

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2622

03/01/2012 Authored by Howes, Hausman, Hancock, Ward, Normes and others
The bill was read for the first time and referred to the Committee on Capital Investment
03/22/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means
03/29/2012 Adoption of Report: Pass as Amended and Read Second Time

1.1 A bill for an act
1.2 relating to capital improvements; authorizing spending to acquire and better
1.3 public land and buildings and for other improvements of a capital nature with
1.4 certain conditions; establishing programs; authorizing the sale and issuance of
1.5 state bonds; modifying previous appropriations; authorizing Cook County to
1.6 form a district for the construction of water facilities and provision of water
1.7 service; authorizing the commissioner of natural resources to make certain
1.8 acquisitions of land or interests in land; appropriating money; amending
1.9 Minnesota Statutes 2010, sections 16B.32, subdivisions 1, 1a; 462A.21, by
1.10 adding a subdivision; Laws 2006, chapter 258, sections 7, subdivision 23, as
1.11 amended; 17, subdivision 3; Laws 2008, chapter 179, sections 7, subdivision 27,
1.12 as amended; 17, subdivision 4; 19, subdivision 4, as amended; 21, subdivision
1.13 15, as amended; Laws 2009, chapter 93, article 1, section 12, subdivision 2; Laws
1.14 2010, chapter 189, sections 18, subdivision 5; 24, subdivision 3; Laws 2011,
1.15 First Special Session chapter 12, sections 3, subdivisions 7, 8; 14, subdivision
1.16 2; 19; 22; proposing coding for new law in Minnesota Statutes, chapters 16B;
1.17 116J; 462A; repealing Laws 2011, chapter 107, section 101; Minnesota Rules,
1.18 part 8895.0700, subpart 1.

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

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

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

2.1 in this act are available until the project is completed or abandoned subject to Minnesota
 2.2 Statutes, section 16A.642.

2.3 **SUMMARY**

2.4	<u>University of Minnesota</u>	\$	<u>39,060,000</u>
2.5	<u>Minnesota State Colleges and Universities</u>		<u>56,455,000</u>
2.6	<u>Minnesota State Academies</u>		<u>1,000,000</u>
2.7	<u>Perpich Center for Arts Education</u>		<u>263,000</u>
2.8	<u>Natural Resources</u>		<u>21,409,000</u>
2.9	<u>Pollution Control Agency</u>		<u>1,956,000</u>
2.10	<u>Board of Water and Soil Resources</u>		<u>10,000,000</u>
2.11	<u>Rural Finance Authority</u>		<u>33,000,000</u>
2.12	<u>Zoological Garden</u>		<u>5,000,000</u>
2.13	<u>Administration</u>		<u>8,000,000</u>
2.14	<u>Amateur Sports</u>		<u>375,000</u>
2.15	<u>Military Affairs</u>		<u>2,000,000</u>
2.16	<u>Public Safety</u>		<u>2,000,000</u>
2.17	<u>Transportation</u>		<u>39,500,000</u>
2.18	<u>Metropolitan Council</u>		<u>8,100,000</u>
2.19	<u>Human Services</u>		<u>2,500,000</u>
2.20	<u>Veterans Affairs</u>		<u>3,250,000</u>
2.21	<u>Corrections</u>		<u>14,128,000</u>
2.22	<u>Employment and Economic Development</u>		<u>45,285,000</u>
2.23	<u>Public Facilities Authority</u>		<u>23,600,000</u>
2.24	<u>Housing Finance Agency</u>		<u>5,000,000</u>
2.25	<u>Minnesota Historical Society</u>		<u>3,250,000</u>
2.26	<u>Bond Sale Expenses</u>		<u>281,000</u>
2.27	<u>TOTAL</u>	\$	<u>325,412,000</u>
2.28	<u>Bond Proceeds Fund (General Fund Debt Service)</u>		<u>250,260,000</u>
2.29	<u>Bond Proceeds Fund (User Financed Debt Service)</u>		<u>45,152,000</u>
2.30	<u>State Transportation Fund</u>		<u>30,000,000</u>

2.31 **APPROPRIATIONS**

2.32 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.33 **Subdivision 1. Total Appropriation** **\$ 39,060,000**

2.34 To the Board of Regents of the University
 2.35 of Minnesota for the purposes specified in
 2.36 this section.

2.37 **Subd. 2. Higher Education Asset Preservation**
 2.38 **and Replacement (HEAPR)** **35,000,000**

3.1 To be spent in accordance with Minnesota
 3.2 Statutes, section 135A.046.

3.3 Subd. 3. **Itasca Biological Station**

3.4 **Itasca Facility Improvements** 4,060,000

3.5 To design, construct, furnish, and equip a new
 3.6 technology-rich biological laboratory and
 3.7 classroom facility, and to design, construct,
 3.8 furnish, and equip the renovation of the
 3.9 historic Lakeside Lab and to remove obsolete
 3.10 single-function buildings at the University of
 3.11 Minnesota facility in Itasca State Park.

3.12 Subd. 4. **University Share**

3.13 Except for Higher Education Asset
 3.14 Preservation and Replacement (HEAPR)
 3.15 under subdivision 2, the appropriations in this
 3.16 section are intended to cover approximately
 3.17 two-thirds of the cost of each project. The
 3.18 remaining costs must be paid from university
 3.19 sources.

3.20 Subd. 5. **Unspent Appropriations**

3.21 Upon substantial completion of a project
 3.22 authorized in this section and after written
 3.23 notice to the commissioner of management
 3.24 and budget, the Board of Regents must use
 3.25 any money remaining in the appropriation
 3.26 for that project for HEAPR under Minnesota
 3.27 Statutes, section 135A.046. The Board
 3.28 of Regents must report by February 1 of
 3.29 each even-numbered year to the chairs of
 3.30 the house of representatives and senate
 3.31 committees with jurisdiction over capital
 3.32 investment and higher education finance, and
 3.33 to the chairs of the house of representatives
 3.34 Ways and Means Committee and the senate

4.1 Finance Committee, on how the remaining
 4.2 money has been allocated or spent.

4.3 **Sec. 3. MINNESOTA STATE COLLEGES**
 4.4 **AND UNIVERSITIES**

4.5 **Subdivision 1. Total Appropriation** **\$ 56,455,000**

4.6 To the Board of Trustees of the Minnesota
 4.7 State Colleges and Universities for the
 4.8 purposes specified in this section.

4.9 **Subd. 2. Higher Education Asset Preservation**
 4.10 **and Replacement (HEAPR)** **20,000,000**

4.11 For the purposes specified in Minnesota
 4.12 Statutes, section 135A.046.

4.13 **Subd. 3. Bemidji State University**

4.14 **Business Building Addition, Renovation**
 4.15 **Design, Demolition** **3,303,000**

4.16 To abate and demolish Maple Hall and
 4.17 Sanford Hall, and to complete design for the
 4.18 renovation of Decker Hall, Hobson Hall,
 4.19 and Memorial Hall into multiuse classrooms
 4.20 and study spaces, including replacing the
 4.21 HVAC system and constructing an addition
 4.22 to Memorial Hall for better accessibility.

4.23 **Subd. 4. Minnesota West Community and**
 4.24 **Technical College, Worthington**

4.25 **Renovation and Addition** **4,606,000**

4.26 To renovate, furnish, and equip existing
 4.27 classroom and lab spaces and to design,
 4.28 construct, furnish, and equip a classroom,
 4.29 lab, and entryway addition, and replace
 4.30 HVAC systems.

4.31 **Subd. 5. Northeast Higher Education District -**
 4.32 **Itasca Community College**

4.33 **Renovation, Addition, and Demolition** **4,549,000**

5.1 To complete the design of and to renovate,
 5.2 furnish, and equip existing instructional
 5.3 and student services spaces, to design,
 5.4 construct, furnish, and equip an addition with
 5.5 multipurpose classrooms, and to demolish
 5.6 Donovan Hall.

5.7 **Subd. 6. Northland Community and Technical**
 5.8 **College**

5.9 **Aviation Maintenance Facility Expansion**
 5.10 **Design** 300,000

5.11 To design the expansion and renovation of the
 5.12 aviation maintenance facilities at Northland
 5.13 Community and Technical College.

5.14 **Subd. 7. Ridgewater College, Willmar**

5.15 **Technical Instruction Lab Renovation** 13,851,000

5.16 To complete the design of and to renovate,
 5.17 furnish, and equip classroom and student
 5.18 service spaces, to replace the HVAC
 5.19 system, to construct, furnish, and equip an
 5.20 updated campus entry, and to demolish the
 5.21 Administration Building.

5.22 **Subd. 8. Rochester Community and Technical**
 5.23 **College**

5.24 **Renovation and Addition for Workforce**
 5.25 **Center Colocation** 3,146,000

5.26 To complete the design of and to renovate,
 5.27 furnish, and equip existing Heintz Center
 5.28 space and to design, construct, furnish, and
 5.29 equip an addition to the Heintz Center for the
 5.30 offices and shared spaces and services of the
 5.31 Minnesota Workforce Center - Rochester,
 5.32 and to replace the HVAC system.

5.33 **Subd. 9. Saint Paul College**

5.34 **Health and Science Alliance Center** 1,500,000

6.1 To complete the design for an addition for
 6.2 the college's health and science programs,
 6.3 including the elimination of crowding in
 6.4 existing labs and the demolition of obsolete
 6.5 space.

6.6 **Subd. 10. Science, Technology, Engineering,**
 6.7 **and Math Initiatives**

5,200,000

6.8 To design, renovate, furnish, and equip
 6.9 science, technology, and math laboratories
 6.10 and classrooms at campuses statewide.
 6.11 Campuses may use internal and nonstate
 6.12 funds to increase the size of the projects. This
 6.13 appropriation may be used at the following
 6.14 campuses: Bemidji State University; Century
 6.15 College; Inver Hills Community College;
 6.16 Minnesota State Community and Technical
 6.17 College, Moorhead; Minnesota State
 6.18 University, Moorhead; Northeast Higher
 6.19 Education District, Hibbing Community
 6.20 College, Itasca Community College, and
 6.21 Mesabi Range Community and Technical
 6.22 College; and Pine Technical College.

6.23 **Subd. 11. Debt Service**

6.24 (a) The Board of Trustees shall pay the
 6.25 debt service on one-third of the principal
 6.26 amount of state bonds sold to finance
 6.27 projects authorized by this section, except
 6.28 for higher education asset preservation
 6.29 and replacement, and except that, where a
 6.30 nonstate match is required, the debt service is
 6.31 due on a principal amount equal to one-third
 6.32 of the total project cost, less the match
 6.33 committed before the bonds are sold. After
 6.34 each sale of general obligation bonds, the
 6.35 commissioner of management and budget

7.1 shall notify the board of the amounts assessed
7.2 for each year for the life of the bonds.

7.3 (b) The commissioner of management and
7.4 budget shall reduce the board's assessment
7.5 each year by one-third of the net income
7.6 from investment of general obligation bond
7.7 proceeds in proportion to the amount of
7.8 principal and interest otherwise required to
7.9 be paid by the board. The board shall pay its
7.10 resulting net assessment to the commissioner
7.11 of management and budget by December
7.12 1 each year. If the board fails to make
7.13 a payment when due, the commissioner
7.14 of management and budget shall reduce
7.15 allotments for appropriations from the
7.16 general fund otherwise available to the board
7.17 and apply the amount of the reduction to
7.18 cover the missed debt service payment. The
7.19 commissioner of management and budget
7.20 shall credit the payments received from the
7.21 board to the bond debt service account in
7.22 the state bond fund each December 1 before
7.23 money is transferred from the general fund
7.24 under Minnesota Statutes, section 16A.641,
7.25 subdivision 10.

7.26 **Subd. 12. Unspent Appropriations**

7.27 (a) Upon substantial completion of a
7.28 project authorized in this section and after
7.29 written notice to the commissioner of
7.30 management and budget, the board must use
7.31 any money remaining in the appropriation
7.32 for that project for Higher Education Asset
7.33 Preservation and Replacement (HEAPR)
7.34 under Minnesota Statutes, section 135A.046.
7.35 The board must report by February 1 of each

8.1 even-numbered year to the chairs of the house
 8.2 of representatives and senate committees
 8.3 with jurisdiction over capital investments and
 8.4 higher education finance, and to the chairs
 8.5 of the house of representatives Ways and
 8.6 Means Committee and the senate Finance
 8.7 Committee, on how the remaining money
 8.8 has been allocated or spent.

8.9 (b) The unspent portion of an appropriation
 8.10 for a project in this section that is complete
 8.11 is available for Higher Education Asset
 8.12 Preservation and Replacement (HEAPR)
 8.13 under this subdivision at the same campus
 8.14 as the project for which the original
 8.15 appropriation was made, and the debt
 8.16 service requirement under subdivision 9 is
 8.17 reduced accordingly. Minnesota Statutes,
 8.18 section 16A.642, applies from the date of the
 8.19 original appropriation to the unspent amount
 8.20 transferred.

8.21 **Sec. 4. MINNESOTA STATE ACADEMIES** **\$** **1,000,000**

8.22 To the commissioner of administration for
 8.23 asset preservation on both campuses of the
 8.24 academies, to be spent in accordance with
 8.25 Minnesota Statutes, section 16B.307.

8.26 **Sec. 5. PERPICH CENTER FOR ARTS**
 8.27 **EDUCATION**

8.28 **Subdivision 1. Total Appropriation** **\$** **263,000**

8.29 To the commissioner of administration for
 8.30 the purposes specified in this section.

8.31 **Subd. 2. Loading Dock Repair** **64,000**

8.32 To complete design of and repair the loading
 8.33 dock and dock steps.

9.1	<u>Subd. 3. Road Repair</u>	<u>99,000</u>
9.2	<u>To complete design and repair roadway.</u>	
9.3	<u>Subd. 4. Storm Drainage</u>	<u>100,000</u>
9.4	<u>To complete design of and install storm</u>	
9.5	<u>drainage on the northwest corner of campus.</u>	
9.6	<u>Sec. 6. NATURAL RESOURCES</u>	
9.7	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 21,409,000</u>
9.8	<u>To the commissioner of natural resources</u>	
9.9	<u>for the purposes specified in this section.</u>	
9.10	<u>The appropriations in this section are</u>	
9.11	<u>subject to the requirements of the natural</u>	
9.12	<u>resources capital improvement program</u>	
9.13	<u>under Minnesota Statutes, section 86A.12,</u>	
9.14	<u>unless this section or the statutes referred</u>	
9.15	<u>to in this section provide more specific</u>	
9.16	<u>standards, criteria, or priorities for projects</u>	
9.17	<u>than Minnesota Statutes, section 86A.12.</u>	
9.18	<u>Subd. 2. Natural Resources Asset Preservation</u>	<u>3,000,000</u>
9.19	<u>For the renovation of state-owned facilities</u>	
9.20	<u>and recreational assets operated by the</u>	
9.21	<u>commissioner of natural resources, to be</u>	
9.22	<u>spent in accordance with Minnesota Statutes,</u>	
9.23	<u>section 84.946. The commissioner may</u>	
9.24	<u>use this appropriation to replace buildings</u>	
9.25	<u>if that is the most effective and the most</u>	
9.26	<u>energy-efficient and carbon-reducing method</u>	
9.27	<u>of renovation.</u>	
9.28	<u>Subd. 3. Flood Hazard Mitigation Grants</u>	<u>4,409,000</u>
9.29	<u>For the state share of flood hazard</u>	
9.30	<u>mitigation grants for publicly owned capital</u>	
9.31	<u>improvements to prevent or alleviate flood</u>	
9.32	<u>damage under Minnesota Statutes, section</u>	
9.33	<u>103F.161. Levee projects, to the extent</u>	

10.1 practical, shall meet the state standard of
10.2 three feet above the 100-year flood elevation.
10.3 The commissioner shall determine project
10.4 priorities as appropriate, based on need.
10.5 Of this appropriation, \$300,000 is for a
10.6 grant to Douglas County for construction
10.7 of a drainage outlet for Lake Oscar. This
10.8 appropriation is not available until the
10.9 commissioner has determined that at least
10.10 \$10,000 has been secured for this project
10.11 from nonstate sources.
10.12 Of this appropriation, \$4,109,000 is
10.13 for a grant to the Red River Watershed
10.14 Management Board for the following
10.15 projects: Springbrook in the Two
10.16 Rivers Watershed District; Roseau Water
10.17 Management Area and Hay Creek/Norland
10.18 in the Roseau River Watershed District;
10.19 Brandt/Angus in the Middle Snake Tamarac
10.20 Watershed District; Shelly, Felton, and Upper
10.21 Becker in the Wild Rice Watershed District;
10.22 and Climax, Nielsville, and Bear Park in the
10.23 Sandhill Watershed District.
10.24 For any project listed in this subdivision
10.25 that the commissioner determines is not
10.26 ready to proceed or does not expend all the
10.27 money allocated to it, the commissioner may
10.28 allocate that project's money to a project on
10.29 the commissioner's priority list.
10.30 To the extent that the cost of a project
10.31 exceeds two percent of the median household
10.32 income in the municipality multiplied by the
10.33 number of households in the municipality,
10.34 this appropriation is also for the local share
10.35 of the project.

11.1	<u>Subd. 4. Dam Repair, Reconstruction, and</u>	
11.2	<u>Removal</u>	<u>3,000,000</u>
11.3	<u>To renovate or remove publicly owned dams.</u>	
11.4	<u>The commissioner shall determine project</u>	
11.5	<u>priorities as appropriate under Minnesota</u>	
11.6	<u>Statutes, sections 103G.511 and 103G.515.</u>	
11.7	<u>Of this, \$25,000 is for a grant to the city of</u>	
11.8	<u>Anoka for predesign of the renovation of</u>	
11.9	<u>the Rum River Dam to serve as a barrier to</u>	
11.10	<u>invasive species.</u>	
11.11	<u>Subd. 5. Roads and Bridges</u>	<u>3,000,000</u>
11.12	<u>For the design, reconstruction, resurfacing,</u>	
11.13	<u>replacement, and construction of</u>	
11.14	<u>DNR-maintained roads, culverts, and</u>	
11.15	<u>bridges.</u>	
11.16	<u>Subd. 6. State Forest Land Reforestation</u>	<u>1,000,000</u>
11.17	<u>To increase reforestation activities to meet</u>	
11.18	<u>the reforestation requirements of Minnesota</u>	
11.19	<u>Statutes, section 89.002, subdivision 2,</u>	
11.20	<u>including planting, seeding, site preparation;</u>	
11.21	<u>and for timber stand improvement.</u>	
11.22	<u>Subd. 7. State Parks and Trails Renewal and</u>	
11.23	<u>Development</u>	<u>7,000,000</u>
11.24	<u>For renewal, modification, replacement, or</u>	
11.25	<u>development of buildings and recreational</u>	
11.26	<u>infrastructure in state parks, state recreation</u>	
11.27	<u>areas, state trails, small craft harbors and</u>	
11.28	<u>marinas, fishing pier sites, and state forests.</u>	
11.29	<u>Subd. 8. Unspent Appropriations</u>	
11.30	<u>The unspent portion of an appropriation,</u>	
11.31	<u>but not to exceed ten percent of the</u>	
11.32	<u>appropriation, for a project in this section</u>	
11.33	<u>that is complete, other than an appropriation</u>	
11.34	<u>for flood hazard mitigation, upon written</u>	

12.1 notice to the commissioner of management
 12.2 and budget, is available for asset preservation
 12.3 under Minnesota Statutes, section 84.946.
 12.4 Minnesota Statutes, section 16A.642, applies
 12.5 from the date of the original appropriation
 12.6 to the unspent amount transferred for asset
 12.7 preservation.

12.8 **Sec. 7. POLLUTION CONTROL AGENCY** **\$** **1,956,000**

12.9 **Capital Assistance Grant, Becker County**

12.10 To the Pollution Control Agency for a
 12.11 solid waste capital assistance grant under
 12.12 Minnesota Statutes, section 115A.54, to
 12.13 Becker County to design and construct a
 12.14 waste transfer facility and a material recovery
 12.15 facility. This amount includes 75 percent
 12.16 of the cost of the transfer station and 50
 12.17 percent of the cost of a material recovery
 12.18 facility. This grant is not available until the
 12.19 agency determines that an amount sufficient
 12.20 to complete the project is committed from
 12.21 nonstate sources.

12.22 **Sec. 8. BOARD OF WATER AND SOIL**
 12.23 **RESOURCES**

12.24 **Subdivision 1. Total Appropriation** **\$** **10,000,000**

12.25 To the Board of Water and Soil Resources
 12.26 for the purposes specified in this section.

12.27 **Subd. 2. RIM Conservation Reserve** **8,000,000**

12.28 (a) To acquire conservation easements from
 12.29 landowners to preserve, restore, create,
 12.30 and enhance wetlands; restore and enhance
 12.31 rivers and streams, riparian lands, and
 12.32 associated uplands in order to protect soil
 12.33 and water quality; support fish and wildlife

13.1 habitat; reduce flood damage; and provide
 13.2 other public benefits. The provisions of
 13.3 Minnesota Statutes, section 103F.515, apply
 13.4 to this appropriation, except that the board
 13.5 may establish alternative payment rates for
 13.6 easements and practices to establish restored
 13.7 native prairies, as defined in Minnesota
 13.8 Statutes, section 84.02, subdivision 5, and
 13.9 to protect uplands. Of this appropriation, up
 13.10 to ten percent may be used to implement the
 13.11 program.

13.12 (b) The board is authorized to enter into
 13.13 new agreements and amend past agreements
 13.14 with landowners as required by Minnesota
 13.15 Statutes, section 103F.515, subdivision 5, to
 13.16 allow for restoration, including overseeding
 13.17 and harvesting of native prairie vegetation for
 13.18 use for energy production in a manner that
 13.19 does not devalue the natural habitat, water
 13.20 quality benefits, or carbon sequestration
 13.21 functions of the area enrolled in the easement.
 13.22 This shall occur after seed production and
 13.23 minimize impacts on wildlife. Of this
 13.24 appropriation, up to five percent may be used
 13.25 for restoration, including overseeding.

13.26 **Subd. 3. Wetland Replacement Due to Public**
 13.27 **Road Projects**

2,000,000

13.28 To acquire land for wetland restoration or
 13.29 preservation to replace wetlands drained
 13.30 or filled as a result of the repair or
 13.31 reconstruction, replacement, or rehabilitation
 13.32 of existing public roads as required by
 13.33 Minnesota Statutes, section 103G.222,
 13.34 subdivision 1, paragraphs (l) and (m). The
 13.35 provisions of Minnesota Statutes, section
 13.36 103F.515, apply to this appropriation, except

14.1 that the board may establish alternative
 14.2 payment rates for easements and practices
 14.3 to establish restored native prairies, as
 14.4 defined in Minnesota Statutes, section
 14.5 84.02, subdivision 5, and to protect uplands.
 14.6 The purchase price paid for acquisition
 14.7 of land, fee, or perpetual easement must
 14.8 be the fair market value as determined
 14.9 by the board. The board may enter into
 14.10 agreements with the federal government,
 14.11 other state agencies, political subdivisions,
 14.12 and nonprofit organizations or fee owners to
 14.13 acquire land and restore and create wetlands
 14.14 and to acquire existing wetland banking
 14.15 credits. Acquisition of or the conveyance
 14.16 of land may be in the name of the political
 14.17 subdivision.

14.18 **Sec. 9. RURAL FINANCE AUTHORITY \$ 33,000,000**

14.19 For the purposes set forth in the Minnesota
 14.20 Constitution, article XI, section 5, paragraph
 14.21 (h), to the Rural Finance Authority to
 14.22 purchase participation interests in or to
 14.23 make direct agricultural loans to farmers
 14.24 under Minnesota Statutes, chapter 41B.
 14.25 This appropriation is for the beginning
 14.26 farmer program under Minnesota Statutes,
 14.27 section 41B.039; the loan restructuring
 14.28 program under Minnesota Statutes, section
 14.29 41B.04; the seller-sponsored program under
 14.30 Minnesota Statutes, section 41B.042; the
 14.31 agricultural improvement loan program
 14.32 under Minnesota Statutes, section 41B.043;
 14.33 and the livestock expansion loan program
 14.34 under Minnesota Statutes, section 41B.045.
 14.35 All debt service on bond proceeds used to

15.1 finance this appropriation must be repaid
 15.2 by the Rural Finance Authority under
 15.3 Minnesota Statutes, section 16A.643. Loan
 15.4 participations must be priced to provide full
 15.5 interest and principal coverage and a reserve
 15.6 for potential losses. Priority for loans must
 15.7 be given first to basic beginning farmer loans,
 15.8 second to seller-sponsored loans, and third to
 15.9 agricultural improvement loans.

15.10 **Sec. 10. MINNESOTA ZOOLOGICAL**
 15.11 **GARDEN**

\$ 5,000,000

15.12 To the Minnesota Zoological Garden for
 15.13 capital asset preservation and betterments to
 15.14 infrastructure and exhibits at the Minnesota
 15.15 Zoo to be spent in accordance with Minnesota
 15.16 Statutes, section 16B.307.

15.17 **Sec. 11. ADMINISTRATION**

15.18 **Subdivision 1. Total Appropriation**

\$ 8,000,000

15.19 To the commissioner of administration for
 15.20 the purposes specified in this section.

15.21 **Subd. 2. Asset Preservation**

3,000,000

15.22 For asset preservation studies and projects
 15.23 on properties managed by the commissioner.
 15.24 This appropriation must be spent in
 15.25 accordance with Minnesota Statutes, section
 15.26 16B.307. This appropriation includes
 15.27 money to renovate or replace the house of
 15.28 representatives TV control room heating,
 15.29 ventilating, and air conditioning system in
 15.30 the Capitol building.

15.31 **Subd. 3. Hennepin County, Washburn Center**
 15.32 **for Children**

5,000,000

15.33 For a grant to Hennepin County to acquire
 15.34 and prepare a site for and to predesign,

16.1 design, construct, furnish, and equip a new
 16.2 Washburn Center for Children that will be
 16.3 used to provide mental health services to
 16.4 children. The county is authorized to take
 16.5 actions and enter into agreements needed
 16.6 to perform the functions set forth in this
 16.7 section, and the agreements may include
 16.8 provisions and conditions that the county
 16.9 negotiates. The county may enter into a
 16.10 lease or management contract for the new
 16.11 center with a nonprofit entity. The lease or
 16.12 management contract must comply with the
 16.13 requirements of Minnesota Statutes, section
 16.14 16A.695. This appropriation is not available
 16.15 until the commissioner has determined that
 16.16 at least an equal amount has been committed
 16.17 or expended from nonstate resources.

16.18 **Sec. 12. AMATEUR SPORTS** **\$** **375,000**

16.19 To the Minnesota Amateur Sports
 16.20 Commission to replace HVAC heating and
 16.21 cooling units in the Indoor Sports Hall at the
 16.22 National Sports Center in Blaine.

16.23 **Sec. 13. MILITARY AFFAIRS** **\$** **2,000,000**

16.24 To the adjutant general for asset preservation
 16.25 improvements and betterments of a capital
 16.26 nature at military affairs facilities statewide,
 16.27 to be spent in accordance with Minnesota
 16.28 Statutes, section 16B.307.

16.29 **Sec. 14. PUBLIC SAFETY** **\$** **2,000,000**

16.30 **State Emergency Operations Center**
 16.31 To the commissioner of administration to
 16.32 complete site preparation and design for the

17.1 State Emergency Operations Center in Arden
 17.2 Hills.

17.3 Sec. 15. **TRANSPORTATION**

17.4 **Subdivision 1. Total Appropriation** **\$ 39,500,000**

17.5 This appropriation is to the commissioner of
 17.6 transportation for the purposes specified in
 17.7 this section.

17.8 **Subd. 2. Local Bridge Replacement and**
 17.9 **Rehabilitation** **20,000,000**

17.10 This appropriation is from the bond proceeds
 17.11 account in the state transportation fund
 17.12 to match federal money and to replace
 17.13 or rehabilitate local deficient bridges as
 17.14 provided in Minnesota Statutes, section
 17.15 174.50. To the extent practicable, the
 17.16 commissioner shall expend the funds as
 17.17 provided under Minnesota Statutes, section
 17.18 174.50, subdivisions 6c and 7, paragraph (c).

17.19 Political subdivisions may use grants made
 17.20 under this subdivision to construct or
 17.21 reconstruct bridges, including but not limited
 17.22 to:

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

17.25 (2) paying the costs of preliminary
 17.26 engineering and environmental studies
 17.27 authorized under Minnesota Statutes, section
 17.28 174.50, subdivision 6a;

17.29 (3) paying the costs to abandon an existing
 17.30 bridge that is deficient and in need of
 17.31 replacement, but where no replacement will
 17.32 be made; and

17.33 (4) paying the costs to construct a road
 17.34 or street to facilitate the abandonment

18.1 of an existing bridge determined by
 18.2 the commissioner to be deficient, if the
 18.3 commissioner determines that construction
 18.4 of the road or street is more economical than
 18.5 replacement of the existing bridge.

18.6 **Subd. 3. Local Road Improvements** 10,000,000

18.7 Approximately one-half of the appropriation
 18.8 is for construction and reconstruction of local
 18.9 roads with statewide or regional significance
 18.10 under Minnesota Statutes, section 174.52,
 18.11 subdivision 4, and one-half is for grants to
 18.12 counties to assist in paying the costs of rural
 18.13 road safety capital improvement projects on
 18.14 county state-aid highways under Minnesota
 18.15 Statutes, section 174.52, subdivision 4a.

18.16 This appropriation is from the bond proceeds
 18.17 account in the state transportation fund as
 18.18 provided in Minnesota Statutes, section
 18.19 174.50.

18.20 **Subd. 4. Railroad Warning Devices**
 18.21 **Replacement** 2,500,000

18.22 To design, construct, and equip the
 18.23 replacement of active highway rail grade
 18.24 crossing warning safety devices that have
 18.25 reached the end of their useful life.

18.26 **Subd. 5. Rail Service Improvement Program** 1,000,000

18.27 For the rail service improvement program
 18.28 to be spent for the purposes set forth
 18.29 in Minnesota Statutes, section 222.50,
 18.30 subdivision 7.

18.31 **Subd. 6. Port Development Assistance** 1,000,000

18.32 For grants under Minnesota Statutes, chapter
 18.33 457A. Any improvements made with the

19.1 proceeds of these grants must be publicly
 19.2 owned.

19.3 **Subd. 7. I-35W Storm Tunnel, Minneapolis** **4,000,000**

19.4 For a grant to the city of Minneapolis
 19.5 to design and construct capital asset
 19.6 preservation improvements and betterments
 19.7 to the marked Interstate Highway 35W north
 19.8 and south storm tunnel systems to provide
 19.9 drainage for the interstate right-of-way as
 19.10 well as portions of southwest and northeast
 19.11 Minneapolis which drain into the tunnel.

19.12 **Subd. 8. St. Croix River Crossing** **1,000,000**

19.13 For a grant to the city of Oak Park Heights,
 19.14 for capital improvement costs incurred by the
 19.15 city as a result of the trunk highway system
 19.16 project to construct a new bridge over the St.
 19.17 Croix River.

19.18 **Sec. 16. METROPOLITAN COUNCIL**

19.19 **Subdivision 1. Total Appropriation** **\$ 8,100,000**

19.20 To the Metropolitan Council for the purposes
 19.21 specified in this section.

19.22 **Subd. 2. Metropolitan Regional Parks Capital**
 19.23 **Improvements** **5,000,000**

19.24 For the cost of improvements and betterments
 19.25 of a capital nature and acquisition by the
 19.26 council and local government units of
 19.27 regional recreational open-space lands in
 19.28 accordance with the council's policy plan
 19.29 as provided in Minnesota Statutes, section
 19.30 473.147. This appropriation must not be
 19.31 used to purchase easements.

19.32 **Subd. 3. Minneapolis Park and Recreation**
 19.33 **Board - Phillips Community Center Pool**
 19.34 **Renovation** **2,100,000**

20.1 For a grant to the Minneapolis Park and
 20.2 Recreation Board to predesign, design,
 20.3 engineer, reconstruct, renovate, furnish,
 20.4 and equip the Phillips Community Center
 20.5 indoor competitive swimming pool and to
 20.6 predesign, design, engineer, and construct
 20.7 an additional indoor multipurpose family
 20.8 pool and facilities associated with an aquatic
 20.9 center in the community center, subject to
 20.10 Minnesota Statutes, section 16A.695.
 20.11 Subd. 4. Gateway (I-94 East) Corridor 1,000,000

20.12 For a grant to the Washington County
 20.13 Regional Railroad Authority to perform
 20.14 environmental studies and preliminary
 20.15 engineering work for the Gateway (I-94
 20.16 East) Corridor.

20.17 Sec. 17. HUMAN SERVICES \$ 2,500,000

20.18 To the commissioner of administration
 20.19 for asset preservation improvements and
 20.20 betterments of a capital nature at Department
 20.21 of Human Services facilities statewide, to be
 20.22 spent in accordance with Minnesota Statutes,
 20.23 section 16B.307.

20.24 Sec. 18. VETERANS AFFAIRS

20.25 Subdivision 1. Total Appropriation \$ 3,250,000

20.26 To the commissioner of administration
 20.27 for the purposes specified in this section.
 20.28 The commissioner must allocate money
 20.29 appropriated in this section so as to maximize
 20.30 the use of all available federal funding.

20.31 Subd. 2. Asset Preservation 3,000,000

20.32 For asset preservation improvements and
 20.33 betterments of a capital nature at veterans

21.1 homes and cemeteries statewide, to be spent
 21.2 in accordance with Minnesota Statutes,
 21.3 section 16B.307.

21.4 **Subd. 3. Northern Minnesota Veterans Home** 250,000

21.5 For predesign of a 90-bed geriatric nursing
 21.6 facility for veterans on the campus of the
 21.7 North County Regional Hospital in the city
 21.8 of Bemidji. This facility shall be known as
 21.9 the "Northern Minnesota Veterans Home."

21.10 **Sec. 19. CORRECTIONS**

21.11 **Subdivision 1. Total Appropriation** **\$ 14,128,000**

21.12 To the commissioner of administration,
 21.13 or other named person, for the purposes
 21.14 specified in this section.

21.15 **Subd. 2. Asset Preservation** 10,000,000

21.16 For improvements and betterments of a
 21.17 capital nature at Minnesota correctional
 21.18 facilities statewide, in accordance with
 21.19 Minnesota Statutes, section 16B.307.

21.20 **Subd. 3. Minnesota Correctional Facility -**
 21.21 **Stillwater** 3,391,000

21.22 **Well and Water Treatment Facility**

21.23 To complete design; cap an old well; install
 21.24 a new well; replace piping between wells,
 21.25 water tower, and facility intake; replace water
 21.26 treatment equipment; and design, construct,
 21.27 furnish, and equip a new building to house
 21.28 water treatment equipment.

21.29 **Subd. 4. Northeast Regional Correctional**
 21.30 **Center (NERCC)** 737,000

21.31 For a grant to the Arrowhead Regional
 21.32 Corrections Joint Powers Board for asset
 21.33 preservation improvements and betterments

22.1 of a capital nature at the Northeast Regional
 22.2 Correctional Center (NERCC).

22.3 **Subd. 5. Unspent Appropriations**

22.4 The unspent portion of an appropriation for
 22.5 a project in this section that is complete,
 22.6 upon written notice to the commissioner of
 22.7 management and budget, is available for
 22.8 asset preservation under Minnesota Statutes,
 22.9 section 16B.307, at the same correctional
 22.10 facility as the project for which the original
 22.11 appropriation was made. Minnesota Statutes,
 22.12 section 16A.642, applies from the date of the
 22.13 original appropriation to the unspent amount
 22.14 transferred.

22.15 **Sec. 20. EMPLOYMENT AND ECONOMIC**
 22.16 **DEVELOPMENT**

22.17 **Subdivision 1. Total Appropriation** **\$ 45,285,000**

22.18 To the commissioner of employment and
 22.19 economic development for the purposes
 22.20 specified in this section.

22.21 **Subd. 2. Greater Minnesota Business**
 22.22 **Development Public Infrastructure Grant**
 22.23 **Program** **5,000,000**

22.24 For grants under Minnesota Statutes, section
 22.25 116J.431.

22.26 **Subd. 3. Redevelopment Account** **5,000,000**

22.27 For purposes of the redevelopment account
 22.28 under Minnesota Statutes, sections 116J.571
 22.29 to 116J.575.

22.30 **Subd. 4. Transportation Economic**
 22.31 **Development Program** **5,000,000**

22.32 For grants under Minnesota Statutes, section
 22.33 116J.436.

23.1 Subd. 5. **Austin - Research and Technology**
 23.2 **Center** 9,000,000

23.3 For a grant to the city of Austin to design
 23.4 and construct a new building addition to
 23.5 the Hormel Institute, including research
 23.6 labs, research technology space, and support
 23.7 offices. This appropriation is not available
 23.8 until the commissioner has determined that
 23.9 at least an equal amount has been committed
 23.10 to the project from nonstate sources.

23.11 Subd. 6. **Bemidji - Lakeland Public Television**
 23.12 **Media Center** 3,000,000

23.13 For a grant to the city of Bemidji to construct,
 23.14 furnish, and equip a regional public
 23.15 television station in the city of Bemidji.
 23.16 This appropriation is not available until the
 23.17 commissioner determines that at least a 25
 23.18 percent match has been committed to the
 23.19 project from nonstate sources.

23.20 Subd. 7. **Itasca County - Regional Fire Station** 1,200,000

23.21 For a grant to Itasca County to acquire land
 23.22 along Trunk Highway 169 in Itasca County
 23.23 for a new consolidated regional fire station
 23.24 servicing the cities of Calumet and Marble
 23.25 and Greenway Township, and to predesign,
 23.26 design, construct, furnish, and equip the
 23.27 new facility. The county may convey any
 23.28 property acquired with the appropriation to a
 23.29 public regional fire protection entity created
 23.30 by the communities to be served by the new
 23.31 fire station.

23.32 Subd. 8. **Maplewood - Harriet Tubman Center**
 23.33 **East** 2,000,000

23.34 For a grant to the city of Maplewood to
 23.35 purchase, renovate, and make health, safety,

24.1 and security improvements to the former St.
 24.2 Paul's Monastery to provide housing and
 24.3 various support programs for individuals
 24.4 and families in crisis. This appropriation
 24.5 is not available until the commissioner has
 24.6 determined that at least an equal amount has
 24.7 been committed to the project from nonstate
 24.8 sources.

24.9 **Subd. 9. Pine Technical College**

24.10 **Entrepreneurship and Technology Business**
 24.11 **Incubator** 250,000

24.12 For a grant to the Board of Trustees of the
 24.13 Minnesota State Colleges and Universities
 24.14 to design, construct, furnish, and equip an
 24.15 entrepreneurship and technology business
 24.16 incubator at Pine Technical College. This
 24.17 appropriation is not available until the board
 24.18 determines that an equal match has been
 24.19 committed from nonstate sources, including
 24.20 a grant from the United States Economic
 24.21 Development Administration.

24.22 **Subd. 10. Saint Paul, Beacon Bluff Business**
 24.23 **and Jobs Site Infrastructure Development** 350,000

24.24 For a grant to the Saint Paul Port Authority
 24.25 for preliminary design and engineering of
 24.26 improvements and betterments of a capital
 24.27 nature, including utilities, all within the
 24.28 Beacon Bluff Business Center along Phalen
 24.29 Boulevard in Saint Paul.

24.30 **Subd. 11. Saint Paul, Minnesota Children's**
 24.31 **Museum** 12,000,000

24.32 For a grant to the city of Saint Paul to
 24.33 design, construct, furnish, and equip an
 24.34 expansion and renovation of the Minnesota
 24.35 Children's Museum, subject to Minnesota

25.1 Statutes, section 16A.695. The expansion
 25.2 and exhibit upgrades should incorporate the
 25.3 latest research on early learning, allow for
 25.4 new state-of-the art education facilities for
 25.5 Minnesota's early childhood educators, and
 25.6 increase the capacity of visitors to galleries
 25.7 and programming areas. This appropriation
 25.8 is not available until the commissioner has
 25.9 determined that at least an equal amount has
 25.10 been committed from nonstate sources.

25.11 **Subd. 12. Saint Paul, Regional Ballpark** 2,000,000

25.12 For a grant to the city of Saint Paul
 25.13 for demolition and site preparation,
 25.14 environmental work, and to predesign and
 25.15 design a regional ballpark on the Gillette
 25.16 site in lowertown in the city of Saint Paul.
 25.17 This appropriation is not available until the
 25.18 commissioner has determined that at least
 25.19 an equal amount has been committed to the
 25.20 project from nonstate sources.

25.21 The city may employ or contract with
 25.22 persons, firms, or corporations to perform
 25.23 one or more or all of the functions of
 25.24 architect, engineer, or construction manager
 25.25 with respect to all or any part of the regional
 25.26 ballpark and related public infrastructure.
 25.27 The city may deliver the project through
 25.28 either a design-build or construction manager
 25.29 at-risk method. Alternatively, at the request
 25.30 of a minor league baseball team, and with the
 25.31 consent of the city, the city may authorize
 25.32 the team to provide for the design and
 25.33 construction for the ballpark and related
 25.34 public infrastructure, subject to the terms of
 25.35 this subdivision. To the extent practicable

26.1 and at the discretion of the city, the city may
 26.2 have such rights and exercise such powers,
 26.3 with respect to the acquisition, construction,
 26.4 use, and operation of the regional ballpark,
 26.5 as are granted to the Minnesota Ballpark
 26.6 Authority under Minnesota Statutes, section
 26.7 473.756. No consent or approval of another
 26.8 political subdivision is required for the
 26.9 effectiveness or the exercise by the city of
 26.10 such rights or powers.

26.11 **Subd. 13. Stewartville - Fire Station Expansion** 485,000

26.12 For a grant to the city of Stewartville to
 26.13 complete design work and engineering, and
 26.14 to construct, furnish, and equip an expansion
 26.15 and renovation of the city fire station. This
 26.16 appropriation is not available until at least
 26.17 an equal amount is committed to the project
 26.18 from nonstate sources.

26.19 **Sec. 21. PUBLIC FACILITIES AUTHORITY**

26.20 **Subdivision 1. Total Appropriation** **\$ 23,600,000**

26.21 To the Public Facilities Authority for the
 26.22 purposes specified in this section.

26.23 **Subd. 2. Wastewater Infrastructure Funding**
 26.24 **Program** 20,000,000

26.25 For grants to eligible municipalities under the
 26.26 wastewater infrastructure funding program
 26.27 under Minnesota Statutes, section 446A.072.

26.28 \$5,000,000 is for a grant to the Central Iron
 26.29 Range Sanitary Sewer District to supplement
 26.30 previous wastewater infrastructure funding
 26.31 grants to design, construct, furnish, and equip
 26.32 new wastewater treatment facilities, lift
 26.33 stations, and force mains. This grant is not
 26.34 subject to the limitations on the availability

27.1 or amount of the grant in Minnesota Statutes,
 27.2 section 446A.072.

27.3 **Subd. 3. Lutsen Lake Superior Water Project** **3,600,000**

27.4 For a grant to the Lake Superior-Poplar River
 27.5 Water District to acquire property interests,
 27.6 engineer, design, permit, and construct works
 27.7 and systems to transport and treat water
 27.8 from Lake Superior through the Poplar River
 27.9 Valley to serve domestic and irrigation water
 27.10 users and commercial, stock watering, and
 27.11 industrial users. This appropriation is not
 27.12 available until the authority has determined
 27.13 that at least \$1,200,000 in nonstate match has
 27.14 been committed to the project. Expenditures
 27.15 made on or after October 1, 2011, shall count
 27.16 towards the nonstate match.

27.17 **Sec. 22. HOUSING FINANCE AGENCY** **\$ 5,000,000**

27.18 To the Housing Finance Agency to finance
 27.19 the rehabilitation of public housing under
 27.20 Minnesota Statutes, section 462A.202,
 27.21 subdivision 3a. For purposes of this
 27.22 section, "public housing" means housing for
 27.23 low-income persons and households financed
 27.24 by the federal government and owned and
 27.25 operated by public housing authorities and
 27.26 agencies formed by cities and counties.
 27.27 Eligible public housing authorities must
 27.28 have a public housing assessment system
 27.29 rating of standard or above. Priority must be
 27.30 given to proposals that maximize federal or
 27.31 local resources to finance the capital costs.
 27.32 The priority in Minnesota Statutes, section
 27.33 462A.202, subdivision 3a, for projects to
 27.34 increase the supply of affordable housing and
 27.35 the restrictions of Minnesota Statutes, section

28.1 462A.202, subdivision 7, do not apply to this
 28.2 appropriation.

28.3 **Sec. 23. MINNESOTA HISTORICAL**
 28.4 **SOCIETY**

28.5 **Subdivision 1. Total Appropriation** **\$ 3,250,000**

28.6 To the Minnesota Historical Society for the
 28.7 purposes specified in this section.

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

28.9 For capital improvements and betterments
 28.10 at state historic sites, buildings, landscaping
 28.11 at historic buildings, exhibits, markers, and
 28.12 monuments, to be spent in accordance with
 28.13 Minnesota Statutes, section 16B.307. The
 28.14 society shall determine project priorities as
 28.15 appropriate based on need.

28.16 **Subd. 3. Oliver Kelley Farm Historic Site**
 28.17 **Revitalization Design** **500,000**

28.18 To complete design of the renovation of the
 28.19 Oliver H. Kelley Historic Site, including the
 28.20 site's visitor center and other essential visitor
 28.21 services and site operations facilities.

28.22 **Subd. 4. County and Local Preservation**
 28.23 **Grants** **750,000**

28.24 To be allocated to county and local
 28.25 jurisdictions as matching money for historic
 28.26 preservation projects of a capital nature,
 28.27 as provided in Minnesota Statutes, section
 28.28 138.0525.

28.29 **Sec. 24. BOND SALE EXPENSES** **\$ 281,000**

28.30 To the commissioner of management
 28.31 and budget for bond sale expenses under
 28.32 Minnesota Statutes, section 16A.641,
 28.33 subdivision 8.

29.1 Sec. 25. **BOND SALE AUTHORIZATION.**

29.2 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act
 29.3 from the bond proceeds fund, the commissioner of management and budget shall sell and
 29.4 issue bonds of the state in an amount up to \$295,412,000 in the manner, upon the terms,
 29.5 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
 29.6 by the Minnesota Constitution, article XI, sections 4 to 7.

29.7 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from
 29.8 the state transportation fund, the commissioner of management and budget shall sell and
 29.9 issue bonds of the state in an amount up to \$30,000,000 in the manner, upon the terms, and
 29.10 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by
 29.11 the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except
 29.12 accrued interest and any premium received on the sale of the bonds, must be credited to
 29.13 a bond proceeds account in the state transportation fund.

29.14 Sec. 26. Minnesota Statutes 2010, section 16B.32, subdivision 1, is amended to read:

29.15 Subdivision 1. **Alternative energy sources.** Plans prepared by the commissioner
 29.16 for a new building or for a renovation of 50 percent or more of an existing building or its
 29.17 energy systems must include designs which use ~~active and passive solar energy systems,~~
 29.18 earth sheltered construction, and other alternative energy sources where feasible.

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

29.20 Sec. 27. Minnesota Statutes 2010, section 16B.32, subdivision 1a, is amended to read:

29.21 Subd. 1a. **Onsite energy generation from renewable sources.** A state agency that
 29.22 prepares a predesign for a new building must consider meeting at least two percent of the
 29.23 energy needs of the building from ~~renewable sources~~ wind energy located on the building
 29.24 site. ~~For purposes of this subdivision, "renewable sources" are limited to wind and the~~
 29.25 ~~sun.~~ The predesign must include an explicit cost and price analysis of complying with the
 29.26 two-percent requirement compared with the present and future costs of energy supplied by
 29.27 a public utility from a location away from the building site and the present and future costs
 29.28 of controlling carbon emissions. If the analysis concludes that the building should not
 29.29 meet at least two percent of its energy needs from ~~renewable sources~~ wind energy located
 29.30 on the building site, the analysis must provide explicit reasons why not. The building may
 29.31 not receive further state appropriations for design or construction unless at least two
 29.32 percent of its energy needs are designed to be met from ~~renewable sources~~ wind energy,

30.1 unless the commissioner finds that the reasons given by the agency for not meeting the
30.2 two-percent requirement were supported by evidence in the record.

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

30.4 Sec. 28. **[16B.323] SOLAR ENERGY IN STATE BUILDINGS.**

30.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
30.6 have the meanings given.

30.7 (b) "Made in Minnesota" means the manufacture in this state of:

30.8 (i) components of a solar thermal system certified by the Solar Rating and
30.9 Certification Corporation; or

30.10 (ii) solar photovoltaic modules that:

30.11 (1) are manufactured at a manufacturing facility that is registered and authorized
30.12 to manufacture those solar photovoltaic modules by Underwriters Laboratory, CSA
30.13 International, Intertek, or an equivalent independent testing agency;

30.14 (2) bear certification marks from Underwriters Laboratory, CSA International,
30.15 Intertek, or an equivalent independent testing agency; and

30.16 (3) meet the requirements of section 116C.7791, subdivision 3, paragraph (a),
30.17 clauses (1), (5), and (6).

30.18 For the purposes of clause (ii), "manufactured" has the meaning given in section
30.19 116C.7791, subdivision 1, paragraph (b), clauses (1) and (2).

30.20 (c) "Major renovation" means a substantial addition to an existing building, or
30.21 a substantial change to the interior configuration or the energy system of an existing
30.22 building.

30.23 (d) "Solar energy system" means solar photovoltaic modules alone or installed in
30.24 conjunction with a solar thermal system.

30.25 (e) "Solar photovoltaic module" has the meaning given in section 116C.7791,
30.26 subdivision 1, paragraph (e).

30.27 (f) "Solar thermal system" has the meaning given "qualifying solar thermal project"
30.28 in section 216B.2411, subdivision 2, paragraph (e).

30.29 (g) "State building" means a building whose construction or renovation is paid
30.30 wholly or in part by the state, from any source of funds.

30.31 Subd. 2. **Percent of appropriation for solar energy.** (a) Any appropriation
30.32 made for the construction or major renovation of a state building, except as provided in
30.33 paragraph (c), must include an amount equal to five percent of the appropriation for the
30.34 purchase and installation of "Made in Minnesota" solar energy systems on or adjacent to
30.35 the state building.

- 31.1 (b) An appropriation made under this section may not be used to purchase and install:
31.2 (i) solar photovoltaic modules on a single building that, in aggregate, exceed a
31.3 capacity of 40 kilowatts; or
31.4 (ii) a solar thermal system that does not operate conjointly with photovoltaic modules
31.5 on the same building. Purchase and installation of a solar thermal system may account for
31.6 no more than 25 percent of the total appropriation for a building made under this section.
31.7 (c) The commissioner may exempt a major renovation of a state building from the
31.8 requirements of this section if the commissioner finds that the structural soundness or
31.9 other physical condition of the state building to be renovated makes the installation of a
31.10 solar energy system infeasible.
- 31.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 31.12 Sec. 29. **[116J.436] TRANSPORTATION ECONOMIC DEVELOPMENT**
31.13 **INFRASTRUCTURE PROGRAM.**
- 31.14 Subdivision 1. **Grant program established; purpose.** The transportation economic
31.15 development infrastructure program is created to foster interagency coordination between
31.16 the Departments of Transportation and Employment and Economic Development to
31.17 finance infrastructure to create economic development opportunities, jobs, and improve all
31.18 types of transportation systems statewide.
- 31.19 Subd. 2. **Eligible projects.** Funds appropriated for the program must be used to
31.20 fund construction, reconstruction, and infrastructure improvements that will promote
31.21 economic development, increase employment, and improve transportation systems to
31.22 accommodate private investment and job creation.
- 31.23 Subd. 3. **Trunk highway projects.** Money in the program shall not be used on
31.24 trunk highway improvements, but can be used for needed infrastructure improvements
31.25 and nontrunk highway improvements in coordination with trunk highway improvement
31.26 projects undertaken by the Department of Transportation.
- 31.27 Subd. 4. **Application.** The commissioners of transportation and employment and
31.28 economic development shall design an application process and selection process to
31.29 distribute funding to local units of government for publicly owned infrastructure using
31.30 criteria that take into account: job creation; increase in local tax base; level of private
31.31 investment; leverage of nonstate funds; improvement to the transportation system to serve
31.32 the project area; and appropriate geographic balance between the metropolitan area and
31.33 greater Minnesota.

32.1 Sec. 30. Minnesota Statutes 2010, section 462A.21, is amended by adding a
32.2 subdivision to read:

32.3 Subd. 33. **Housing infrastructure bonds account.** The agency may establish a
32.4 housing infrastructure bond account as a separate account within the housing development
32.5 fund. Proceeds of housing infrastructure bonds and payments made by the state under
32.6 section 462A.37 may be credited to the account. The agency may transfer the proceeds of
32.7 housing infrastructure bonds to other accounts within the housing development fund that it
32.8 determines appropriate to accomplish the purposes for which the bonds are authorized
32.9 under section 462A.37.

32.10 Sec. 31. [462A.37] HOUSING INFRASTRUCTURE BONDS;
32.11 AUTHORIZATION; STANDING APPROPRIATION.

32.12 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
32.13 have the meanings given.

32.14 (b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.

32.15 (c) "Community land trust" means an entity that meets the requirements of section
32.16 462A.31, subdivisions 1 and 2.

32.17 (d) "Debt service" means the amount payable in any fiscal year of principal,
32.18 premium, if any, and interest on housing infrastructure bonds and the fees, charges, and
32.19 expenses related to the bonds.

32.20 (e) "Foreclosed property" means residential property where foreclosure proceedings
32.21 have been initiated or have been completed and title transferred or where title is transferred
32.22 in lieu of foreclosure.

32.23 (f) "Housing infrastructure bonds" means bonds issued by the agency under chapter
32.24 462A that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the
32.25 Internal Revenue Code, or are tax-exempt bonds that are not private activity bonds, within
32.26 the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing
32.27 or refinancing affordable housing authorized under this chapter.

32.28 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

32.29 (h) "Supportive housing" means housing that is not time-limited and provides or
32.30 coordinates with linkages to services necessary for residents to maintain housing stability
32.31 and maximize opportunities for education and employment.

32.32 Subd. 2. **Authorization.** (a) The agency may issue up to \$10,000,000 in aggregate
32.33 principal amount of housing infrastructure bonds in one or more series to which the
32.34 payment made under this section may be pledged. The housing infrastructure bonds

33.1 authorized in this subdivision may be issued to fund loans, on terms and conditions the
33.2 agency deems appropriate, made for one or more of the following purposes:

33.3 (1) to finance the costs of the construction, acquisition, and rehabilitation of
33.4 supportive housing for individuals and families who are without a permanent residence;

33.5 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or
33.6 abandoned housing to be used for affordable rental housing and the costs of new
33.7 construction of rental housing on abandoned or foreclosed property where the existing
33.8 structures will be demolished or removed;

33.9 (3) to finance that portion of the costs of acquisition of abandoned or foreclosed
33.10 property that is attributable to the land to be leased by community land trusts to low-
33.11 and moderate-income homebuyers; and

33.12 (4) to finance the costs of acquisition and rehabilitation of federally assisted rental
33.13 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
33.14 of federally assisted rental housing, including providing funds to refund, in whole or in
33.15 part, outstanding bonds previously issued by the agency or another governmental unit to
33.16 finance or refinance such costs.

33.17 (b) Among comparable proposals for permanent supportive housing, preference
33.18 shall be given to permanent supportive housing for individuals or families who: (1) either
33.19 have been without a permanent residence for at least 12 months or at least four times in
33.20 the last three years; or (2) are at significant risk of lacking a permanent residence for 12
33.21 months or at least four times in the last three years.

33.22 Subd. 3. **No full faith and credit.** The housing infrastructure bonds are not public
33.23 debt of the state, and the full faith and credit and taxing powers of the state are not pledged
33.24 to the payment of the housing infrastructure bonds or to any payment that the state agrees
33.25 to make under this section. The bonds must contain a conspicuous statement to that effect.

33.26 Subd. 4. **Appropriation; payment to agency or trustee.** (a) The agency must
33.27 certify annually to the commissioner of management and budget the actual amount of
33.28 annual debt service on each series of bonds issued under subdivision 2.

33.29 (b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure
33.30 bonds issued under subdivision 2 remain outstanding, the commissioner of management
33.31 and budget must transfer to the affordable housing bond account established under section
33.32 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$740,000
33.33 annually. The amounts necessary to make the transfers are appropriated from the general
33.34 fund to the commissioner of management and budget.

33.35 (c) The agency may pledge to the payment of the housing infrastructure bonds the
33.36 payments to be made by the state under this section.

34.1 Sec. 32. Laws 2006, chapter 258, section 7, subdivision 23, as amended by Laws 2010,
 34.2 chapter 399, section 2, is amended to read:

34.3 Subd. 23. **Trail connections** 2,010,000

34.4 For matching grants under Minnesota
 34.5 Statutes, section 85.019, subdivision 4c.

34.6 \$500,000 is for a grant to Carlton County
 34.7 to predesign, design, and construct a
 34.8 nonmotorized pedestrian trail connection
 34.9 to the Willard Munger State Trail from the
 34.10 city of Carlton through the city of Scanlon
 34.11 continuing to the city of Cloquet, along the
 34.12 St. Louis River in Carlton County.

34.13 \$260,000 is to provide the state match for the
 34.14 cost of the Soo Line Multiuse Recreational
 34.15 Bridge project over marked Trunk Highway
 34.16 169 in Mille Lacs County.

34.17 \$175,000 is for a grant to the city of Bowlus
 34.18 in Morrison County to design, construct,
 34.19 furnish, and equip a trailhead center at the
 34.20 head of the Soo Line Recreational Trail.

34.21 \$125,000 is for a grant to Morrison
 34.22 County to predesign, design, construct,
 34.23 furnish, and equip a park-and-ride lot and
 34.24 restroom building adjacent to the Soo Line
 34.25 Recreational Trail at U.S. Highway 10.

34.26 \$950,000 is for a grant to the St. Louis
 34.27 and Lake Counties Regional Railroad
 34.28 Authority for land acquisition, engineering,
 34.29 construction, furnishing, and equipping of
 34.30 a ~~19-mile "Boundary Waters Connection"~~
 34.31 ~~of the Mesabi Trail from Bearhead State~~
 34.32 ~~Park to the International Wolf Center in~~
 34.33 ~~Ely. This appropriation is contingent upon~~
 34.34 ~~a matching contribution of \$950,000 from~~

35.1 ~~other sources, public or private.~~ segment of
 35.2 the Mesabi Trail from County Road 697 in
 35.3 Breitung Township east through Vermilion
 35.4 State Park. Notwithstanding Minnesota
 35.5 Statutes, section 85.019, no local match shall
 35.6 be required for this grant. Notwithstanding
 35.7 Minnesota Statutes, section 16A.642, the
 35.8 bond authorization and appropriation of bond
 35.9 proceeds for this project are available until
 35.10 June 30, 2014.

35.11 Sec. 33. Laws 2006, chapter 258, section 17, subdivision 3, is amended to read:

35.12 Subd. 3. **Cedar Avenue Bus Rapid Transit**
 35.13 **(BRT)** 5,000,000

35.14 To the Metropolitan Council or for a
 35.15 grant to Dakota County for environmental
 35.16 studies, preliminary engineering, bus
 35.17 lane improvements, and transit station
 35.18 construction and improvements in the Cedar
 35.19 Avenue Bus Rapid Transit Corridor.

35.20 This appropriation may not be spent for
 35.21 capital improvements within a trunk highway
 35.22 right-of-way.

35.23 Sec. 34. Laws 2008, chapter 179, section 7, subdivision 27, as amended by Laws 2010,
 35.24 chapter 189, section 56, and Laws 2010, chapter 399, section 4, is amended to read:

35.25 Subd. 27. **State Trail Acquisition,**
 35.26 **Rehabilitation, and Development** 15,320,000

35.27 To acquire land for and to construct and
 35.28 renovate state trails under Minnesota
 35.29 Statutes, section 85.015.

35.30 \$970,000 is for the Chester Woods Trail
 35.31 from Rochester to Dover. Notwithstanding
 35.32 Minnesota Statutes, section 16A.642, the
 35.33 bond authorization and appropriation of bond

- 36.1 proceeds for this project are available until
36.2 June 30, 2016.
- 36.3 \$700,000 is for the Casey Jones Trail.
- 36.4 \$750,000 is for the Gateway Trail, to replace
36.5 an at-grade crossing of the Gateway Trail
36.6 at Highway 120 with a grade-separated
36.7 crossing.
- 36.8 \$1,600,000 is for the Gitchi-Gami Trail
36.9 between Silver Bay and Tettegouche State
36.10 Park.
- 36.11 \$1,500,000 is for the Great River Ridge Trail
36.12 from Plainview to Elgin to Eyota.
- 36.13 \$1,500,000 is for the Heartland Trail.
- 36.14 \$500,000 is for the Mill Towns Trail from
36.15 Lake Byllesby Park to Cannon Falls.
- 36.16 \$150,000 is for the Mill Towns Trail within
36.17 the city of Faribault.
- 36.18 \$1,500,000 is for the Minnesota River
36.19 Trail from Appleton to Milan and to
36.20 the Marsh Lake Dam. Notwithstanding
36.21 Minnesota Statutes, section 16A.642, the
36.22 bond authorization and appropriation of bond
36.23 proceeds for this project are available until
36.24 December 30, 2014.
- 36.25 \$2,000,000 is for the Paul Bunyan Trail from
36.26 Walker to Guthrie.
- 36.27 \$250,000 is for the Root River Trail from
36.28 Preston to Forestville State Park.
- 36.29 \$100,000 is for the Root River Trail, the
36.30 eastern extension.
- 36.31 \$250,000 is for the Root River Trail, the
36.32 eastern extension Wagon Wheel.

37.1 \$550,000 is to connect the Stagecoach Trail
 37.2 with the Douglas Trail in Olmsted County.

37.3 \$3,000,000 is to rehabilitate state trails.

37.4 For any project listed in this subdivision that
 37.5 the commissioner determines is not ready to
 37.6 proceed, the commissioner may allocate that
 37.7 project's money to another state trail project
 37.8 in this subdivision. The chairs of the house
 37.9 and senate committees with jurisdiction
 37.10 over environment and natural resources
 37.11 and legislators from the affected legislative
 37.12 districts must be notified of any changes.

37.13 Sec. 35. Laws 2008, chapter 179, section 17, subdivision 4, is amended to read:

37.14 Subd. 4. **Cedar Avenue Bus Rapid Transit** 4,000,000

37.15 To the Metropolitan Council or to the
 37.16 Council to grant to Dakota County, the
 37.17 Dakota County Regional Railroad Authority,
 37.18 or the Minnesota Valley Transit Authority to
 37.19 acquire land, or an interest in land, and to for
 37.20 design, environmental studies, preliminary
 37.21 engineering, bus lane improvements, layover
 37.22 and maintenance facilities, and transit station
 37.23 construction and improvements in the Cedar
 37.24 Avenue Bus Rapid Transit corridor in Dakota
 37.25 County. This appropriation may not be spent
 37.26 for capital improvements within a trunk
 37.27 highway right-of-way. This appropriation
 37.28 is added to the appropriation in Laws 2006,
 37.29 chapter 258, section 17, subdivision 3.

37.30 Sec. 36. Laws 2008, chapter 179, section 19, subdivision 4, as amended by Laws 2011,
 37.31 First Special Session chapter 12, section 34, is amended to read:

37.32 Subd. 4. **Minneapolis Veterans Home Campus**

38.1 **Building 17 HVAC Replacement** 1,155,000

38.2 To predesign, design, and construct
 38.3 improvements to heating, ventilation, air
 38.4 conditioning, and lighting systems and
 38.5 associated areas serving the south wing of
 38.6 Building 17. Any unspent funds from this
 38.7 appropriation may be used for the purposes
 38.8 provided under Laws 2010, chapter 189,
 38.9 section 19, subdivision 4, as amended by
 38.10 Laws 2010, chapter 399, section 8, and
 38.11 Laws 2011, First Special Session chapter 12,
 38.12 section 46.

38.13 Sec. 37. Laws 2008, chapter 179, section 21, subdivision 15, as amended by Laws
 38.14 2008, chapter 365, section 22, and Laws 2008, chapter 370, section 6, is amended to read:

38.15 **Subd. 15. St. Cloud State University - National**
 38.16 **Hockey Center; HEAPR** 6,500,000

38.17 To the Board of Trustees of the Minnesota
 38.18 State Colleges and Universities to predesign,
 38.19 design, construct, furnish, and equip the
 38.20 renovation of and addition to the National
 38.21 Hockey Center or for higher education asset
 38.22 preservation and replacement (HEAPR)
 38.23 pursuant to Minnesota Statutes, section
 38.24 135A.046, at St. Cloud State University or
 38.25 systemwide. The board may use university
 38.26 and nonstate money for the remainder of
 38.27 the cost of the construction of the National
 38.28 Hockey Center project. Notwithstanding
 38.29 Minnesota Statutes, section 16A.642, the
 38.30 bond authorization and appropriation of bond
 38.31 proceeds in this subdivision are available
 38.32 until June 30, 2016.

38.33 Sec. 38. Laws 2009, chapter 93, article 1, section 12, subdivision 2, is amended to read:

39.1 **Subd. 2. Transit Capital Improvement**
 39.2 **Program** 21,000,000

39.3 (a) To the Metropolitan Council. \$8,500,000
 39.4 is for the state's share of costs for the Central
 39.5 Corridor light rail line for one or more of the
 39.6 following activities: preliminary engineering,
 39.7 final design, property acquisition, including
 39.8 improvements and betterments of a capital
 39.9 nature, relocation of utilities owned by public
 39.10 entities, and construction.

39.11 (b) Any remaining money from this
 39.12 appropriation is to implement one or more of
 39.13 the following capital improvements, which
 39.14 are not listed in a ranked order of priority.

39.15 The council shall determine project priorities
 39.16 after consultation with the Counties Transit
 39.17 Improvement Board, and other stakeholders,
 39.18 as appropriate. The council shall seek
 39.19 geographic balance in the allotment of this
 39.20 appropriation where possible and maximize
 39.21 the use of all available federal money from
 39.22 the American Recovery and Reinvestment
 39.23 Act of 2009, Public Law 111-5, and any
 39.24 other available federal money.

39.25 (1) Bottineau Boulevard Transit Way
 39.26 For a grant to the Hennepin County Regional
 39.27 Railroad Authority for environmental work
 39.28 for Bottineau Transit Way corridor from the
 39.29 Hiawatha light rail and Northstar intermodal
 39.30 transit station in downtown Minneapolis to
 39.31 the vicinity of the Target development in
 39.32 northern Brooklyn Park or the Arbor Lakes
 39.33 retail area in Maple Grove.

39.34 (2) Cedar Avenue Bus Rapid Transit

40.1 To the Metropolitan Council or to the
40.2 Council for a grant to Dakota County, the
40.3 Dakota County Regional ~~Rail~~ Railroad
40.4 Authority, or the Minnesota Valley Transit
40.5 Authority to acquire real property ~~and~~
40.6 ~~construct~~, for preliminary engineering, and to
40.7 design and construct transit stations, layover
40.8 and maintenance facilities, and roadway
40.9 improvements for shoulder running bus lanes
40.10 on County State-Aid Highway 23 in Apple
40.11 Valley and Lakeville for the Cedar Avenue
40.12 Bus Rapid Transit Way (BRT) in Dakota
40.13 County.

40.14 (3) I-94 Corridor Transit Way

40.15 (i) For a grant to Washington County
40.16 Regional Rail Authority for environmental
40.17 work and preliminary engineering of
40.18 transportation and transit improvements,
40.19 including busways, park-and-rides, or rail
40.20 transit, in the marked Interstate Highway 94
40.21 corridor.

40.22 (ii) To acquire property and construct
40.23 transportation and transit improvements,
40.24 including busways, park-and-rides, or rail
40.25 transit, in the marked Interstate Highway 94
40.26 corridor.

40.27 (4) Red Rock Corridor Transit Way

40.28 To design, construct, and furnish
40.29 park-and-ride lots for the Red Rock
40.30 Corridor Transit Way between Hastings and
40.31 Minneapolis via St. Paul, and any extension
40.32 between Hastings and Red Wing.

40.33 (5) Riverview Corridor Transit Way

41.1 For a grant to the Ramsey County Regional
41.2 Railroad Authority for environmental work
41.3 and preliminary engineering for bus rapid
41.4 transit in the Riverview corridor between the
41.5 east side of St. Paul and the Minneapolis-St.
41.6 Paul International Airport and the Mall of
41.7 America.

41.8 (6) Robert Street Corridor Transit Way

41.9 To design and construct new passenger
41.10 shelters and a bus layover facility, including
41.11 rest rooms, break areas, and a passenger
41.12 shelter, in the Robert Street Corridor Transit
41.13 Way along or parallel to U.S. Highway
41.14 52 and Robert Street from within the city
41.15 of St. Paul to Dakota County Road 42 in
41.16 Rosemount.

41.17 (7) Rush Line Corridor Transit Way

41.18 For a grant to the Ramsey County Regional
41.19 Railroad Authority to acquire land for,
41.20 design, and construct park-and-ride or
41.21 park-and-pool lots located along the Rush
41.22 Line Corridor along I-35E/I-35 and Highway
41.23 61 from the Union Depot in downtown St.
41.24 Paul to Hinckley.

41.25 (8) Southwest Corridor Transit Way

41.26 To prepare an environmental impact
41.27 statement (EIS) and for preliminary
41.28 engineering for the Southwest Transit Way
41.29 Corridor, from the Hiawatha light rail in
41.30 downtown Minneapolis to the vicinity of the
41.31 Southwest Station transit hub in Eden Prairie.
41.32 The Metropolitan Council may grant a
41.33 portion of this appropriation to the Hennepin

42.1 County Regional Railroad Authority for the
 42.2 EIS work.

42.3 (9) Union Depot

42.4 For a grant to the Ramsey County Regional
 42.5 Railroad Authority to acquire land and
 42.6 structures, to renovate structures, and
 42.7 for design, engineering, and construction
 42.8 to revitalize Union Depot for use as a
 42.9 multimodal transit center in St. Paul. The
 42.10 center must be designed so that it facilitates a
 42.11 potential future connection of high-speed rail
 42.12 to Minneapolis.

42.13 (c) Of this amount, \$313,000 is for
 42.14 preliminary engineering and final design for
 42.15 betterments in the State Capitol area related
 42.16 to the Central Corridor light rail transit
 42.17 project. This money is not included in the
 42.18 Central Corridor light rail transit project
 42.19 budget.

42.20 Sec. 39. Laws 2010, chapter 189, section 18, subdivision 5, is amended to read:

42.21 Subd. 5. **Minnesota Sex Offender Program**
 42.22 **Treatment Facilities - Moose Lake** 47,500,000

42.23 To complete design for and to construct,
 42.24 furnish, and equip phase 2 of the Minnesota
 42.25 sex offender treatment program at Moose
 42.26 Lake. Upon substantial completion
 42.27 of this project, the unspent portion of
 42.28 this appropriation is available for asset
 42.29 preservation projects for the Moose Lake
 42.30 campus of the Minnesota sex offender
 42.31 program, including design and construction
 42.32 of a replacement water tower, abatement
 42.33 of hazardous materials, and the demolition
 42.34 of the existing water tower serving the

43.1 Moose Lake sex offender program and the
 43.2 Department of Corrections Moose Lake
 43.3 facility. The water tower project must
 43.4 be cost-shared with the Department of
 43.5 Corrections.

43.6 Sec. 40. Laws 2010, chapter 189, section 24, subdivision 3, is amended to read:

43.7 **Subd. 3. County and Local Preservation**
 43.8 **Grants** 1,000,000

43.9 To be allocated to county and local
 43.10 jurisdictions as matching money for historic
 43.11 preservation projects of a capital nature,
 43.12 as provided in Minnesota Statutes, section
 43.13 138.0525.

43.14 ~~\$150,000 is for a grant to the city of South St.~~
 43.15 ~~Paul to renovate the historically significant~~
 43.16 ~~1941 Navy Hangar at 310 Airport Road at~~
 43.17 ~~Fleming Field in the city to meet life safety~~
 43.18 ~~and building code requirements, subject to~~
 43.19 ~~Minnesota Statutes, section 16A.695. No~~
 43.20 ~~local match is required for this grant.~~

43.21 Sec. 41. Laws 2011, First Special Session chapter 12, section 3, subdivision 7, is
 43.22 amended to read:

43.23 **Subd. 7. Normandale Community College**
 43.24 **Academic Partnership Center and Student**
 43.25 **Services** 21,984,000

43.26 To design, construct, furnish, and equip a
 43.27 new building for classrooms and offices ~~and~~
 43.28 ~~to design, construct, furnish, and equip the~~
 43.29 ~~renovation of the Student Services Building.~~

43.30 Sec. 42. Laws 2011, First Special Session chapter 12, section 3, subdivision 8, is
 43.31 amended to read:

44.1 Subd. 8. **NHED Mesabi Range Community**
 44.2 **and Technical College, Virginia**

44.3 **Iron Range Engineering Program Facilities** 3,000,000

44.4 To predesign, design, construct, furnish,
 44.5 and equip an addition to and renovation of
 44.6 existing space for the Iron Range engineering
 44.7 program, including laboratory spaces, other
 44.8 learning spaces, and improvements to the
 44.9 entrance, ~~and to acquire a privately owned~~
 44.10 ~~housing facility on the campus.~~

44.11 Sec. 43. Laws 2011, First Special Session chapter 12, section 14, subdivision 2,
 44.12 is amended to read:

44.13 Subd. 2. **Transit Capital Improvement**
 44.14 **Program** 20,000,000

44.15 To the Metropolitan Council or for the
 44.16 Council to grant to Anoka County Regional
 44.17 Railroad Authority, Dakota County, Dakota
 44.18 County Regional Railroad Authority,
 44.19 Hennepin County, Hennepin County
 44.20 Regional Railroad Authority, Minnesota
 44.21 Valley Transit Authority, Ramsey County
 44.22 Regional Railroad Authority, or Washington
 44.23 County Regional Railroad Authority to
 44.24 perform environmental studies, preliminary
 44.25 engineering, acquire property or an interest
 44.26 in property, design or construct transitway
 44.27 facilities and infrastructure, including
 44.28 roadways, for the following transitway
 44.29 projects: Northstar Ramsey station,
 44.30 Gateway (I-94 East) corridor, Minneapolis
 44.31 Interchange facility, Red Rock corridor,
 44.32 Newport park-and-ride and station, Rush
 44.33 Line corridor, Robert Street corridor, 35W

45.1 South Bus Rapid Transit, and Cedar Avenue
 45.2 Bus Rapid Transit.

45.3 Sec. 44. Laws 2011, First Special Session chapter 12, section 19, is amended to read:

45.4 Sec. 19. **PUBLIC FACILITIES AUTHORITY** **\$ 20,000,000**

45.5 **Wastewater Infrastructure Funding Program**

45.6 To the Public Facilities Authority for
 45.7 grants to eligible municipalities under the
 45.8 wastewater infrastructure funding program
 45.9 under Minnesota Statutes, section 446A.072.

45.10 Notwithstanding the criteria and requirements
 45.11 of Minnesota Statutes, section 446A.072,
 45.12 up to \$1,000,000 of this appropriation is for
 45.13 a grant to the city of Albert Lea to design,
 45.14 construct, and equip water and sewer utilities
 45.15 in the area of Broadway Avenue and Main
 45.16 Street. This project may include demolition
 45.17 of deteriorating concrete curbs, gutters,
 45.18 sidewalks, and streets above the utilities,
 45.19 and the construction costs to replace and
 45.20 rehabilitate the infrastructure.

45.21 Sec. 45. Laws 2011, First Special Session chapter 12, section 22, is amended to read:

45.22 Sec. 22. **BOND SALE SCHEDULE.**

45.23 The commissioner of management and budget shall schedule the sale of state
 45.24 general obligation bonds so that, during the biennium ending June 30, 2013, no more than
 45.25 ~~\$1,200,858,000~~ \$1,088,452,000 will need to be transferred ~~from the general fund~~ to the
 45.26 state bond fund to pay principal and interest due and to become due on outstanding state
 45.27 general obligation bonds. Of the amount transferred, \$452,708,000 is from the general
 45.28 fund and \$635,744,000 is from the tobacco settlement bond proceeds fund. During
 45.29 the biennium, before each sale of state general obligation bonds, the commissioner of
 45.30 management and budget shall calculate the amount of debt service payments needed on
 45.31 bonds previously issued and shall estimate the amount of debt service payments that will
 45.32 be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount
 45.33 of bonds scheduled to be sold so as to remain within the limit set by this section. The

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

46.3 **Sec. 46. LAKE SUPERIOR-POPLAR RIVER WATER DISTRICT.**

46.4 **Subdivision 1. Establishment.** The Lake Superior-Poplar River Water District is
46.5 created as a municipal corporation, having the powers provided under Minnesota Statutes,
46.6 chapters 110A; 429, notwithstanding any provision of chapter 110A to the contrary; and
46.7 444. Notwithstanding any law to the contrary, the district shall not have the power to issue
46.8 general obligation bonds. Minnesota Statutes, sections 110A.04, 110A.07, and 110A.09 to
46.9 110A.18, shall not apply to the district or to the board created by this act.

46.10 **Subd. 2. Definitions.** For purposes of applying Minnesota Statutes, chapter 110A,
46.11 to this act, "works" and "systems" shall include irrigation purposes, "court" is deemed to
46.12 refer to the board of county commissioners; and "secretary of state" is deemed to refer to
46.13 the county auditor.

46.14 **Subd. 3. Territory included in district.** The territory of the district shall include
46.15 all lands within Sections 20, 21, 28, 29, 32, and 33 of Township 60 North, Range 3 West
46.16 of the Fourth Principal Meridian. Additional territory may be added as provided in
46.17 Minnesota Statutes, sections 110A.19 to 110A.22.

46.18 **Subd. 4. Payment of costs.** No person shall be obligated to purchase or be entitled
46.19 to receive water from the district unless that person is a party to a contract to purchase
46.20 water from the district. Excluding any initial capital investment funded by the state, all
46.21 capital and operating expenses of the district shall be paid by the users in proportion to
46.22 their use of water. The cost of distribution lines: (1) departing from the main water pipe
46.23 from Lake Superior to the domestic water treatment plant to any user; or (2) from the
46.24 water treatment plant to any user, shall be paid for by the user of the water either at the
46.25 time of installation or by user charges that allow the district to recoup the full cost of the
46.26 distribution lines and the cost of financing. Subject to this subdivision and the availability
46.27 of water under any applicable permit with a state or federal agency, any owner of land
46.28 within the district may contract with the district for the purchase of water.

46.29 **Subd. 5. Board of directors; elections.** (a) The district shall be governed by a
46.30 board of directors which shall have not less than three nor more than 13 members. The
46.31 district's initial directors shall be appointed by the Cook County Board of Commissioners,
46.32 with one director representing the domestic water users to serve for three years; up to two
46.33 directors representing the irrigation water users, one to serve for two years and one to
46.34 serve for three years; and up to two directors representing the commercial, stock watering,
46.35 and industrial users, one to serve for one year and one to serve for two years.

47.1 (b) The district's establishment shall take effect upon the Cook County Board of
47.2 Commissioners' appointment of the initial directors. The initial directors shall meet for
47.3 the purposes of organization within 30 days of their appointment. Thereafter, except
47.4 as otherwise provided in this subdivision, directors shall be elected in accordance with
47.5 Minnesota Statutes, section 110A.24, from election divisions comprised of domestic water
47.6 users; irrigation water users, and commercial, stock watering, and industrial users. Each
47.7 use classification shall be entitled to elect one director, plus one additional director if its
47.8 expected water usage for the following fiscal year exceeds ten percent of total water
47.9 usage. Each water user within each use classification shall be entitled to cast one vote for
47.10 each one percent of expected water usage for the following fiscal year. A homeowner's
47.11 association shall vote on behalf of its members if duly authorized by appropriate action by
47.12 the association's members. Prior to each election, the board of directors shall determine
47.13 the use classifications entitled to vote, the expected water use percentage of each user and
47.14 of use classification for the following fiscal year, and the number of directors each such
47.15 use classification is entitled to elect. The elections shall be conducted and supervised by
47.16 the board of directors and ratified by the Cook County Board of Commissioners.

47.17 **Subd. 6. Termination of appropriation of water from Poplar River.**
47.18 Notwithstanding any law to the contrary, 30 days after the works and systems to transport
47.19 water from Lake Superior to Lutsen Mountains Corporation's snowmaking systems first
47.20 become fully permitted and operational, the water district shall notify the commissioner of
47.21 natural resources and all permits issued by the Department of Natural Resources to Lutsen
47.22 Mountains Corporation to use or appropriate water from the Poplar River shall terminate.
47.23 For the purposes of section 48, paragraph (b), the commissioner of natural resources shall
47.24 notify the revisor of statutes in writing when the permits have been terminated.

47.25 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after
47.26 the governing body of Cook County and its chief clerical officer comply with Minnesota
47.27 Statutes, section 645.021, subdivisions 2 and 3.

47.28 **Sec. 47. ACQUISITIONS FOR CANISTEO PROJECT.**

47.29 The commissioner of natural resources shall acquire, without undue delay, the land
47.30 or interests in land that are needed to construct a conveyance system and other betterments
47.31 to accommodate the water level and outflow of water level from the Canisteo mine pit.
47.32 The commissioner may acquire the land or interests in land by eminent domain, including
47.33 use of the possession procedures under Minnesota Statutes, section 117.042.

47.34 **Sec. 48. REPEALER.**

48.1 (a) Minnesota Rules, part 8895.0700, subpart 1, is repealed.

48.2 (b) Laws 2011, chapter 107, section 101, is repealed effective the day the permits
48.3 have been terminated under section 46, subdivision 6. The commissioner of natural
48.4 resources shall notify the revisor of statutes in writing when the permits have been
48.5 terminated.

48.6 Sec. 49. **EFFECTIVE DATE.**

48.7 Except as otherwise provided, this act is effective the day following final enactment.