authority shall accept applications under this program during the month of July ~~and.~~
 75.27 When a project is certified by the Pollution Control Agency the authority shall reserve
 75.28 money for projects expected to proceed with construction by the end of the fiscal year the
 75.29 project in the order listed on the Pollution Control Agency's project priority list and in an
 75.30 amount based on the cost estimate submitted to the authority ~~in the grant application~~ when
 75.31 the project is certified or the as-bid costs, whichever is less. Notwithstanding Minnesota
 75.32 Rules, chapter 7077, the Pollution Control Agency may rank a drinking water infrastructure

76.1 project on the agency's project priority list if the project is necessary to meet an applicable
76.2 requirement in subdivision 1.

76.3 Subd. 4. **Grant approval.** The authority must make a grant for an eligible project only
76.4 after:

76.5 (1) the applicant has submitted the as-bid cost for the water infrastructure project;

76.6 (2) the Pollution Control Agency has ~~approved the as-bid costs and~~ certified the grant
76.7 eligible portion of the project; and

76.8 (3) the authority has determined that the additional financing necessary to complete the
76.9 project has been committed from other sources.

76.10 Subd. 5. **Grant disbursement.** Disbursement of a grant must be made for eligible project
76.11 costs as incurred by the governmental unit and in accordance with a project financing
76.12 agreement and applicable state and federal laws and rules governing the payments.

76.13 Sec. 17. Minnesota Statutes 2016, section 446A.081, subdivision 9, is amended to read:

76.14 Subd. 9. **Other uses of fund.** (a) The drinking water revolving loan fund may be used
76.15 as provided in the act, including the following uses:

76.16 (1) to buy or refinance the debt obligations, at or below market rates, of public water
76.17 systems for drinking water systems, where the debt was incurred after the date of enactment
76.18 of the act, for the purposes of construction of the necessary improvements to comply with
76.19 the national primary drinking water regulations under the federal Safe Drinking Water Act;

76.20 (2) to purchase or guarantee insurance for local obligations to improve credit market
76.21 access or reduce interest rates;

76.22 (3) to provide a source of revenue or security for the payment of principal and interest
76.23 on revenue or general obligation bonds issued by the authority if the bond proceeds are
76.24 deposited in the fund;

76.25 (4) to provide loans or loan guarantees for similar revolving funds established by a
76.26 governmental unit or state agency;

76.27 (5) to earn interest on fund accounts;

76.28 (6) to pay the reasonable costs incurred by the authority, the Department of Employment
76.29 and Economic Development, and the Department of Health for conducting activities as
76.30 authorized and required under the act up to the limits authorized under the act;

77.1 (7) to develop and administer programs for water system supervision, source water
77.2 protection, and related programs required under the act;

77.3 (8) notwithstanding Minnesota Rules, part 7380.0280, to provide principal forgiveness
77.4 or grants to the extent permitted under the federal Safe Drinking Water Act and other federal
77.5 law, based on the criteria and requirements established for drinking water projects under
77.6 the water infrastructure funding program under section 446A.072;

77.7 (9) to provide loans, principal forgiveness or grants to the extent permitted under the
77.8 federal Safe Drinking Water Act and other federal law to address green infrastructure, water
77.9 or energy efficiency improvements, or other environmentally innovative activities; and

77.10 (10) to provide principal forgiveness, or grants for 50 percent of the project cost up to
77.11 a maximum of \$10,000 for projects needed to comply with national primary drinking water
77.12 standards for an existing community or noncommunity public water system.

77.13 ~~(b) Principal forgiveness or grants under paragraph (a), clause (8), must only be provided~~
77.14 ~~if the average annual residential drinking water system cost after completion of the project~~
77.15 ~~would otherwise exceed 1.2 percent of the median household income in the project service~~
77.16 ~~area. In determining whether the average annual residential drinking water system cost~~
77.17 ~~would exceed 1.2 percent, the authority must consider the total costs associated with building,~~
77.18 ~~operating, and maintaining the drinking water system, including debt service and operation~~
77.19 ~~and maintenance costs. Debt service costs for the proposed project must be calculated based~~
77.20 ~~on the maximum loan term permitted for the drinking water revolving fund loan under this~~
77.21 ~~section. The amount of the principal forgiveness or grant must be equal to 80 percent of the~~
77.22 ~~amount needed to reduce the average annual residential drinking water system cost to 1.2~~
77.23 ~~percent of median household income in the project service area, to a maximum of \$4,000,000~~
77.24 ~~or \$15,000 per connection, whichever is less, and not to exceed 80 percent of the total project~~
77.25 ~~cost.~~

77.26 ~~(e)~~ (b) Principal forgiveness or grants provided under paragraph (a), clause (9), may not
77.27 exceed 25 percent of the eligible project costs as determined by the Department of Health
77.28 for project components directly related to green infrastructure, water or energy efficiency
77.29 improvements, or other environmentally innovative activities, up to a maximum of
77.30 \$1,000,000.

77.31 ~~(d) The authority may reduce the percentage of median household income at which a~~
77.32 ~~loan term could extend to 30 years under subdivision 8, paragraph (c), and at which principal~~
77.33 ~~forgiveness or grants could be provided under paragraph (b) if it determines that the federal~~
77.34 ~~money allotted to the state cannot be fully utilized without the reduction. If it determines~~

78.1 ~~that the reduction is necessary to fully utilize the federal money, the authority must effect~~
 78.2 ~~the change through its approval of the annual intended use plan.~~

78.3 Sec. 18. Minnesota Statutes 2016, section 446A.12, subdivision 1, is amended to read:

78.4 Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a
 78.5 principal amount that the authority determines necessary to provide sufficient funds for
 78.6 achieving its purposes, including the making of loans and purchase of securities, the payment
 78.7 of interest on bonds of the authority, the establishment of reserves to secure its bonds, the
 78.8 payment of fees to a third party providing credit enhancement, and the payment of all other
 78.9 expenditures of the authority incident to and necessary or convenient to carry out its corporate
 78.10 purposes and powers, but not including the making of grants. Bonds of the authority may
 78.11 be issued as bonds or notes or in any other form authorized by law. The principal amount
 78.12 of bonds issued and outstanding under this section at any time may not exceed
 78.13 ~~\$1,500,000,000~~ \$2,000,000,000, excluding bonds for which refunding bonds or crossover
 78.14 refunding bonds have been issued, and excluding any bonds issued for the credit enhanced
 78.15 bond program or refunding or crossover refunding bonds issued under the program. The
 78.16 principal amount of bonds issued and outstanding under section 446A.087, may not exceed
 78.17 \$500,000,000, excluding bonds for which refunding bonds or crossover refunding bonds
 78.18 have been issued.

78.19 Sec. 19. Minnesota Statutes 2016, section 462A.37, subdivision 2a, is amended to read:

78.20 Subd. 2a. **Additional authorization.** In addition to the amount authorized in subdivision
 78.21 2, the agency may issue up to ~~\$80,000,000~~ \$95,000,000 of housing infrastructure bonds in
 78.22 one or more series to which the payments made under this section may be pledged.

78.23 Sec. 20. Minnesota Statutes 2016, section 462A.37, subdivision 2b, is amended to read:

78.24 Subd. 2b. **Additional authorization.** In addition to the amount authorized in subdivisions
 78.25 2 and 2a, the agency may issue up to ~~\$10,000,000~~ \$15,000,000 of housing infrastructure
 78.26 bonds in one or more series to which the payments made under this section may be pledged.

78.27 Sec. 21. Minnesota Statutes 2016, section 462A.37, is amended by adding a subdivision
 78.28 to read:

78.29 Subd. 2c. **Additional authorization.** In addition to the amount authorized in subdivisions
 78.30 2, 2a, and 2b, the agency may issue up to \$35,000,000 in housing infrastructure bonds in
 78.31 one or more series to which the payments under this section may be pledged.

79.1 Sec. 22. Minnesota Statutes 2016, section 462A.37, subdivision 5, is amended to read:

79.2 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the
 79.3 commissioner of management and budget the actual amount of annual debt service on each
 79.4 series of bonds issued under subdivisions 2a ~~and 2b~~, and 2c.

79.5 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
 79.6 bonds issued under subdivision 2a remain outstanding, the commissioner of management
 79.7 and budget must transfer to the housing infrastructure bond account established under section
 79.8 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000
 79.9 annually. The amounts necessary to make the transfers are appropriated from the general
 79.10 fund to the commissioner of management and budget.

79.11 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
 79.12 bonds issued under subdivision 2b remain outstanding, the commissioner of management
 79.13 and budget must transfer to the housing infrastructure bond account established under section
 79.14 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
 79.15 annually. The amounts necessary to make the transfers are appropriated from the general
 79.16 fund to the commissioner of management and budget.

79.17 (d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure
 79.18 bonds issued under subdivision 2c remain outstanding, the commissioner of management
 79.19 and budget must transfer to the housing infrastructure bond account established under section
 79.20 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
 79.21 annually. The amounts necessary to make the transfers are appropriated from the general
 79.22 fund to the commissioner of management and budget.

79.23 (e) The agency may pledge to the payment of the housing infrastructure bonds the
 79.24 payments to be made by the state under this section.

79.25 Sec. 23. Laws 2006, chapter 258, section 18, subdivision 6, as amended by Laws 2013,
 79.26 chapter 136, section 13, is amended to read:

79.27 Subd. 6. **Systemwide Redevelopment, Reuse, or**
 79.28 **Demolition** 5,000,000

79.29 To abate hazardous materials, design,
 79.30 construct, or improve basic infrastructure,
 79.31 including sanitary and storm sewer and water
 79.32 lines, public streets, curb, gutter, street lights,
 79.33 or sidewalks, to make improvements for

80.1 building envelope and structural integrity for
80.2 the purposes of stabilizing the buildings for
80.3 sale, demolish all or portions of surplus,
80.4 nonfunctional, or deteriorated facilities and
80.5 infrastructure or to renovate surplus,
80.6 nonfunctional, or deteriorated facilities and
80.7 infrastructure to facilitate redevelopment of
80.8 Department of Human Services campuses that
80.9 the commissioner of administration is
80.10 authorized to convey to a local unit of
80.11 government under Laws 2005, chapter 20,
80.12 article 1, section 46, or other law. These
80.13 projects must facilitate the redevelopment or
80.14 reuse of these campuses and must be
80.15 implemented consistent with the
80.16 comprehensive redevelopment plans
80.17 developed and approved under Laws 2003,
80.18 First Special Session chapter 14, article 6,
80.19 section 64, subdivision 2, unless expressly
80.20 provided otherwise. If a surplus campus is sold
80.21 or transferred to a local unit of government,
80.22 unspent portions of this appropriation may be
80.23 granted to that local unit of government for
80.24 the purposes stated in this subdivision.
80.25 Notwithstanding the inclusion of the
80.26 unencumbered and unobligated balance of the
80.27 bond sale authorization and appropriation of
80.28 bond proceeds in this subdivision in the report
80.29 submitted to the legislature in January 2017
80.30 pursuant to Minnesota Statutes, section
80.31 16A.642, the unencumbered and unobligated
80.32 balance of the bond sale authorization and
80.33 appropriation of bond proceeds in this
80.34 subdivision ~~are~~, estimated to be \$1,991,456.32,
80.35 is reauthorized and available until December
80.36 31, ~~2016~~ 2020.

81.1 Sec. 24. Laws 2012, chapter 293, section 7, subdivision 3, is amended to read:

81.2 **Subd. 3. Dam Repair, Reconstruction, and**
 81.3 **Removal** 3,000,000

81.4 To renovate or remove publicly owned dams.

81.5 The commissioner shall determine project

81.6 priorities as appropriate under Minnesota

81.7 Statutes, sections 103G.511 and 103G.515.

81.8 Notwithstanding the match requirements in

81.9 Minnesota Statutes, section 103G.511, a grant

81.10 to the city of Lanesboro does not require any

81.11 nonstate match.

81.12 Sec. 25. Laws 2012, chapter 293, section 17, subdivision 4, is amended to read:

81.13 **Subd. 4. Phillips Community Center** 1,750,000

81.14 For a grant to the Minneapolis Park and

81.15 Recreation Board to predesign, design,

81.16 engineer, reconstruct, renovate, furnish, and

81.17 equip the Phillips Community Center indoor

81.18 competitive swimming pool and to predesign,

81.19 design, engineer, and construct an additional

81.20 indoor multipurpose family pool and facilities

81.21 associated with an aquatic center in the

81.22 community center, subject to Minnesota

81.23 Statutes, section 16A.695.

81.24 This appropriation is not available until the

81.25 commissioner determines that at least

81.26 \$350,000 is committed from nonstate sources.

81.27 Notwithstanding Minnesota Statutes, section

81.28 16A.642, the bond sale authorization and

81.29 appropriation of bond proceeds for this project

81.30 are available until December 31, 2022.

81.31 Sec. 26. Laws 2014, chapter 294, article 1, section 7, subdivision 11, is amended to read:

81.32 **Subd. 11. Central Minnesota Regional Parks** 500,000

82.1 For a grant to the city of Sartell to acquire land
 82.2 and develop recreation facilities at Sauk River
 82.3 Regional Park in the city of Sartell and to
 82.4 acquire up to 68 acres of land located along
 82.5 the Sauk River near the confluence of the
 82.6 Mississippi to serve as part of the Central
 82.7 Minnesota Regional Parks and Trails.
 82.8 Notwithstanding Minnesota Statutes, section
 82.9 16A.642, the bond sale authorization and
 82.10 appropriation of bond proceeds for this project
 82.11 are available until June 30, 2020.

82.12 Sec. 27. Laws 2014, chapter 294, article 1, section 7, subdivision 15, is amended to read:

82.13 Subd. 15. **Grant County Trail Grant** 100,000

82.14 For a grant to Grant County for predesign,
 82.15 acquisition, ~~and~~ or improvements for a trail
 82.16 from the city of Elbow Lake to Pomme de
 82.17 Terre Lake. The commissioner of natural
 82.18 resources may allocate any amount not needed
 82.19 to complete this project to state trail
 82.20 acquisition and improvements under
 82.21 Minnesota Statutes, section 85.015.

82.22 Sec. 28. Laws 2014, chapter 294, article 1, section 17, subdivision 6, is amended to read:

82.23 Subd. 6. **Inver Grove Heights - Heritage Village**
 82.24 **Park** 2,000,000

82.25 \$1,500,000 of this appropriation is for a grant
 82.26 to the city of Inver Grove Heights and
 82.27 \$500,000 of this appropriation is for a grant
 82.28 to Dakota County. This appropriation is for
 82.29 public infrastructure improvements and land
 82.30 acquisition in and adjacent to the Heritage
 82.31 Village Park, the Mississippi River Trail, and
 82.32 the Rock Island Swing Bridge. These
 82.33 improvements will include but are not limited
 82.34 to motor vehicle access, utility service,

83.1 stormwater treatment, and trail and sidewalk
 83.2 connections. This appropriation is not
 83.3 available until the commissioner of
 83.4 management and budget has determined that
 83.5 at least an equal amount has been committed
 83.6 to the project from nonstate sources.

83.7 Sec. 29. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to read:

83.8 Subd. 12. **West St. Paul - North Urban River to**
 83.9 **River Regional Trail Bridge Greenway** 2,000,000

83.10 For a grant to the city of West St. Paul to
 83.11 predesign, design, and construct a ~~pedestrian~~
 83.12 ~~bridge for the North Urban Regional Trail as~~
 83.13 ~~an overpass~~ grade separated crossing of Robert
 83.14 Street in the area near Wentworth Avenue in
 83.15 West St. Paul for the River to River Regional
 83.16 Greenway. This appropriation may also be
 83.17 used to acquire property or purchase
 83.18 rights-of-way needed for ~~bridge~~ construction.
 83.19 A nonstate match is not required.

83.20 Sec. 30. Laws 2014, chapter 294, article 1, section 21, subdivision 12, as amended by
 83.21 Laws 2015, First Special Session chapter 5, article 3, section 19, is amended to read:

83.22 Subd. 12. **Minneapolis - Brian Coyle Community**
 83.23 **Center** 330,000

83.24 (a) For a grant to the Minneapolis Park and
 83.25 Recreation Board to predesign and design the
 83.26 renovation and expansion of the Brian Coyle
 83.27 Community Center, subject to Minnesota
 83.28 Statutes, section 16A.695. This appropriation
 83.29 does not require a local match.

83.30 (b) The Minneapolis Park and Recreation
 83.31 Board, the Pillsbury United Communities,
 83.32 Hennepin County, institutions of higher
 83.33 education, and neighborhood organizations
 83.34 shall develop an agreement for the use of the

84.1 existing Brian Coyle Community Center. The
 84.2 lease between the Minneapolis Park and
 84.3 Recreation Board and Pillsbury United
 84.4 Communities shall be reformed prior to the
 84.5 expenditure of any funds for predesign and
 84.6 design.

84.7 (c) The appropriation under this subdivision
 84.8 may also be used toward the renovation and
 84.9 expansion of the Brian Coyle Community
 84.10 Center.

84.11 (d) Notwithstanding any limitation in
 84.12 paragraphs (a) to (c), the appropriation under
 84.13 this subdivision may be used by the
 84.14 Minneapolis Park and Recreation Board for
 84.15 capital costs of any recreation project or
 84.16 facility in the Cedar Riverside neighborhood.

84.17 Sec. 31. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 3,
 84.18 is amended to read:

84.19 **Subd. 3. Local Road Improvement Fund Grants** 8,910,000

84.20 (a) From the bond proceeds account in the
 84.21 state transportation fund as provided in
 84.22 Minnesota Statutes, section 174.50, for
 84.23 construction and reconstruction of local roads
 84.24 with statewide or regional significance under
 84.25 Minnesota Statutes, section 174.52,
 84.26 subdivision 4, or for grants to counties to assist
 84.27 in paying the costs of rural road safety capital
 84.28 improvement projects on county state-aid
 84.29 highways under Minnesota Statutes, section
 84.30 174.52, subdivision 4a.

84.31 (b) This appropriation includes \$850,000 for
 84.32 a grant to the city of Sandstone for predesign,
 84.33 design, engineering, and construction of a road
 84.34 extending south off of marked Trunk Highway

85.1 23 across from Lundorff Drive to the airport
 85.2 area, and including a bridge over Skunk Creek
 85.3 in Sandstone, in order to facilitate repurposing
 85.4 of an area of the airport into a business park.
 85.5 This appropriation is not available until the
 85.6 commissioner of management and budget
 85.7 determines that sufficient resources to
 85.8 complete the project are committed to it from
 85.9 other sources, including any funds made
 85.10 available from the commissioner of
 85.11 transportation.

85.12 (c) This appropriation includes \$3,770,000 for
 85.13 a grant to Kandiyohi County for construction
 85.14 and reconstruction of local roads ~~to facilitate~~
 85.15 ~~the construction of highway-rail grade~~
 85.16 ~~separations at U.S. Highway 12 and Minnesota~~
 85.17 ~~Highway 40 as part of~~ in conjunction with the
 85.18 Willmar Wye project as well as to re-establish
 85.19 the local road network on the southwest side
 85.20 of Willmar.

85.21 Sec. 32. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7,
 85.22 is amended to read:

85.23 Subd. 7. **Richfield - 77th Street Underpass** 10,000,000

85.24 For a grant to the city of Richfield for
 85.25 right-of-way acquisition ~~and construction of~~
 85.26 for an extension of 77th Street under marked
 85.27 Trunk Highway 77/Cedar Avenue in the city
 85.28 of Richfield to provide local and regional
 85.29 access between Richfield, the Minneapolis/St.
 85.30 Paul International Airport, the city of
 85.31 Bloomington, and the Mall of America. After
 85.32 right-of-way acquisition is completed, the city
 85.33 may use any remaining money appropriated
 85.34 in this subdivision for construction of the

86.1 extension. Notwithstanding Minnesota
86.2 Statutes, section 16A.642, the bond sale
86.3 authorization and appropriation of bond
86.4 proceeds for the project in this subdivision are
86.5 available until December 31, 2021.

86.6 Sec. 33. **NATIONAL SPORTS CENTER; LEASE.**

86.7 Notwithstanding Minnesota Statutes, sections 16A.695, 16B.24, and 240A.03, subdivision
86.8 6, the Minnesota Amateur Sports Commission may lease, sell, and license for educational
86.9 purposes that portion of property described as a portion of the property acquired by the
86.10 commission pursuant to Laws 1987, chapter 400, section 8, subdivision 3, not currently
86.11 needed for amateur sports purposes to Independent School District No. 16, Spring Lake
86.12 Park. A lease shall be in a form approved by the attorney general and for a term not to
86.13 exceed 99 years. A lease may provide for the provision of capital improvements or other
86.14 performance by the tenant in lieu of all or some of the payments of rent that would otherwise
86.15 be required. Any lease revenues, sale proceeds, or license fees paid to the commission are
86.16 appropriated to the commission.

86.17 Sec. 34. **REVISOR'S INSTRUCTION.**

86.18 In Minnesota Statutes, the revisor of statutes shall replace references to Minnesota
86.19 Statutes, section 123A.446, with Minnesota Statutes, section 123A.445.

86.20 Sec. 35. **REPEALER.**

86.21 Minnesota Statutes 2016, section 123A.446, is repealed.

86.22 Sec. 36. **EFFECTIVE DATE.**

86.23 Except as otherwise provided, this article is effective the day following final enactment.

APPENDIX
Article locations in 171-H0005-1

ARTICLE 1	APPROPRIATIONS	Page.Ln 1.18
ARTICLE 2	MISCELLANEOUS	Page.Ln 55.15

APPENDIX

Repealed Minnesota Statutes: 171-H0005-1

123A.446 STATE BOND AUTHORIZATION.

To provide money for the cooperative secondary facilities grant program, the commissioner of management and budget, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$14,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.