

A bill for an act
relating to capital investment; appropriating money for flood hazard mitigation;
appropriating money for a match for federal disaster assistance; authorizing sale
and issuance of state bonds; providing a bond sale schedule; amending Laws
2006, chapter 258, section 7, subdivision 3, as amended.

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

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the
bond proceeds fund, or another named fund, to the state agencies or officials indicated,
to be spent for public purposes. Appropriations of bond proceeds must be spent as
authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire
and better public land and buildings and other public improvements of a capital nature, or
as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j),
or article XIV. Unless otherwise specified, money appropriated in this act for a capital
program or project may be used to pay state agency staff costs that are attributed directly
to the capital program or project in accordance with accounting policies adopted by the
commissioner of management and budget. Unless otherwise specified, the appropriations
in this act are available until the project is completed or abandoned subject to Minnesota
Statutes, section 16A.642.

SUMMARY

<u>Natural Resources</u>	\$	<u>45,000,000</u>
<u>Public Safety</u>		<u>5,000,000</u>
<u>Bond Sale Expenses</u>		<u>45,000</u>
<u>TOTAL</u>	\$	<u>50,045,000</u>

2.1	<u>Bond Proceeds Fund (General Fund Debt Service)</u>	<u>45,045,000</u>
2.2	<u>General Fund</u>	<u>5,000,000</u>
2.3		<u>APPROPRIATIONS</u>
2.4	Sec. 2. <u>NATURAL RESOURCES</u>	
2.5	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 45,000,000</u>
2.6	<u>To the commissioner of natural resources for</u>	
2.7	<u>the purposes specified in this section.</u>	
2.8	<u>The appropriations in this section are</u>	
2.9	<u>subject to the requirements of the natural</u>	
2.10	<u>resources capital improvement program</u>	
2.11	<u>under Minnesota Statutes, section 86A.12,</u>	
2.12	<u>unless this section or the statutes referred</u>	
2.13	<u>to in this section provide more specific</u>	
2.14	<u>standards, criteria, or priorities for projects</u>	
2.15	<u>than Minnesota Statutes, section 86A.12.</u>	
2.16	<u>Subd. 2. Flood Hazard Mitigation Grants</u>	<u>45,000,000</u>
2.17	<u>(a) For the state share of flood hazard</u>	
2.18	<u>mitigation grants for publicly owned capital</u>	
2.19	<u>improvements to prevent or alleviate</u>	
2.20	<u>flood damage under Minnesota Statutes,</u>	
2.21	<u>section 103F.161. Project priorities shall</u>	
2.22	<u>be determined by the commissioner as</u>	
2.23	<u>appropriate, based on need.</u>	
2.24	<u>(b) To the extent that the cost of a project</u>	
2.25	<u>exceeds two percent of the median household</u>	
2.26	<u>income in the municipality or unit of</u>	
2.27	<u>government on the commissioner's priority</u>	
2.28	<u>list multiplied by the number of households</u>	
2.29	<u>in the municipality or unit of government</u>	
2.30	<u>on the commissioner's priority list, this</u>	
2.31	<u>appropriation is also for the local share of the</u>	
2.32	<u>project.</u>	

3.1 (c) Up to \$6,000,000 of this appropriation is
3.2 for the project in the city of Roseau.

3.3 (d) Up to \$3,000,000 of this appropriation is
3.4 for the project in the city of Georgetown.

3.5 (e) Up to \$16,500,000 of this appropriation
3.6 is for the project in the city of Moorhead.

3.7 **Subd. 3. Unspent Appropriations**

3.8 The unspent portion of an appropriation, but
3.9 not to exceed ten percent of the appropriation,
3.10 for a project in this section that is complete,
3.11 other than an appropriation for flood hazard
3.12 mitigation, is available for asset preservation
3.13 under Minnesota Statutes, section 84.946.
3.14 Minnesota Statutes, section 16A.642, applies
3.15 from the date of the original appropriation
3.16 to the unspent amount transferred for asset
3.17 preservation.

3.18 **Sec. 3. BOND SALE EXPENSES** **\$ 45,000**

3.19 To the commissioner of management
3.20 and budget for bond sale expenses under
3.21 Minnesota Statutes, section 16A.641,
3.22 subdivision 8.

3.23 **Sec. 4. BOND SALE SCHEDULE.**

3.24 The commissioner of management and budget shall schedule the sale of state
3.25 general obligation bonds so that, during the biennium ending June 30, 2013, no more
3.26 than \$1,175,188,000 needs to be transferred from the general fund to the state bond
3.27 fund to pay principal and interest due and to become due on outstanding state general
3.28 obligation bonds. During the biennium, before each sale of state general obligation bonds,
3.29 the commissioner of management and budget shall calculate the amount of debt service
3.30 payments needed on bonds previously issued and shall estimate the amount of debt service
3.31 payments that will be needed on the bonds scheduled to be sold. The commissioner shall
3.32 adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this

section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 5. **BOND SALE AUTHORIZATION.**

To provide the money appropriated in this act from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$45,045,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 6. **APPROPRIATION; FEDERAL MATCH.**

\$5,000,000 is appropriated from the general fund to the commissioner of public safety to provide a match for Federal Emergency Management Agency (FEMA) disaster assistance to state agencies and political subdivisions under Minnesota Statutes, section 12.221, in the area designated under Presidential Declaration of Major Disaster DR-1982, for the flooding in Minnesota in the spring of 2011, whether included in the original declaration or added later by federal government action. This is a onetime appropriation. This appropriation does not lapse.

Sec. 7. Laws 2006, chapter 258, section 7, subdivision 3, as amended by Laws 2007, chapter 122, section 4, and Laws 2008, chapter 179, section 59, is amended to read:

Subd. 3. Flood Hazard Mitigation Grants	25,000,000
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For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

The commissioner shall determine project priorities as appropriate, based on need.

This appropriation includes money for the following projects:

- (a) Austin
- (b) Albert Lea
- (c) Browns Valley

- 5.1 (d) Crookston
- 5.2 (e) Canisteo Mine
- 5.3 (f) Delano
- 5.4 (g) East Grand Forks
- 5.5 (h) Golden Valley
- 5.6 (i) Grand Marais Creek
- 5.7 (j) Granite Falls
- 5.8 (k) Inver Grove Heights
- 5.9 (l) Manston Slough
- 5.10 (m) Oakport Township
- 5.11 (n) Riverton Township
- 5.12 (o) Roseau
- 5.13 (p) Shell Rock Watershed District
- 5.14 (q) St. Vincent
- 5.15 (r) Wild Rice River Watershed District
- 5.16 For any project listed in this subdivision
- 5.17 that the commissioner determines is not
- 5.18 ready to proceed or does not expend all the
- 5.19 money allocated to it, the commissioner may
- 5.20 allocate that project's money to a project on
- 5.21 the commissioner's priority list.
- 5.22 To the extent that the cost of a project in Ada,
- 5.23 Breckenridge, Browns Valley, Crookston,
- 5.24 Dawson, East Grand Forks, Granite Falls,
- 5.25 Montevideo, Oakport Township, Roseau,
- 5.26 St. Vincent, or Warren exceeds two percent
- 5.27 of the median household income in the
- 5.28 municipality multiplied by the number
- 5.29 of households in the municipality, this
- 5.30 appropriation is also for the local share of the
- 5.31 project. The local share for the St. Vincent
- 5.32 dike may not exceed \$30,000.

6.1 Notwithstanding Minnesota Statutes,
6.2 section 16A.642, the bond authorization
6.3 and appropriation of bond proceeds in this
6.4 subdivision are available until June 30, 2014.

6.5 Sec. 8. **EFFECTIVE DATE.**

6.6 This act is effective the day following final enactment.