

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-SEVENTH LEGISLATURE**      **S.F. No. 2577**

(SENATE AUTHORS: SENJEM and Pederson)

DATE	D-PG	OFFICIAL STATUS
03/28/2012	5234	Introduction and first reading (For the Committee on Capital Investment) Referred to Finance
03/29/2012	5310a 5413 5413	Comm report: To pass as amended Second reading Author added Pederson (Non-revisor companion) HF1752

A bill for an act

1.1 relating to capital improvements; authorizing spending to acquire and better  
1.2 public land and buildings and for other improvements of a capital nature with  
1.3 certain conditions; establishing programs; authorizing the sale and issuance of  
1.4 state bonds; modifying previous appropriations; authorizing Cook County to  
1.5 form a district for the construction of water facilities and provision of water  
1.6 service; authorizing the commissioner of natural resources to make certain  
1.7 acquisitions of land or interests in land; appropriating money; amending  
1.8 Minnesota Statutes 2010, sections 16A.633, by adding a subdivision; 462A.21,  
1.9 by adding a subdivision; Minnesota Statutes 2011 Supplement, section 16A.96,  
1.10 by adding a subdivision; Laws 2006, chapter 258, section 7, subdivision 23, as  
1.11 amended; Laws 2008, chapter 179, sections 7, subdivisions 22, 27, as amended,  
1.12 29; 17, subdivision 4; 19, subdivision 4, as amended; 21, subdivision 15; Laws  
1.13 2009, chapter 93, article 1, section 12, subdivision 2; Laws 2010, chapter 189,  
1.14 sections 7, subdivision 12; 18, subdivision 5; 24, subdivision 3; Laws 2011, First  
1.15 Special Session chapter 12, sections 3, subdivisions 7, 8; 14, subdivision 2;  
1.16 19; proposing coding for new law in Minnesota Statutes, chapters 116J; 462A;  
1.17 repealing Minnesota Rules, part 8895.0700, subpart 1.

1.18  
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

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

**SUMMARY**

2.4	<u>University of Minnesota</u>	\$	<u>39,060,000</u>
2.5	<u>Minnesota State Colleges and Universities</u>		<u>127,028,000</u>
2.6	<u>Department of Education</u>		<u>1,000,000</u>
2.7	<u>Minnesota State Academies</u>		<u>1,000,000</u>
2.8	<u>Perpich Center for Arts Education</u>		<u>263,000</u>
2.9	<u>Natural Resources</u>		<u>56,050,000</u>
2.10	<u>Pollution Control Agency</u>		<u>5,256,000</u>
2.11	<u>Board of Water and Soil Resources</u>		<u>12,000,000</u>
2.12	<u>Agriculture</u>		<u>706,000</u>
2.13	<u>Rural Finance Authority</u>		<u>33,000,000</u>
2.14	<u>Zoological Garden</u>		<u>7,000,000</u>
2.15	<u>Administration</u>		<u>35,867,000</u>
2.16	<u>Amateur Sports</u>		<u>375,000</u>
2.17	<u>Military Affairs</u>		<u>25,000,000</u>
2.18	<u>Public Safety</u>		<u>4,272,000</u>
2.19	<u>Transportation</u>		<u>43,500,000</u>
2.20	<u>Metropolitan Council</u>		<u>12,850,000</u>
2.21	<u>Human Services</u>		<u>2,500,000</u>
2.22	<u>Veterans Affairs</u>		<u>29,816,000</u>
2.23	<u>Corrections</u>		<u>12,391,000</u>
2.24	<u>Employment and Economic Development</u>		<u>77,850,000</u>
2.25	<u>Public Facilities Authority</u>		<u>24,850,000</u>
2.26	<u>Housing Finance Agency</u>		<u>6,000,000</u>
2.27	<u>Minnesota Historical Society</u>		<u>3,250,000</u>
2.28	<u>Bond Sale Expenses</u>		<u>560,000</u>
2.29	<u>Cancellations/Reductions</u>		<u>(285,000)</u>
2.30	<b><u>TOTAL</u></b>	<b>\$</b>	<b><u>561,159,000</u></b>
2.31	<u>Bond Proceeds Fund (General Fund Debt Service)</u>		<u>462,283,000</u>
2.32	<u>Bond Proceeds Fund (User Financed Debt Service)</u>		<u>64,676,000</u>
2.33	<u>State Transportation Fund Bond Proceeds (General Fund Debt</u>		
2.34	<u>Service)</u>		<u>34,200,000</u>

**APPROPRIATIONS**

2.36 **Sec. 2. UNIVERSITY OF MINNESOTA**

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

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

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

3.3 To be spent in accordance with Minnesota  
3.4 Statutes, section 135A.046.

3.5 Subd. 3. **Itasca Biological Station**

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

3.7 To design, construct, and equip a new  
3.8 biological lab/classroom facility and  
3.9 renovate the classroom in the lakeside  
3.10 laboratory at the University of Minnesota  
3.11 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 \$ 127,028,000

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) 32,000,000

4.11 For the purposes specified in Minnesota  
4.12 Statutes, section 135A.046, including safety  
4.13 and statutory compliance, building envelope  
4.14 integrity, mechanical systems, and space  
4.15 restoration.

4.16 Subd. 3. Anoka-Ramsey Community College,  
4.17 Coon Rapids

4.18 Bioscience and Allied Health Addition and  
4.19 Renovation 980,000

4.20 To complete design for the construction of a  
4.21 Bioscience and Allied Health addition and to  
4.22 design, renovate, and equip classrooms and  
4.23 related space.

4.24 Subd. 4. Century College

4.25 Classroom Addition 5,000,000

4.26 To complete design of and to construct,  
4.27 renovate, furnish, and equip classrooms and  
4.28 related spaces.

4.29 Subd. 5. Dakota County Technical College

4.30 Transportation and Emerging Technologies  
4.31 Lab Renovation 7,230,000

4.32 To complete design of and to renovate,  
4.33 furnish, and equip transportation and

5.1	<u>emerging technologies classrooms,</u>	
5.2	<u>laboratories, and related spaces.</u>	
5.3	<b><u>Subd. 6. Minneapolis Community and</u></b>	
5.4	<b><u>Technical College</u></b>	
5.5	<b><u>Workforce Program Renovation</u></b>	<u>13,389,000</u>
5.6	<u>To complete design of and to renovate,</u>	
5.7	<u>furnish, and equip instructional space,</u>	
5.8	<u>support space, and infrastructure for</u>	
5.9	<u>workforce programs.</u>	
5.10	<b><u>Subd. 7. North Hennepin Community College</u></b>	
5.11	<b><u>Bioscience and Health Careers Addition</u></b>	<u>26,292,000</u>
5.12	<u>To complete design of and to construct,</u>	
5.13	<u>furnish, and equip Bioscience and Health</u>	
5.14	<u>Careers laboratories, classrooms, and related</u>	
5.15	<u>spaces.</u>	
5.16	<b><u>Subd. 8. Northland Community and Technical</u></b>	
5.17	<b><u>College</u></b>	
5.18	<b><u>Aviation Maintenance Facility Expansion</u></b>	<u>300,000</u>
5.19	<u>To design the expansion and renovation of the</u>	
5.20	<u>aviation maintenance facilities at Northland</u>	
5.21	<u>Community and Technical College.</u>	
5.22	<b><u>Subd. 9. Ridgewater College, Willmar</u></b>	
5.23	<b><u>Technical Instruction Lab Renovation</u></b>	<u>13,851,000</u>
5.24	<u>To design, renovate, furnish, and equip</u>	
5.25	<u>classroom, student service, instructional</u>	
5.26	<u>lab, and related spaces and to demolish the</u>	
5.27	<u>Administration Building.</u>	
5.28	<b><u>Subd. 10. Minnesota State University, Mankato</u></b>	<u>2,065,000</u>
5.29	<u>To design a clinical science building at</u>	
5.30	<u>Minnesota State University, Mankato.</u>	
5.31	<b><u>Subd. 11. St. Cloud Technical and Community</u></b>	
5.32	<b><u>College</u></b>	<u>4,000,000</u>

6.1	<u>To complete design, construct, renovate,</u>	
6.2	<u>furnish, equip, and demolish space for the</u>	
6.3	<u>medium heavy truck and autobody program</u>	
6.4	<u>on the St. Cloud Technical and Community</u>	
6.5	<u>College campus.</u>	
6.6	<b><u>Subd. 12. St. Paul College</u></b>	
6.7	<b><u>Health and Science Alliance Center</u></b>	<u>1,500,000</u>
6.8	<u>To design the Health and Science Alliance</u>	
6.9	<u>Center addition and design, renovate, furnish,</u>	
6.10	<u>and equip, existing health spaces.</u>	
6.11	<b><u>Subd. 13. Minnesota West Community and</u></b>	
6.12	<b><u>Technical College, Worthington</u></b>	
6.13	<b><u>Renovation and Addition</u></b>	<u>4,606,000</u>
6.14	<u>To renovate, furnish, and equip existing</u>	
6.15	<u>classroom and lab spaces and to design,</u>	
6.16	<u>construct, furnish, and equip a classroom,</u>	
6.17	<u>lab, and entryway addition, and replace</u>	
6.18	<u>HVAC systems.</u>	
6.19	<b><u>Subd. 14. South Central College, Faribault</u></b>	
6.20	<b><u>Classroom Renovation and Addition</u></b>	<u>13,315,000</u>
6.21	<u>To complete design of and to renovate,</u>	
6.22	<u>construct, furnish, and equip classrooms, a</u>	
6.23	<u>learning resource center, and related spaces,</u>	
6.24	<u>and laboratories.</u>	
6.25	<b><u>Subd. 15. Southwest Minnesota State</u></b>	
6.26	<b><u>University, Marshall</u></b>	
6.27	<b><u>Science Lab Renovation</u></b>	<u>500,000</u>
6.28	<u>To complete design for renovation of the</u>	
6.29	<u>Science and Math building and classroom</u>	
6.30	<u>spaces and an addition to the Plant Science</u>	
6.31	<u>building.</u>	
6.32	<b><u>Subd. 16. Science, Technology, Engineering,</u></b>	
6.33	<b><u>and Math Initiatives</u></b>	<u>2,000,000</u>

7.1 To design, renovate, furnish, and equip  
7.2 science laboratories at campuses statewide.  
7.3 Campuses may use internal and nonstate  
7.4 funds to increase the size of the projects. This  
7.5 appropriation may be used at the following  
7.6 campuses: Bemidji State University; Century  
7.7 College; Inver Hills Community College;  
7.8 Minnesota State Community and Technical  
7.9 College, Moorhead; Minnesota State  
7.10 University, Moorhead; Hibbing Community  
7.11 College; Itasca Community College; Mesabi  
7.12 Range Community and Technical College,  
7.13 Eveleth; and Pine Technical College.

7.14 Subd. 17. **Debt Service**

7.15 (a) The Board of Trustees shall pay the  
7.16 debt service on one-third of the principal  
7.17 amount of state bonds sold to finance  
7.18 projects authorized by this section, except  
7.19 for higher education asset preservation  
7.20 and replacement, and except that, where a  
7.21 nonstate match is required, the debt service is  
7.22 due on a principal amount equal to one-third  
7.23 of the total project cost, less the match  
7.24 committed before the bonds are sold. After  
7.25 each sale of general obligation bonds, the  
7.26 commissioner of management and budget  
7.27 shall notify the board of the amounts assessed  
7.28 for each year for the life of the bonds.

7.29 (b) The commissioner of management and  
7.30 budget shall reduce the board's assessment  
7.31 each year by one-third of the net income  
7.32 from investment of general obligation bond  
7.33 proceeds in proportion to the amount of  
7.34 principal and interest otherwise required to  
7.35 be paid by the board. The board shall pay its

8.1 resulting net assessment to the commissioner  
8.2 of management and budget by December  
8.3 1 each year. If the board fails to make  
8.4 a payment when due, the commissioner  
8.5 of management and budget shall reduce  
8.6 allotments for appropriations from the  
8.7 general fund otherwise available to the board  
8.8 and apply the amount of the reduction to  
8.9 cover the missed debt service payment. The  
8.10 commissioner of management and budget  
8.11 shall credit the payments received from the  
8.12 board to the bond debt service account in  
8.13 the state bond fund each December 1 before  
8.14 money is transferred from the general fund  
8.15 under Minnesota Statutes, section 16A.641,  
8.16 subdivision 10.

8.17 **Subd. 18. Unspent Appropriations**

8.18 (a) Upon substantial completion of a  
8.19 project authorized in this section and after  
8.20 written notice to the commissioner of  
8.21 management and budget, the board must use  
8.22 any money remaining in the appropriation  
8.23 for that project for Higher Education Asset  
8.24 Preservation and Replacement (HEAPR)  
8.25 under Minnesota Statutes, section 135A.046.  
8.26 The board must report by February 1 of each  
8.27 even-numbered year to the chairs of the house  
8.28 of representatives and senate committees  
8.29 with jurisdiction over capital investments and  
8.30 higher education finance, and to the chairs  
8.31 of the house of representatives Ways and  
8.32 Means Committee and the senate Finance  
8.33 Committee, on how the remaining money  
8.34 has been allocated or spent.

9.1 (b) The unspent portion of an appropriation  
 9.2 for a project in this section that is complete  
 9.3 is available for Higher Education Asset  
 9.4 Preservation and Replacement (HEAPR)  
 9.5 under this subdivision at the same campus  
 9.6 as the project for which the original  
 9.7 appropriation was made, and the debt  
 9.8 service requirement under subdivision 16 is  
 9.9 reduced accordingly. Minnesota Statutes,  
 9.10 section 16A.642, applies from the date of the  
 9.11 original appropriation to the unspent amount  
 9.12 transferred.

9.13 Sec. 4. **DEPARTMENT OF EDUCATION** **\$ 1,000,000**

9.14 To the commissioner of education for library  
 9.15 accessibility and improvement grants under  
 9.16 Minnesota Statutes, section 134.45.

9.17 Sec. 5. **MINNESOTA STATE ACADEMIES** **\$ 1,000,000**

9.18 To the commissioner of administration for  
 9.19 asset preservation on both campuses of the  
 9.20 academies, to be spent in accordance with  
 9.21 Minnesota Statutes, section 16B.307.

9.22 Sec. 6. **PERPICH CENTER FOR ARTS**  
 9.23 **EDUCATION**

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

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

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

9.28 To complete design of and repair the loading  
 9.29 dock and dock steps.

9.30 **Subd. 3. Road Repair** **99,000**

9.31 To complete design and repair roadway.

9.32 **Subd. 4. Storm Drainage** **100,000**

10.1 To complete design of and install storm  
10.2 drainage on the northwest corner of campus.

10.3 Sec. 7. DEPARTMENT OF NATURAL  
10.4 RESOURCES

10.5 Subdivision 1. Total Appropriation \$ 56,000,000

10.6 To the commissioner of natural resources  
10.7 for the purposes specified in this section.

10.8 The appropriations in this section are  
10.9 subject to the requirements of the natural  
10.10 resources capital improvement program  
10.11 under Minnesota Statutes, section 86A.12,  
10.12 unless this section or the statutes referred  
10.13 to in this section provide more specific  
10.14 standards, criteria, or priorities for projects  
10.15 than Minnesota Statutes, section 86A.12.

10.16 Subd. 2. Natural Resources Asset Preservation 3,000,000

10.17 For the renovation of state-owned facilities  
10.18 and recreational assets operated by the  
10.19 commissioner of natural resources, to be  
10.20 spent in accordance with Minnesota Statutes,  
10.21 section 84.946. The commissioner may  
10.22 use this appropriation to replace buildings  
10.23 if that is the most effective and the most  
10.24 energy-efficient and carbon-reducing method  
10.25 of renovation.

10.26 Subd. 3. Flood Hazard Mitigation Grants 30,000,000

10.27 For the state share of flood hazard  
10.28 mitigation grants for publicly owned capital  
10.29 improvements to prevent or alleviate flood  
10.30 damage under Minnesota Statutes, section  
10.31 103F.161.

10.32 Levee projects, to the extent practicable,  
10.33 shall meet the state standard of three feet  
10.34 above the 100-year flood elevation.

11.1 Project priorities shall be determined by the  
11.2 commissioner as appropriate, based on need.

11.3 This appropriation includes money for the  
11.4 following county and municipal projects  
11.5 as prioritized by the commissioner: Ada,  
11.6 Afton, Alvarado, Argyle, Austin, Benson,  
11.7 Borup, Breckenridge, Brownton, Climax,  
11.8 Crookston, Delano, Douglas County, Felton,  
11.9 Georgetown, Granite Falls, Halstad, Inver  
11.10 Grove Heights, Melrose, Montevideo,  
11.11 Moorhead, Newport, Nielsville, Oakport  
11.12 Township, Oslo, Roseau, Rushford, St.  
11.13 Vincent, and Shelly.

11.14 This appropriation includes money for the  
11.15 following watershed projects: Brandt-Angus,  
11.16 Middle Snake Tamarac Watershed District;  
11.17 Hay Creek-Norlund, Roseau Watershed  
11.18 District; Lake Zumbro Watershed District;  
11.19 North Ottawa, Bois de Sioux Watershed  
11.20 District; Redpath, Bois de Sioux Watershed  
11.21 District; Roseau Wildlife Management Area,  
11.22 Roseau River Watershed District; Shell Rock  
11.23 Watershed District; Springbrook, Two Rivers  
11.24 Watershed District; Thief River Falls, Red  
11.25 Lake Watershed District; and Upper Becker,  
11.26 Wild Rice Watershed District.

11.27 For any project listed in this subdivision  
11.28 that the commissioner determines is not  
11.29 ready to proceed or does not expend all the  
11.30 money allocated to it, the commissioner may  
11.31 allocate that project's money to a project on  
11.32 the commissioner's priority list.

11.33 To the extent that the cost of a project  
11.34 exceeds two percent of the median household  
11.35 income in the municipality multiplied by the

12.1 number of households in the municipality,  
12.2 this appropriation is also for the local share  
12.3 of the project.

12.4 **Subd. 4. Water Access Renewal/Aquatic**  
12.5 **Invasive Species Control**

6,000,000

12.6 (a) To design and construct an Asian carp  
12.7 deterrent barrier to control the spread of  
12.8 Asian carp and to accelerate the renewal  
12.9 and rehabilitation of public water access  
12.10 site facilities to provide for aquatic  
12.11 invasive species management, including the  
12.12 installation of decontamination stations.

12.13 (b) Of this appropriation, \$1,000,000 is  
12.14 to the Board of Regents of the University  
12.15 of Minnesota to develop and implement  
12.16 an Aquatic Invasive Species Cooperative  
12.17 Research Center. As a condition of  
12.18 receiving this appropriation, the University  
12.19 of Minnesota is requested to collaborate  
12.20 with the commissioner of natural resources  
12.21 in developing solutions to control aquatic  
12.22 invasive species. Money appropriated  
12.23 in this subdivision may not be spent on  
12.24 activities unless they are directly related  
12.25 to and necessary for the purposes of this  
12.26 subdivision. Money appropriated in this  
12.27 subdivision must not be spent on indirect  
12.28 costs or other institutional overhead charges  
12.29 that are not directly related to and necessary  
12.30 for the purposes of this subdivision. This is a  
12.31 onetime appropriation and is available until  
12.32 June 30, 2014.

12.33 **Subd. 5. State Forest Land Restoration**

2,000,000

12.34 To increase reforestation activities to meet  
12.35 the reforestation requirements of Minnesota

- 13.1 Statutes, section 89.002, subdivision 2,  
13.2 including planting, seeding, site preparation,  
13.3 and for timber stand improvement.
- 13.4 **Subd. 6. Parks and Trails Renewal and**  
13.5 **Development** 5,000,000
- 13.6 For renewal, modification, replacement, or  
13.7 development of buildings and recreational  
13.8 infrastructure in state parks, state recreation  
13.9 areas, state trails, small craft harbors/marinas,  
13.10 fishing pier sites, and state forests. This  
13.11 appropriation is for the following trails:
- 13.12 (1) Luce Line Trail;  
13.13 (2) Whitewater Country Trail Loop;  
13.14 (3) Camp Ripley Trail;  
13.15 (4) Stagecoach Trail; and  
13.16 (5) Shooting Star Trail.
- 13.17 For any project listed in this subdivision  
13.18 that the commissioner determines that is not  
13.19 ready to proceed, the commissioner may  
13.20 allocate that project's money to another state  
13.21 trail project. The commissioner must notify  
13.22 the chairs of the house of representatives  
13.23 and senate committees with jurisdiction  
13.24 over environment and natural resources  
13.25 and legislators from the affected legislative  
13.26 districts of any changes.
- 13.27 **Subd. 7. Lake Zumbro** 4,000,000
- 13.28 For a grant to the Lake Zumbro Joint Powers  
13.29 Board for the removal of sedimentation in  
13.30 Lake Zumbro, including final engineering,  
13.31 dredging, and dredged soil disposal from  
13.32 the sites identified in the Preliminary  
13.33 Engineering Report for Dredging Lake  
13.34 Zumbro. This project is designed to improve

14.1 the recreational economy, water quality,  
14.2 and habitat, and increase water storage  
14.3 capacity within the lake to achieve renewable  
14.4 energy goals by optimizing long-term  
14.5 hydroelectric operations. This appropriation  
14.6 is not available until the commissioner of  
14.7 management and budget has determined that  
14.8 at least \$2,000,000 has been committed to  
14.9 the project from nonstate sources.

14.10 **Subd. 8. Lake Vermillion State Park** 5,000,000

14.11 For the development of Lake Vermillion  
14.12 State Park, established under Minnesota  
14.13 Statutes, section 85.012, subdivision 38a.

14.14 **Subd. 9. National Trout Learning Center,** 1,000,000  
14.15 **Preston**

14.16 For a grant to the city of Preston to acquire  
14.17 land for and to predesign, design, construct,  
14.18 furnish, and equip the National Trout  
14.19 Learning Center. The city may enter into  
14.20 a lease and management agreement for the  
14.21 center, as provided in Minnesota Statutes,  
14.22 section 16A.695.

14.23 **Subd. 10. Unspent Appropriations**

14.24 The unspent portion of an appropriation,  
14.25 but not to exceed ten percent of the  
14.26 appropriation, for a project in this section  
14.27 that is complete, other than an appropriation  
14.28 for flood hazard mitigation, upon written  
14.29 notice to the commissioner of management  
14.30 and budget, is available for asset preservation  
14.31 under Minnesota Statutes, section 84.946.  
14.32 Minnesota Statutes, section 16A.642, applies  
14.33 from the date of the original appropriation  
14.34 to the unspent amount transferred for asset  
14.35 preservation.

15.1 Sec. 8. POLLUTION CONTROL AGENCY

15.2 Subdivision 1. Total Appropriation \$ 5,256,000

15.3 To the Pollution Control Agency for the  
15.4 purposes specified in this section.

15.5 Subd. 2. Closed Landfill Program 3,000,000

15.6 To design and construct remedial systems  
15.7 and acquire land at landfills throughout the  
15.8 state in accordance with the closed landfill  
15.9 program under Minnesota Statutes, sections  
15.10 115B.39 to 115B.42.

15.11 Subd. 3. Capital Assistance Program 2,256,000

15.12 For a grant under Minnesota Statutes, section  
15.13 115A.54, to Redwood and Renville Counties  
15.14 to construct a joint regional materials  
15.15 recovery facility.

15.16 Sec. 9. BOARD OF WATER AND SOIL  
15.17 RESOURCES

15.18 Subdivision 1. Total Appropriation \$ 12,000,000

15.19 The amounts that may be spent for each  
15.20 purpose are specified in the following  
15.21 subdivisions.

15.22 Subd. 2. RIM Conservation Reserve 6,000,000

15.23 (a) To acquire conservation easements from  
15.24 landowners to preserve, restore, create, and  
15.25 enhance wetlands; restore and enhance rivers  
15.26 and streams, riparian lands, and associated  
15.27 uplands in order to protect soil and water  
15.28 quality; support fish and wildlife habitat;  
15.29 reduce flood damage; and provide other  
15.30 public benefits. The provisions of Minnesota  
15.31 Statutes, section 103F.515, apply to this  
15.32 program. Of this appropriation, up to ten

16.1 percent may be used to implement the  
16.2 program.

16.3 (b) The board is authorized to enter into  
16.4 new agreements and amend past agreements  
16.5 with landowners as required by Minnesota  
16.6 Statutes, section 103F.515, subdivision 5, to  
16.7 allow for restoration, including overseeding  
16.8 and harvesting of native prairie vegetation for  
16.9 use for energy production in a manner that  
16.10 does not devalue the natural habitat, water  
16.11 quality benefits, or carbon sequestration  
16.12 functions of the area enrolled in the easement.

16.13 This shall occur after seed production and  
16.14 minimize impacts on wildlife. Of this  
16.15 appropriation, up to five percent may be used  
16.16 for restoration, including overseeding.

16.17 **Subd. 3. Wetland Replacement Due to Public**  
16.18 **Road Projects**

6,000,000

16.19 To acquire land for wetland restoration or  
16.20 preservation to replace wetlands drained  
16.21 or filled as a result of the repair or  
16.22 reconstruction, replacement, or rehabilitation  
16.23 of existing public roads as required by  
16.24 Minnesota Statutes, section 103G.222,  
16.25 subdivision 1, paragraphs (l) and (m).

16.26 The provisions of Minnesota Statutes, section  
16.27 103F.515, apply to this appropriation, except  
16.28 that the board may establish alternative  
16.29 payment rates for easements and practices  
16.30 to establish restored native prairies, as  
16.31 defined in Minnesota Statutes, section 84.02,  
16.32 subdivision 5, and to protect uplands.

16.33 The purchase price paid for acquisition  
16.34 of land, fee, or perpetual easement must  
16.35 be the fair market value as determined

17.1 by the board. The board may enter into  
17.2 agreements with the federal government,  
17.3 other state agencies, political subdivisions,  
17.4 and nonprofit organizations or fee owners to  
17.5 acquire land and restore and create wetlands  
17.6 and to acquire existing wetland banking  
17.7 credits. Acquisition of or the conveyance  
17.8 of land may be in the name of the political  
17.9 subdivision.

17.10 Sec. 10. **AGRICULTURE** **\$** **706,000**

17.11 To the commissioner of administration for  
17.12 design and installation of an emergency  
17.13 power system for the shared Agriculture and  
17.14 Health Lab Building.

17.15 Sec. 11. **RURAL FINANCE AUTHORITY** **\$** **33,000,000**

17.16 For the purposes set forth in the Minnesota  
17.17 Constitution, article XI, section 5, paragraph  
17.18 (h), to the Rural Finance Authority to  
17.19 purchase participation interests in or to  
17.20 make direct agricultural loans to farmers  
17.21 under Minnesota Statutes, chapter 41B.  
17.22 This appropriation is for the beginning  
17.23 farmer program under Minnesota Statutes,  
17.24 section 41B.039; the loan restructuring  
17.25 program under Minnesota Statutes, section  
17.26 41B.04; the seller-sponsored program under  
17.27 Minnesota Statutes, section 41B.042; the  
17.28 agricultural improvement loan program  
17.29 under Minnesota Statutes, section 41B.043;  
17.30 and the livestock expansion loan program  
17.31 under Minnesota Statutes, section 41B.045.  
17.32 All debt service on bond proceeds used to  
17.33 finance this appropriation must be repaid  
17.34 by the Rural Finance Authority under

18.1 Minnesota Statutes, section 16A.643. Loan  
18.2 participations must be priced to provide full  
18.3 interest and principal coverage and a reserve  
18.4 for potential losses. Priority for loans must  
18.5 be given first to basic beginning farmer loans,  
18.6 second to seller-sponsored loans, and third to  
18.7 agricultural improvement loans.

18.8 Sec. 12. **MINNESOTA ZOOLOGICAL**  
18.9 **GARDEN** **\$** **7,000,000**

18.10 To the Minnesota Zoological Garden for  
18.11 capital asset preservation and betterments to  
18.12 infrastructure and exhibits at the Minnesota  
18.13 Zoo to be spent in accordance with Minnesota  
18.14 Statutes, section 16B.307. This appropriation  
18.15 includes money to rehabilitate the saltwater  
18.16 dolphin tank and exhibit in Discovery Bay.

18.17 Sec. 13. **ADMINISTRATION**

18.18 **Subdivision 1. Total Appropriation** **\$** **35,867,000**

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

18.21 **Subd. 2. Bemidji Regional Public Television**  
18.22 **Station** **3,000,000**

18.23 For a grant to the city of Bemidji to construct,  
18.24 furnish, and equip a regional public  
18.25 television station in the city of Bemidji.  
18.26 This appropriation is not available until the  
18.27 commissioner determines that a 25 percent  
18.28 match has been committed to the project  
18.29 from nonstate sources.

18.30 **Subd. 3. Potter Auditorium Remodeling -**  
18.31 **Chatfield** **2,200,000**

18.32 For a grant to the Chatfield economic  
18.33 development authority to predesign, design,  
18.34 renovate, construct, furnish, and equip the

19.1 Chatfield Center for the Arts in the city of  
19.2 Chatfield. The center includes the George  
19.3 H. Potter auditorium, the adjacent 1916  
19.4 school building, and the land surrounding  
19.5 the structures owned by the economic  
19.6 development authority. Money, land and  
19.7 buildings, and in-kind contributions provided  
19.8 to the center before the enactment of this  
19.9 section are considered to be sufficient local  
19.10 match, and no further local match is required.

19.11 **Subd. 4. Red Wing Sheldon Theatre** 612,000

19.12 For a grant to the city of Red Wing to design,  
19.13 construct, furnish, and equip the renovation  
19.14 of the Sheldon Theatre. This appropriation  
19.15 is available when the commissioner of  
19.16 management and budget determines that at  
19.17 least an equal amount has been committed to  
19.18 the project from nonstate sources.

19.19 **Subd. 5. State Capitol Restoration** 25,000,000

19.20 To repair and restore the exterior of the State  
19.21 Capitol to insure the integrity and structural  
19.22 soundness of the building. This appropriation  
19.23 may include exterior renovations, but must  
19.24 not be used for furnishings, equipment,  
19.25 or renovations unrelated to the building's  
19.26 structural integrity and soundness.

19.27 **Subd. 6. Peace Officers Memorial** 55,000

19.28 For restoration of the Peace Officers  
19.29 Memorial on the Capitol grounds.

19.30 **Subd. 7. Washburn Center for Children** 5,000,000

19.31 For a grant to Hennepin County to acquire  
19.32 and prepare a site for and to predesign,  
19.33 design, construct, furnish, and equip a new  
19.34 Washburn Center for Children that will be

20.1 used to provide mental health services to  
 20.2 children. The county is authorized to take  
 20.3 actions and enter into agreements needed  
 20.4 to perform the functions set forth in this  
 20.5 section, and the agreements may include  
 20.6 provisions and conditions that the county  
 20.7 negotiates. The county may enter into a  
 20.8 lease or management contract for the new  
 20.9 center with a nonprofit entity. The lease or  
 20.10 management contract must comply with the  
 20.11 requirements of Minnesota Statutes, section  
 20.12 16A.695. This appropriation is not available  
 20.13 until the commissioner has determined that  
 20.14 at least an equal amount has been committed  
 20.15 or expended from nonstate resources.

20.16 Sec. 14. **AMATEUR SPORTS** **\$** **375,000**

20.17 To the Minnesota Amateur Sports  
 20.18 Commission to replace HVAC heating and  
 20.19 cooling units in the Indoor Sports Hall at the  
 20.20 National Sports Center in Blaine.

20.21 Sec. 15. **MILITARY AFFAIRS**

20.22 **Subdivision 1. Total Appropriation** **\$** **25,000,000**

20.23 To the adjutant general for the purposes  
 20.24 specified in this section.

20.25 **Subd. 2. Asset Preservation** **5,500,000**

20.26 For asset preservation improvements and  
 20.27 betterments of a capital nature at military  
 20.28 affairs facilities statewide, to be spent in  
 20.29 accordance with Minnesota Statutes, section  
 20.30 16B.307.

20.31 **Subd. 3. Camp Ripley Education Center**  
 20.32 **Addition** **19,500,000**

21.1 To complete the construction, furnishing, and  
21.2 equipping of an addition to the Camp Ripley  
21.3 Education Center (Building #6-76). The  
21.4 addition will include lodging, classroom, and  
21.5 dining facilities.

21.6 **Subd. 4. Unspent Appropriations**

21.7 The unspent portion of an appropriation for  
21.8 a project in this section that is complete,  
21.9 upon written notice to the commissioner of  
21.10 management and budget, is available for  
21.11 asset preservation under Minnesota Statutes,  
21.12 section 16B.307. Minnesota Statutes, section  
21.13 16A.642, applies from the date of the  
21.14 original appropriation to the unspent amount  
21.15 transferred.

21.16 **Sec. 16. PUBLIC SAFETY**

21.17 **Subdivision 1. Total Appropriation** **\$ 4,037,000**

21.18 To the commissioner of public safety for the  
21.19 purposes specified in this section.

21.20 **Subd. 2. Arrowhead Regional Corrections**  
21.21 **Board** **737,000**

21.22 For a grant to the Arrowhead Regional  
21.23 Corrections Board for facility improvements  
21.24 of a capital nature at the Northeast Regional  
21.25 Correctional Center (NERCC) in Saginaw.  
21.26 This appropriation is not available until the  
21.27 commissioner has determined that at least  
21.28 an equal amount has been committed from  
21.29 nonstate sources.

21.30 **Subd. 3. Princeton Public Safety Building** **3,300,000**

21.31 For a grant to the city of Princeton to acquire  
21.32 land, predesign, design, construct, and equip  
21.33 a public safety building to be located in  
21.34 Princeton for use as a headquarters for

22.1 police, fire, and emergency operations and  
22.2 as a relocation and decontamination site in  
22.3 the event of an accident at the Monticello  
22.4 Nuclear Power Plant. This appropriation  
22.5 is not available until the commissioner  
22.6 determines that at least an equal amount  
22.7 is committed to the project from nonstate  
22.8 sources.

22.9 Sec. 17. **TRANSPORTATION**

22.10 **Subdivision 1. Total Appropriation** **\$ 43,500,000**

22.11 This appropriation is to the commissioner of  
22.12 transportation for the purposes specified in  
22.13 this section.

22.14 **Subd. 2. Local Bridge Replacement and**  
22.15 **Rehabilitation** **20,000,000**

22.16 This appropriation is from the bond proceeds  
22.17 account in the state transportation fund  
22.18 to match federal money and to replace  
22.19 or rehabilitate local deficient bridges as  
22.20 provided in Minnesota Statutes, section  
22.21 174.50. To the extent practicable, the  
22.22 commissioner shall expend the funds as  
22.23 provided under Minnesota Statutes, section  
22.24 174.50, subdivisions 6c and 7, paragraph (c).

22.25 Political subdivisions may use grants made  
22.26 under this subdivision to construct or  
22.27 reconstruct bridges, including but not limited  
22.28 to:

22.29 (1) matching federal aid grants to construct  
22.30 or reconstruct key bridges;

22.31 (2) paying the costs of preliminary  
22.32 engineering and environmental studies  
22.33 authorized under Minnesota Statutes, section  
22.34 174.50, subdivision 6a;

23.1 (3) paying the costs to abandon an existing  
23.2 bridge that is deficient and in need of  
23.3 replacement, but where no replacement will  
23.4 be made; and

23.5 (4) paying the costs to construct a road  
23.6 or street to facilitate the abandonment  
23.7 of an existing bridge determined by  
23.8 the commissioner to be deficient, if the  
23.9 commissioner determines that construction  
23.10 of the road or street is more economical than  
23.11 replacement of the existing bridge.

23.12 **Subd. 3. Local Road Improvement Fund**  
23.13 **Grants**

14,200,000

23.14 From the bond proceeds account in the state  
23.15 transportation fund as provided in Minnesota  
23.16 Statutes, section 174.50:

23.17 (1) for construction and reconstruction  
23.18 of local roads with statewide or regional  
23.19 significance under Minnesota Statutes,  
23.20 section 174.52, subdivision 4, or for grants to  
23.21 counties to assist in paying the costs of rural  
23.22 road safety capital improvement projects on  
23.23 county state-aid highways under Minnesota  
23.24 Statutes, section 174.52, subdivision 4a; and

23.25 (2) up to \$10,000,000 for preliminary  
23.26 engineering, design, and construction of a  
23.27 four-lane bridge and roadway over the flood  
23.28 plain of the Minnesota River between Carver  
23.29 and Scott Counties along the alignment of  
23.30 old Trunk Highway 101 from the north end  
23.31 of bridge number 70002 over the Minnesota  
23.32 River on Scott County State Aid Highway  
23.33 101 to the intersection of Minnesota Trunk  
23.34 Highway 101 and Flying Cloud Drive in  
23.35 the city of Chanhassen. This appropriation

24.1 is available when the commissioner has  
24.2 determined that an amount equal to the  
24.3 estimated cost of the project in excess of the  
24.4 amount appropriated in this clause has been  
24.5 committed to the project.

24.6 **Subd. 4. Railroad Warning Devices**  
24.7 **Replacement** 2,500,000

24.8 To design, construct, and equip the  
24.9 replacement of active highway rail grade  
24.10 crossing warning safety devices that have  
24.11 reached the end of their useful life.

24.12 **Subd. 5. Greater Minnesota Transit** 4,000,000

24.13 For capital assistance for publicly owned  
24.14 greater Minnesota transit systems to be used  
24.15 to design, construct, and equip transit capital  
24.16 facilities under Minnesota Statutes, section  
24.17 174.24, subdivision 3c. This appropriation  
24.18 includes funding for the following projects:  
24.19 to design, remodel, and equip the former  
24.20 MnDOT district office in Mankato into  
24.21 a bus maintenance and storage facility;  
24.22 design, construct, and equip a multimodal  
24.23 transportation terminal in Duluth; and design,  
24.24 construct, and equip an operations center  
24.25 office and additional vehicle storage in St.  
24.26 Cloud.

24.27 Money from this appropriation may be used  
24.28 to pay up to 80 percent of the nonfederal  
24.29 share of these facilities.

24.30 **Subd. 6. Malone Island Bridge** 800,000

24.31 For a grant to the city of Isle for demolition  
24.32 and construction necessary to replace  
24.33 the Malone Island Bridge, including the  
24.34 replacement of accompanying water and  
24.35 sewer lines.

25.1	<u>Subd. 7. <b>Port Development Assistance</b></u>	<u>2,000,000</u>
25.2	<u>For grants under Minnesota Statutes, chapter</u>	
25.3	<u>457A.</u>	
25.4	<u>Sec. 18. <b>METROPOLITAN COUNCIL</b></u>	
25.5	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$ 12,850,000</u>
25.6	<u>To the Metropolitan Council for the purposes</u>	
25.7	<u>specified in this section.</u>	
25.8	<u>Subd. 2. <b>Municipal Wastewater Systems</b></u>	<u>5,000,000</u>
25.9	<u>For grants to cities within the metropolitan</u>	
25.10	<u>area, as defined in Minnesota Statutes,</u>	
25.11	<u>section 473.121, subdivision 2, for capital</u>	
25.12	<u>improvements in municipal wastewater</u>	
25.13	<u>collection systems to reduce the amount of</u>	
25.14	<u>inflow and infiltration to the Metropolitan</u>	
25.15	<u>Council's metropolitan sanitary sewer</u>	
25.16	<u>disposal system. To be eligible for a grant, a</u>	
25.17	<u>city must be identified by the Metropolitan</u>	
25.18	<u>Council as a contributor of excessive</u>	
25.19	<u>inflow or infiltration. Grants from this</u>	
25.20	<u>appropriation are for up to 50 percent of the</u>	
25.21	<u>cost to mitigate inflow and infiltration in</u>	
25.22	<u>the publicly owned municipal wastewater</u>	
25.23	<u>collection systems. The council must</u>	
25.24	<u>award grants based on applications from</u>	
25.25	<u>eligible cities that identify eligible capital</u>	
25.26	<u>costs and include a timeline for inflow and</u>	
25.27	<u>infiltration mitigation construction, pursuant</u>	
25.28	<u>to guidelines established by the council.</u>	
25.29	<u>Subd. 3. <b>Maplewood; Land Acquisition for</b></u>	
25.30	<u><b>Fish Creek Natural Greenway</b></u>	<u>100,000</u>
25.31	<u>For a grant to the city of Maplewood to</u>	
25.32	<u>acquire approximately 70 acres of land along</u>	
25.33	<u>Fish Creek to be included within the Fish</u>	
25.34	<u>Creek Natural Greenway, a park of regional</u>	

26.1 and historical significance located in Ramsey  
26.2 County within the Mississippi National River  
26.3 and Recreation Area. This appropriation is  
26.4 not available until an amount sufficient to  
26.5 complete the acquisition is committed to the  
26.6 project from nonstate sources.

26.7 **Subd. 4. Metropolitan Regional Parks Capital**  
26.8 **Improvements** 1,000,000

26.9 For the cost of improvements and betterments  
26.10 of a capital nature and acquisition by the  
26.11 council and local government units of  
26.12 regional recreational open-space lands in  
26.13 accordance with the council's policy plan  
26.14 as provided in Minnesota Statutes, section  
26.15 473.147. This appropriation must not be  
26.16 used to purchase easements.

26.17 **Subd. 5. Phillips Community Center** 1,750,000

26.18 For a grant to the Minneapolis Park and  
26.19 Recreation Board to predesign, design,  
26.20 engineer, reconstruct, renovate, furnish,  
26.21 and equip the Phillips Community Center  
26.22 indoor competitive swimming pool and to  
26.23 predesign, design, engineer, and construct  
26.24 an additional indoor multipurpose family  
26.25 pool and facilities associated with an aquatic  
26.26 center in the community center, subject to  
26.27 Minnesota Statutes, section 16A.695.

26.28 This appropriation is not available until  
26.29 the commissioner determines that at least  
26.30 \$350,000 is committed from the youth sports  
26.31 account in the Minnesota Twins Stadium  
26.32 funding, under Laws 2006, chapter 257.

26.33 **Subd. 6. Minneapolis Transportation**  
26.34 **Interchange** 5,000,000

27.1 For a grant to the Hennepin County Regional  
 27.2 Railroad Authority for environmental  
 27.3 analysis, engineering, design, acquisition of  
 27.4 real property or interests in real property,  
 27.5 site preparation for, and construction of the  
 27.6 Minneapolis Transportation Interchange  
 27.7 Facility located in the vicinity of the  
 27.8 confluence of the Hiawatha Light Rail  
 27.9 Transit line and the Northstar Commuter Rail  
 27.10 line.

27.11 Sec. 19. **HUMAN SERVICES** **\$ 2,500,000**

27.12 To the commissioner of administration  
 27.13 for asset preservation improvements and  
 27.14 betterments of a capital nature at Department  
 27.15 of Human Services facilities statewide, to be  
 27.16 spent in accordance with Minnesota Statutes,  
 27.17 section 16B.307.

27.18 Sec. 20. **VETERANS AFFAIRS**

27.19 **Subdivision 1. Total Appropriation** **\$ 29,816,000**

27.20 To the commissioner of administration  
 27.21 for the purposes specified in this section.  
 27.22 The commissioner must allocate money  
 27.23 appropriated in this section so as to maximize  
 27.24 the use of all available federal funding.

27.25 **Subd. 2. Asset Preservation** **3,000,000**

27.26 For asset preservation improvements and  
 27.27 betterments of a capital nature at veterans  
 27.28 homes and cemeteries statewide, to be spent  
 27.29 in accordance with Minnesota Statutes,  
 27.30 section 16B.307.

27.31 **Subd. 3. Minneapolis Veterans Home Building**  
 27.32 **17 South** **25,420,000**

28.1 To complete design for, perform hazardous  
28.2 materials abatement, and demolish the south  
28.3 wing of building 17, which includes the  
28.4 adjoined buildings 15 and 18, and design,  
28.5 reconstruct, and furnish the new south wing  
28.6 of building 17 as a new skilled nursing  
28.7 building, construct a new distribution/service  
28.8 tunnel to serve buildings 17 north, 9, 6, and  
28.9 the future 17 south, and design, construct,  
28.10 and equip a network and server room,  
28.11 including installation of new fiber optic lines.

28.12 **Subd. 4. Minneapolis Veterans Home**  
28.13 **Centralized Pharmacy**

1,366,000

28.14 To predesign, design, remodel, and furnish  
28.15 historic building 13 to be used as the veterans  
28.16 homes' central pharmacy.

28.17 **Subd. 5. Oakdale Veterans' Memorial**

30,000

28.18 For a grant to the city of Oakdale to design  
28.19 and construct a veterans' memorial in  
28.20 Richard Walton Park. This appropriation  
28.21 is not available until the commissioner has  
28.22 determined that at least an equal amount has  
28.23 been committed from nonstate sources.

28.24 **Sec. 21. CORRECTIONS**

28.25 **Subdivision 1. Total Appropriation**

**\$ 12,391,000**

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

28.28 **Subd. 2. Asset Preservation**

9,000,000

28.29 For improvements and betterments of a  
28.30 capital nature at Minnesota correctional  
28.31 facilities statewide, in accordance with  
28.32 Minnesota Statutes, section 16B.307.

28.33 **Subd. 3. Minnesota Correctional Facility -**  
28.34 **Stillwater**

29.1	<b><u>Well and Water Treatment Facility</u></b>	<u>3,391,000</u>
29.2	<u>To complete design; cap an old well; install</u>	
29.3	<u>a new well; replace piping between wells,</u>	
29.4	<u>water tower, and facility intake; replace water</u>	
29.5	<u>treatment equipment; and design, construct,</u>	
29.6	<u>furnish, and equip a new building to house</u>	
29.7	<u>water treatment equipment.</u>	
29.8	<b><u>Subd. 4. Unspent Appropriations</u></b>	
29.9	<u>The unspent portion of an appropriation for</u>	
29.10	<u>a project in this section that is complete,</u>	
29.11	<u>upon written notice to the commissioner of</u>	
29.12	<u>management and budget, is available for</u>	
29.13	<u>asset preservation under Minnesota Statutes,</u>	
29.14	<u>section 16B.307, at the same correctional</u>	
29.15	<u>facility as the project for which the original</u>	
29.16	<u>appropriation was made. Minnesota Statutes,</u>	
29.17	<u>section 16A.642, applies from the date of the</u>	
29.18	<u>original appropriation to the unspent amount</u>	
29.19	<u>transferred.</u>	
29.20	<b><u>Sec. 22. EMPLOYMENT AND ECONOMIC</u></b>	
29.21	<b><u>DEVELOPMENT</u></b>	
29.22	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 77,850,000</u></b>
29.23	<u>To the commissioner of employment and</u>	
29.24	<u>economic development for the purposes</u>	
29.25	<u>specified in this section.</u>	
29.26	<b><u>Subd. 2. Greater Minnesota Business</u></b>	
29.27	<b><u>Development Public Infrastructure Grant</u></b>	
29.28	<b><u>Program</u></b>	<u>3,000,000</u>
29.29	<u>For grants under Minnesota Statutes, section</u>	
29.30	<u>116J.431.</u>	
29.31	<b><u>Subd. 3. Redevelopment Account</u></b>	<u>4,775,000</u>
29.32	<u>For purposes of the redevelopment account</u>	
29.33	<u>under Minnesota Statutes, sections 116J.571</u>	
29.34	<u>to 116J.575.</u>	

30.1	<u>Subd. 4. <b>Transportation Economic</b></u>	
30.2	<u><b>Development Program</b></u>	<u>4,775,000</u>
30.3	<u>For grants under Minnesota Statutes, section</u>	
30.4	<u>116J.436.</u>	
30.5	<u>Subd. 5. <b>Austin Port Authority - Research and</b></u>	
30.6	<u><b>Technology Center</b></u>	<u>13,500,000</u>
30.7	<u>For a grant to the Austin Port Authority to</u>	
30.8	<u>design and construct a new building addition</u>	
30.9	<u>to the Hormel Institute, including research</u>	
30.10	<u>labs, research technology space, and support</u>	
30.11	<u>offices. This appropriation is not available</u>	
30.12	<u>until the commissioner has determined that</u>	
30.13	<u>at least an equal amount has been committed</u>	
30.14	<u>to the project from nonstate sources.</u>	
30.15	<u>Subd. 6. <b>Cottage Grove - Business Incubator</b></u>	<u>50,000</u>
30.16	<u>For a grant to the city of Cottage Grove to</u>	
30.17	<u>renovate, furnish, and equip the former city</u>	
30.18	<u>hall building into a business incubator.</u>	
30.19	<u>Subd. 7. <b>Floodwood - Business Park</b></u>	
30.20	<u><b>Development</b></u>	<u>565,000</u>
30.21	<u>For a grant to the city of Floodwood for</u>	
30.22	<u>approximately one mile of utilities, including</u>	
30.23	<u>public water and wastewater infrastructure,</u>	
30.24	<u>and for turn lanes, to support development of</u>	
30.25	<u>a business park along Highway 73 south in</u>	
30.26	<u>the city, under the greater Minnesota business</u>	
30.27	<u>development public infrastructure grant</u>	
30.28	<u>program under Minnesota Statutes, section</u>	
30.29	<u>116J.431. This appropriation is not available</u>	
30.30	<u>until at least an equal amount is committed</u>	
30.31	<u>to the project from nonstate sources.</u>	
30.32	<u>Subd. 8. <b>St. Cloud - Civic Center Expansion</b></u>	<u>10,000,000</u>
30.33	<u>For a grant to the city of St. Cloud to</u>	
30.34	<u>predesign, design, construct, furnish, and</u>	

31.1 equip an expansion of the St. Cloud  
31.2 Civic Center, including a parking facility  
31.3 and pedestrian skyway connection. This  
31.4 appropriation is not available until the  
31.5 commissioner has determined that at least  
31.6 an equal amount has been committed to the  
31.7 project from nonstate sources. Amounts  
31.8 expended by the city of St. Cloud for project  
31.9 costs since July 1, 2010, shall count toward  
31.10 the matching requirement.

31.11 **Subd. 9. Maplewood - Harriet Tubman Center**  
31.12 **East**

2,000,000

31.13 For a grant to the city of Maplewood to  
31.14 design, renovate, and equip Harriet Tubman  
31.15 Center East to be used as a regional safety  
31.16 service center for domestic violence shelter,  
31.17 legal services, youth programs, mental and  
31.18 chemical health services, and community  
31.19 education.

31.20 **Subd. 10. Mankato - Civic Center**

250,000

31.21 For a grant to the city of Mankato to design,  
31.22 construct, furnish, and equip the expansion  
31.23 of the Civic Center auditorium, including a  
31.24 performing arts theater, and the remodeling  
31.25 and expansion of the Civic Center for  
31.26 joint use by the city and Minnesota State  
31.27 University, Mankato. This appropriation is  
31.28 not available until the commissioner has  
31.29 determined that at least an equal amount has  
31.30 been committed to the project from nonstate  
31.31 sources.

31.32 **Subd. 11. Rochester - Convention Center**

32,000,000

31.33 For a grant to the city of Rochester to design,  
31.34 construct, furnish, and equip the renovation  
31.35 and expansion of the Rochester Convention

32.1 Center. This appropriation is not available  
32.2 until the commissioner has determined that  
32.3 at least an equal amount has been committed  
32.4 to the project from nonstate sources.

32.5 **Subd. 12. South St. Paul - Floodwall Extension** 500,000

32.6 For a grant to the city of South St. Paul  
32.7 for the predesign and design, including  
32.8 preliminary engineering evaluations to  
32.9 determine the environmental impact, exact  
32.10 location, and design features of a floodwall  
32.11 extension on the west shore of the Mississippi  
32.12 River from the area of Interstate Highway  
32.13 494 to the southern border of South St. Paul.  
32.14 This appropriation is not available until the  
32.15 commissioner of management and budget  
32.16 determines that at least an equal amount  
32.17 is committed to the project from nonstate  
32.18 sources.

32.19 **Subd. 13. Todd County - Regional Center** 500,000

32.20 For a grant to Todd County for the purposes  
32.21 of making capital improvements related to  
32.22 the nutrition, healthy living, and community  
32.23 engagement of citizens, focused on seniors.  
32.24 The grant may be used to acquire land,  
32.25 design, construct, furnish, and equip a new  
32.26 multipurpose facility, or purchase an existing  
32.27 building to renovate, furnish, and equip as a  
32.28 multipurpose facility. This appropriation is  
32.29 not available until at least an equal amount  
32.30 is committed to the project from nonstate  
32.31 sources.

32.32 **Subd. 14. Norwood Young America** 500,000

32.33 For a grant to the city of Norwood  
32.34 Young America for public infrastructure

33.1 improvements, expansion, and upgrades to  
33.2 the city wastewater collection and treatment  
33.3 system related to the location of a food  
33.4 manufacturing and processing facility within  
33.5 the city. This appropriation is not available  
33.6 until the commissioner has determined that  
33.7 at least an equal amount has been committed  
33.8 to the project from nonstate sources, and that  
33.9 the food manufacturer/processor has entered  
33.10 into an agreement to locate a facility in the  
33.11 city.

33.12 Subd. 15. **Stewartville Fire Station** 485,000

33.13 For a grant to the city of Stewartville to  
33.14 complete design work and engineering, and  
33.15 to construct, furnish, and equip an expansion  
33.16 and renovation of the city fire station. This  
33.17 appropriation is not available until at least  
33.18 an equal amount is committed to the project  
33.19 from nonstate sources.

33.20 Subd. 16. **Wadena - Regional Health and**  
33.21 **Wellness Center** 4,750,000

33.22 For a grant to the city of Wadena to design  
33.23 and construct a new Regional Health and  
33.24 Wellness Center for the city of Wadena, Otter  
33.25 Tail and Todd Counties, including aquatics,  
33.26 locker rooms, fitness space, gymnasium,  
33.27 commons area, office, and support area.  
33.28 This appropriation is not available until the  
33.29 commissioner has determined that at least  
33.30 \$4,500,000 has been committed to the project  
33.31 from nonstate sources.

33.32 Sec. 23. **PUBLIC FACILITIES AUTHORITY**

33.33 Subdivision 1. **Total Appropriation** \$ **24,850,000**

- 34.1 To the Public Facilities Authority for the  
34.2 purposes specified in this section.
- 34.3 **Subd. 2. State Match for Federal Grants** 8,500,000
- 34.4 To match federal grants for the clean water  
34.5 revolving fund under Minnesota Statutes,  
34.6 section 446A.07, and the drinking water  
34.7 revolving fund under Minnesota Statutes,  
34.8 section 446A.081.
- 34.9 This appropriation must be used for qualified  
34.10 capital projects.
- 34.11 **Subd. 3. Wastewater Infrastructure Funding**  
34.12 **Program** 11,500,000
- 34.13 For grants to eligible municipalities under the  
34.14 wastewater infrastructure funding program  
34.15 under Minnesota Statutes, section 446A.072.
- 34.16 \$5,000,000 is for a grant to the Central Iron  
34.17 Range Sanitary Sewer District to supplement  
34.18 previous wastewater infrastructure funding  
34.19 grants to design, construct, furnish, and  
34.20 equip new wastewater treatment facilities,  
34.21 lift stations, and forcemains. This grant is not  
34.22 subject to the limitations on the availability  
34.23 or amount of the grant in Minnesota Statutes,  
34.24 section 446A.072.
- 34.25 **Subd. 4. Lutsen Lake Superior Water Project** 3,600,000
- 34.26 For a grant to the Lake Superior-Poplar River  
34.27 Water District to acquire property interests,  
34.28 engineer, design, permit, and construct works  
34.29 and systems to transport and treat water  
34.30 from Lake Superior through the Poplar River  
34.31 Valley to serve domestic and irrigation water  
34.32 users and commercial, stock watering, and  
34.33 industrial users. This appropriation is not  
34.34 available until the authority has determined

35.1 that at least \$1,200,000 has been committed  
35.2 to the project from nonstate sources.  
35.3 Expenditures made on or after October 1,  
35.4 2011, shall count towards the nonstate match.

35.5 **Subd. 5. Truman Stormwater Project** 1,250,000

35.6 For a grant to the city of Truman to design,  
35.7 construct, and install new storm water lines  
35.8 to two areas of the city that experience  
35.9 flooding with heavy rain. This appropriation  
35.10 is not available until at least an equal amount  
35.11 has been committed to the project from  
35.12 nonstate sources.

35.13 **Sec. 24. HOUSING FINANCE AGENCY** **\$ 6,000,000**

35.14 To the Housing Finance Agency to finance  
35.15 the rehabilitation of public housing under  
35.16 Minnesota Statutes, section 462A.202,  
35.17 subdivision 3a. For purposes of this  
35.18 section, "public housing" means housing for  
35.19 low-income persons and households financed  
35.20 by the federal government and owned and  
35.21 operated by public housing authorities and  
35.22 agencies formed by cities and counties.  
35.23 Eligible public housing authorities must  
35.24 have a public housing assessment system  
35.25 rating of standard or above. Priority must be  
35.26 given to proposals that maximize federal or  
35.27 local resources to finance the capital costs.  
35.28 The priority in Minnesota Statutes, section  
35.29 462A.202, subdivision 3a, for projects to  
35.30 increase the supply of affordable housing and  
35.31 the restrictions of Minnesota Statutes, section  
35.32 462A.202, subdivision 7, do not apply to this  
35.33 appropriation.

36.1 Sec. 25. **MINNESOTA HISTORICAL**  
36.2 **SOCIETY** **\$** **3,250,000**

36.3 To the Minnesota Historical Society for  
36.4 capital improvements and betterments at  
36.5 state historic sites, buildings, landscaping  
36.6 at historic buildings, exhibits, markers, and  
36.7 monuments, to be spent in accordance with  
36.8 Minnesota Statutes, section 16B.307. The  
36.9 society shall determine project priorities as  
36.10 appropriate based on need.

36.11 Sec. 26. **BOND SALE EXPENSES** **\$** **560,000**

36.12 To the commissioner of management  
36.13 and budget for bond sale expenses under  
36.14 Minnesota Statutes, section 16A.641,  
36.15 subdivision 8.

36.16 Sec. 27. **BOND SALE SCHEDULE.**

36.17 The commissioner of management and budget shall schedule the sale of state  
36.18 general obligation bonds so that, during the biennium ending June 30, 2013, no more  
36.19 than \$452,996,000 will need to be transferred from the general fund to the state bond  
36.20 fund to pay principal and interest due and to become due on outstanding state general  
36.21 obligation bonds. During the biennium, before each sale of state general obligation bonds,  
36.22 the commissioner of management and budget shall calculate the amount of debt service  
36.23 payments needed on bonds previously issued and shall estimate the amount of debt service  
36.24 payments that will be needed on the bonds scheduled to be sold. The commissioner shall  
36.25 adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this  
36.26 section. The amount needed to make the debt service payments is appropriated from the  
36.27 general fund as provided in Minnesota Statutes, section 16A.641.

36.28 Sec. 28. **BOND SALE AUTHORIZATION.**

36.29 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act  
36.30 from the bond proceeds fund, the commissioner of management and budget shall sell and  
36.31 issue bonds of the state in an amount up to \$526,959,000 in the manner, upon the terms,  
36.32 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and  
36.33 by the Minnesota Constitution, article XI, sections 4 to 7.

37.1           Subd. 2. **Transportation fund.** To provide the money appropriated in this act from  
37.2 the state transportation fund, the commissioner of management and budget shall sell and  
37.3 issue bonds of the state in an amount up to \$34,200,000 in the manner, upon the terms, and  
37.4 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by  
37.5 the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except  
37.6 accrued interest and any premium received on the sale of the bonds, must be credited to  
37.7 a bond proceeds account in the state transportation fund.

37.8           Subd. 3. **Federal income tax.** Bonds issued pursuant to this section, to the extent  
37.9 practicable, shall be issued to comply with requirements imposed by applicable federal  
37.10 law providing that the interest on the bonds shall be excluded from gross income for  
37.11 federal income tax purposes (except as certain minimum taxes or environmental taxes  
37.12 may apply). Nothing in this section shall be deemed to prohibit the issuance of bonds, the  
37.13 interest on which may be included in gross income for federal income tax purposes.

37.14           Sec. 29. Minnesota Statutes 2010, section 16A.633, is amended by adding a  
37.15 subdivision to read:

37.16           Subd. 4. **Report on jobs created or retained.** By September 1 of each  
37.17 odd-numbered year, the commissioner must report to legislative committees with  
37.18 jurisdiction over capital investment on the jobs created or retained as a result of capital  
37.19 project funding by the state, whether with state general obligation bond proceeds or other  
37.20 state funding sources, during the previous biennium. Each state agency must provide the  
37.21 commissioner the information necessary, and must require its capital project grantees to  
37.22 provide the information necessary, for the commissioner to make the report. The report  
37.23 must include, but is not limited to, the following information: the number and types of  
37.24 jobs for each project, whether the jobs are new or retained, where the jobs are located,  
37.25 and pay ranges of the jobs. The Board of Regents of the University of Minnesota, the  
37.26 Board of Trustees of the Minnesota State Colleges and Universities, and each state agency  
37.27 receiving an appropriation for a capital project shall collect and provide the information at  
37.28 the time and in the manner required by the commissioner.

37.29           Sec. 30. Minnesota Statutes 2011 Supplement, section 16A.96, is amended by adding a  
37.30 subdivision to read:

37.31           Subd. 10. **Validation.** (a) Appropriation bonds issued under this section may be  
37.32 validated in the manner provided by this subdivision. If comparable appropriation bonds  
37.33 are judicially determined to be valid, nothing in this subdivision shall be construed to  
37.34 prevent sale or delivery of any appropriation bonds or notes after entry of a judgment of

38.1 validation by the Minnesota Supreme Court as provided in this subdivision with respect  
38.2 to the appropriation bonds authorized under this section.

38.3 (b) Any appropriation bonds issued under this section that are validated shall be  
38.4 validated in the manner provided by this subdivision.

38.5 (c) The Minnesota Supreme Court shall have original jurisdiction to determine the  
38.6 validation of appropriation bonds and all matters connected with the issuance of the bonds.

38.7 (d) The commissioner may determine the commissioner's authority to issue  
38.8 appropriation bonds and the legality of all proceedings in connection with issuing bonds.  
38.9 For this purpose, a complaint shall be filed by the commissioner in the Minnesota Supreme  
38.10 Court against the state and the taxpayers and citizens.

38.11 (e) As a condition precedent to filing of a complaint for the validation of  
38.12 appropriation bonds, the commissioner shall take action providing for the issuance of  
38.13 appropriation bonds in accordance with law.

38.14 (f) The complaint shall set out the state's authority to issue appropriation bonds, the  
38.15 action or proceeding authorizing the issue and its adoption, all other essential proceedings  
38.16 had or taken in connection with issuing bonds, the amount of the appropriation bonds to  
38.17 be issued and the maximum interest they are to bear, and all other pertinent matters.

38.18 (g) The Minnesota Supreme Court shall issue an order directed against the state and  
38.19 taxpayers, citizens, and others having or claiming any right, title, or interest affected by  
38.20 the issuance of appropriation bonds, or to be affected by the bonds, allowing all persons,  
38.21 in general terms and without naming them, and the state through its attorney general to  
38.22 appear before the Minnesota Supreme Court at a designated time and place and show  
38.23 why the complaint should not be granted and the proceedings and appropriation bonds  
38.24 validated. A copy of the complaint and order shall be served on the attorney general at  
38.25 least 20 days before the time fixed for hearing. The attorney general shall examine the  
38.26 complaint, and, if it appears or there is reason to believe that it is defective, insufficient, or  
38.27 untrue, or if in the opinion of the attorney general the issuance of the appropriation bonds  
38.28 in question has not been duly authorized, defense shall be made by the attorney general as  
38.29 the attorney general deems appropriate.

38.30 (h) Before the date set for hearing, as directed by the Minnesota Supreme Court,  
38.31 either the clerk of the Minnesota Appellate Courts or the commissioner shall publish a  
38.32 copy of the order in a legal newspaper of general circulation in Ramsey County and  
38.33 the state, at least once each week for two consecutive weeks, commencing with the  
38.34 first publication, which shall not be less than 20 days before the date set for hearing.  
38.35 By this publication, all taxpayers, citizens, and others having or claiming any right,  
38.36 title, or interest in the state, are made parties defendant to the action and the Minnesota

39.1 Supreme Court has jurisdiction of them to the same extent as if named as defendants in the  
39.2 complaint and personally served with process.

39.3 (i) Any taxpayer, citizen, or person interested may become a party to the action by  
39.4 moving against or pleading to the complaint at or before the time set for hearing. The  
39.5 Minnesota Supreme Court shall determine all questions of law and fact and make orders  
39.6 that will enable it to properly try and determine the action and render a final judgment  
39.7 within 30 days of the hearing with the least possible delay.

39.8 (j) If the judgment validates appropriation bonds, the judgment is forever conclusive  
39.9 as to all matters adjudicated and as against all parties affected and all others having or  
39.10 claiming any right, title, or interest affected by the issuance of appropriation bonds, or to  
39.11 be affected in any way by issuing the bonds, and the validity of appropriation bonds or of  
39.12 any revenues pledged for the payment of the bonds, or of the proceedings authorizing the  
39.13 issuance of the bonds, including any remedies provided for their collection, shall never  
39.14 be called in question in any court by any person or party.

39.15 (k)(1) Appropriation bonds, when validated under this section, shall have stamped  
39.16 or written on the bonds, by the proper officers of the state issuing them, a statement in  
39.17 substantially the following form: "This bond is one of a series of appropriation bonds,  
39.18 which were validated by judgment of the Supreme Court of the State of Minnesota,  
39.19 rendered on ....., (year) ....."

39.20 (2) A certified copy of the judgment or decree shall be received as evidence in any  
39.21 court in this state.

39.22 (l) The costs shall be paid by the state, except when a taxpayer, citizen, or other  
39.23 person contests the action or intervenes, the court may tax the whole or any part of the  
39.24 costs against the person that is equitable.

39.25 (m) A justice of the Minnesota Supreme Court is not disqualified in any validation  
39.26 action because the justice is a landowner or taxpayer of the state.

39.27 **Sec. 31. [116J.433] BUSINESS DEVELOPMENT THROUGH CAPITAL**  
39.28 **PROJECTS GRANT PROGRAM.**

39.29 Subdivision 1. **Creation of account.** A business development through capital  
39.30 projects account is created in the bond proceeds fund. Money in the account may only be  
39.31 used for capital costs for eligible projects and public infrastructure.

39.32 Subd. 2. **Definitions.** For purposes of this section:

39.33 (1) "local governmental unit" means a county, city, town, special district, public  
39.34 higher education institution, or other political subdivision or public corporation;

40.1 (2) "governing body" means the council, board of commissioners, board of trustees,  
40.2 board of regents, or other body charged with governing a local governmental unit;

40.3 (3) "public infrastructure" means publicly owned physical infrastructure in this state,  
40.4 including, but not limited to, wastewater collection and treatment systems, drinking water  
40.5 systems, storm sewers, utility extensions, telecommunications infrastructure, streets,  
40.6 roads, bridges, and parking ramps; and

40.7 (4) "eligible project" means any project for which general obligation bonds of  
40.8 the state may be issued. Eligible projects must be capital projects for acquisition or  
40.9 improvement of publicly owned fixed assets having a useful life of at least ten years.

40.10 Subd. 3. **Grant program established.** The commissioner shall make competitive  
40.11 grants to local governmental units for eligible projects and public infrastructure required  
40.12 to support an eligible project. Funds granted under this program may be used for the  
40.13 following activities: predesign, design, acquisition of land or buildings, construction,  
40.14 furnishing, and equipping a new or renovated building.

40.15 Subd. 4. **Application.** (a) A local governmental unit must apply to the commissioner  
40.16 for a grant under this section. At a minimum, a local governmental unit must include the  
40.17 following information in its application:

40.18 (1) a resolution of its governing body certifying that the money required to be  
40.19 supplied by the local governmental unit to complete the project is available and committed;

40.20 (2) a detailed estimate, along with necessary supporting evidence, of the total costs  
40.21 of the eligible project;

40.22 (3) an assessment of the potential or likely use of the site for innovative business  
40.23 activities after completion of the eligible project;

40.24 (4) a timeline indicating the major milestones for the eligible project, including  
40.25 anticipated completion dates;

40.26 (5) an estimate of the operating costs for the project for ten years following  
40.27 completion; and

40.28 (6) any additional information or material the commissioner prescribes.

40.29 (b) The determination of whether to make a grant under subdivision 3 is within the  
40.30 discretion of the commissioner, subject to this section.

40.31 Subd. 5. **Match.** An amount granted under this program must be matched with  
40.32 an equal amount from nonstate sources.

40.33 Subd. 6. **Priorities.** (a) If applications for grants exceed the available appropriation,  
40.34 grants must be made for projects that, in the commissioner's judgment, provide the  
40.35 highest return in public benefits for the public costs incurred. In making this judgment,

41.1 the commissioner shall evaluate and prioritize eligible projects on the following  
41.2 characteristics:

41.3 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of  
41.4 existing jobs as measured by the wages, skills, or education associated with those jobs;

41.5 (2) improvement in the quality of existing jobs, based on increases in wages or  
41.6 improvements in the job duties, training, or education associated with those jobs;

41.7 (3) increase in the local tax base, based on demonstrated measurable outcomes;

41.8 (4) demonstration that investment of public dollars in the project will induce private  
41.9 investment;

41.10 (5) whether the project provides necessary repair or replacement of existing capital  
41.11 assets;

41.12 (6) whether the project reduces operating expenses of or increases revenue from  
41.13 existing capital asset, thereby offsetting at least a portion of project costs;

41.14 (7) whether the project provides health or safety benefits;

41.15 (8) the number of residents served by or who will benefit from the project;

41.16 (9) demonstration of local support;

41.17 (10) the capacity of the project to attract revenue from out of state; and

41.18 (11) objective cost benefit analysis and return on investment.

41.19 (b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the  
41.20 commissioner may weigh each factor, depending upon the facts and circumstances, as the  
41.21 commissioner considers appropriate. In prioritizing projects, the commissioner shall make  
41.22 an appropriate balance between the metropolitan area and greater Minnesota.

41.23 Subd. 7. **Cancellation of grant.** If a grant is awarded to a local governmental unit  
41.24 and funds are not encumbered for the grant within four years after the award date, the  
41.25 grant must be canceled.

41.26 Sec. 32. **[116J.436] TRANSPORTATION ECONOMIC DEVELOPMENT**  
41.27 **INFRASTRUCTURE PROGRAM.**

41.28 Subdivision 1. **Grant program established; purpose.** The transportation economic  
41.29 development infrastructure program is created to foster interagency coordination between  
41.30 the Departments of Transportation and Employment and Economic Development to  
41.31 finance infrastructure to create economic development opportunities, jobs, and improve all  
41.32 types of transportation systems statewide.

41.33 Subd. 2. **Eligible projects.** Funds appropriated for the program must be used to  
41.34 fund predesign, design, acquisition of land, construction, reconstruction, and infrastructure

42.1 improvements that will promote economic development, increase employment, and  
42.2 improve transportation systems to accommodate private investment and job creation.

42.3 Subd. 3. **Trunk highway projects.** Money in the program shall not be used on  
42.4 trunk highway improvements, but can be used for needed infrastructure improvements  
42.5 and nontrunk highway improvements in coordination with trunk highway improvement  
42.6 projects undertaken by the Department of Transportation.

42.7 Subd. 4. **Application.** The commissioners of transportation and employment and  
42.8 economic development shall design an application process and selection process to  
42.9 distribute funding to local units of government for publicly owned infrastructure using  
42.10 criteria that take into account: job creation; increase in local tax base; level of private  
42.11 investment; leverage of nonstate funds; improvement to the transportation system to serve  
42.12 the project area; and appropriate geographic balance between the metropolitan area and  
42.13 greater Minnesota.

42.14 Sec. 33. Minnesota Statutes 2010, section 462A.21, is amended by adding a  
42.15 subdivision to read:

42.16 Subd. 33. **Housing infrastructure bonds account.** The agency may establish a  
42.17 housing infrastructure bond account as a separate account within the housing development  
42.18 fund. Proceeds of housing infrastructure bonds and payments made by the state under  
42.19 section 462A.37 may be credited to the account. The agency may transfer the proceeds of  
42.20 housing infrastructure bonds to other accounts within the housing development fund that it  
42.21 determines appropriate to accomplish the purposes for which the bonds are authorized  
42.22 under section 462A.37.

42.23 Sec. 34. [462A.37] HOUSING INFRASTRUCTURE BONDS;  
42.24 AUTHORIZATION; STANDING APPROPRIATION.

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

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

42.28 (c) "Community land trust" means an entity that meets the requirements of section  
42.29 462A.31, subdivisions 1 and 2.

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

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

43.4 (f) "Housing infrastructure bonds" means bonds issued by the agency under chapter  
43.5 462A that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the  
43.6 Internal Revenue Code, or are tax-exempt bonds that are not private activity bonds, within  
43.7 the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing  
43.8 or refinancing affordable housing authorized under this chapter.

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

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

43.13 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate  
43.14 principal amount of housing infrastructure bonds in one or more series to which the  
43.15 payment made under this section may be pledged. The housing infrastructure bonds  
43.16 authorized in this subdivision may be issued to fund loans, on terms and conditions the  
43.17 agency deems appropriate, made for one or more of the following purposes:

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

43.20 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or  
43.21 abandoned housing to be used for affordable rental housing and the costs of new  
43.22 construction of rental housing on abandoned or foreclosed property where the existing  
43.23 structures will be demolished or removed;

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

43.27 (4) to finance the costs of acquisition and rehabilitation of federally assisted rental  
43.28 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation  
43.29 of federally assisted rental housing, including providing funds to refund, in whole or in  
43.30 part, outstanding bonds previously issued by the agency or another governmental unit to  
43.31 finance or refinance such costs.

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

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

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

44.8            (b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure  
44.9 bonds issued under subdivision 2 remain outstanding, the commissioner of management  
44.10 and budget must transfer to the affordable housing bond account established under  
44.11 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed  
44.12 \$2,200,000 annually. The amounts necessary to make the transfers are appropriated from  
44.13 the general fund to the commissioner of management and budget.

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

44.16            Sec. 35. Laws 2006, chapter 258, section 7, subdivision 23, as amended by Laws 2010,  
44.17 chapter 399, section 2, is amended to read:

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

44.19            For matching grants under Minnesota  
44.20 Statutes, section 85.019, subdivision 4c.

44.21            \$500,000 is for a grant to Carlton County  
44.22 to predesign, design, and construct a  
44.23 nonmotorized pedestrian trail connection  
44.24 to the Willard Munger State Trail from the  
44.25 city of Carlton through the city of Scanlon  
44.26 continuing to the city of Cloquet, along the  
44.27 St. Louis River in Carlton County.

44.28            \$260,000 is to provide the state match for the  
44.29 cost of the Soo Line Multiuse Recreational  
44.30 Bridge project over marked Trunk Highway  
44.31 169 in Mille Lacs County.

44.32            \$175,000 is for a grant to the city of Bowlus  
44.33 in Morrison County to design, construct,

45.1 furnish, and equip a trailhead center at the  
45.2 head of the Soo Line Recreational Trail.  
45.3 \$125,000 is for a grant to Morrison  
45.4 County to predesign, design, construct,  
45.5 furnish, and equip a park-and-ride lot and  
45.6 restroom building adjacent to the Soo Line  
45.7 Recreational Trail at U.S. Highway 10.  
45.8 \$950,000 is for a grant to the St. Louis  
45.9 and Lake Counties Regional Railroad  
45.10 Authority for land acquisition, engineering,  
45.11 construction, furnishing, and equipping of  
45.12 a ~~19-mile "Boundary Waters Connection"~~  
45.13 ~~of the Mesabi Trail from Bearhead State~~  
45.14 ~~Park to the International Wolf Center in~~  
45.15 ~~Ely. This appropriation is contingent upon~~  
45.16 ~~a matching contribution of \$950,000 from~~  
45.17 ~~other sources, public or private segment of~~  
45.18 the Mesabi Trail from County Road 697 in  
45.19 Breitung Township east through Vermilion  
45.20 State Park. Notwithstanding Minnesota  
45.21 Statutes, section 85.019, no local match shall  
45.22 be required for this grant. Notwithstanding  
45.23 Minnesota Statutes, section 16A.642, the  
45.24 bond authorization and appropriation of bond  
45.25 proceeds for this project are available until  
45.26 June 30, 2014.

45.27 Sec. 36. Laws 2008, chapter 179, section 7, subdivision 22, is amended to read:

45.28	<b>Subd. 22. State Park and Recreation Area</b>	
45.29	<b>Acquisition, Rehabilitation, and Development</b>	19,041,000

45.30 (a) For projects within state parks  
45.31 established under Minnesota Statutes,  
45.32 section 85.012, and state recreation areas  
45.33 established under Minnesota Statutes,  
45.34 section 85.013, contained in the Department  
45.35 of Natural Resources, Division of Parks

46.1 and Recreation's ten-year project list for  
46.2 "New and Deferred Maintenance Bondable  
46.3 Projects" dated March 20, 2008. This  
46.4 appropriation includes money for new  
46.5 projects at Bear Head Lake, Beaver Creek  
46.6 Valley, Blue Mounds, Buffalo River, Cuyuna  
46.7 Country State Recreation Area, Flandrau,  
46.8 Fort Ridgely, Frontenac, Glendalough, Itasca,  
46.9 Lake Bemidji, Lake Carlos, Maplewood,  
46.10 Sibley, Soudan Mine, Split Rock Lighthouse,  
46.11 Temperance River, Tettegouche, and William  
46.12 O'Brien State Parks. The commissioner shall  
46.13 determine project priorities as appropriate,  
46.14 based on need.

46.15 (b) For infrastructure rehabilitation and  
46.16 the renovation and development of  
46.17 facilities within state parks established  
46.18 under Minnesota Statutes, section 85.012,  
46.19 contained in the Department of Natural  
46.20 Resources, Division of Parks and Recreation's  
46.21 ten-year project list for "New and Deferred  
46.22 Maintenance Bondable Projects" dated  
46.23 March 20, 2008. This appropriation includes  
46.24 money for Interstate, Itasca, Jay Cooke, Lake  
46.25 Louise, Lake Shetek, Maplewood, Split Rock  
46.26 Lighthouse, St. Croix, and Tettegouche.  
46.27 The commissioner shall determine project  
46.28 priorities as appropriate, based on need.

46.29 \$2,400,000 is to acquire from willing sellers  
46.30 land within the boundaries of Greenleaf  
46.31 Lake State Recreation Area, established  
46.32 under Minnesota Statutes, section 85.013,  
46.33 subdivision 11b, or to acquire in-holdings  
46.34 within other state park boundaries.

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47.1 \$200,000 is to develop campgrounds at Red  
47.2 River State Recreation Area.

47.3 Sec. 37. Laws 2008, chapter 179, section 7, subdivision 27, as amended by Laws 2010,  
47.4 chapter 189, section 56, and Laws 2010, chapter 399, section 4, is amended to read:

47.5 **Subd. 27. State Trail Acquisition,**  
47.6 **Rehabilitation, and Development** 15,320,000

47.7 To acquire land for and to construct and  
47.8 renovate state trails under Minnesota  
47.9 Statutes, section 85.015.

47.10 \$970,000 is for the Chester Woods Trail  
47.11 from Rochester to Dover. Notwithstanding  
47.12 Minnesota Statutes, section 16A.642, the  
47.13 bond authorization and appropriation of bond  
47.14 proceeds for this project are available until  
47.15 June 30, 2016.

47.16 \$700,000 is for the Casey Jones Trail.

47.17 \$750,000 is for the Gateway Trail, to replace  
47.18 an at-grade crossing of the Gateway Trail  
47.19 at Highway 120 with a grade-separated  
47.20 crossing.

47.21 \$1,600,000 is for the Gitchi-Gami Trail  
47.22 between Silver Bay and Tettegouche State  
47.23 Park.

47.24 \$1,500,000 is for the Great River Ridge Trail  
47.25 from Plainview to Elgin to Eyota.

47.26 \$1,500,000 is for the Heartland Trail.

47.27 \$500,000 is for the Mill Towns Trail from  
47.28 Lake Byllesby Park to Cannon Falls.

47.29 \$150,000 is for the Mill Towns Trail within  
47.30 the city of Faribault.

47.31 \$1,500,000 is for the Minnesota River  
47.32 Trail from Appleton to Milan and to  
47.33 the Marsh Lake Dam. Notwithstanding

48.1 Minnesota Statutes, section 16A.642, the  
48.2 bond authorization and appropriation of bond  
48.3 proceeds for this project are available until  
48.4 December 30, 2014.

48.5 \$2,000,000 is for the Paul Bunyan Trail from  
48.6 Walker to Guthrie.

48.7 \$250,000 is for the Root River Trail from  
48.8 Preston to Forestville State Park.

48.9 \$100,000 is for the Root River Trail, the  
48.10 eastern extension.

48.11 \$250,000 is for the Root River Trail, the  
48.12 eastern extension Wagon Wheel.

48.13 \$550,000 is to connect the Stagecoach Trail  
48.14 with the Douglas Trail in Olmsted County.

48.15 Notwithstanding Minnesota Statutes,  
48.16 section 16A.642, the bond authorization  
48.17 and appropriation of bond proceeds for this  
48.18 project are available until June 30, 2014.

48.19 \$3,000,000 is to rehabilitate state trails.

48.20 For any project listed in this subdivision that  
48.21 the commissioner determines is not ready to  
48.22 proceed, the commissioner may allocate that  
48.23 project's money to another state trail project  
48.24 in this subdivision. The chairs of the house  
48.25 and senate committees with jurisdiction  
48.26 over environment and natural resources  
48.27 and legislators from the affected legislative  
48.28 districts must be notified of any changes.

48.29 Sec. 38. Laws 2008, chapter 179, section 7, subdivision 29, is amended to read:

48.30 Subd. 29. **Trail Connections** 697,000

48.31 For matching grants under Minnesota  
48.32 Statutes, section 85.019, subdivision 4c.

49.1 \$225,000 is for a grant to Clara City to design  
49.2 and construct a walking path in Clara City.

49.3 \$100,000 is for a grant to the city of Mora  
49.4 for construction of pedestrian and bicycle  
49.5 trails, bridge restoration and renovation, and  
49.6 other improvements of a capital nature for  
49.7 the Spring Lake Trail, located in the city of  
49.8 Mora.

49.9 \$372,000 is for a grant to the city of Rockville  
49.10 to design and construct the Rocori Trail from  
49.11 Richmond through Cold Spring to Rockville,  
49.12 connecting with the Glacial Lakes Trail, the  
49.13 Beaver Island Trail, and the Lake Wobegon  
49.14 Trail.

49.15 For any project listed in this subdivision that  
49.16 the commissioner determines is not ready to  
49.17 proceed, the commissioner may allocate that  
49.18 project's money to ~~another trail connection~~  
49.19 ~~project in this subdivision~~ a state trail  
49.20 rehabilitation project. The chairs of the house  
49.21 and senate committees with jurisdiction  
49.22 over the environment and natural resources  
49.23 and legislators from the affected legislative  
49.24 districts must be notified of any changes.

49.25 Sec. 39. Laws 2008, chapter 179, section 17, subdivision 4, is amended to read:

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

49.27 To the Metropolitan Council or to the  
49.28 Council to grant to Dakota County, the  
49.29 Dakota County Regional Railroad Authority,  
49.30 or the Minnesota Valley Transit Authority to  
49.31 acquire land, or an interest in land, and to for  
49.32 design, environmental studies, preliminary  
49.33 engineering, bus lane improvements, layover  
49.34 and maintenance facilities, and transit station

50.1 construction and improvements in the Cedar  
50.2 Avenue Bus Rapid Transit corridor in Dakota  
50.3 County. This appropriation may not be spent  
50.4 for capital improvements within a trunk  
50.5 highway right-of-way. This appropriation  
50.6 is added to the appropriation in Laws 2006,  
50.7 chapter 258, section 17, subdivision 3.

50.8 Sec. 40. Laws 2008, chapter 179, section 19, subdivision 4, as amended by Laws 2011,  
50.9 First Special Session chapter 12, section 34, is amended to read:

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

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

50.12 To predesign, design, and construct  
50.13 improvements to heating, ventilation, air  
50.14 conditioning, and lighting systems and  
50.15 associated areas serving the south wing of  
50.16 Building 17. Any unspent funds from this  
50.17 appropriation may be used for the purposes  
50.18 provided under Laws 2010, chapter 189,  
50.19 section 19, subdivision 4, as amended by  
50.20 Laws 2010, chapter 399, section 8, and  
50.21 Laws 2011, First Special Session chapter 12,  
50.22 section 46.

50.23 Sec. 41. Laws 2008, chapter 179, section 21, subdivision 15, is amended to read:

50.24 Subd. 15. **St. Cloud State University - National**  
50.25 **Hockey Center** 6,500,000

50.26 To the Board of Trustees of the Minnesota  
50.27 State Colleges and Universities to predesign,  
50.28 design, construct, furnish, and equip the  
50.29 renovation of the National Hockey Center: or  
50.30 for higher education asset preservation and  
50.31 replacement (HEAPR) pursuant to Minnesota  
50.32 Statutes, section 135A.046, at St. Cloud State  
50.33 University or systemwide. Notwithstanding

51.1 Minnesota Statutes, section 16A.642, the  
51.2 bond authorization and appropriation of bond  
51.3 proceeds in this subdivision are available  
51.4 until June 30, 2016. The debt service  
51.5 requirement under Minnesota Statutes,  
51.6 section 16A.662, subdivision 5, shall be  
51.7 reduced to the extent that this appropriation  
51.8 is used for HEAPR.

51.9 Sec. 42. Laws 2009, chapter 93, article 1, section 12, subdivision 2, is amended to read:

51.10 **Subd. 2. Transit Capital Improvement**  
51.11 **Program** 21,000,000

51.12 (a) To the Metropolitan Council. \$8,500,000  
51.13 is for the state's share of costs for the Central  
51.14 Corridor light rail line for one or more of the  
51.15 following activities: preliminary engineering,  
51.16 final design, property acquisition, including  
51.17 improvements and betterments of a capital  
51.18 nature, relocation of utilities owned by public  
51.19 entities, and construction.

51.20 (b) Any remaining money from this  
51.21 appropriation is to implement one or more of  
51.22 the following capital improvements, which  
51.23 are not listed in a ranked order of priority.

51.24 The council shall determine project priorities  
51.25 after consultation with the Counties Transit  
51.26 Improvement Board, and other stakeholders,  
51.27 as appropriate. The council shall seek  
51.28 geographic balance in the allotment of this  
51.29 appropriation where possible and maximize  
51.30 the use of all available federal money from  
51.31 the American Recovery and Reinvestment  
51.32 Act of 2009, Public Law 111-5, and any  
51.33 other available federal money.

51.34 (1) Bottineau Boulevard Transit Way

52.1 For a grant to the Hennepin County Regional  
52.2 Railroad Authority for environmental work  
52.3 for Bottineau Transit Way corridor from the  
52.4 Hiawatha light rail and Northstar intermodal  
52.5 transit station in downtown Minneapolis to  
52.6 the vicinity of the Target development in  
52.7 northern Brooklyn Park or the Arbor Lakes  
52.8 retail area in Maple Grove.

52.9 (2) Cedar Avenue Bus Rapid Transit

52.10 To the Metropolitan Council for a grant to  
52.11 Dakota County, the Dakota County Regional  
52.12 Rail Railroad Authority, or the Minnesota  
52.13 Valley Transit Authority to acquire real  
52.14 property and construct, for preliminary  
52.15 engineering, and to design and construct  
52.16 transit stations, layover and maintenance  
52.17 facilities, and roadway improvements for  
52.18 shoulder running bus lanes on County  
52.19 State-Aid Highway 23 in Apple Valley and  
52.20 Lakeville for the Cedar Avenue Bus Rapid  
52.21 Transit Way (BRT) in Dakota County.

52.22 (3) I-94 Corridor Transit Way

52.23 (i) For a grant to Washington County  
52.24 Regional Rail Authority for environmental  
52.25 work and preliminary engineering of  
52.26 transportation and transit improvements,  
52.27 including busways, park-and-rides, or rail  
52.28 transit, in the marked Interstate Highway 94  
52.29 corridor.

52.30 (ii) To acquire property and construct  
52.31 transportation and transit improvements,  
52.32 including busways, park-and-rides, or rail  
52.33 transit, in the marked Interstate Highway 94  
52.34 corridor.

53.1 (4) Red Rock Corridor Transit Way

53.2 To design, construct, and furnish  
53.3 park-and-ride lots for the Red Rock  
53.4 Corridor Transit Way between Hastings and  
53.5 Minneapolis via St. Paul, and any extension  
53.6 between Hastings and Red Wing.

53.7 (5) Riverview Corridor Transit Way

53.8 For a grant to the Ramsey County Regional  
53.9 Railroad Authority for environmental work  
53.10 and preliminary engineering for bus rapid  
53.11 transit in the Riverview corridor between the  
53.12 east side of St. Paul and the Minneapolis-St.  
53.13 Paul International Airport and the Mall of  
53.14 America.

53.15 (6) Robert Street Corridor Transit Way

53.16 To design and construct new passenger  
53.17 shelters and a bus layover facility, including  
53.18 rest rooms, break areas, and a passenger  
53.19 shelter, in the Robert Street Corridor Transit  
53.20 Way along or parallel to U.S. Highway  
53.21 52 and Robert Street from within the city  
53.22 of St. Paul to Dakota County Road 42 in  
53.23 Rosemount.

53.24 (7) Rush Line Corridor Transit Way

53.25 For a grant to the Ramsey County Regional  
53.26 Railroad Authority to acquire land for,  
53.27 design, and construct park-and-ride or  
53.28 park-and-pool lots located along the Rush  
53.29 Line Corridor along I-35E/I-35 and Highway  
53.30 61 from the Union Depot in downtown St.  
53.31 Paul to Hinckley.

53.32 (8) Southwest Corridor Transit Way

54.1 To prepare an environmental impact  
54.2 statement (EIS) and for preliminary  
54.3 engineering for the Southwest Transit Way  
54.4 Corridor, from the Hiawatha light rail in  
54.5 downtown Minneapolis to the vicinity of the  
54.6 Southwest Station transit hub in Eden Prairie.  
54.7 The Metropolitan Council may grant a  
54.8 portion of this appropriation to the Hennepin  
54.9 County Regional Railroad Authority for the  
54.10 EIS work.

54.11 (9) Union Depot

54.12 For a grant to the Ramsey County Regional  
54.13 Railroad Authority to acquire land and  
54.14 structures, to renovate structures, and  
54.15 for design, engineering, and construction  
54.16 to revitalize Union Depot for use as a  
54.17 multimodal transit center in St. Paul. The  
54.18 center must be designed so that it facilitates a  
54.19 potential future connection of high-speed rail  
54.20 to Minneapolis.

54.21 (c) Of this amount, \$313,000 is for  
54.22 preliminary engineering and final design for  
54.23 betterments in the State Capitol area related  
54.24 to the Central Corridor light rail transit  
54.25 project. This money is not included in the  
54.26 Central Corridor light rail transit project  
54.27 budget.

54.28 Sec. 43. Laws 2010, chapter 189, section 7, subdivision 12, is amended to read:

54.29 Subd. 12. **Shade Tree Program** 3,000,000

54.30 For DNR expenditures on state lands, if  
54.31 recommended by an adjacent or coterminous  
54.32 unit of local government, and for grants to  
54.33 cities, counties, townships, and park and  
54.34 recreation boards in cities of the first class

55.1 for the planting of publicly owned shade  
55.2 trees on public land to provide environmental  
55.3 benefits; replace trees lost to forest pests,  
55.4 disease or storm; or to establish a more  
55.5 diverse community forest better able to  
55.6 withstand disease and forest pests. The  
55.7 commissioner must give priority to grant  
55.8 requests to remove and replace trees with  
55.9 active infestations of emerald ash borer. For  
55.10 purposes of this appropriation, "shade tree"  
55.11 means a woody perennial grown primarily  
55.12 for aesthetic or environmental purposes  
55.13 with minimal to residual timber value and  
55.14 no intent to harvest the tree for its wood.  
55.15 Any tree planted with funding under this  
55.16 subdivision must be a species native to  
55.17 Minnesota.

55.18 Sec. 44. Laws 2010, chapter 189, section 18, subdivision 5, is amended to read:

55.19	<b>Subd. 5. Minnesota Sex Offender Program</b>	
55.20	<b>Treatment Facilities - Moose Lake</b>	47,500,000

55.21 To complete design for and to construct,  
55.22 furnish, and equip phase 2 of the Minnesota  
55.23 sex offender treatment program at Moose  
55.24 Lake. Upon substantial completion  
55.25 of this project, the unspent portion of  
55.26 this appropriation is available for asset  
55.27 preservation projects for the Moose Lake  
55.28 campus of the Minnesota sex offender  
55.29 program, including design and construction  
55.30 of a replacement water tower, abatement  
55.31 of hazardous materials, and the demolition  
55.32 of the existing water tower serving the  
55.33 Moose Lake sex offender program and the  
55.34 Department of Corrections Moose Lake  
55.35 facility. The water tower project must

56.1 be cost-shared with the Department of  
56.2 Corrections.

56.3 Sec. 45. Laws 2010, chapter 189, section 24, subdivision 3, is amended to read:

56.4 Subd. 3. **County and Local Preservation**  
56.5 **Grants** 1,000,000

56.6 To be allocated to county and local  
56.7 jurisdictions as matching money for historic  
56.8 preservation projects of a capital nature,  
56.9 as provided in Minnesota Statutes, section  
56.10 138.0525.

56.11 ~~\$150,000 is for a grant to the city of South St.~~  
56.12 ~~Paul to renovate the historically significant~~  
56.13 ~~1941 Navy Hangar at 310 Airport Road at~~  
56.14 ~~Fleming Field in the city to meet life safety~~  
56.15 ~~and building code requirements, subject to~~  
56.16 ~~Minnesota Statutes, section 16A.695. No~~  
56.17 ~~local match is required for this grant.~~

56.18 Sec. 46. Laws 2011, First Special Session chapter 12, section 3, subdivision 7, is  
56.19 amended to read:

56.20 Subd. 7. **Normandale Community College**  
56.21 **Academic Partnership Center and Student**  
56.22 **Services** 21,984,000

56.23 To design, construct, furnish, and equip a  
56.24 new building for classrooms and offices ~~and~~  
56.25 ~~to design, construct, furnish, and equip the~~  
56.26 ~~renovation of the Student Services Building.~~

56.27 Sec. 47. Laws 2011, First Special Session chapter 12, section 3, subdivision 8, is  
56.28 amended to read:

56.29 Subd. 8. **NHED Mesabi Range Community**  
56.30 **and Technical College, Virginia**  
56.31 **Iron Range Engineering Program Facilities** 3,000,000

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57.1 To predesign, design, construct, furnish,  
57.2 and equip an addition to and renovation of  
57.3 existing space for the Iron Range engineering  
57.4 program, including laboratory spaces, other  
57.5 learning spaces, and improvements to the  
57.6 entrance, ~~and to acquire a privately owned~~  
57.7 ~~housing facility on the campus.~~

57.8 Sec. 48. Laws 2011, First Special Session chapter 12, section 14, subdivision 2,  
57.9 is amended to read:

57.10 Subd. 2. **Transit Capital Improvement**  
57.11 **Program** 20,000,000

57.12 To the Metropolitan Council or for the  
57.13 Council to grant to Anoka County Regional  
57.14 Railroad Authority, Dakota County, Dakota  
57.15 County Regional Railroad Authority,  
57.16 Hennepin County, Hennepin County  
57.17 Regional Railroad Authority, Minnesota  
57.18 Valley Transit Authority, Ramsey County  
57.19 Regional Railroad Authority, or Washington  
57.20 County Regional Railroad Authority to  
57.21 perform environmental studies, preliminary  
57.22 engineering, acquire property or an interest  
57.23 in property, design or construct transitway  
57.24 facilities and infrastructure, including  
57.25 roadways, for the following transitway  
57.26 projects: Northstar Ramsey station,  
57.27 Gateway (I-94 East) corridor, Minneapolis  
57.28 Interchange facility, Red Rock corridor,  
57.29 Newport park-and-ride and station, Rush  
57.30 Line corridor, Robert Street corridor, 35W  
57.31 South Bus Rapid Transit, and Cedar Avenue  
57.32 Bus Rapid Transit.

57.33 Sec. 49. Laws 2011, First Special Session chapter 12, section 19, is amended to read:

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

58.1 **Wastewater Infrastructure Funding Program**

58.2 To the Public Facilities Authority for  
58.3 grants to eligible municipalities under the  
58.4 wastewater infrastructure funding program  
58.5 under Minnesota Statutes, section 446A.072.

58.6 Notwithstanding the criteria and requirements  
58.7 of Minnesota Statutes, section 446A.072,  
58.8 up to \$1,000,000 of this appropriation is for  
58.9 a grant to the city of Albert Lea to design,  
58.10 construct, and equip water and sewer utilities  
58.11 in the area of Broadway Avenue and Main  
58.12 Street. This project may include demolition  
58.13 of deteriorating concrete curbs, gutters,  
58.14 sidewalks, and streets above the utilities,  
58.15 and the construction costs to replace and  
58.16 rehabilitate the infrastructure.

58.17 Sec. 50. **FLOOD-RELATED APPROPRIATIONS.**

58.18 (a) The appropriation in Laws 2010, Second Special Session chapter 1, article 1,  
58.19 section 11, is reduced by \$285,000.

58.20 (b) \$235,000 is appropriated from the general fund in fiscal year 2012 to the  
58.21 commissioner of public safety to provide a match for Federal Emergency Management  
58.22 Agency (FEMA) disaster assistance to state agencies and political subdivisions under  
58.23 Minnesota Statutes, section 12.221, in the area designated under Presidential Declaration  
58.24 of Major Disaster, FEMA-1900-DR, for the flooding in Minnesota in the spring of 2010,  
58.25 whether included in the original declaration or added later by federal government action.  
58.26 This is a onetime appropriation and is available until expended.

58.27 (c) \$50,000 is appropriated from the general fund in fiscal year 2012 to the  
58.28 commissioner of natural resources for a grant to the Mankato Water Resources Center to  
58.29 prepare a report to identify potential flood mitigation measures and projects within the  
58.30 Zumbro River watershed as a result of the 2010 flood. By January 15 of each year, until  
58.31 this appropriation has been spent, the commissioner shall submit a report regarding the  
58.32 use of this appropriation to the chairs of the legislative committees with jurisdiction over  
58.33 natural resources policy and finance. This is a onetime appropriation and is available  
58.34 until expended.

59.1 Sec. 51. LAKE SUPERIOR-POPLAR RIVER WATER DISTRICT.

59.2 Subdivision 1. Establishment. The Lake Superior-Poplar River Water District is  
59.3 created as a municipal corporation, having the powers provided under Minnesota Statutes,  
59.4 chapters 110A; 429, notwithstanding any provision of chapter 110A to the contrary; and  
59.5 444. Notwithstanding any law to the contrary, the district shall not have the power to issue  
59.6 general obligation bonds. Minnesota Statutes, sections 110A.04, 110A.07, and 110A.09 to  
59.7 110A.18, shall not apply to the district or to the board created by this act.

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

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

59.16 Subd. 4. Payment of costs. No person shall be obligated to purchase or be entitled  
59.17 to receive water from the district unless that person is a party to a contract to purchase  
59.18 water from the district. Excluding any initial capital investment funded by the state, all  
59.19 capital and operating expenses of the district shall be paid by the users in proportion to  
59.20 their use of water. The cost of distribution lines: (1) departing from the main water pipe  
59.21 from Lake Superior to the domestic water treatment plant to any user; or (2) from the  
59.22 water treatment plant to any user, shall be paid for by the user of the water either at the  
59.23 time of installation or by user charges that allow the district to recoup the full cost of the  
59.24 distribution lines and the cost of financing. Subject to this subdivision and the availability  
59.25 of water under any applicable permit with a state or federal agency, any owner of land  
59.26 within the district may contract with the district for the purchase of water.

59.27 Subd. 5. Board of directors; elections. (a) The district shall be governed by a  
59.28 board of directors which shall have not less than three nor more than 13 members. The  
59.29 district's initial directors shall be appointed by the Cook County Board of Commissioners,  
59.30 with one director representing the domestic water users to serve for three years; up to two  
59.31 directors representing the irrigation water users, one to serve for two years and one to  
59.32 serve for three years; and up to two directors representing the commercial, stock watering,  
59.33 and industrial users, one to serve for one year and one to serve for two years.

59.34 (b) The district's establishment shall take effect upon the Cook County Board of  
59.35 Commissioners' appointment of the initial directors. The initial directors shall meet for  
59.36 the purposes of organization within 30 days of their appointment. Thereafter, except

60.1 as otherwise provided in this subdivision, directors shall be elected in accordance with  
60.2 Minnesota Statutes, section 110A.24, from election divisions comprised of domestic water  
60.3 users; irrigation water users, and commercial, stock watering, and industrial users. Each  
60.4 use classification shall be entitled to elect one director, plus one additional director if its  
60.5 expected water usage for the following fiscal year exceeds ten percent of total water  
60.6 usage. Each water user within each use classification shall be entitled to cast one vote for  
60.7 each one percent of expected water usage for the following fiscal year. A homeowner's  
60.8 association shall vote on behalf of its members if duly authorized by appropriate action by  
60.9 the association's members. Prior to each election, the board of directors shall determine  
60.10 the use classifications entitled to vote, the expected water use percentage of each user and  
60.11 of use classification for the following fiscal year, and the number of directors each such  
60.12 use classification is entitled to elect. The elections shall be conducted and supervised by  
60.13 the board of directors and ratified by the Cook County Board of Commissioners.

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

60.17 Sec. 52. **ACQUISITIONS FOR CANISTEO PROJECT.**

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

60.23 Sec. 53. **REPEALER.**

60.24 Minnesota Rules, part 8895.0700, subpart 1, is repealed.

60.25 Sec. 54. **EFFECTIVE DATE.**

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

APPENDIX  
Repealed Minnesota Rule: S2577-1

**8895.0700 STATE PARTICIPATION, LIMITATIONS.**

Subpart 1. **State participation, limitations.** The state's share of project costs must not exceed 50 percent of the nonfederal share of the eligible costs to be incurred by the applicant for the project.