

A bill for an act

relating to state government; modifying provisions relating to state agency responses to natural disasters; amending Minnesota Statutes 2010, sections 12A.05; 12A.06, subdivision 1; 12A.07, subdivisions 1, 2; 12A.09, subdivision 4; 12A.10, by adding a subdivision; 12A.12, subdivisions 2, 3, by adding a subdivision; 12A.15, by adding a subdivision; 12A.16.

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

Section 1. Minnesota Statutes 2010, section 12A.05, is amended to read:

12A.05 BOARD OF WATER AND SOIL RESOURCES.

Subdivision 1. **Reinvest in Minnesota (RIM) conservation easements.** The board may use appropriations to acquire easements from landowners on marginal or damaged lands in the disaster area to provide flood attenuation, to restore and protect soil and water ~~quality~~ resources, and to support related fish and wildlife habitat as provided in section 103F.515.

The board may use ~~an appropriation~~ appropriations, as provided in law, to implement the program.

Subd. 2. **Erosion, and sediment control, and water quality ~~control cost-share program~~ and watershed protection projects.** The board may establish a disaster recovery program and use appropriations to install, repair, or rehabilitate erosion and sediment control and water quality and watershed protection projects in the disaster area ~~to protect soil and water quality and to support fish and wildlife habitat.~~

The board may use ~~an appropriation~~ appropriations, as provided in law, to implement the disaster recovery program and to address critical conservation problems resulting from the disaster that are funded in whole or in part with state sources, to the extent that combined federal and state funding does not exceed 100 percent.

Subd. 3. **Waivers and extensions authorized.** The board may waive the provisions of Minnesota Rules, chapter 8400, in the disaster area on land damaged by the disaster. ~~The waiver applies to all existing and future contracts to address critical conservation problems resulting from the disaster that are funded in whole or in part with state money, to the extent that combined federal and state funding does not exceed 100 percent. All existing state cost-share grant agreements in the disaster area are~~ may be extended, as provided in law for up to two years.

Sec. 2. Minnesota Statutes 2010, section 12A.06, subdivision 1, is amended to read:

Subdivision 1. **Disaster enrollment impact aid.** The commissioner may pay disaster enrollment impact aid to a school district in an amount set in law times the number of ~~pupils~~ adjusted pupil units lost as a result of the disaster. An eligible district must provide to the commissioner documentation of the number of pupils in average daily membership lost by grade level as a result of the disaster.

Sec. 3. Minnesota Statutes 2010, section 12A.07, subdivision 1, is amended to read:

Subdivision 1. **Minnesota investment fund.** The commissioner may use state appropriations for grants to local units of government for locally administered grants or loan programs as provided in this section for assistance to eligible organizations directly and adversely affected by the disaster. Funds may be used only to address physical damage to buildings and such personal property as machinery, equipment, fixtures, and furniture. A loan may not duplicate or replace equivalent assistance available from insurance, other organizations, or government agencies.

Sec. 4. Minnesota Statutes 2010, section 12A.07, subdivision 2, is amended to read:

Subd. 2. **Assistance.** Criteria and requirements must be locally established with the approval of the commissioner. Local plans must specify the type of assistance to be provided to eligible organizations. Within the limits of the available grant amounts, assistance may be provided as loans with or without interest and as forgivable loans. The criteria must, at a minimum, specify that an organization receiving a forgivable loan must remain in the local community a minimum of ~~ten~~ five years after the date of the loan, after which the amount of loan forgiveness must follow a schedule provided by the commissioner for an additional five years. Loans made under this section must not be used to refinance debt that existed on the date of the disaster. Repayment of loan amounts is made to the local community.

H.F. No. 1088, 1st Engrossment - 87th Legislative Session (2011-2012) [H1088-1]

Sec. 5. Minnesota Statutes 2010, section 12A.09, subdivision 4, is amended to read:

Subd. 4. **Waivers authorized.** For assistance under subdivision 2, the requirements of section 462A.33, subdivision 3, and Minnesota Rules, parts 4900.3632 and 4900.3634, ~~subdivision~~ subpart 4, are waived.

Sec. 6. Minnesota Statutes 2010, section 12A.10, is amended by adding a subdivision to read:

Subd. 4. **Nursing home bed layaway.** In consultation with the commissioner of human services, the commissioner of health may waive timelines specified in section 144A.071, subdivision 4b, at any time when a partial or complete evacuation occurs in response to a natural disaster, a possible natural disaster, or another event that threatens the health and safety of residents of a nursing home. For a nursing home placing beds in or removing them from layaway under this subdivision, property payment rates must not be adjusted.

Sec. 7. Minnesota Statutes 2010, section 12A.12, subdivision 2, is amended to read:

Subd. 2. **Flood hazard mitigation grants.** The commissioner may use state appropriations for the ~~state's~~ state and local share of flood hazard mitigation grants for capital improvements to prevent or alleviate flood damage under section 103F.161 in the disaster area. The commissioner shall determine project priorities, as appropriate, based on need. ~~These funds may also be used to buy out substantially damaged structures.~~

To the extent that the cost of a project funded under this subdivision in a given municipality exceeds two percent of the median household income in the municipality, multiplied by the number of households in the municipality, the commissioner may also use the appropriation for the local share of the project.

EFFECTIVE DATE. This section is effective retroactively from October 19, 2010.

Sec. 8. Minnesota Statutes 2010, section 12A.12, subdivision 3, is amended to read:

Subd. 3. **Debris removal; ~~lakes and streams~~ public waters.** The commissioner may use appropriations for ~~grants to remove debris attributable to the disaster from lakes and streams~~ expenditures in the disaster area, including removing flood debris from public waters and installing and repairing flood warning gauges.

Sec. 9. Minnesota Statutes 2010, section 12A.12, is amended by adding a subdivision to read:

4.1 Subd. 3a. **Dam renovation and removal.** The commissioner may use
4.2 appropriations to provide cost share for renovating or removing publicly owned dams in
4.3 the disaster area under sections 103G.511 and 103G.515.

4.4 Sec. 10. Minnesota Statutes 2010, section 12A.15, is amended by adding a subdivision
4.5 to read:

4.6 Subd. 2a. **Long-term recovery assistance.** The commissioner may use
4.7 appropriations to provide technical assistance to local jurisdictions or to make grants to
4.8 counties, regional consortia, and nonprofit organizations working in the disaster area to
4.9 provide assistance in coordinating long-term recovery activities related to the disaster.

4.10 Sec. 11. Minnesota Statutes 2010, section 12A.16, is amended to read:

4.11 **12A.16 TRANSPORTATION.**

4.12 Subdivision 1. **Transportation infrastructure operation and maintenance.** The
4.13 commissioner may use appropriations from the trunk highway fund for transportation
4.14 infrastructure operation and maintenance related to a disaster.

4.15 Subd. 1a. **Emergency relief account in trunk highway fund.** The commissioner
4.16 may use appropriations from the emergency relief account in the trunk highway fund for
4.17 infrastructure repair, maintenance, and operation related to a disaster.

4.18 Subd. 2. **State ~~trunk~~ highway and bridge ~~damage~~ reconstruction and repair.**
4.19 The commissioner is responsible to reconstruct and repair trunk highways and trunk
4.20 highway bridges located in the disaster area and damaged by the disaster.

4.21 Subd. 3. **Local road and bridge ~~damage~~ reconstruction and replacement.**
4.22 The commissioner may make grants to local governments for the capital costs of
4.23 repairing, reconstructing ~~and~~, or replacing local roads and bridges, including necessary
4.24 demolition and design costs, damaged or destroyed by the disaster. Grants may also
4.25 be used for reasonable costs to mitigate damage from future disasters when to do so is
4.26 part of a project to repair, reconstruct, or replace infrastructure damaged in the disaster.
4.27 Before the commissioner releases grant money, a grantee must submit final plans to the
4.28 commissioner for each project under this subdivision. The commissioner must determine
4.29 project priorities, review project plans in light of those priorities, and, if necessary, require
4.30 changes to the project plans to ensure the most prudent use of limited state resources.

4.31 Subd. 4. **Local guidelines.** The commissioner, in consultation with the
4.32 commissioner of public safety, must develop guidelines for local governments to use to
4.33 respond to natural disasters in order to maximize the use of federal disaster assistance.
4.34 The guidelines must address the use of local employees and equipment and contracted

employees and equipment in the disaster response and the relative eligibility for federal reimbursement and clarify agency roles and responsibilities for damage estimates used for developing emergency state appropriations.

Subd. 5. **Waivers authorized.** The requirements of section 174.50, subdivisions 5, 6, 6a, and 7, are waived for grants under subdivision 3.

Sec. 12. **FLOOD DAMAGE ASSISTANCE FOR HAMMOND AND ZUMBRO FALLS.**

Unspent general funds that are transferred to the commissioner of natural resources from Laws 2010, Second Special Session chapter 1, are available to be disbursed as grants to the cities of Hammond and Zumbro Falls for payment of a portion of outstanding water and sewer infrastructure municipal bond debt, not to exceed the proportion of the outstanding debt represented by the percentage of taxable building structures that were bought out through the flood hazard mitigation program under Laws 2010, Second Special Session chapter 1.

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