A bill for an act
relating to capital investment; appropriating money for capital improvements;
modifying prior appropriations; providing for the sale and conveyance of
state bond financed property; providing for disaster relief; authorizing the
sale and issuance of state bonds; amending Laws 2008, chapter 179, section
16, subdivision 5, as amended; Laws 2009, chapter 93, article 1, section 11,
subdivision 4, as amended; Laws 2010, chapter 189, section 15, subdivision 5,
as amended; Laws 2012, chapter 293, section 3, subdivision 18; Laws 2013,
chapter 136, section 4, as amended; Laws 2014, chapter 294, article 1, sections
15, subdivision 2; 18, subdivisions 3, 4; 21, subdivisions 10, 12, 13, 16, 18;
Laws 2014, chapter 295, section 10, subdivision 12.

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

ARTICLE 1

APPROPRIATIONS

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. Unless otherwise specified in this act, money appropriated in
this act for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046, should not be used for projects that can be financed within a reasonable time frame under Minnesota Statutes, section 16B.322 or 16C.144.

APPROPRIATIONS

Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation $8,529,000

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

Subd. 2. Minnesota Poultry Testing Laboratory - Willmar 8,529,000

To design, construct, furnish, and equip the expansion and renovation of the laboratory, including facility upgrades to substantially improve the laboratory's efficiency and ability to meet testing requirements, respond to avian influenza and other diseases of poultry, and effectively serve its client base.

Sec. 3. NATURAL RESOURCES

Subdivision 1. Total Appropriation $10,000,000

(a) To the commissioner of natural resources for the purposes specified in this section.

(b) The appropriations in this section are subject to the requirements of the natural resources capital improvement program under Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

Subd. 2. Flood Hazard Mitigation 10,000,000

(a) For the state share of flood hazard mitigation grants for publicly owned capital

Article 1 Sec. 3. 2
improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

(b) Levee projects, to the extent practical, shall meet the state standard of three feet above the 100-year flood elevation.

(c) This appropriation is for a grant to Otter Tail County for publicly owned capital improvements to address flooding and high-water conditions on Big and Little McDonald Lakes, and Paul Lake.

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

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

Subd. 3. Unspent Appropriations

The unspent portion of an appropriation for a project in this section that is complete, upon written notice to the commissioner of management and budget, is available for asset preservation under Minnesota Statutes, section 84.946. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.
Sec. 4. **BOARD OF WATER AND SOIL RESOURCES**

Subdivision 1. **Total Appropriation**

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

Subd. 2. **Area II Minnesota River Basin**

For grants to local governments in Area II of the Minnesota River Basin to acquire, design, and construct floodwater retention systems. This appropriation is not available until the board determines that $1 has been committed from nonstate sources for every $3 of state grant.

Sec. 5. **ADMINISTRATION**

Subdivision 1. **Total Appropriation**

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

Subd. 2. **Capitol Restoration**

To complete the design of, and to construct, repair, improve, renovate, restore, furnish, and equip the expanded restoration elements of the State Capitol Building and grounds, and any associated asbestos and hazardous materials abatement, including: (1) water infiltration, settlement, and deterioration on the plaza, terrace, and stairs; (2) visitor access and bus loading and unloading; (3) decorative painting; (4) cove molding; (5) accessibility, safety, and security for the South Loggia; (6) landscaping on Lot O; and (7) modifications to Aurora Avenue.

Subd. 3. **Contingency for Capitol Site Security Enhancements**

$1,000,000

$30,924,000

$24,724,000

$6,200,000
To complete the design of, and to construct, repair, furnish, and equip, including associated asbestos and hazardous materials abatement, if any, physical security improvements for the Capitol grounds bordered by Aurora Avenue to the South, University Avenue to the North, Cedar Street to the East, and the Rev. Dr. Martin Luther King Jr. Boulevard to the West.

The commissioner of administration must submit site security design elements to the Capitol Preservation Commission and may not proceed with those elements until the commission approves site security design elements.

Sec. 6. TRANSPORTATION

Subdivision 1. Total Appropriation $20,350,000

To the commissioner of transportation for the purposes specified in this section.

Subd. 2. Local Bridge Replacement and Rehabilitation 9,250,000

From the bond proceeds account in the state transportation fund to match federal money and to replace or rehabilitate local deficient bridges as provided in Minnesota Statutes, section 174.50.

Subd. 3. Local Road Improvement Fund Grants 10,100,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, or for grants to counties to assist in paying the costs
of rural road safety capital improvement
projects on county state-aid highways
under Minnesota Statutes, section 174.52, subdivision 4a.

This appropriation includes money for a
grant to the city of Sandstone for predesign,
design, engineering, and construction of a
road extending south off of marked Trunk
Highway 23 across from Lundorff Drive
to the airport area, and including a bridge
over Skunk Creek in Sandstone, in order to
facilitate repurposing of an area of the airport
into a business park. This appropriation
is not available until the commissioner of
management and budget determines that
sufficient resources to complete the project
are committed to it from other sources,
including any funds made available from the
commissioner of transportation.

Subd. 4. Minnesota Valley Regional Railroad
Authority

For a grant to the Minnesota Valley Regional
Rail Authority for the rehabilitation of
a portion of the railroad track between
Winthrop and Hanley Falls. The grant
under this subdivision may also be used for
any required environmental documentation
and remediation, predesign, design, and
rehabilitation or replacement of bridges with
new bridges or culverts between Winthrop
and Hanley Falls. A grant under this section
is in addition to any grant, loan, or loan
guarantee for this project made by the
commissioner under Minnesota Statutes,
sections 222.46 to 222.62. This appropriation
is in addition to the appropriations in Laws
Article 1 Sec. 6.
Sec. 7. **CORRECTIONS**

Subdivision 1. **Total Appropriation**

$1,200,000

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

Subd. 2. Northeast Regional Corrections Center

For a grant to the Arrowhead Regional Corrections Joint Powers Board to demolish an existing facility and to design, construct, furnish, and equip a replacement food processing facility on the campus of the Northeast Regional Corrections Center, to meet health, safety, and security standards required for compliance with Minnesota Rules, chapter 2911. Nonstate contributions to improvements at the center made before or after the enactment of this subdivision are considered to be sufficient match, and no further nonstate match is required.

Subd. 3. Unspent Appropriations

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

8.3 Sec. 8. PUBLIC FACILITIES AUTHORITY

8.4 Subdivision 1. Total Appropriation $ 16,489,000

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

8.7 Subd. 2. Wastewater Infrastructure Funding Program $ 16,489,000

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

8.12 Sec. 9. BOND SALE EXPENSES $ 89,000

8.13 To the commissioner of management and budget from the bond proceeds fund for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

8.18 Sec. 10. BOND SALE.

8.19 Subdivision 1. Bond Proceeds Fund. To provide the money appropriated in this article from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to $69,231,000 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.

8.23 Subd. 2. Transportation Fund. To provide the money appropriated in this article from the state transportation fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to $19,350,000 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. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

8.30 Sec. 11. BOND SALE SCHEDULE.

8.31 The commissioner of management and budget shall schedule the sale of state general obligation bonds and state appropriation bonds so that, during the biennium...
ending June 30, 2017, no more than $1,250,450,000 will need to be transferred from the
general fund to the state bond fund or to the state appropriation bond fund to pay principal
and interest due and to become due on outstanding state general obligation and state
appropriation bonds. During the biennium, before each sale of state general obligation or
state appropriation bonds, the commissioner of management and budget shall calculate the
amount of debt service payments needed on bonds previously issued and shall estimate the
amount of debt service payments that will be needed on the bonds scheduled to be sold.
The commissioner shall 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. 12. Laws 2008, chapter 179, section 16, subdivision 5, as amended by Laws 2014,
chapter 294, article 2, section 10, is amended to read:

Subd. 5. Minnesota Valley Railroad Track Rehabilitation
3,000,000

For a grant to the Minnesota Valley Regional
Rail Authority to rehabilitate a portion of
railroad track from Norwood-Young America
to Hanley Falls. The grant under this
subdivision may also be used for predesign,
design, engineering, and rehabilitation or
replacement of bridges with new bridges
or culverts between Norwood-Young
America and Hanley Falls. Notwithstanding
Minnesota Statutes, section 16A.642, the
bond sale authorization for this project
and appropriation of bond proceeds in this
subdivision are available until December 31,
2015. A grant under this subdivision
is in addition to any grant, loan, or loan
guarantee for this project made by the
commissioner under Minnesota Statutes,
sections 222.46 to 222.62.

Sec. 13. Laws 2009, chapter 93, article 1, section 11, subdivision 4, as amended by
Laws 2014, chapter 294, article 2, section 11, is amended to read:
10.1 Subd. 4. Minnesota Valley Railroad Track Rehabilitation 4,000,000

10.2 For a grant to the Minnesota Valley Regional Railroad Authority to rehabilitate up to 95 miles of railroad track from Norwood-Young America to Hanley Falls. The grant under this subdivision may also be used for predesign, design, engineering, and rehabilitation or replacement of bridges with new bridges or culverts between Norwood-Young America and Hanley Falls. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization for this project and appropriation of bond proceeds in this subdivision are available until December 31, 2017. A grant under this subdivision is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62.

10.21 Sec. 14. Laws 2010, chapter 189, section 15, subdivision 5, as amended by Laws 2014, chapter 294, article 2, section 12, is amended to read:

10.22 Subd. 5. Minnesota Valley Railroad Track Rehabilitation 5,000,000

10.23 For a grant to the Minnesota Valley Regional Rail Authority to rehabilitate and make capital improvements to railroad track from east of Gaylord to Winthrop. The grant under this subdivision may also be used for predesign, design, engineering, and rehabilitation or replacement of bridges with new bridges or culverts between Gaylord and Winthrop. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization for this project
and appropriation of bond proceeds in this subdivision are available until December 31, 2015. A grant under this subdivision is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62.

Sec. 15. Laws 2012, chapter 293, section 3, subdivision 18, is amended to read:

Subd. 18. Southwest Minnesota State University, Marshall

Science Lab Renovation 500,000

(a) To complete design for renovation of the Science and Math building and classroom spaces and an addition to the Plant Science building.

(b) Having abandoned the project specified in paragraph (a), the unspent portion of this appropriation is available for higher education asset preservation and replacement on the campus of Southwest Minnesota State University, Marshall, and the debt service requirement under subdivision 20 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 16. Laws 2013, chapter 136, section 4, as amended by Laws 2014, chapter 294, article 2, section 19, is amended to read:

Sec. 4. VETERANS AFFAIRS $18,935,000

(a) Of this amount, up to $1,750,000 is to the commissioner of administration to: (1) construct a new distribution and service tunnel to serve Buildings 17 north and 18
and the future Building 17 south; and (2) construct steam and electrical connections, related infrastructure, site work, a canopy with vestibule, and required modifications to Building 18 drop-off and entry. This appropriation is not available until the commissioner of management and budget has determined that at least $5,000,000 has been committed from federal sources. Any unused funds may be used under paragraph (b).

(b) The remainder of this amount is to the commissioner of administration to complete the design of, perform hazardous materials abatement for, and demolish the south wing of Building 17 and adjoining buildings; design, reconstruct, and furnish the new south wing of Building 17 and adjoining buildings as a new skilled nursing building; construct a new distribution and service tunnel to serve buildings 6, 19, and the future 17 south; and design, construct, and equip a network and server room, including installation of new fiber optic lines. This appropriation is not available until the commissioner of management and budget has determined that the funds to complete this work have been committed from federal sources.

(c) The unexpended balance from the appropriation in Laws 2012, chapter 293, section 19, subdivision 3, to predesign and design for demolition of the south wing of Building 17 and adjoining facilities, and designating the south wing of Building 17 as a new skilled nursing building, is added to this appropriation.
Sec. 17. Laws 2014, chapter 294, article 1, section 15, subdivision 2, is amended to read:

Subd. 2. Cottage Grove - HERO Center 1,460,000

For a grant to the city of Cottage Grove
to predesign and design a Health and
Emergency Response Occupations (HERO)
Center at 12600 Ravine Parkway in Cottage
Grove. This appropriation is not available
until the commissioner of management and
budget determines that the city of Cottage
Grove and the Board of Trustees of the
Minnesota State Colleges and Universities
city of Woodbury have entered into an
agreement for operation and management of
the center, and that at least an equal amount
is committed to the project from nonstate
sources. This appropriation does not require
any contribution from nonstate sources.

Sec. 18. Laws 2014, chapter 294, article 1, section 18, subdivision 3, is amended to read:

Subd. 3. Minnesota Sex Offender Program - St. Peter 7,405,000

To design, construct, renovate, furnish, and
equip the first phase of a three-phase project
to develop additional residential, program,
activity, and ancillary facilities for the
Minnesota sex offender program on the lower
campus of the St. Peter Regional Treatment
Center. This appropriation includes funds
to complete design, renovate, construct,
furnish, and equip the west wing of the
Green Acres Building; to design, renovate,
construct, furnish, and equip the east wing
of the Sunrise Building; to design through
construction documents the renovation
and construction of the Bartlett Building
Tomlinson Building, the north wing of Green Acres, and the west, south, and north wings of the Sunrise Building; and to design and perform asbestos and hazardous materials abatement in the Green Acres and Sunrise Buildings. Upon substantial completion of the first phase of this project, any unspent portion of this appropriation is available to design and to perform asbestos and hazardous materials abatement in subsequent phases.

Sec. 19. Laws 2014, chapter 294, article 1, section 18, subdivision 4, is amended to read:

**Subd. 4. Early Childhood Learning and Child Protection Facilities**

(a) To the commissioner of human services for grants under Minnesota Statutes, section 256E.37, to construct and rehabilitate early childhood learning and child protection facilities. Notwithstanding the limits on grant amounts in Minnesota Statutes, section 256E.37, one grant from this appropriation for an individual facility may be for up to $1,000,000.

(b) Notwithstanding the limitations on grant amounts and requirements for geographic distribution in Minnesota Statutes, section 256E.37, or this subdivision, $3,000,000 of this appropriation is for a grant to Hennepin County to predesign, design, renovate, furnish, and equip the early childhood center at the YWCA of Minneapolis, and to improve the building's heating, ventilation, air conditioning systems, the sprinkler system, and the pool walls and ceiling. The grant to Hennepin County is not available until the commissioner of management and
budget determines that at least an equal amount has been committed to the project from nonstate sources.

Sec. 20. Laws 2014, chapter 294, article 1, section 21, subdivision 10, is amended to read:

Subd. 10. **Lake Elmo - Water Supply**

For a grant to the city of Lake Elmo to construct an extension of approximately 2.5 miles of trunk water main and associated improvements along Lake Elmo Inwood Avenue to facilitate development along the Interstate Highway 94 corridor and comply with growth requirements under an agreement with the Metropolitan Council.

Sec. 21. Laws 2014, chapter 294, article 1, section 21, subdivision 12, is amended to read:

Subd. 12. **Minneapolis - Brian Coyle Community Center**

(a) For a grant to the Minneapolis Park and Recreation Board to predesign and design the renovation and expansion of the Brian Coyle Community Center, subject to Minnesota Statutes, section 16A.695. This appropriation does not require a local match.

(b) The Minneapolis Park and Recreation Board, the Pillsbury United Communities, Hennepin County, institutions of higher education, and neighborhood organizations shall develop an agreement for the use of the existing Brian Coyle Community Center. The lease between the Minneapolis Park and Recreation Board and Pillsbury United Communities shall be reformed prior to the
expenditure of any funds for predesign and
design.

(c) The appropriation under this subdivision
may also be used toward the renovation and
expansion of the Brian Coyle Community
Center.

Sec. 22. Laws 2014, chapter 294, article 1, section 21, subdivision 13, is amended to
read:

Subd. 13. Minneapolis - Hennepin Center for
the Arts

For a grant to the city of Minneapolis
Hennepin County for improvements and
betterments of a capital nature to renovate the
historic Hennepin Center for the Arts. Of this
appropriation, approximately $300,000 is for
predesign and design of asset preservation
improvements, and $250,000 is to match
federal funding to replace and replicate the
historic cupolas on the Historic Masonic
Temple of the Hennepin Center for the Arts.

Sec. 23. Laws 2014, chapter 294, article 1, section 21, subdivision 16, is amended to
read:

Subd. 16. Red Wing - River Renaissance

For a grant to the city of Red Wing for
improvements of a capital nature to the area
between Levee Road and the Mississippi
River, extending between Bay Point Drive
and Broad Street in Red Wing. This project
includes: reconstruction of Levee Road from
Broad Street to Jackson Street; improvements
to storm water, sanitary sewer, and drinking
water infrastructure; replacement of a 930
lineal feet of harbor retaining wall; parking
improvements; lighting improvements; and
construction of a segment of the Riverwalk
Trail. This grant is not available until the
commissioner of management and budget
determines that an amount sufficient to
complete the project is committed to it from
nonstate sources.

Sec. 24. Laws 2014, chapter 294, article 1, section 21, subdivision 18, is amended to
read:

Subd. 18. **St. Paul - Historic Palace Theater Renovation**

For a grant to the city of St. Paul Housing
and Redevelopment Authority to predesign,
design, construct, furnish, and equip the
renovation of the historic Palace Theater in
St. Paul. The city of St. Paul Housing and
Redevelopment Authority may enter into one
or more lease or management agreements to
operate performing arts programs, subject
to Minnesota Statutes, section 16A.695.
This appropriation is not available until the
commissioner of management and budget
has determined that at least an equal amount
has been committed from nonstate sources.

Sec. 25. Laws 2014, chapter 295, section 10, subdivision 12, is amended to read:

Subd. 12. **St. Paul - Minnesota Children's Museum**

For a grant to the city of St. Paul to predesign,
design, construct, furnish, and equip an
expansion and renovation of the Minnesota
Children's Museum. The expansion and
exhibit upgrades should incorporate the
latest research on early learning, allow for
new state-of-the art education facilities, and
increase the capacity of visitors to galleries
and programming areas. This appropriation
is not available until the commissioner of
management and budget has determined that
at least an equal amount $4,000,000 has been
committed from nonstate sources. Amounts
expended for this project by nonstate sources
since October 1, 2010, shall count toward the
nonstate match.

Sec. 26. MINNEAPOLIS COMMUNITY AND TECHNICAL COLLEGE; SALE
OF AVIATION TRAINING CENTER.

Notwithstanding Minnesota Statutes, section 16A.695, subdivision 3, the net
proceeds of the sale or disposition of the Aviation Training Center at the Flying Cloud
Airport operated by the Minneapolis Community and Technical College, after paying
all expenses incurred in selling the property, are appropriated to the Board of Trustees
of the Minnesota State Colleges and Universities for use pursuant to Minnesota Statutes,
section 135A.046, at the Minneapolis Community and Technical College campus and the
net proceeds need not be paid to the commissioner of management and budget, as would
otherwise be required by Minnesota Statutes, section 16A.695, subdivision 3. When the
sale is complete and the sale proceeds have been applied as provided in this section,
Minnesota Statutes, section 16A.695, no longer applies to the property and the property
is no longer state bond financed property.

Sec. 27. WEST METRO EDUCATION PROGRAM; PROPERTY
CONVEYANCE.

Subdivision 1. FAIR School downtown. Notwithstanding the appropriations of state
general obligation bond proceeds in Laws 1994, chapter 643, section 14, subdivision 7,
and Laws 1998, chapter 404, section 5, subdivision 5, as amended by Laws 1999, chapter
241, article 4, section 20; and the appropriation of general fund money in Laws 1997, First
Special Session chapter 4, article 2, section 51, subdivision 13, to Joint Powers District No.
6069, West Metro Education Program, to acquire and better the FAIR School downtown
in Minneapolis, the real and personal property of the FAIR School downtown may be
conveyed to Special School District No. 1, Minneapolis, for operation of a multidistrict
integration facility that serves students in any grade from early education through grade 12.
Subd. 2. **FAIR School Crystal.** Notwithstanding the appropriation of state general obligation bond proceeds in Laws 1998, chapter 404, section 5, subdivision 5, as amended by Laws 1999, chapter 241, article 4, section 20; and the appropriation of general fund money in Laws 1997, First Special Session chapter 4, article 2, section 51, subdivision 13, and Laws 2000, chapter 492, article 1, section 5, subdivision 2, to Joint Powers District No. 6069, West Metro Education Program, to acquire and better the FAIR School Crystal in Crystal, the real and personal property of the FAIR School Crystal may be conveyed to Independent School District No. 281, Robbinsdale, for operation of a multidistrict integration facility that serves students in any grade from early education through grade 12.

**Sec. 28. CONVEYANCE OF STATE LAND; HENNEPIN COUNTY.**

Subdivision 1. **Conveyance authorized.** Notwithstanding Minnesota Statutes, sections 16A.695 and 16B.281 to 16B.287, or other law, administrative rule, or commissioner's order to the contrary, the commissioner of administration may convey to Hennepin County for no consideration the real property described in subdivision 3. The commissioner of administration may add conditions to the conveyance of the property deemed to be in the interest of the state. Notwithstanding any provision of this section to the contrary, the real property shall continue to be considered state bond financed property after the conveyance of the real property to Hennepin County and until all the requirements are satisfied for the real property to no longer be considered state bond financed property. Hennepin County must operate the state bond financed property in compliance with Minnesota Statutes, section 16A.695, and all applicable state and federal laws, and in a manner that will not cause the interest on the state general obligation bonds to be subject to federal income taxation for any reason.

Subd. 2. **Form.** The conveyance shall be in a form approved by the attorney general. The attorney general may make changes to the legal description to correct errors and ensure accuracy.

Subd. 3. **Description.** The real property to be conveyed is located in Hennepin County and is described as: Lots 12, 13, and 14, Block 2, BISCHOFF 1ST ADDITION, Hennepin County, Minnesota.

Subd. 4. **Determination by commissioner.** The commissioner has determined that the real property described in subdivision 3 is no longer needed for any state purpose and that the state's land management interests are best served if the land is conveyed to and used by Hennepin County for community-based services.

**Sec. 29. EFFECTIVE DATE.**
This article is effective the day following final enactment.

ARTICLE 2

DISASTER RELIEF

Section 1. DISASTER RELIEF APPROPRIATIONS.

Subdivision 1. Appropriations. The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund to be spent to acquire and to better publicly owned land and buildings and other public improvements of a capital nature, and from other named funds, for relief as specified in this article from the storms and flooding that occurred on or after June 11, 2014, in the area in Minnesota designated under Presidential Declaration of a Major Disaster FEMA-4182-DR, whether included in the original declarations or added later by federal government action, referred to in this article as "the area included in DR-4182." Unless otherwise specified, money appropriated in this article 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 from the general fund in this article are for fiscal year 2016 and are available the day following final enactment through June 30, 2018. Appropriations of bond proceeds for capital improvements are available the day following final enactment and until the project is completed or abandoned, subject to Minnesota Statutes, section 16A.642. The appropriations in this article are onetime.

Subd. 2. Transfers. Money appropriated under this article may be transferred as provided in Minnesota Statutes, section 12A.03, subdivision 5.

APPROPRIATIONS

Sec. 2. TRANSPORTATION; LOCAL ROAD AND BRIDGE RECONSTRUCTION

$ 800,000

From the bond proceeds account in the state transportation fund for grants under Minnesota Statutes, sections 12A.16, subdivision 3, and 174.50, to local governments in the area included in DR-4182.

Sec. 3. MINNESOTA HISTORICAL SOCIETY

$ 100,000
To the Minnesota Historical Society for a grant to the city of Jordan for an assessment of the damage and repair of historic structures or other historic resources under Minnesota Statutes, section 12A.11. This appropriation is from the general fund.

Sec. 4. **NATURAL RESOURCES**

Subdivision 1. **Total Appropriation** $5,155,000

To the commissioner of natural resources for the purposes specified in Minnesota Statutes, section 12A.12. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Facility and Natural Resource Damage** $2,140,000

From the bond proceeds fund for the purposes specified in Minnesota Statutes, section 12A.12, subdivision 1.

Subd. 3. **Flood Hazard Mitigation Grants** $3,015,000

For the purposes specified in Minnesota Statutes, section 12A.12, subdivision 2. Funds are also available for the local share of flood mitigation projects. This appropriation includes funds for a grant to the Prior Lake-Spring Lake Watershed District for restoration of the Prior Lake outlet channel. Of this amount, $2,515,000 is from the bond proceeds fund and $500,000 is from the general fund.

Sec. 5. **BOARD OF WATER AND SOIL RESOURCES**

Subdivision 1. **Total Appropriation** $15,000,000

To the Board of Water and Soil Resources for the purposes specified in Minnesota Statutes,
The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Reinvest in Minnesota (RIM) Conservation Easements $4,700,000

From the bond proceeds fund for the purposes specified in Minnesota Statutes, section 12A.05, subdivision 1, in the area included in DR-4182. The duration of the easements shall be perpetual.

Subd. 3. Erosion, Sediment, and Water Quality Control Cost-Share Program $10,300,000

From the general fund for the purposes specified in Minnesota Statutes, section 12A.05, subdivision 2, in the area included in DR-4182. Priority use of these funds shall be to supplement or match federal funds whenever possible and practical.

Sec. 6. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT $100,000

Notwithstanding Minnesota Statutes, section 12A.03, subdivision 3, from the general fund for a grant to the Children's Museum of Southern Minnesota for flood loss incurred by the museum.

Sec. 7. BOND SALE EXPENSES $11,000

From the bond proceeds fund to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Sec. 8. BOND SALE AUTHORIZATIONS.

Subdivision 1. Bond proceeds fund. To provide the money appropriated in this article from the bond proceeds fund, the commissioner of management and budget shall
sell and issue bonds of the state in an amount up to $9,366,000 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.

Subd. 2. Transportation fund. To provide the money appropriated in this article
from the state transportation fund, the commissioner of management and budget shall sell
and issue bonds of the state in an amount up to $800,000 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. The proceeds of the bonds, except
accrued interest and any premium received on the sale of the bonds, must be credited to
a bond proceeds account in the state transportation fund.

Sec. 9. APPROPRIATIONS TO BE GIVEN EFFECT ONLY ONCE.

If an appropriation in this article is enacted more than once in the 2015 legislative
session for the same purpose, the appropriation must be given effect only once.

Sec. 10. EFFECTIVE DATE.

This article is effective the day following final enactment.