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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1240

02/25/2015 Authored by Fabian, Kiel, Nornes, Backer, Lien and others

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy and Finance

1.1 A bill for an act  
1.2 relating to capital investment; appropriating money for flood hazard mitigation  
1.3 grants; authorizing the sale and issuance of state bonds.

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

1.5 Section 1. **FLOOD HAZARD MITIGATION GRANTS; APPROPRIATIONS.**

1.6 Subdivision 1. **Appropriation.** (a) \$17,000,000 is appropriated from the bond  
1.7 proceeds fund to the commissioner of natural resources for the state share of flood hazard  
1.8 mitigation grants for publicly owned capital improvements to prevent or alleviate flood  
1.9 damages under Minnesota Statutes, section 103F.161. Community levee projects, to  
1.10 the extent practical, shall meet the state standard of three feet above the 100-year flood  
1.11 elevation.

1.12 (b) Project priorities shall be determined by the commissioner, as appropriate, based  
1.13 on need and consideration of available leveraging of federal, local, and state funds.

1.14 (c) This appropriation includes money for the following county and municipal  
1.15 projects as prioritized by the commissioner: Ada, Afton, Austin, Borup, Browns Valley,  
1.16 Climax, Delano, Golden Valley, Halstad, Hawley, Hendrum-2, Inver Grove Heights,  
1.17 Melrose, Montevideo, Newport, Nielsville, Oakport Township, Ortonville, Oslo, Perley-2,  
1.18 St. Michael, and St. Vincent.

1.19 (d) This appropriation includes money for the following watersheds: Big Lake,  
1.20 Redpath, Brandrup 9, Western 32, Bois de Sioux Watershed District; Cedar River  
1.21 Watershed District; Little McDonald-Kerbs-Paul Lakes Lake Improvement District;  
1.22 Roseau Wildlife Management Area, Roseau Lake Bed, Beltrami, Roseau River Watershed  
1.23 District; Klondike, Two Rivers Watershed District; Four Legged Lake, Pine Lake, Red  
1.24 Lake Watershed District; Goose Prairie, Green Meadow, Wild Rice River Corridor, Wild

2.1 Rice River Watershed District; Tamarac, Middle Snake Tamarac Watershed District;  
2.2 Humboldt, Wolverton Creek, Upper South Branch Buffalo, Barnesville, Sabin, Buffalo  
2.3 Red Watershed District; and Shellrock River Watershed District.

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

2.7 (f) To the extent that the cost of a project exceeds two percent of the median  
2.8 household income in the municipality multiplied by the number of households in the  
2.9 municipality, this appropriation is also for the local share of the project.

2.10 (g) The Oakport Township project has fully met the two percent median household  
2.11 income match requirements and no further local match is required to complete the project.

2.12 (h) Revenue received by watershed districts for agricultural operations within a  
2.13 project area shall be retained in a separate watershed district project-specific operation,  
2.14 maintenance, and replacement account and used solely for those purposes at the project  
2.15 from which the revenue was generated.

2.16 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the  
2.17 bond proceeds fund, the commissioner of management and budget shall sell and issue  
2.18 bonds of the state in an amount up to \$17,000,000 in the manner, upon the terms, and with  
2.19 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the  
2.20 Minnesota Constitution, article XI, sections 4 to 7.

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