A bill for an act
relating to capital investment; appropriating money for grants to local governments for senior housing with services; authorizing the sale and issuance of state bonds.

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

Section 1. **SENIOR HOUSING WITH SERVICES FACILITY GRANTS.**

Subdivision 1. **Appropriation.** (a) $50,000,000 is appropriated from the bond proceeds fund to the commissioner of health for grants to local units of government to renovate and replace publicly owned nursing facilities, to renovate publicly owned nursing facilities to be housing-with-services, and to develop new publicly owned housing-with-services sites.

(b) Local units of government may apply to the commissioner of health for grants in the manner specified by the commissioner. The application must specify the project type, cost, implementation schedule, and the ownership structure of the facility or site that will be the beneficiary of the grant.

(c) The commissioner must establish a review panel that includes representatives of the Department of Health, Department of Human Services, providers, consumers, and experts on long-term care. The review panel must recommend to the commissioner which projects should receive grants. In making recommendations, the review panel shall give advantage to projects which replace outdated nursing facility physical plants, enhance resident privacy and make use of technology to improve resident quality of care and quality of life, add services in geographic areas where those services are not currently available, and which would not be likely to occur without this funding mechanism. The review panel is subject to Minnesota Statutes, chapters 13 and 13D. The review panel members serve without compensation. The commissioner must provide meeting space and administrative support to the panel.

(d) A facility funded under this program is not eligible for a property rate increase under Minnesota Statutes, section 256B.431.

Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to $50,000,000 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.

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