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State of Minnesota

HOUSE OF REPRESENTATIVES

FOURTH SPECIAL SESSION

H. F. No. 1

09/11/2020 Authored by Murphy
The bill was read for the first time and referred to the Committee on Ways and Means

A bill for an act

1.1 relating to public finance; providing for stimulus measures to counter the economic
1.2 impact of the COVID-19 pandemic; authorizing spending to acquire and better
1.3 public land and buildings and for other improvements of a capital nature with
1.4 certain conditions; modifying prior appropriations; establishing new programs and
1.5 modifying existing programs; authorizing the sale and issuance of state bonds;
1.6 modifying provisions for property taxes, local government aids, individual and
1.7 corporate franchise taxes, sales and use taxes, lawful gambling taxes, and other
1.8 miscellaneous taxes and tax provisions; modifying the referendum equalization
1.9 levy; providing for certain property tax classification; providing local government
1.10 aid penalty forgiveness; modifying and providing for certain additions and
1.11 subtractions for the individual income and corporate franchise taxes; making the
1.12 student loan credit refundable; modifying sales and use tax exemptions; providing
1.13 provisions related to partnership audits; modifying lawful gambling taxes;
1.14 modifying the workforce and affordable homeownership development program;
1.15 making other minor policy, technical, and conforming changes; making transfers;
1.16 appropriating money; amending Minnesota Statutes 2018, sections 16A.641, by
1.17 adding a subdivision; 16B.86; 16B.87; 41B.025, by adding a subdivision;
1.18 115A.0716; 123B.53, subdivisions 1, 4; 126C.63, subdivision 8; 126C.66,
1.19 subdivision 3; 126C.69, as amended; 126C.71; 134.45, subdivision 5; 137.61;
1.20 137.62, subdivision 2, by adding a subdivision; 137.63; 137.64; 270C.445,
1.21 subdivision 6; 272.02, by adding a subdivision; 272.38, subdivision 1; 273.13,
1.22 subdivision 25; 289A.31, subdivision 1; 289A.37, subdivision 2; 289A.38,
1.23 subdivisions 8, 9, 10; 289A.42; 289A.60, subdivision 24; 290.0131, subdivision
1.24 10; 290.0132, by adding a subdivision; 290.0133, subdivision 12; 290.0682,
1.25 subdivision 2; 297A.70, subdivision 13; 297E.02, subdivision 6, as amended;
1.26 297E.021, subdivision 2; 297F.17, subdivision 6; 297G.16, subdivision 7; 349.15,
1.27 subdivision 1; 349.151, subdivision 4; 363A.36, by adding a subdivision; 363A.44,
1.28 subdivision 1; 462A.37, subdivision 1, by adding a subdivision; 462A.38, as
1.29 amended; 469.319, subdivision 4; 473.4052, subdivision 4; Minnesota Statutes
1.30 2019 Supplement, sections 16A.968, subdivision 3; 126C.17, subdivision 6; 273.13,
1.31 subdivision 34; 289A.38, subdivision 7; 290.31, subdivision 1; 290.993; 297A.71,
1.32 subdivision 52; 462A.37, subdivisions 2, 5; Laws 2008, chapter 179, section 18,
1.33 subdivision 3, as amended; Laws 2014, chapter 294, article 1, section 7, subdivision
1.34 11, as amended; Laws 2015, First Special Session chapter 5, article 1, sections 10,
1.35 subdivision 7, as amended; 13; Laws 2017, First Special Session chapter 8, article
1.36 1, sections 15, subdivisions 3, as amended, 4; 18, subdivision 3; 20, subdivision
1.37 21, as amended; Laws 2018, chapter 214, article 1, sections 2, subdivision 6; 7,

2.1 subdivision 1; 16, subdivision 19; 21, subdivisions 1, 18, 26, 29; Laws 2019, First  
 2.2 Special Session chapter 11, article 6, section 7, subdivision 2, as amended;  
 2.3 proposing coding for new law in Minnesota Statutes, chapters 16A; 116J; 174;  
 2.4 240A; 289A; repealing Minnesota Statutes 2018, sections 16A.633, subdivision  
 2.5 4; 126C.65, subdivision 2; 126C.68, subdivisions 1, 2, 4; Minnesota Statutes 2019  
 2.6 Supplement, section 126C.68, subdivision 3.

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

2.8 **ARTICLE 1**

2.9 **GENERAL OBLIGATION BONDS**

2.10 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

2.11 The sums shown in the column under "Appropriations" are appropriated from the bond  
 2.12 proceeds fund, or another named fund, to the state agencies or officials indicated, to be  
 2.13 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by  
 2.14 the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public  
 2.15 land and buildings and other public improvements of a capital nature, or as authorized by  
 2.16 the Minnesota Constitution, article XI, section 5, clauses (b) to (j), or article XIV. Unless  
 2.17 otherwise specified, money appropriated in this act:

2.18 (1) may be used to pay state agency staff costs that are attributed directly to the capital  
 2.19 program or project in accordance with accounting policies adopted by the commissioner of  
 2.20 management and budget;

2.21 (2) is available until the project is completed or abandoned subject to Minnesota Statutes,  
 2.22 section 16A.642;

2.23 (3) for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046,  
 2.24 should not be used for projects that can be financed within a reasonable time frame under  
 2.25 Minnesota Statutes, section 16B.322 or 16C.144; and

2.26 (4) is available for a grant to a political subdivision after the commissioner of management  
 2.27 and budget determines that an amount sufficient to complete the project as described in this  
 2.28 act has been committed to the project, as required by Minnesota Statutes, section 16A.502.

2.29 **APPROPRIATIONS**

2.30 Sec. 2. **UNIVERSITY OF MINNESOTA**

2.31 **Subdivision 1. Total Appropriation** **§ 85,381,000**

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

- 3.1 **Subd. 2. Higher Education Asset Preservation**  
 3.2 **and Replacement (HEAPR)** 48,495,000
- 3.3 To be spent in accordance with Minnesota  
 3.4 Statutes, section 135A.046.
- 3.5 **Subd. 3. Twin Cities - Institute of Child**  
 3.6 **Development Building** 29,200,000
- 3.7 To predesign, design, renovate, expand,  
 3.8 furnish, and equip research, learning, and  
 3.9 outreach spaces in the Institute of Child  
 3.10 Development building on the Twin Cities  
 3.11 campus. This project includes the demolition  
 3.12 and replacement of the 1968 building addition.
- 3.13 **Subd. 4. Duluth - A.B. Anderson Hall**  
 3.14 **Renovation** 4,400,000
- 3.15 To predesign, design, renovate, furnish, and  
 3.16 equip campus teaching and learning spaces,  
 3.17 including mechanical systems, in A.B.  
 3.18 Anderson Hall on the Duluth campus.
- 3.19 **Subd. 5. Twin Cities - Fraser Hall Chemistry**  
 3.20 **Undergraduate Teaching Laboratory** 3,286,000
- 3.21 To predesign and design (1) the renovation of  
 3.22 Fraser Hall, and (2) an addition to Fraser Hall,  
 3.23 for an undergraduate chemistry teaching  
 3.24 laboratory facility on the Twin Cities campus.  
 3.25 This project includes design of the demolition  
 3.26 of obsolete portions of Fraser Hall.
- 3.27 **Subd. 6. University Share**
- 3.28 Except for the appropriations for HEAPR, the  
 3.29 appropriations in this section are intended to  
 3.30 cover approximately two-thirds of the cost of  
 3.31 each project. The remaining costs must be paid  
 3.32 from university sources.
- 3.33 **Subd. 7. Unspent Appropriations**

4.1 Upon substantial completion of a project  
 4.2 authorized in this section and after written  
 4.3 notice to the commissioner of management  
 4.4 and budget, the Board of Regents must use  
 4.5 any money remaining in the appropriation for  
 4.6 that project for HEAPR under Minnesota  
 4.7 Statutes, section 135A.046. The Board of  
 4.8 Regents must report by February 1 of each  
 4.9 even-numbered year to the chairs of the house  
 4.10 of representatives and senate committees with  
 4.11 jurisdiction over capital investment and higher  
 4.12 education finance, and to the chairs of the  
 4.13 house of representatives Ways and Means  
 4.14 Committee and the senate Finance Committee,  
 4.15 on how the remaining money has been  
 4.16 allocated or spent.

4.17 **Sec. 3. MINNESOTA STATE COLLEGES AND**  
 4.18 **UNIVERSITIES**

4.19 **Subdivision 1. Total Appropriation** **\$ 92,010,000**

4.20 To the Board of Trustees of the Minnesota  
 4.21 State Colleges and Universities for the  
 4.22 purposes specified in this section.

4.23 **Subd. 2. Higher Education Asset Preservation**  
 4.24 **and Replacement (HEAPR)** **74,103,000**

4.25 To be spent in accordance with Minnesota  
 4.26 Statutes, section 135A.046.

4.27 **Subd. 3. Anoka-Ramsey Community College** **16,282,000**

4.28 To design, renovate, and equip the business  
 4.29 and nursing building at Anoka-Ramsey  
 4.30 Community College, Coon Rapids campus.

4.31 **Subd. 4. Minneapolis Community and Technical**  
 4.32 **College** **990,000**

4.33 To design phases 1 and 2 of the Management  
 4.34 Education Center shared with Metropolitan

5.1 State University on the Minneapolis  
 5.2 Community and Technical College campus to  
 5.3 support baccalaureate programming  
 5.4 expansion.

5.5 **Subd. 5. Pine Technical and Community College** 635,000

5.6 To design the renovation of the main building  
 5.7 allied health space and an addition of the  
 5.8 technical trade and applied learning labs at  
 5.9 Pine Technical and Community College.

5.10 **Subd. 6. Debt Service**

5.11 (a) Except as provided in paragraph (b), the  
 5.12 Board of Trustees shall pay the debt service  
 5.13 on one-third of the principal amount of state  
 5.14 bonds sold to finance projects authorized by  
 5.15 this section. After each sale of general  
 5.16 obligation bonds, the commissioner of  
 5.17 management and budget shall notify the board  
 5.18 of the amounts assessed for each year for the  
 5.19 life of the bonds.

5.20 (b) The board need not pay debt service on  
 5.21 bonds sold to finance HEAPR. Where a  
 5.22 nonstate match is required, the debt service is  
 5.23 due on a principal amount equal to one-third  
 5.24 of the total project cost, less the match  
 5.25 committed before the bonds are sold.

5.26 (c) The commissioner of management and  
 5.27 budget shall reduce the board's assessment  
 5.28 each year by one-third of the net income from  
 5.29 investment of general obligation bond  
 5.30 proceeds in proportion to the amount of  
 5.31 principal and interest otherwise required to be  
 5.32 paid by the board. The board shall pay its  
 5.33 resulting net assessment to the commissioner  
 5.34 of management and budget by December 1

6.1 each year. If the board fails to make a payment  
 6.2 when due, the commissioner of management  
 6.3 and budget shall reduce allotments for  
 6.4 appropriations from the general fund otherwise  
 6.5 available to the board and apply the amount  
 6.6 of the reduction to cover the missed debt  
 6.7 service payment. The commissioner of  
 6.8 management and budget shall credit the  
 6.9 payments received from the board to the bond  
 6.10 debt service account in the state bond fund  
 6.11 each December 1 before money is transferred  
 6.12 from the general fund under Minnesota  
 6.13 Statutes, section 16A.641, subdivision 10.

6.14 **Subd. 7. Unspent Appropriations**

6.15 (a) Upon substantial completion of a project  
 6.16 authorized in this section and after written  
 6.17 notice to the commissioner of management  
 6.18 and budget, the board must use any money  
 6.19 remaining in the appropriation for that project  
 6.20 for HEAPR under Minnesota Statutes, section  
 6.21 135A.046. The Board of Trustees must report  
 6.22 by February 1 of each even-numbered year to  
 6.23 the chairs of the house of representatives and  
 6.24 senate committees with jurisdiction over  
 6.25 capital investment and higher education  
 6.26 finance and to the chairs of the house of  
 6.27 representatives Ways and Means Committee  
 6.28 and the senate Finance Committee, on how  
 6.29 the remaining money has been allocated or  
 6.30 spent.

6.31 (b) The unspent portion of an appropriation  
 6.32 for a project in this section that is complete is  
 6.33 available for HEAPR under this subdivision,  
 6.34 at the same campus as the project for which  
 6.35 the original appropriation was made and the

7.1 debt service requirement under this section is  
 7.2 reduced accordingly. Minnesota Statutes,  
 7.3 section 16A.642, applies from the date of the  
 7.4 original appropriation to the unspent amount  
 7.5 transferred.

7.6 **Sec. 4. EDUCATION**

7.7 **Subdivision 1. Total Appropriation** **\$ 2,951,000**

7.8 To the commissioner of education for the  
 7.9 purposes specified in this section.

7.10 **Subd. 2. Library Construction Grants** **2,951,000**

7.11 For library construction grants under  
 7.12 Minnesota Statutes, section 134.45.

7.13 **Sec. 5. MINNESOTA STATE ACADEMIES**

7.14 **Subdivision 1. Total Appropriation** **\$ 6,830,000**

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

7.17 **Subd. 2. Asset Preservation** **1,000,000**

7.18 For capital asset preservation improvements  
 7.19 and betterments on both campuses of the  
 7.20 Minnesota State Academies, to be spent in  
 7.21 accordance with Minnesota Statutes, section  
 7.22 16B.307.

7.23 **Subd. 3. Safety Corridor** **5,830,000**

7.24 To design, construct, furnish, and equip a  
 7.25 safety corridor on the Minnesota State  
 7.26 Academy for the Deaf campus, including but  
 7.27 not limited to abatement of asbestos and  
 7.28 hazardous materials, construction, and  
 7.29 renovations necessary to establish a central  
 7.30 point of access, a reception and visitor area,  
 7.31 and security monitoring with connections to  
 7.32 Smith, Quinn, and Noyes Halls. This

8.1 appropriation also includes money to  
 8.2 predesign, design, renovate, furnish, and equip  
 8.3 Smith and Quinn Halls, including but not  
 8.4 limited to abatement of asbestos and hazardous  
 8.5 materials, interior space, restrooms, offices,  
 8.6 classrooms, science labs, and technology labs.

8.7 **Sec. 6. PERPICH CENTER FOR ARTS**  
 8.8 **EDUCATION**

8.9 **Subdivision 1. Total Appropriation** **\$ 750,000**

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

8.12 **Subd. 2. Asset Preservation** **750,000**

8.13 For capital asset preservation improvements  
 8.14 and betterments at the Perpich Center for Arts  
 8.15 Education, to be spent in accordance with  
 8.16 Minnesota Statutes, section 16B.307.

8.17 **Sec. 7. NATURAL RESOURCES**

8.18 **Subdivision 1. Total Appropriation** **\$ 96,395,000**

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

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

8.29 **Subd. 2. Natural Resources Asset Preservation** **25,000,000**

8.30 (a) For the renovation of state-owned facilities  
 8.31 and recreational assets operated by the  
 8.32 commissioner of natural resources to be spent  
 8.33 in accordance with Minnesota Statutes, section



9.1 84.946. Notwithstanding Minnesota Statutes,  
 9.2 section 84.946, the commissioner may use this  
 9.3 appropriation to replace buildings if,  
 9.4 considering the embedded energy in the  
 9.5 building, that is the most energy-efficient and  
 9.6 carbon-reducing method of renovation.

9.7 (b) \$5,000,000 of this appropriation is for the  
 9.8 Soudan mine shaft rehabilitation. The Soudan  
 9.9 mine shaft rehabilitation project is exempt  
 9.10 from using the Designer Selection Board  
 9.11 process as defined in Minnesota Statutes,  
 9.12 section 16B.33, and is exempt from any  
 9.13 requirement for a minimum number of  
 9.14 proposals as set forth in Minnesota Statutes,  
 9.15 section 16C.33, subdivision 5, paragraph (c).

9.16 **Subd. 3. Flood Hazard Mitigation** 15,000,000

9.17 (a) For the state share of flood hazard  
 9.18 mitigation grants for publicly owned capital  
 9.19 improvements to prevent or alleviate flood  
 9.20 damage under Minnesota Statutes, section  
 9.21 103F.161.

9.22 (b) To the extent practical, levee projects shall  
 9.23 meet the state standard of three feet above the  
 9.24 100-year flood elevation.

9.25 (c) Project priorities shall be determined by  
 9.26 the commissioner as appropriate, based on  
 9.27 need and consideration of available leveraging  
 9.28 of federal, state, and local funds.

9.29 (d) This appropriation may be used for projects  
 9.30 in the following municipalities: Afton, Austin,  
 9.31 Breckenridge, Browns Valley, Carver, Delano,  
 9.32 Faribault, Golden Valley, Halstad, Hawley,  
 9.33 Hendrum, Inver Grove Heights, Jordan,  
 9.34 Montevideo, Moorhead, Newfolden,

10.1 Nielsen, Owatonna, Round Lake Township  
10.2 in Jackson County, Sioux Valley Township  
10.3 in Jackson County, and Waseca.

10.4 (e) This appropriation also may be used for  
10.5 projects in the following watershed districts:  
10.6 Bois de Sioux Watershed District, Buffalo-Red  
10.7 River Watershed District, Cedar River  
10.8 Watershed District; Southern Minnesota  
10.9 Rivers Basin Area II, Lower Minnesota River  
10.10 Watershed District, Middle Snake Tamarac  
10.11 Rivers Watershed District, Prior Lake-Spring  
10.12 Lake Watershed District, Red Lake Watershed  
10.13 District, Roseau River Watershed District,  
10.14 Shell Rock River Watershed District, Two  
10.15 Rivers Watershed District, Upper Minnesota  
10.16 River Watershed District, and Wild Rice River  
10.17 Watershed District.

10.18 (f) For any project listed in this subdivision  
10.19 that the commissioner determines is not ready  
10.20 to proceed, does not have the nonstate match  
10.21 committed, or does not expend all the money  
10.22 granted to it, the commissioner may allocate  
10.23 that project's unexpended money to a priority  
10.24 project on the commissioner's list.

10.25 (g) To the extent practicable and consistent  
10.26 with the project, recipients of appropriations  
10.27 for flood control projects in this subdivision  
10.28 shall create wetlands that are eligible for  
10.29 wetland replacement credit to replace wetlands  
10.30 drained or filled as the result of repair,  
10.31 reconstruction, replacement, or rehabilitation  
10.32 of an existing public road under Minnesota  
10.33 Statutes, section 103G.222, subdivision 1,  
10.34 paragraphs (l) and (m).

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

11.7 **Subd. 4. Canisteo and Hill Annex Open-Pit Mine**  
 11.8 **Groups**

2,000,000

11.9 (a) For predesign, design, and engineering of  
 11.10 projects to mitigate the threat to property,  
 11.11 public safety, and water quality from rising  
 11.12 water levels at the Canisteo and Hill Annex  
 11.13 mine complexes. The commissioner must give  
 11.14 priority to work that addresses the most  
 11.15 immediate risks to public safety. If the  
 11.16 predesign, design, and engineering for the  
 11.17 Canisteo and Hill Annex mine complexes is  
 11.18 complete, the commissioner may use any  
 11.19 remaining money from this appropriation to  
 11.20 construct mitigation measures at the Canisteo  
 11.21 or Hill Annex mine complex.

11.22 (b) The commissioner, in cooperation with the  
 11.23 Department of Iron Range Resources and  
 11.24 Rehabilitation, Western Mesabi Mine Planning  
 11.25 Board, and Itasca County, shall provide a  
 11.26 status report on this project to the chairs and  
 11.27 ranking minority members of the legislative  
 11.28 committees with jurisdiction over capital  
 11.29 investment and environment and natural  
 11.30 resources finance by February 1, 2021,  
 11.31 February 15, 2021, April 15, 2021, July 1,  
 11.32 2021, and September 1, 2021. This report must  
 11.33 include but is not limited to recommendations  
 11.34 on lease ownership and costs, the findings of  
 11.35 the pit wall stability study, final engineering,

- 12.1 and design work, including cost estimates to  
 12.2 complete the outlet and recommendations on  
 12.3 ownership, operations, and maintenance of  
 12.4 the constructed outlet.
- 12.5 **Subd. 5. Dam Renovation, Repair, Removal** 20,000,000
- 12.6 (a) For design, engineering, and construction  
 12.7 to repair, reconstruct, or remove publicly  
 12.8 owned dams and respond to dam safety  
 12.9 emergencies on publicly owned dams. Of this  
 12.10 appropriation, \$18,000,000 is for the  
 12.11 reconstruction of the Lake Bronson Dam in  
 12.12 Lake Bronson State Park.
- 12.13 (b) The commissioner shall determine project  
 12.14 priorities as appropriate under Minnesota  
 12.15 Statutes, sections 103G.511 and 103G.515. If  
 12.16 the commissioner determines that a project is  
 12.17 not ready to proceed, this appropriation may  
 12.18 be used for other projects on the  
 12.19 commissioner's priority list.
- 12.20 **Subd. 6. State Park and Recreation Area**  
 12.21 **Accessibility** 3,000,000
- 12.22 For the predesign, design, and construction of  
 12.23 accessibility improvements at William O'Brien  
 12.24 State Park.
- 12.25 **Subd. 7. Lake Vermilion-Soudan Underground**  
 12.26 **Mine State Park** 5,800,000
- 12.27 For the predesign, design, and construction of  
 12.28 a campground and related infrastructure at  
 12.29 Lake Vermilion-Soudan Underground Mine  
 12.30 State Park.
- 12.31 **Subd. 8. Shade Tree Program** 1,000,000
- 12.32 For grants to cities, counties, townships, and  
 12.33 park and recreation boards in cities of the first  
 12.34 class, for the removal and the planting of shade

- 13.1 trees on public land to provide environmental  
 13.2 benefits; replace trees lost to forest pests,  
 13.3 disease, or storm; or to establish a more  
 13.4 diverse community forest better able to  
 13.5 withstand disease and forest pests. The  
 13.6 commissioner must give priority to grant  
 13.7 requests to remove and replace trees with  
 13.8 active infestations of emerald ash borer. For  
 13.9 purposes of this appropriation, "shade tree"  
 13.10 means a woody perennial grown primarily for  
 13.11 aesthetic or environmental purposes with  
 13.12 minimal to residual timber value. Any tree  
 13.13 planted with money under this subdivision  
 13.14 must be a climate-adapted species to  
 13.15 Minnesota.
- 13.16 **Subd. 9. Forests for the Future** 1,000,000
- 13.17 For the acquisition of lands for the forests for  
 13.18 the future program under Minnesota Statutes,  
 13.19 section 84.66.
- 13.20 **Subd. 10. Blazing Star State Trail** 1,000,000
- 13.21 For engineering of all phases, and wetland and  
 13.22 public waters mitigation for the Blazing Star  
 13.23 Trail, under Minnesota Statutes, section  
 13.24 85.015, subdivision 19, between the  
 13.25 communities of Albert Lea and Hayward,  
 13.26 connecting both communities to Myre-Big  
 13.27 Island State Park.
- 13.28 **Subd. 11. Camp Ripley; Veterans State Trail** 1,000,000
- 13.29 For construction of the Camp Ripley/Veterans  
 13.30 State Trail under Minnesota Statutes, section  
 13.31 85.015, subdivision 28.
- 13.32 **Subd. 12. Heartland State Trail; Detroit Lakes**  
 13.33 **to Frazee Segment** 2,000,000

- 14.1 For land acquisition, final engineering, and  
 14.2 design of the proposed Heartland State Trail  
 14.3 between its current terminus at Becker County  
 14.4 CSAH 10 and Trunk Highway 87 in Frazee,  
 14.5 and for the construction of a trail bridge over  
 14.6 Becker County CSAH 10.
- 14.7 **Subd. 13. Heartland State Trail; Itasca State**  
 14.8 **Park Connector** 2,000,000
- 14.9 For final engineering and design of the trail  
 14.10 segment of the Heartland State Trail located  
 14.11 within Itasca State Park and for the  
 14.12 construction of a trail tunnel under Trunk  
 14.13 Highway 71.
- 14.14 **Subd. 14. Lake City; Hok-Si-La Park Water and**  
 14.15 **Sewer Extension** 587,000
- 14.16 For a grant to the city of Lake City to design,  
 14.17 engineer, and construct a water and sewer  
 14.18 connection from the city's sewer distribution  
 14.19 and collection point to Hok-Si-La Park.
- 14.20 **Subd. 15. Lake City; Ohuta Beach Breakwater** 1,058,000
- 14.21 For a grant to the city of Lake City to design  
 14.22 and construct a breakwater at Ohuta Beach in  
 14.23 Lake City at Ohuta Park.
- 14.24 **Subd. 16. Mankato; Riverbank Restoration** 7,200,000
- 14.25 For a grant to the city of Mankato to:
- 14.26 (1) stabilize the Minnesota River riverbank in  
 14.27 the Land of Memories Park to reduce erosion  
 14.28 and protect well 15;
- 14.29 (2) stabilize the Minnesota River riverbank to  
 14.30 protect Mankato's riverfront, including the  
 14.31 Minnesota River Trail trailhead, and regional  
 14.32 Water Resource Recovery Facility; and

- 15.1 (3) install in-channel stream stabilization  
 15.2 infrastructure in Indian Creek to reduce  
 15.3 erosion and improve water quality in the  
 15.4 Minnesota River-Mankato watershed.
- 15.5 **Subd. 17. Otter Tail County; Perham to Pelican**  
 15.6 **Rapids Regional Trail** 1,600,000
- 15.7 For a grant to Otter Tail County to construct  
 15.8 the McDonald Lake segment of the Perham  
 15.9 to Pelican Rapids Regional Trail, which goes  
 15.10 from the intersection of County State-Aid  
 15.11 Highway 41 and 440th Street to the  
 15.12 intersection of County State-Aid Highway 34  
 15.13 and County State-Aid Highway 35.
- 15.14 **Subd. 18. Rochester; Cascade Park** 2,500,000
- 15.15 For a grant to the city of Rochester to  
 15.16 predesign, design, construct, furnish, and  
 15.17 equip improvements of a capital nature,  
 15.18 including a pavilion, an amphitheater,  
 15.19 performance facilities, picnic shelters,  
 15.20 restroom facilities, play areas, park access,  
 15.21 and landscaping.
- 15.22 **Subd. 19. Scott County; McMahon Lake Flood**  
 15.23 **Mitigation** 600,000
- 15.24 For the state share of a flood hazard mitigation  
 15.25 grant to Scott County for publicly owned  
 15.26 capital improvements to prevent or alleviate  
 15.27 flood damage on McMahon Lake under  
 15.28 Minnesota Statutes, section 103F.161.
- 15.29 **Subd. 20. Silver Bay; Trailhead Center** 1,100,000
- 15.30 For a grant to the city of Silver Bay to  
 15.31 predesign, design, construct, furnish, and  
 15.32 equip a multimodal trailhead center for the  
 15.33 various hiking, bicycling, snowmobile, and  
 15.34 all-terrain vehicle trails that converge in the

16.1 area. The center includes separated trail access  
 16.2 for motorized and nonmotorized users and  
 16.3 open space for trail users, parking, a wayside  
 16.4 rest area, and a new trailhead center building  
 16.5 that includes lavatories and showers.

16.6 **Subd. 21. St. Louis County; Voyageur Country**  
 16.7 **ATV Trail** 950,000

16.8 For a grant to St. Louis County for design,  
 16.9 right-of-way acquisition, and construction of  
 16.10 Phase I of the Voyageur Country ATV Trail  
 16.11 connections in the areas of Orr, Ash River,  
 16.12 Kabetogama Township, and International Falls  
 16.13 to the Voyageur Country ATV Trail system.

16.14 **Subd. 22. Winona; Mississippi Riverfront Trail** 2,000,000

16.15 For a grant under Minnesota Statutes, section  
 16.16 85.019, to the city of Winona to construct a  
 16.17 paved trail from Levee Park to Lions Park  
 16.18 along the Mississippi River in the city of  
 16.19 Winona.

16.20 **Subd. 23. Unspent Appropriations**

16.21 The unspent portion of an appropriation for a  
 16.22 project in this section that is complete, upon  
 16.23 written notice to the commissioner of  
 16.24 management and budget, is available for asset  
 16.25 preservation under Minnesota Statutes, section  
 16.26 84.946. Minnesota Statutes, section 16A.642,  
 16.27 applies from the date of the original  
 16.28 appropriation to the unspent amount  
 16.29 transferred.

16.30 **Sec. 8. POLLUTION CONTROL AGENCY**

16.31 **Subdivision 1. Total Appropriation** **\$ 27,146,000**

16.32 To the Pollution Control Agency for the  
 16.33 purposes specified in this section.



- 17.1 Subd. 2. **Clay County** 7,500,000
- 17.2 For a grant to Clay County under the solid  
 17.3 waste capital assistance grant program under  
 17.4 Minnesota Statutes, section 115A.54, in order  
 17.5 to acquire land, design, construct, renovate,  
 17.6 and equip a new resource recovery campus  
 17.7 consisting of a new solid waste transfer station  
 17.8 and problem materials management facility.
- 17.9 Subd. 3. **Dakota and Scott Counties** 2,000,000
- 17.10 For a capital assistance grant under Minnesota  
 17.11 Statutes, sections 115A.54 to 115A.541, to  
 17.12 Dakota County or Scott County to acquire  
 17.13 land, design, and engineer a new regional  
 17.14 household hazardous waste collection and  
 17.15 recycling facility to be located at a site in  
 17.16 Dakota County or Scott County that best  
 17.17 supports access needs for the residents of  
 17.18 Dakota and Scott Counties. This is phase 1 of  
 17.19 the project.
- 17.20 Subd. 4. **Pope-Douglas; Solid Waste Facility** 5,000,000
- 17.21 For a grant to the Pope-Douglas Solid Waste  
 17.22 Management Joint Powers Board under the  
 17.23 solid waste capital assistance grant program  
 17.24 under Minnesota Statutes, section 115A.54.  
 17.25 This appropriation may be used to design,  
 17.26 construct, and equip a new organics  
 17.27 composting facility in Douglas County; and  
 17.28 to design, construct, and equip a new  
 17.29 environmental learning center in Alexandria  
 17.30 for problem materials recycling and disposal  
 17.31 of household hazardous waste. This  
 17.32 appropriation may also be used to acquire land  
 17.33 and for demolition costs associated with the  
 17.34 projects described in this section and is  
 17.35 intended to replace outdated public facilities

18.1 and infrastructure to serve the recycling and  
 18.2 composting needs of Douglas, Pope, Otter  
 18.3 Tail, Grant, Stevens, Stearns, Benton, and  
 18.4 Sherburne Counties. This is phase 1 of the  
 18.5 project.

18.6 **Subd. 5. Ramsey-Washington** 7,000,000

18.7 For a grant to Ramsey County under the solid  
 18.8 waste capital assistance grant program under  
 18.9 Minnesota Statutes, section 115A.54, in order  
 18.10 to design, construct, furnish, and equip the  
 18.11 expansion of and upgrades to the  
 18.12 Ramsey/Washington Recycling and Energy  
 18.13 facility, jointly owned by Ramsey and  
 18.14 Washington Counties, located on Red Rock  
 18.15 Road in Newport. The project includes  
 18.16 engineering and the acquisition and installation  
 18.17 of major equipment to process organics and  
 18.18 increase recycling of plastics, cardboard, and  
 18.19 metals.

18.20 **Subd. 6. Brookston; Closed Landfill Cleanup** 1,330,000

18.21 To design and construct remedial systems and  
 18.22 acquire land at closed landfills throughout the  
 18.23 state in accordance with the closed landfill  
 18.24 program under Minnesota Statutes, sections  
 18.25 115B.39 to 115B.42. The agency must follow  
 18.26 the agency priorities, which includes a  
 18.27 construction project at the Brookston Area  
 18.28 Landfill.

18.29 **Subd. 7. Coon Rapids** 316,000

18.30 For a grant to the city of Coon Rapids under  
 18.31 the solid waste capital assistance grants  
 18.32 program in Minnesota Statutes, section  
 18.33 115A.54, for expanding and improving the  
 18.34 Coon Rapids Recycling Center, including

19.1 constructing, furnishing, and equipping a  
 19.2 building for polystyrene foam processing, a  
 19.3 cold storage building, a covered storage area,  
 19.4 and constructing driving lanes and parking  
 19.5 areas.

19.6 **Subd. 8. Todd County; Solid Waste Facility** **4,000,000**

19.7 For a grant to Todd County under the solid  
 19.8 waste capital assistance grants program under  
 19.9 Minnesota Statutes, section 115A.54, to  
 19.10 design, construct, and equip a new solid waste  
 19.11 transfer station and household hazardous waste  
 19.12 facility.

19.13 **Sec. 9. BOARD OF WATER AND SOIL**  
 19.14 **RESOURCES**

19.15 **Subdivision 1. Total Appropriation** **\$ 24,000,000**

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

19.18 **Subd. 2. Local Government Roads Wetland**  
 19.19 **Replacement Program** **15,000,000**

19.20 To acquire land or permanent easements and  
 19.21 to restore, create, enhance, and preserve  
 19.22 wetlands to replace those wetlands drained or  
 19.23 filled as a result of the repair, reconstruction,  
 19.24 replacement, or rehabilitation of existing  
 19.25 public roads as required by Minnesota  
 19.26 Statutes, section 103G.222, subdivision 1,  
 19.27 paragraphs (l) and (m). The board may vary  
 19.28 the priority order of Minnesota Statutes,  
 19.29 section 103G.222, subdivision 3, paragraph  
 19.30 (a), to implement an in-lieu fee agreement  
 19.31 approved by the U.S. Army Corps of  
 19.32 Engineers under section 404 of the Clean  
 19.33 Water Act. The purchase price paid for  
 19.34 acquisition of land or perpetual easement must  
 19.35 be a fair market value as determined by the

20.1 board. The board may enter into agreements  
 20.2 with the federal government, other state  
 20.3 agencies, political subdivisions, nonprofit  
 20.4 organizations, fee title owners, or other  
 20.5 qualified private entities to acquire wetland  
 20.6 replacement credits in accordance with  
 20.7 Minnesota Rules, chapter 8420.

20.8 **Subd. 3. Local Government Roads Wetland**  
 20.9 **Replacement Program**

8,000,000

20.10 From the general fund to the board to  
 20.11 administer its statutory responsibilities and  
 20.12 acquire wetland banking credits to replace  
 20.13 those wetlands drained or filled as a result of  
 20.14 repairing, reconstructing, replacing, or  
 20.15 rehabilitating existing public roads as required  
 20.16 by Minnesota Statutes, section 103G.222,  
 20.17 subdivision 1. Notwithstanding Minnesota  
 20.18 Statutes, section 103G.222, subdivision 3, the  
 20.19 board may implement the wetland replacement  
 20.20 program when consistent with the watershed  
 20.21 approach of section 404 of the federal Clean  
 20.22 Water Act. The purchase price paid for  
 20.23 acquiring wetland credits must be determined  
 20.24 by the board. The board may enter into  
 20.25 agreements with the federal government, other  
 20.26 state agencies, political subdivisions, nonprofit  
 20.27 organizations, fee title owners, or other  
 20.28 qualified private entities to acquire wetland  
 20.29 replacement credits in accordance with  
 20.30 Minnesota Rules, chapter 8420. Of this  
 20.31 appropriation, up to \$560,000 is available for  
 20.32 the development of the required elements of  
 20.33 an in-lieu fee wetland mitigation program in  
 20.34 accordance with Minnesota Statutes, section  
 20.35 103G.2242, subdivision 3, and up to \$440,000  
 20.36 is available for mitigation stewardship in

21.1 accordance with Minnesota Statutes, section  
 21.2 103B.103, subdivision 3. This appropriation  
 21.3 is onetime.

21.4 **Subd. 4. Reinvest in Minnesota (RIM) Reserve**  
 21.5 **Program**

1,000,000

21.6 To acquire conservation easements from  
 21.7 landowners to preserve, restore, create, and  
 21.8 enhance wetlands and associated uplands of  
 21.9 prairie and grasslands, and to restore and  
 21.10 enhance rivers and streams, riparian lands, and  
 21.11 associated uplands of prairie and grasslands,  
 21.12 in order to protect soil and water quality,  
 21.13 support fish and wildlife habitat, reduce flood  
 21.14 damage, and provide other public benefits.  
 21.15 The provisions of Minnesota Statutes, section  
 21.16 103F.515, apply to this program. The board  
 21.17 shall give priority to leveraging federal money  
 21.18 by enrolling targeted new lands or enrolling  
 21.19 environmentally sensitive lands that have  
 21.20 expiring federal conservation agreements. The  
 21.21 board is authorized to enter into new  
 21.22 agreements and amend past agreements with  
 21.23 landowners as required by Minnesota Statutes,  
 21.24 section 103F.515, subdivision 5, to allow for  
 21.25 restoration. Up to five percent of this  
 21.26 appropriation may be used for restoration and  
 21.27 enhancement.

21.28 **Sec. 10. AGRICULTURE**

**§ 20,779,000**

21.29 To the commissioner of administration to  
 21.30 construct, renovate, and equip the Department  
 21.31 of Agriculture/Department of Health  
 21.32 Laboratory Building in St. Paul, including but  
 21.33 not limited to creating a dedicated biosafety  
 21.34 level 3 laboratory space, to meet safety,  
 21.35 energy, and operational efficiency needs.

22.1 \$779,000 of this appropriation is from the  
 22.2 general fund for relocation expenses associated  
 22.3 with this project.

22.4 **Sec. 11. MINNESOTA ZOOLOGICAL**  
 22.5 **GARDEN**

22.6 **Subdivision 1. Total Appropriation** **\$ 13,000,000**

22.7 To the Minnesota Zoological Garden Board  
 22.8 for the purposes specified in this section.

22.9 **Subd. 2. Asset Preservation** **13,000,000**

22.10 For capital asset preservation improvements  
 22.11 and betterments to infrastructure and exhibits  
 22.12 at the Minnesota Zoo, to be spent in  
 22.13 accordance with Minnesota Statutes, section  
 22.14 16B.307. Notwithstanding the specified uses  
 22.15 of money under Minnesota Statutes, section  
 22.16 16B.307, the board may use this appropriation  
 22.17 to replace buildings that are in poor condition,  
 22.18 outdated, and no longer support the work of  
 22.19 the Minnesota Zoo and to construct and  
 22.20 renovate trails, and roads on the Minnesota  
 22.21 Zoo site. Notwithstanding the specified uses  
 22.22 of money under Minnesota Statutes, section  
 22.23 16B.307, this appropriation may be used to  
 22.24 design, construct, furnish, and equip the  
 22.25 renovation of the monorail structure as an  
 22.26 elevated pedestrian trail.

22.27 **Sec. 12. ADMINISTRATION**

22.28 **Subdivision 1. Total Appropriation** **\$ 5,750,000**

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

22.31 **Subd. 2. Capital Asset Preservation and**  
 22.32 **Replacement Account** **4,500,000**

22.33 To be spent in accordance with Minnesota  
 22.34 Statutes, section 16A.632.

- 23.1 **Subd. 3. Ford Building** **170,000**
- 23.2 To design the abatement of hazardous
- 23.3 materials and demolition of the Ford Building
- 23.4 and associated infrastructure located on the
- 23.5 Capitol complex as the first phase of overall
- 23.6 site redevelopment. This appropriation may
- 23.7 also be used to design modifications necessary
- 23.8 to maintain access to the Capitol complex
- 23.9 tunnel system as well as to provide security,
- 23.10 irrigation, and landscaping for the site.
- 23.11 Before beginning demolition, the
- 23.12 commissioner must develop an executable
- 23.13 design feature to be implemented in the
- 23.14 interior or exterior of the building constructed
- 23.15 on the site or incorporated into the site design.
- 23.16 The design feature must reflect portions of the
- 23.17 original exterior facade design, which might
- 23.18 include design elements of the main entry way,
- 23.19 or must incorporate a significant reuse of terra
- 23.20 cotta ornamentation if determined to be in
- 23.21 sufficient good condition for reuse.
- 23.22 **Subd. 4. Capitol Complex - Physical Security**
- 23.23 **Upgrades Phase II** **980,000**
- 23.24 To design, construct, and equip upgrades to
- 23.25 the physical security elements and systems for
- 23.26 one or more of the buildings listed in this
- 23.27 subdivision, their attached tunnel systems,
- 23.28 their surrounding grounds, and parking
- 23.29 facilities as identified in the 2017 Minnesota
- 23.30 State Capitol Complex Physical Security
- 23.31 Predesign completed by Miller Dunwiddie.
- 23.32 This appropriation includes money for work
- 23.33 associated with one or more of the following
- 23.34 buildings: Administration, Centennial,
- 23.35 Judicial, Ag/Health Lab, Minnesota History

24.1	<u>Center, Capitol Complex Power Plant and</u>		
24.2	<u>Shops, Stassen, State Office, and Veterans</u>		
24.3	<u>Service.</u>		
24.4	<b><u>Subd. 5. Capitol Complex Tunnel; ADA</u></b>		
24.5	<b><u>Compliance</u></b>		<u>100,000</u>
24.6	<u>To predesign capital improvements to the</u>		
24.7	<u>tunnel connecting the State Office Building</u>		
24.8	<u>with the State Capitol, necessary to bring the</u>		
24.9	<u>tunnel into compliance with the Americans</u>		
24.10	<u>with Disabilities Act (ADA).</u>		
24.11	<b><u>Sec. 13. AMATEUR SPORTS COMMISSION</u></b>		
24.12	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>5,937,000</u></b>
24.13	<u>To the Minnesota Amateur Sports</u>		
24.14	<u>Commission for the purposes specified in this</u>		
24.15	<u>section.</u>		
24.16	<b><u>Subd. 2. Asset Preservation</u></b>		<u>837,000</u>
24.17	<u>For asset preservation improvements and</u>		
24.18	<u>betterments of a capital nature at the National</u>		
24.19	<u>Sports Center in Blaine, to be spent in</u>		
24.20	<u>accordance with Minnesota Statutes, section</u>		
24.21	<u>16B.307.</u>		
24.22	<b><u>Subd. 3. National Sports Center; Field</u></b>		
24.23	<b><u>Development and Maintenance Facility</u></b>		<u>3,000,000</u>
24.24	<u>For demolition of a maintenance facility and</u>		
24.25	<u>to construct and equip a new maintenance</u>		
24.26	<u>facility for the National Sports Center in</u>		
24.27	<u>Blaine.</u>		
24.28	<b><u>Subd. 4. Mighty Ducks</u></b>		<u>2,000,000</u>
24.29	<u>For grants to local government units under</u>		
24.30	<u>Minnesota Statutes, section 240A.09,</u>		
24.31	<u>paragraph (b), to improve indoor air quality</u>		
24.32	<u>or eliminate R-22. This appropriation shall not</u>		



25.1	<u>be used to acquire ice resurfacing or edging</u>		
25.2	<u>equipment.</u>		
25.3	<b><u>Subd. 5. Construction and Renovation of Public</u></b>		
25.4	<b><u>Skate Parks</u></b>		<u>100,000</u>
25.5	<u>For grants under Minnesota Statutes, section</u>		
25.6	<u>240A.20, subdivision 2, clause (2), for design</u>		
25.7	<u>of skate parks from designers with expertise</u>		
25.8	<u>in the field of skate park design.</u>		
25.9	Sec. 14. <b><u>MILITARY AFFAIRS</u></b>		
25.10	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>24,545,000</u></b>
25.11	<u>To the adjutant general for the purposes</u>		
25.12	<u>specified in this section.</u>		
25.13	<b><u>Subd. 2. Rosemount Readiness Center</u></b>		<u>1,000,000</u>
25.14	<u>To design the renovation of existing space at</u>		
25.15	<u>the Rosemount Readiness Center, including</u>		
25.16	<u>mechanical, electrical, building envelope,</u>		
25.17	<u>energy efficiency, and life safety</u>		
25.18	<u>improvements.</u>		
25.19	<b><u>Subd. 3. Fergus Falls Readiness Center</u></b>		<u>2,100,000</u>
25.20	<u>To design and renovate existing space at the</u>		
25.21	<u>Fergus Falls Readiness Center, including</u>		
25.22	<u>mechanical, electrical, building envelope,</u>		
25.23	<u>energy efficiency, and life safety</u>		
25.24	<u>improvements, and to construct an addition</u>		
25.25	<u>on the existing property.</u>		
25.26	<b><u>Subd. 4. Moorhead Readiness Center</u></b>		<u>5,345,000</u>
25.27	<u>To design and renovate existing space at the</u>		
25.28	<u>Moorhead Readiness Center, including</u>		
25.29	<u>mechanical, electrical, building envelope,</u>		
25.30	<u>energy efficiency, and life safety</u>		
25.31	<u>improvements, and to construct an addition</u>		
25.32	<u>on the existing property.</u>		

26.1	<b><u>Subd. 5. Marshall Readiness Center</u></b>	<b><u>3,100,000</u></b>
26.2	<u>To design and renovate existing space at the</u>	
26.3	<u>Marshall Readiness Center, including</u>	
26.4	<u>mechanical, electrical, building envelope,</u>	
26.5	<u>energy efficiency, and life safety</u>	
26.6	<u>improvements, and to construct an addition</u>	
26.7	<u>on the existing property.</u>	
26.8	<b><u>Subd. 6. Camp Ripley; Military Museum</u></b>	<b><u>13,000,000</u></b>
26.9	<u>To acquire land or interest in land, and to</u>	
26.10	<u>predesign, design, construct, furnish, and</u>	
26.11	<u>equip a facility outside the boundaries of</u>	
26.12	<u>Camp Ripley in Morrison County for the</u>	
26.13	<u>Minnesota Military Museum. This</u>	
26.14	<u>appropriation includes money for a visitor's</u>	
26.15	<u>center and gift shop; administrative offices;</u>	
26.16	<u>work, storage, and exhibit space; landscaping;</u>	
26.17	<u>parking; and other amenities and infrastructure</u>	
26.18	<u>for the museum. The adjutant general may</u>	
26.19	<u>enter into a lease or management agreement</u>	
26.20	<u>for the museum, subject to Minnesota Statutes,</u>	
26.21	<u>section 16A.695.</u>	
26.22	<b><u>Sec. 15. PUBLIC SAFETY</u></b>	
26.23	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 50,355,000</u></b>
26.24	<u>To the commissioner of public safety or other</u>	
26.25	<u>named entity for the purposes specified in this</u>	
26.26	<u>section.</u>	
26.27	<b><u>Subd. 2. State Emergency Operations Center</u></b>	<b><u>29,545,000</u></b>
26.28	<u>To the commissioner of administration to</u>	
26.29	<u>acquire a site, update the predesign, and to</u>	
26.30	<u>design, construct, furnish, and equip a new</u>	
26.31	<u>State Emergency Operations Center and</u>	
26.32	<u>Homeland Security and Emergency</u>	
26.33	<u>Management Office. This appropriation may</u>	
26.34	<u>also be used to design and complete hazardous</u>	

27.1	<u>materials abatement and demolition as needed</u>	
27.2	<u>on the acquired site.</u>	
27.3	<b><u>Subd. 3. Southern Minnesota BCA Regional</u></b>	
27.4	<b><u>Office and Laboratory</u></b>	<u>100,000</u>
27.5	<u>To the commissioner of administration for</u>	
27.6	<u>predesign of a new Bureau of Criminal</u>	
27.7	<u>Apprehension regional office and laboratory</u>	
27.8	<u>facility in the Mankato area.</u>	
27.9	<b><u>Subd. 4. Chisholm; Public Safety Facility</u></b>	<u>1,910,000</u>
27.10	<u>For a grant to the city of Chisholm to construct</u>	
27.11	<u>a new public safety facility for fire protection</u>	
27.12	<u>and law enforcement.</u>	
27.13	<b><u>Subd. 5. Crystal; Police Department Expansion</u></b>	<u>4,000,000</u>
27.14	<u>For a grant to the city of Crystal to design,</u>	
27.15	<u>construct, furnish, and equip an expansion of</u>	
27.16	<u>the city's police department facility.</u>	
27.17	<b><u>Subd. 6. Edina; South Metro Public Safety</u></b>	
27.18	<b><u>Training Facility</u></b>	<u>1,000,000</u>
27.19	<u>For a grant to the city of Edina to predesign,</u>	
27.20	<u>design, construct, expand, renovate, furnish,</u>	
27.21	<u>and equip a tactical training building at the</u>	
27.22	<u>South Metro Public Safety Training Facility</u>	
27.23	<u>to provide year-round flexible space for</u>	
27.24	<u>different training scenarios.</u>	
27.25	<b><u>Subd. 7. Maple Grove; North Metro Range</u></b>	<u>3,500,000</u>
27.26	<u>For a grant to the city of Maple Grove to</u>	
27.27	<u>design, construct, furnish, and equip an</u>	
27.28	<u>expansion of the Maple Grove North Metro</u>	
27.29	<u>Range regional public safety training facility.</u>	
27.30	<u>The project includes facilities to provide law</u>	
27.31	<u>enforcement officers training in de-escalation</u>	
27.32	<u>and crisis intervention techniques.</u>	
27.33	<b><u>Subd. 8. Minneapolis; Emergency Operations</u></b>	
27.34	<b><u>Center and Fire Training Facility</u></b>	<u>800,000</u>

28.1 For a grant to the city of Minneapolis for  
 28.2 predesign, design, engineering, and  
 28.3 construction of the expansion of the  
 28.4 Emergency Operations Center and Fire  
 28.5 Training Facility.

28.6 **Subd. 9. Virginia; Regional Public Safety Center**  
 28.7 **and Training Facility**

9,500,000

28.8 For a grant to the city of Virginia to acquire a  
 28.9 site, demolish existing structures and prepare  
 28.10 the site, and to predesign, design, construct,  
 28.11 furnish, and equip a regional public safety  
 28.12 center and training facility for the police and  
 28.13 fire departments, emergency medical services,  
 28.14 regional emergency services training,  
 28.15 emergency operations, and other regional  
 28.16 community needs.

28.17 **Sec. 16. TRANSPORTATION**

28.18 **Subdivision 1. Total Appropriation**

**\$ 323,209,000**

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

28.21 **Subd. 2. Local Road Improvement Fund Grants**

75,000,000

28.22 From the bond proceeds account in the state  
 28.23 transportation fund as provided in Minnesota  
 28.24 Statutes, section 174.50, for eligible trunk  
 28.25 highway corridor improvement projects under  
 28.26 Minnesota Statutes, section 174.52,  
 28.27 subdivision 2, for construction and  
 28.28 reconstruction of local roads with statewide  
 28.29 or regional significance under Minnesota  
 28.30 Statutes, section 174.52, subdivision 4, or for  
 28.31 grants to counties to assist in paying the costs  
 28.32 of rural road safety capital improvement  
 28.33 projects on county state-aid highways under  
 28.34 Minnesota Statutes, section 174.52,

- 29.1 subdivision 4a. Of this appropriation, at least  
 29.2 \$5,000,000 is for projects on town roads.
- 29.3 **Subd. 3. Anoka County; East River Road** 1,500,000  
 29.4 From the bond proceeds account in the state  
 29.5 transportation fund as provided in Minnesota  
 29.6 Statutes, section 174.50, for a grant to Anoka  
 29.7 County to complete the preliminary  
 29.8 engineering, environmental analysis, and final  
 29.9 design of interchange construction and  
 29.10 associated improvements to Anoka County  
 29.11 State-Aid Highway 1, known as East River  
 29.12 Road, at marked Trunk Highway 610 in the  
 29.13 city of Coon Rapids.
- 29.14 **Subd. 4. Anoka County; Marked U.S. Highway**  
 29.15 **10/169** 8,400,000  
 29.16 From the bond proceeds account in the state  
 29.17 transportation fund as provided in Minnesota  
 29.18 Statutes, section 174.50, for a grant to Anoka  
 29.19 County for environmental analysis,  
 29.20 preliminary engineering, and final design for  
 29.21 the interchanges on marked U.S. Highway  
 29.22 10/169 at County State-Aid Highway 56  
 29.23 (Ramsey Boulevard) and County State-Aid  
 29.24 Highway 57 (Sunfish Lake Boulevard) and  
 29.25 the associated railroad grade separations,  
 29.26 frontage roads, backage roads, and connecting  
 29.27 local streets to support the U.S. Highway  
 29.28 10/169 improvements in the city of Ramsey.
- 29.29 **Subd. 5. Anoka County; Marked Trunk**  
 29.30 **Highway 65 Interchange** 1,500,000  
 29.31 From the bond proceeds account in the state  
 29.32 transportation fund as provided in Minnesota  
 29.33 Statutes, section 174.50, for a grant to Anoka  
 29.34 County to complete preliminary engineering,  
 29.35 environmental analysis, and final design of a

- 30.1 grade separation and associated improvements  
 30.2 to Anoka County State-Aid Highway 12,  
 30.3 known as 109th Avenue, at marked Trunk  
 30.4 Highway 65 in the city of Blaine.
- 30.5 **Subd. 6. Dakota County; Diffley Road** 4,000,000
- 30.6 From the bond proceeds account in the state  
 30.7 transportation fund as provided in Minnesota  
 30.8 Statutes, section 174.50, for one or more  
 30.9 grants to Dakota County, the city of Eagan,  
 30.10 and Independent School District No. 196,  
 30.11 Rosemount-Apple Valley-Eagan, to  
 30.12 reconstruct Diffley Road between Lexington  
 30.13 Avenue and Braddock Trail, and Daniel Drive  
 30.14 at Diffley Road.
- 30.15 **Subd. 7. Golden Valley; Douglas Drive and**  
 30.16 **Highway 55** 6,500,000
- 30.17 From the bond proceeds account in the state  
 30.18 transportation fund as provided in Minnesota  
 30.19 Statutes, section 174.50, for a grant to the city  
 30.20 of Golden Valley to construct public safety  
 30.21 improvements at the intersection of Douglas  
 30.22 Drive and Highway 55, including a box culvert  
 30.23 underpass across Highway 55, a roundabout  
 30.24 and extended frontage road south of Highway  
 30.25 55, retaining wall construction, underground  
 30.26 utility relocation, sidewalk and trail  
 30.27 connections to existing facilities, Americans  
 30.28 with Disabilities Act-compliant facilities, and  
 30.29 landscaping.
- 30.30 **Subd. 8. Maple Grove; Trunk Highway 610**  
 30.31 **Local Road Improvements** 13,000,000
- 30.32 From the bond proceeds account in the state  
 30.33 transportation fund as provided in Minnesota  
 30.34 Statutes, section 174.50, for a grant to the city  
 30.35 of Maple Grove or Hennepin County, or both,

31.1 in amounts determined by the commissioner  
 31.2 to acquire right-of-way, predesign, design,  
 31.3 engineer, and construct roadway connections  
 31.4 between marked Trunk Highway 610 and I-94,  
 31.5 and the extension to County Road 30 in  
 31.6 Hennepin County. The project includes  
 31.7 completion of the update of the environmental  
 31.8 impact statement with an environmental  
 31.9 assessment for the project.

31.10 **Subd. 9. Oak Park Heights; Realignment of 60th**  
 31.11 **Street**

790,000

31.12 From the bond proceeds account in the state  
 31.13 transportation fund as provided in Minnesota  
 31.14 Statutes, section 174.50, for a grant to the city  
 31.15 of Oak Park Heights to design, engineer,  
 31.16 construct, furnish, and equip a realignment of  
 31.17 60th Street, lying south of State Highway 36,  
 31.18 from Krueger Lane to a current service road  
 31.19 east of Norell Avenue and west of Nova Scotia  
 31.20 Avenue, including the installation of a  
 31.21 roundabout at the intersection with Norell  
 31.22 Avenue. This project includes off-street trails  
 31.23 and sidewalks, and public safety  
 31.24 improvements, utility relocations and  
 31.25 connections, trail connections, accessibility  
 31.26 features, and landscaping and storm water  
 31.27 management, all in conjunction with the  
 31.28 realignment of 60th Street.

31.29 **Subd. 10. Ramsey County; I-35E and County**  
 31.30 **Road J Interchange**

1,500,000

31.31 From the bond proceeds account in the state  
 31.32 transportation fund as provided in Minnesota  
 31.33 Statutes, section 174.50, for a grant to Ramsey  
 31.34 County to complete the preliminary  
 31.35 engineering and environmental analysis for a  
 31.36 full access interchange on County Road J at

- 32.1 Interstate Highway 35E and associated  
 32.2 improvements on County Road J supporting  
 32.3 the interchange from Centerville Road to Otter  
 32.4 Lake Road in the cities of North Oaks and  
 32.5 Lino Lakes and White Bear Township.
- 32.6 **Subd. 11. Richfield; 77th Street Underpass** 6,000,000
- 32.7 From the bond proceeds account in the state  
 32.8 transportation fund as provided in Minnesota  
 32.9 Statutes, section 174.50, for a grant to the city  
 32.10 of Richfield for the extension of 77th Street  
 32.11 under marked Trunk Highway 77/Cedar  
 32.12 Avenue project in the city of Richfield. This  
 32.13 appropriation is added to the appropriation in  
 32.14 Laws 2015, First Special Session chapter 5,  
 32.15 article 1, section 10, subdivision 7, as amended  
 32.16 by Laws 2017, First Special Session chapter  
 32.17 8, article 2, section 32.
- 32.18 **Subd. 12. Sartell; Local Roads** 5,500,000
- 32.19 From the bond proceeds account in the state  
 32.20 transportation fund as provided in Minnesota  
 32.21 Statutes, section 174.50, for a grant to the city  
 32.22 of Sartell for improvements to Scout Drive to  
 32.23 connect Scout Drive to Dehler Drive, and 19th  
 32.24 Street South to Scout Drive. Improvements  
 32.25 include predesign, design, engineering,  
 32.26 acquisition of right-of-way, replacement or  
 32.27 repair of utilities, street reconstruction, and  
 32.28 other improvements or upgrades related to  
 32.29 street work.
- 32.30 **Subd. 13. Sibley County; Scenic Byway 6**  
 32.31 **Reconstruction** 14,000,000
- 32.32 From the bond proceeds account in the state  
 32.33 transportation fund as provided in Minnesota  
 32.34 Statutes, section 174.50, for a grant to Sibley  
 32.35 County to predesign, design, engineer, acquire



33.1 right-of-way for, and construct improvements  
 33.2 to Sibley County State-Aid Highway 6, known  
 33.3 as Scenic Byway 6, to raise the road to meet  
 33.4 the 50-year flood level, provide for a walking  
 33.5 and bicycling lane, and reconstruct the  
 33.6 intersection of Scenic Byway 6 and Sibley  
 33.7 County State-Aid Highway 5.

33.8 **Subd. 14. Scott County; Highway 13 and**  
 33.9 **Yosemite Interchange**

\$5,269,000

33.10 From the bond proceeds account in the state  
 33.11 transportation fund as provided in Minnesota  
 33.12 Statutes, section 174.50, for a grant to Scott  
 33.13 County to acquire land, predesign, and design  
 33.14 local road improvements, including  
 33.15 accommodations for bicycles and pedestrians,  
 33.16 to support a programmed interchange at the  
 33.17 intersection of marked Trunk Highway 13 and  
 33.18 Dakota Avenue in Savage.

33.19 **Subd. 15. Sherburne County; Zimmerman**  
 33.20 **Interchange Project**

2,000,000

33.21 From the bond proceeds account in the state  
 33.22 transportation fund as provided in Minnesota  
 33.23 Statutes, section 174.50, for a grant to  
 33.24 Sherburne County for environmental analysis,  
 33.25 preliminary engineering, and final design of  
 33.26 the local road portions of the proposed  
 33.27 interchange project at marked U.S. Highway  
 33.28 169 and Sherburne County State-Aid Highway  
 33.29 4 in Zimmerman. Any money remaining upon  
 33.30 completion of the design process may be used  
 33.31 to acquire right-of-way needed for the local  
 33.32 road portions of the interchange project.

33.33 **Subd. 16. Zumbrota; Jefferson Drive**

3,000,000

33.34 From the bond proceeds account in the state  
 33.35 transportation fund as provided in Minnesota

34.1 Statutes, section 174.50, for a grant to the city  
 34.2 of Zumbrota to predesign, design, and  
 34.3 reconstruct a segment of Jefferson Drive and  
 34.4 the adjacent trail in the city of Zumbrota,  
 34.5 including a culvert extension, and replacement  
 34.6 of or improvements to side street connections,  
 34.7 pedestrian crossing facilities, storm sewer,  
 34.8 drainage, sanitary sewer, and water lines.

34.9 **Subd. 17. Local Bridge Replacement and**  
 34.10 **Rehabilitation**

30,000,000

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

34.16 **Subd. 18. St. Paul; Third Street/Kellogg**  
 34.17 **Boulevard Bridge**

52,000,000

34.18 From the bond proceeds account in the state  
 34.19 transportation fund as provided in Minnesota  
 34.20 Statutes, section 174.50, for a grant to the city  
 34.21 of St. Paul to demolish and remove the  
 34.22 existing Third Street/Kellogg Boulevard  
 34.23 bridge over the BNSF railroad, Commercial  
 34.24 Street, and marked Interstate Highway 94, and  
 34.25 for acquisition of right-of-way, design,  
 34.26 construction engineering, and construction of  
 34.27 a replacement bridge that includes multimodal  
 34.28 elements for bicycles, pedestrians, vehicles,  
 34.29 and mass transit. This appropriation also may  
 34.30 be used for any roadway approach  
 34.31 reconstruction work identified within the  
 34.32 project limits, including right-of-way  
 34.33 acquisition, design, and construction  
 34.34 engineering.

35.1	<b><u>Subd. 19. Safe Routes to School; Pedestrian and</u></b>	
35.2	<b><u>Bicycle Facilities</u></b>	<u>3,000,000</u>
35.3	<u>For grants under Minnesota Statutes, section</u>	
35.4	<u>174.40.</u>	
35.5	<b><u>Subd. 20. Rail Service Improvement</u></b>	<u>4,000,000</u>
35.6	<u>For rail service improvement grants under</u>	
35.7	<u>Minnesota Statutes, section 222.50.</u>	
35.8	<b><u>Subd. 21. Port Development Assistance</u></b>	<u>14,000,000</u>
35.9	<u>For grants under Minnesota Statutes, chapter</u>	
35.10	<u>457A. Any improvements made with the</u>	
35.11	<u>proceeds of these grants must be publicly</u>	
35.12	<u>owned.</u>	
35.13	<b><u>Subd. 22. Passenger Rail</u></b>	<u>3,000,000</u>
35.14	<u>(a) For intercity passenger rail implementation</u>	
35.15	<u>on Phase 1 corridors identified in the 2015</u>	
35.16	<u>update to the state rail plan under Minnesota</u>	
35.17	<u>Statutes, section 174.03, subdivision 1b. This</u>	
35.18	<u>appropriation is only for projects that are</u>	
35.19	<u>determined to be eligible for United States</u>	
35.20	<u>Department of Transportation funding.</u>	
35.21	<u>\$1,500,000 of this appropriation is for a</u>	
35.22	<u>project issued a Finding of No Significant</u>	
35.23	<u>Impact (FONSI) by the Federal Railroad</u>	
35.24	<u>Administration on a Tier 2 project level</u>	
35.25	<u>environmental assessment.</u>	
35.26	<u>(b) Notwithstanding any law to the contrary,</u>	
35.27	<u>a portion or phase of an intercity passenger</u>	
35.28	<u>rail project may be accomplished with one or</u>	
35.29	<u>more state appropriations, and an intercity</u>	
35.30	<u>passenger rail project need not be completed</u>	
35.31	<u>with any one appropriation. This appropriation</u>	
35.32	<u>is available for program delivery and capital</u>	
35.33	<u>improvements and betterments, including</u>	
35.34	<u>preliminary engineering, design, final</u>	

36.1 engineering, environmental analysis and  
 36.2 mitigation, acquisition of land and  
 36.3 right-of-way, rail crossings and bridge  
 36.4 improvements, station improvements, and  
 36.5 railroad appurtenances.

36.6 (c) Projects may include the Northern Lights  
 36.7 Express service between Minneapolis and St.  
 36.8 Paul and Duluth, a second daily Amtrak train  
 36.9 between Minneapolis and St. Paul and  
 36.10 Chicago, and extension of the Northstar  
 36.11 Commuter Rail service to St. Cloud.

36.12 **Subd. 23. Greater Minnesota Transit Capital**  
 36.13 **Program**

2,000,000

36.14 For capital assistance for publicly owned  
 36.15 greater Minnesota transit systems to acquire  
 36.16 property, predesign, design, construct, furnish,  
 36.17 and equip transit capital facilities under  
 36.18 Minnesota Statutes, section 174.24,  
 36.19 subdivision 3c.

36.20 **Subd. 24. International Falls-Koochiching**  
 36.21 **County Airport Improvements**

1,800,000

36.22 For a grant to the International  
 36.23 Falls-Koochiching County Airport  
 36.24 Commission to provide for the nonfederal  
 36.25 share of a project at International Falls Airport  
 36.26 for land acquisition, predesign, design, and  
 36.27 reconstruction of the runway, taxiway, and  
 36.28 apron.

36.29 **Subd. 25. Rochester International Airport**  
 36.30 **Runway and Associated Improvements**

11,400,000

36.31 (a) The following appropriations are for one  
 36.32 or more grants to the city of Rochester for  
 36.33 improvements to the Rochester International  
 36.34 Airport in phases. If any of these  
 36.35 appropriations for a specified phase is not

37.1 needed to complete that phase, the unexpended  
37.2 and unencumbered amount may be applied to  
37.3 another phase of the Rochester Airport project  
37.4 for which an appropriation is made in this  
37.5 subdivision. Each appropriation for a phase is  
37.6 available when the commissioner of  
37.7 management and budget determines that an  
37.8 amount sufficient to complete that phase is  
37.9 committed to the project.

37.10 (b) \$1,025,000 is appropriated for Phase 1, to  
37.11 reconstruct the middle portion of runway 2/20  
37.12 and to construct associated grading and  
37.13 drainage improvements at the Rochester  
37.14 International Airport.

37.15 (c) \$3,400,000 is appropriated for Phase 2, for  
37.16 property acquisition; site mitigation; relocation  
37.17 of 31st Ave. SW and County Road 30; utility  
37.18 and navigational aid repositioning; grading  
37.19 and drainage improvements; removal of  
37.20 taxiways; reconstruction of the southern  
37.21 portion of runway 2 and runway shoulders;  
37.22 and installation of lighting and signage at the  
37.23 Rochester International Airport.

37.24 (d) \$4,100,000 is appropriated for Phase 3, to  
37.25 modify airport fencing; construct an extension  
37.26 of runway 2, taxiways, and shoulders; site  
37.27 preparation and grading; reconstruction of a  
37.28 portion of runway 2, taxiways, and shoulders;  
37.29 installation of lighting and signage at the  
37.30 Rochester International Airport; and acquire  
37.31 and install instrument approach improvements.

37.32 (e) \$625,000 is appropriated for Phase 4, to  
37.33 construct improvements to taxiway B and  
37.34 shoulders, to make grading and drainage

38.1 improvements, and to install lighting and  
 38.2 signage at the Rochester International Airport.

38.3 (f) \$1,025,000 is appropriated for Phase 5, to  
 38.4 demolish and reconstruct a portion of taxiway  
 38.5 B and shoulders; to reposition navigational  
 38.6 aids; for grading and drainage improvements;  
 38.7 and to install lighting and signage at the  
 38.8 Rochester International Airport.

38.9 (g) \$1,225,000 is appropriated for Phase 6, to  
 38.10 reconstruct taxiway and runway intersections;  
 38.11 to remove taxiways A6, E, F, G, and a portion  
 38.12 of runway 20; and to reconstruct taxiway D  
 38.13 at the Rochester International Airport.

38.14 **Subd. 26. Thief River Falls; Airport** 5,500,000

38.15 For a grant to the Thief River Falls Regional  
 38.16 Airport Authority to predesign, design,  
 38.17 construct, furnish, and equip a new cargo  
 38.18 hangar building to include office space, a  
 38.19 parking area, and connection to roadway and  
 38.20 utilities.

38.21 **Subd. 27. Rogers; Pedestrian and Bike Bridge** 2,200,000

38.22 For a grant to the city of Rogers to acquire  
 38.23 property for and to design and construct a  
 38.24 pedestrian and bicycle bridge over marked  
 38.25 Interstate Highway 94 approximately one mile  
 38.26 northwest of the interchange at marked Trunk  
 38.27 Highway 101. This appropriation includes  
 38.28 money for construction of a bituminous trail  
 38.29 to connect to the existing trail system.

38.30 **Subd. 28. Shakopee; Highway 169 Pedestrian**  
 38.31 **and Bicycle Overpass** 2,000,000

38.32 For a grant to the city of Shakopee to acquire  
 38.33 land or interests in land, predesign, design,  
 38.34 engineer, and construct a pedestrian and

39.1 bicycle overpass over marked Trunk Highway  
 39.2 169, and establish new trail segments, to  
 39.3 connect the Southbridge neighborhood and  
 39.4 Quarry Lake Park.

39.5 **Subd. 29. Minnesota Valley Regional Rail**  
 39.6 **Authority; Winthrop to Hanley Falls**  
 39.7 **Improvements**

10,000,000

39.8 For a grant to the Minnesota Valley Regional  
 39.9 Rail Authority to rehabilitate a portion of the  
 39.10 railroad track between Winthrop and Hanley  
 39.11 Falls. The grant under this subdivision may  
 39.12 also be used for any required environmental  
 39.13 analysis and remediation, predesign, design,  
 39.14 and rehabilitation or replacement of bridges  
 39.15 with new bridges or culverts between  
 39.16 Winthrop and Hanley Falls. A grant under this  
 39.17 subdivision is in addition to any grant, loan,  
 39.18 or loan guarantee for this project made by the  
 39.19 commissioner under Minnesota Statutes,  
 39.20 sections 222.46 to 222.62. This appropriation  
 39.21 is in addition to the appropriations under Laws  
 39.22 2006, chapter 258, section 16, subdivision 6;  
 39.23 Laws 2008, chapter 179, section 16,  
 39.24 subdivision 5; Laws 2009, chapter 93, article  
 39.25 1, section 11, subdivision 4; Laws 2010,  
 39.26 chapter 189, section 15, subdivision 5; Laws  
 39.27 2015, First Special Session chapter 5, article  
 39.28 1, section 10, subdivision 4; Laws 2017, First  
 39.29 Special Session chapter 8, article 1, section  
 39.30 15, subdivision 7; and Laws 2018, chapter  
 39.31 214, article 1, section 16, subdivision 4.

39.32 **Subd. 30. Northfield; Regional Transit Hub**

1,750,000

39.33 For a grant to the city of Northfield to acquire  
 39.34 real property; prepare the site, including any  
 39.35 environmental remediation; and predesign,  
 39.36 design, construct, furnish, and equip a regional

40.1 transit hub, including a pavilion, railroad quiet  
 40.2 zone safety improvements, and trail  
 40.3 connections.

40.4 **Subd. 31. Albert Lea; Highway 65 Flood**  
 40.5 **Mitigation**

800,000

40.6 For a grant to the city of Albert Lea for  
 40.7 preliminary design, final design, right-of-way  
 40.8 acquisition if needed, environmental  
 40.9 remediation, site preparation, including  
 40.10 demolition of existing buildings and structures  
 40.11 deemed undesirable for storm water drainage  
 40.12 ponds, soil excavation and disposal, lining of  
 40.13 pond, retaining walls, and storm sewer  
 40.14 drainage systems, and construction of storm  
 40.15 water drainage ponds and storm water  
 40.16 drainage systems for city storm water drainage  
 40.17 in connection with the marked U.S. Highway  
 40.18 65 flood mitigation project in Albert Lea. The  
 40.19 flood mitigation project is to raise the roadway  
 40.20 above flood levels.

40.21 **Subd. 32. Chisago County; U.S. Highway 8**  
 40.22 **Reconstruction**

8,000,000

40.23 (a) For a grant to Chisago County to  
 40.24 predesign, design, engineer, and construct a  
 40.25 reconstruction of marked U.S. Highway 8  
 40.26 from Karmel Avenue in Chisago City to  
 40.27 Interstate 35 and pedestrian and bike trails  
 40.28 along and crossings of this portion of U.S.  
 40.29 Highway 8. This reconstruction may include  
 40.30 expanding segments of U.S. Highway 8 to  
 40.31 four lanes, constructing or reconstructing  
 40.32 frontage roads and backage roads, and  
 40.33 realigning local roads to consolidate, remove,  
 40.34 and relocate access onto and off of U.S.  
 40.35 Highway 8. This appropriation is for the  
 40.36 portion of the project that is eligible for use



41.1 of proceeds of general obligation bonds. This  
 41.2 appropriation is available until the project is  
 41.3 completed or abandoned.

41.4 (b) Amounts planned by the Department of  
 41.5 Transportation for the resurfacing of U.S.  
 41.6 Highway 8, as reflected in MnDOT's Metro  
 41.7 District Ten-Year Capital Highway Investment  
 41.8 Study 2020-2029, shall instead be applied to  
 41.9 the reconstruction of U.S. Highway 8 to  
 41.10 supplement appropriations for that purpose  
 41.11 from any fund in this section.

41.12 **Subd. 33. Henderson; Trunk Highway 93 to U.S.**  
 41.13 **Highway 169 Reconstruction**

1,800,000

41.14 For projects eligible for general obligation  
 41.15 bond proceeds that are associated with the  
 41.16 reconstruction of marked Trunk Highway 93  
 41.17 from Henderson to marked U.S. Highway 169,  
 41.18 to raise the roadway elevation and prevent  
 41.19 closures due to river flooding.

41.20 **Subd. 34. Olmsted County; Trunk Highway 14**  
 41.21 **and County Road 104 Interchange Construction**

6,000,000

41.22 For general obligation bond eligible portions  
 41.23 of a project to predesign, design, engineer,  
 41.24 construct, furnish, and equip an interchange  
 41.25 at marked Trunk Highway 14 and County  
 41.26 Road 104, including a flyover at 7th Street  
 41.27 NW, in Olmstead County, and associated  
 41.28 infrastructure and road work to accommodate  
 41.29 the interchange.

41.30 **Subd. 35. Washington County; Interchange at**  
 41.31 **Highway 36 and County Road 15**

3,000,000

41.32 From the bond proceeds account in the state  
 41.33 transportation fund as provided in Minnesota  
 41.34 Statutes, section 174.50, for a grant to  
 41.35 Washington County for engineering and

- 42.1 property and easement acquisition, in  
 42.2 conjunction with an interchange at marked  
 42.3 Trunk Highway 36 and County State-Aid  
 42.4 Highway 15, known as Manning Avenue, in  
 42.5 Washington County.
- 42.6 **Subd. 36. Koochiching County; CSAH 24 Rail**  
 42.7 **Grade Separation** 3,000,000
- 42.8 For a grant to Koochiching County to acquire  
 42.9 land for and to predesign, design, engineer,  
 42.10 and construct a rail grade crossing separation  
 42.11 where County State-Aid Highway 24 crosses  
 42.12 Canadian National railroad tracks near the  
 42.13 cities of Ranier and International Falls.
- 42.14 **Subd. 37. Red Wing; Rail Grade Separation** 10,000,000
- 42.15 From the bond proceeds account in the state  
 42.16 transportation fund as provided in Minnesota  
 42.17 Statutes, section 174.50, for a grant to the city  
 42.18 of Red Wing for right-of-way acquisition,  
 42.19 environmental analysis, design, engineering,  
 42.20 removal of an existing structure, and  
 42.21 construction of a rail grade crossing separation  
 42.22 at Sturgeon Lake Road. This appropriation is  
 42.23 in addition to the appropriation for the same  
 42.24 purpose in Laws 2017, First Special Session  
 42.25 chapter 8, article 1, section 15, subdivision 4.
- 42.26 **Sec. 17. METROPOLITAN COUNCIL**
- 42.27 **Subdivision 1. Total Appropriation** **\$ 87,900,000**
- 42.28 To the Metropolitan Council for the purposes  
 42.29 specified in this section.
- 42.30 **Subd. 2. Metropolitan Cities Inflow and**  
 42.31 **Infiltration Grants** 5,000,000
- 42.32 For grants to cities within the metropolitan  
 42.33 area, as defined in Minnesota Statutes, section  
 42.34 473.121, subdivision 2, for capital

43.1 improvements in municipal wastewater  
 43.2 collection systems to reduce the amount of  
 43.3 inflow and infiltration to the Metropolitan  
 43.4 Council's metropolitan sanitary sewer disposal  
 43.5 system. Grants from this appropriation are for  
 43.6 up to 50 percent of the cost to mitigate inflow  
 43.7 and infiltration in the publicly owned  
 43.8 municipal wastewater collection systems. To  
 43.9 be eligible for a grant, a city must be identified  
 43.10 by the council as a contributor of excessive  
 43.11 inflow and infiltration in the metropolitan  
 43.12 disposal system or have a measured flow rate  
 43.13 within 20 percent of its allowable  
 43.14 council-determined inflow and infiltration  
 43.15 limits. The council must award grants based  
 43.16 on applications from cities that identify  
 43.17 eligible capital costs and include a timeline  
 43.18 for inflow and infiltration mitigation  
 43.19 construction, pursuant to guidelines  
 43.20 established by the council.

43.21 **Subd. 3. Metropolitan Regional Parks and Trails** 5,000,000

43.22 For the cost of improvements and betterments  
 43.23 of a capital nature and acquisition by the  
 43.24 council and local government units of regional  
 43.25 recreational open-space lands in accordance  
 43.26 with the council's policy plan as provided in  
 43.27 Minnesota Statutes, section 473.147. This  
 43.28 appropriation must not be used to purchase  
 43.29 easements.

43.30 **Subd. 4. Bus Rapid Transit Lines** 55,000,000

43.31 For design, engineering, right-of-way  
 43.32 acquisition, and construction of the B line bus  
 43.33 rapid transit line between Minneapolis and St.  
 43.34 Paul, and the D line bus rapid transit line  
 43.35 between Brooklyn Center and Bloomington.

- 44.1 To the extent money remains after the B line  
 44.2 and D line projects are completed, this  
 44.3 appropriation is also for preliminary design,  
 44.4 design, and engineering of the E line bus rapid  
 44.5 transit from Minneapolis to Southdale Transit  
 44.6 Center.
- 44.7 **Subd. 5. Carver County; Lake Waconia** 2,500,000
- 44.8 For a grant to Carver County to design,  
 44.9 construct, and equip a waterfront pavilion with  
 44.10 restrooms and a concession building, and to  
 44.11 design, construct, and equip utility connections  
 44.12 at Lake Waconia Regional Park.
- 44.13 **Subd. 6. Dakota County; Veterans Memorial**  
 44.14 **Greenway** 5,000,000
- 44.15 For a grant to Dakota County to construct  
 44.16 improvements for the Veterans Memorial  
 44.17 Greenway, including memorials, a community  
 44.18 gathering space, and a new trail connection  
 44.19 between Lebanon Hills Regional Park and the  
 44.20 Mississippi River.
- 44.21 **Subd. 7. Minneapolis Park and Recreation**  
 44.22 **Board; Mississippi River Trail Connection at**  
 44.23 **26th Avenue North** 3,000,000
- 44.24 (a) For a grant to the Minneapolis Park and  
 44.25 Recreation Board to design and construct a  
 44.26 trail connection paralleling the Mississippi  
 44.27 River between 26th Avenue North and the  
 44.28 Minneapolis Grand Rounds at Ole Olson Park,  
 44.29 all within Above the Falls Regional Park. This  
 44.30 appropriation is intended to augment work  
 44.31 being completed by the city of Minneapolis  
 44.32 to reconstruct and create a multimodal corridor  
 44.33 beginning at Theodore Wirth Regional Park  
 44.34 and extending east to the Mississippi River  
 44.35 along 26th Avenue North.

45.1 (b) All project lighting must follow the  
 45.2 International Dark Sky Community Program  
 45.3 guidelines, published June 2018, and follow  
 45.4 best practices for bird-safe lighting. The height  
 45.5 of any beacon light must comply with the  
 45.6 Minneapolis shoreland overlay district  
 45.7 ordinance governing height of structures. A  
 45.8 beacon light must be off from March 15 to  
 45.9 May 31 and August 15 to October 31 each  
 45.10 year, and off between the hours of 11 p.m. and  
 45.11 6 a.m. at all other times of the year. All  
 45.12 lighting must be shielded and use bird-safe  
 45.13 light colors.

45.14 **Subd. 8. Ramsey County; Battle Creek Winter**  
 45.15 **Recreation Area**

1,800,000

45.16 For a grant to Ramsey County to design,  
 45.17 construct, furnish, and equip a maintenance  
 45.18 building for the Nordic ski competition and  
 45.19 winter recreation area, including related  
 45.20 earthwork and landscaping, and for a marker  
 45.21 commemorating the Olympic  
 45.22 accomplishments of Minnesotan Jessie  
 45.23 Diggins, in Battle Creek Regional Park.

45.24 **Subd. 9. St. Paul; Como Zoo**

1,000,000

45.25 For a grant to the city of St. Paul to improve  
 45.26 and replace outdated mechanical systems and  
 45.27 other building structural components to  
 45.28 achieve greater energy efficiency at Como  
 45.29 Zoo.

45.30 **Subd. 10. St. Paul; Wakan Tipi**

1,000,000

45.31 For a grant to the city of St. Paul for the  
 45.32 Wakan Tipi Center project. The city may enter  
 45.33 into a lease or management agreement under  
 45.34 Minnesota Statutes, section 16A.695. This  
 45.35 appropriation is added to the appropriation for

46.1 the Nature Sanctuary Visitor Center in Laws  
 46.2 2018, chapter 214, article 1, section 17,  
 46.3 subdivision 6, and is for the same purposes.

46.4 **Subd. 11. Three Rivers Park District; Mississippi**  
 46.5 **Gateway** 5,000,000

46.6 For a grant to Three Rivers Park District to  
 46.7 predesign, design, and engineer improvements  
 46.8 to the Mississippi Gateway Regional Park,  
 46.9 and to construct a canopy walkway and  
 46.10 playground development, pedestrian trail  
 46.11 connections, landscape restoration and  
 46.12 enhancements, and habitat restoration.

46.13 **Subd. 12. White Bear Lake Communities; Lake**  
 46.14 **Links Trail** 3,600,000

46.15 For grants to complete design and construction  
 46.16 of a multiuse paved trail and route for  
 46.17 pedestrians, bicycles, and wheelchairs around  
 46.18 White Bear Lake in Ramsey and Washington  
 46.19 Counties, as follows:

46.20 (1) \$2,600,000 of this appropriation is for a  
 46.21 grant to the city of Dellwood in Washington  
 46.22 County to design, engineer, construct, and  
 46.23 equip trail improvements consistent with the  
 46.24 completed preliminary engineering along or  
 46.25 parallel with the shore of White Bear Lake  
 46.26 between the Mahtomedi city limits and the  
 46.27 western line of Washington County;

46.28 (2) \$500,000 of this appropriation is for a  
 46.29 grant to White Bear Township in Ramsey  
 46.30 County to design, engineer, construct, and  
 46.31 equip trail improvements along and parallel  
 46.32 with the shore of White Bear Lake between  
 46.33 the Washington County line and the city limits  
 46.34 of the city of White Bear Lake, Ramsey  
 46.35 County; and

47.1 (3) \$500,000 of this appropriation is for a  
 47.2 grant to the city of White Bear Lake in  
 47.3 Ramsey County to design, engineer, construct,  
 47.4 and equip trail improvements along or parallel  
 47.5 with the shore of White Bear Lake between  
 47.6 the eastern city limits of White Bear Lake and  
 47.7 Pacific Avenue.

47.8 Sec. 18. **HUMAN SERVICES**

47.9 **Subdivision 1. Total Appropriation** **\$ 27,409,000**

47.10 To the commissioner of administration, or  
 47.11 other named entity, for the purposes specified  
 47.12 in this section.

47.13 **Subd. 2. Asset Preservation** **8,000,000**

47.14 For asset preservation improvements and  
 47.15 betterments of a capital nature at Department  
 47.16 of Human Services facilities statewide, to be  
 47.17 spent in accordance with Minnesota Statutes,  
 47.18 section 16B.307.

47.19 **Subd. 3. St. Peter Regional Treatment Center**  
 47.20 **Campus - Phase 2** **1,794,000**

47.21 To design the second phase of a multiphase  
 47.22 project to develop additional residential,  
 47.23 program, activity, and ancillary facilities for  
 47.24 the Minnesota sex offender program on the  
 47.25 lower campus of the St. Peter Regional  
 47.26 Treatment Center.

47.27 **Subd. 4. Child and Adolescent Behavioral Health**  
 47.28 **Services Facility** **1,750,000**

47.29 For design, construction, and furnishing of a  
 47.30 large motor activity and ancillary space for  
 47.31 the Child and Adolescent Behavioral Health  
 47.32 Hospital. The appropriation also includes  
 47.33 money for design and construction of a small  
 47.34 maintenance shed, courtyard interiors, a

48.1 parking lot, playground equipment, and  
 48.2 landscaping activities.

48.3 **Subd. 5. Regional Behavioral Health Crisis**  
 48.4 **Facilities Grant Program**

10,000,000

48.5 To the commissioner of human services for  
 48.6 regional behavioral health crisis facilities  
 48.7 grants under Minnesota Statutes, section  
 48.8 245G.011.

48.9 **Subd. 6. St. Louis Park; Perspectives Family**  
 48.10 **Center**

4,500,000

48.11 To the commissioner of human services for a  
 48.12 grant to the city of St. Louis Park to construct,  
 48.13 furnish, and equip the expansion and  
 48.14 renovation of the existing Perspectives Family  
 48.15 Center facility in St. Louis Park subject to  
 48.16 Minnesota Statutes, section 16A.695. The  
 48.17 expanded and renovated facility must be used  
 48.18 to promote the public welfare by providing  
 48.19 any or all of the following programs and  
 48.20 services: (1) supportive housing programs for  
 48.21 homeless women and their children; (2) mental  
 48.22 and chemical health programs; (3)  
 48.23 employment services; (4) academic, social  
 48.24 skills, and nutritional programs for homeless  
 48.25 and at-risk children; (5) an all-day therapeutic  
 48.26 early childhood development program for  
 48.27 homeless and at-risk children; and (6) a  
 48.28 culturally sensitive safe and nurturing  
 48.29 environment for at-risk children to meet with  
 48.30 their nonresidential parents.

48.31 **Subd. 7. St. Louis County; Regional Behavioral**  
 48.32 **Health Crisis Facility**

1,365,000

48.33 To the commissioner of human services for a  
 48.34 grant to St. Louis County for a regional  
 48.35 behavioral health crisis facility. This



49.1 appropriation is in addition to and for the same  
 49.2 purposes as the grant awarded to the county  
 49.3 under Minnesota Statutes, section 245G.011.

49.4 **Sec. 19. VETERANS AFFAIRS**

49.5 **Subdivision 1. Total Appropriation** **\$ 8,450,000**

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

49.8 **Subd. 2. Asset Preservation** **8,000,000**

49.9 For asset preservation improvements and  
 49.10 betterments of a capital nature at the veterans  
 49.11 homes in Minneapolis, Hastings, Fergus Falls,  
 49.12 Silver Bay, and Luverne, and the Little Falls  
 49.13 Cemetery, to be spent in accordance with  
 49.14 Minnesota Statutes, section 16B.307.

49.15 **Subd. 3. Fergus Falls Veterans Home**  
 49.16 **Greenhouse** **100,000**

49.17 To design, construct, and equip a new  
 49.18 greenhouse at the Minnesota Veterans Home  
 49.19 in Fergus Falls.

49.20 **Subd. 4. Martin County; Veterans Memorial** **350,000**

49.21 For a grant to Martin County to design and  
 49.22 construct a memorial to those who have served  
 49.23 in the military of the United States of America  
 49.24 and those who have died in the line of duty.

49.25 **Sec. 20. CORRECTIONS**

49.26 **Subdivision 1. Total Appropriation** **\$ 44,498,000**

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

49.29 **Subd. 2. Asset Preservation** **25,000,000**

49.30 For asset preservation improvements and  
 49.31 betterments of a capital nature at Minnesota  
 49.32 correctional facilities statewide, to be spent in

- 50.1 accordance with Minnesota Statutes, section  
 50.2 16B.307.
- 50.3 **Subd. 3. Minnesota Correctional Facility -**  
 50.4 **Willow River** 1,877,000
- 50.5 To design, construct, and equip a  
 50.6 communications system to accommodate a  
 50.7 new radio tower, a microwave system,  
 50.8 electrical and data connectivity, and an  
 50.9 environmentally controlled, secure structure  
 50.10 to house the communications equipment at the  
 50.11 Minnesota Correctional Facility - Willow  
 50.12 River.
- 50.13 **Subd. 4. Minnesota Correctional Facility -**  
 50.14 **Faribault** 954,000
- 50.15 To predesign and design the construction and  
 50.16 renovation of new and existing buildings at  
 50.17 the Minnesota Correctional Facility -  
 50.18 Faribault, in order to upgrade the minimum  
 50.19 security housing unit (Dakota Building) and  
 50.20 expand offender programming space.
- 50.21 **Subd. 5. Minnesota Correctional Facility - St.**  
 50.22 **Cloud** 800,000
- 50.23 To design, renovate, construct, equip, and  
 50.24 install a new fire suppression system in Living  
 50.25 Units A, B, and C at the Minnesota  
 50.26 Correctional Facility - St. Cloud. This  
 50.27 installation includes but is not limited to cells,  
 50.28 common areas, and control areas and must  
 50.29 comply with all applicable codes.
- 50.30 **Subd. 6. Minnesota Correctional Facility -**  
 50.31 **Stillwater** 2,600,000
- 50.32 To design, renovate, construct, equip, and  
 50.33 install a fire suppression system in four living  
 50.34 units at the Minnesota Correctional Facility -  
 50.35 Stillwater. This installation includes but is not

- 51.1 limited to the cells, common areas, and control  
 51.2 areas in Buildings 3, 5, 9, and 12 and must  
 51.3 comply with all applicable codes.
- 51.4 **Subd. 7. Minnesota Correctional Facility - Togo** 2,600,000
- 51.5 To design, construct, and equip a new sewer  
 51.6 treatment system at the Minnesota  
 51.7 Correctional Facility - Togo. The system  
 51.8 includes but is not limited to settling ponds,  
 51.9 pumping stations, and other underground  
 51.10 infrastructure improvements associated with  
 51.11 the sewer system complying with all Pollution  
 51.12 Control Agency and code requirements. As  
 51.13 part of the project, the existing septic  
 51.14 system/drain field shall be decommissioned.
- 51.15 **Subd. 8. Arrowhead Regional Corrections Joint**  
 51.16 **Powers Board** 3,250,000
- 51.17 For a grant to the Arrowhead Regional  
 51.18 Corrections Joint Powers Board to renovate,  
 51.19 remodel, and complete other capital  
 51.20 improvements to buildings that support  
 51.21 vocational, educational, and farm work  
 51.22 programming and experiences at the Northeast  
 51.23 Regional Corrections Center.
- 51.24 **Subd. 9. Carlton County; Regional Corrections**  
 51.25 **Facility** 2,000,000
- 51.26 For a grant to Carlton County for predesign  
 51.27 and design of a corrections facility providing  
 51.28 emphasis on serving as a regional facility for  
 51.29 female offenders. This statewide  
 51.30 demonstration project shall address current  
 51.31 state requirements of parity in serving male  
 51.32 and female offenders under Minnesota  
 51.33 Statutes, section 241.70, subdivision 1, and  
 51.34 will use the Sequential Intercept Model to  
 51.35 improve service and system-level responses

- 52.1 for adults with mental and substance abuse  
 52.2 disorders in the criminal justice system.
- 52.3 **Subd. 10. Martin County Justice Center** 2,167,000
- 52.4 For a grant to Martin County for site  
 52.5 preparation, predesign, and design of a new  
 52.6 county justice center to provide space for  
 52.7 functions related to the county justice system,  
 52.8 which may include the county jail, courtrooms,  
 52.9 court offices and related purposes, offices for  
 52.10 the sheriff and other law enforcement  
 52.11 personnel, county and state corrections, the  
 52.12 county attorney, dispatch, and emergency  
 52.13 management.
- 52.14 **Subd. 11. Prairie Lake Youth JPB; School and**  
 52.15 **Recreation Center** 2,500,000
- 52.16 For a grant to the Prairie Lake Youth Joint  
 52.17 Powers Board to predesign, design, construct,  
 52.18 furnish, and equip an indoor recreation and  
 52.19 educational building adjoining the current  
 52.20 building for the Prairie Lakes Youth Program.
- 52.21 **Subd. 12. Winona County Jail** 750,000
- 52.22 For a grant to Winona County to acquire land  
 52.23 for a new county jail.
- 52.24 **Subd. 13. Unspent Appropriations**
- 52.25 The unspent portion of an appropriation for a  
 52.26 Department of Corrections project in this  
 52.27 section that is complete, upon written notice  
 52.28 to the commissioner of management and  
 52.29 budget, is available for asset preservation  
 52.30 under Minnesota Statutes, section 16B.307.  
 52.31 Minnesota Statutes, section 16A.642, applies  
 52.32 from the date of the original appropriation to  
 52.33 the unspent amount transferred.

53.1	<b>Sec. 21. <u>EMPLOYMENT AND ECONOMIC</u></b>	
53.2	<b><u>DEVELOPMENT</u></b>	
53.3	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$ <u>150,241,000</u></b>
53.4	<u>To the commissioner of employment and</u>	
53.5	<u>economic development, or other named entity,</u>	
53.6	<u>for the purposes specified in this section.</u>	
53.7	<b><u>Subd. 2. Greater Minnesota Business</u></b>	
53.8	<b><u>Development Public Infrastructure</u></b>	<b><u>10,000,000</u></b>
53.9	<u>For grants under Minnesota Statutes, section</u>	
53.10	<u>116J.431.</u>	
53.11	<b><u>Subd. 3. Innovative Business Development Public</u></b>	
53.12	<b><u>Infrastructure</u></b>	<b><u>2,000,000</u></b>
53.13	<u>For grants under Minnesota Statutes, section</u>	
53.14	<u>116J.435.</u>	
53.15	<b><u>Subd. 4. Transportation Economic Development</u></b>	
53.16	<b><u>Infrastructure</u></b>	<b><u>3,000,000</u></b>
53.17	<u>For grants under Minnesota Statutes, section</u>	
53.18	<u>116J.436.</u>	
53.19	<b><u>Subd. 5. Workforce Center; Asset Preservation</u></b>	<b><u>642,000</u></b>
53.20	<u>To the commissioner of administration for</u>	
53.21	<u>asset preservation improvements and</u>	
53.22	<u>betterments of a capital nature at the South</u>	
53.23	<u>Minneapolis CareerForce location to be spent</u>	
53.24	<u>in accordance with Minnesota Statutes, section</u>	
53.25	<u>16B.307.</u>	
53.26	<b><u>Subd. 6. Alexandria; Runestone Community</u></b>	
53.27	<b><u>Center Expansion</u></b>	<b><u>5,600,000</u></b>
53.28	<u>For a grant to the city of Alexandria to design,</u>	
53.29	<u>construct, furnish, and equip an expansion and</u>	
53.30	<u>renovation of the Runestone Community</u>	
53.31	<u>Center in Alexandria.</u>	

54.1	<b><u>Subd. 7. Annandale; Infrastructure</u></b>	
54.2	<b><u>Improvements</u></b>	<u>4,090,000</u>
54.3	<u>For a grant to the city of Annandale for</u>	
54.4	<u>predesign, design, construction, and</u>	
54.5	<u>replacement or renovation of street, storm</u>	
54.6	<u>sewer, sanitary sewer, water main, and other</u>	
54.7	<u>capital improvements that are made necessary</u>	
54.8	<u>by, or are most economically completed if</u>	
54.9	<u>performed at the same time as, road work on</u>	
54.10	<u>marked Trunk Highways 24 and 55 in the city</u>	
54.11	<u>of Annandale.</u>	
54.12	<b><u>Subd. 8. Becker; Business Park Public</u></b>	
54.13	<b><u>Infrastructure</u></b>	<u>20,500,000</u>
54.14	<u>For a grant to the city of Becker to acquire</u>	
54.15	<u>land, predesign, design, construct, furnish, and</u>	
54.16	<u>equip public infrastructure, including water,</u>	
54.17	<u>sanitary sewer, storm sewer and drainage</u>	
54.18	<u>systems, roads, and lighting for a business</u>	
54.19	<u>park in the city of Becker. A portion of the</u>	
54.20	<u>water infrastructure for the business park will</u>	
54.21	<u>be installed in Becker Township.</u>	
54.22	<b><u>Subd. 9. Becker County; Museum</u></b>	<u>1,850,000</u>
54.23	<u>For a grant to Becker County to predesign,</u>	
54.24	<u>design, construct, furnish, and equip a new</u>	
54.25	<u>county museum facility.</u>	
54.26	<b><u>Subd. 10. Champlin; Mississippi Point Park</u></b>	
54.27	<b><u>Improvements</u></b>	<u>3,450,000</u>
54.28	<u>For a grant to the city of Champlin to</u>	
54.29	<u>predesign, design, acquire, install, construct,</u>	
54.30	<u>furnish, and equip capital improvements in</u>	
54.31	<u>Mississippi Point Park, including an</u>	
54.32	<u>Americans with Disabilities Act (ADA)</u>	
54.33	<u>accessible boat docking system and picnic</u>	
54.34	<u>pavilion.</u>	

55.1	<b><u>Subd. 11. Chatfield; Center for the Arts</u></b>	<b><u>8,700,000</u></b>
55.2	<u>For a grant to the city of Chatfield economic</u>	
55.3	<u>development authority to predesign, design,</u>	
55.4	<u>renovate, construct, furnish, and equip the</u>	
55.5	<u>Chatfield Center for the Arts in the city of</u>	
55.6	<u>Chatfield, which is generally described as the</u>	
55.7	<u>renovation of the 1916 high school and the</u>	
55.8	<u>installation of a linking structure and related</u>	
55.9	<u>improvements to serve both the 1936</u>	
55.10	<u>auditorium building and the 1916 school</u>	
55.11	<u>building. The renovation includes interior,</u>	
55.12	<u>exterior, and amenity improvements within</u>	
55.13	<u>the high school building; improvements to the</u>	
55.14	<u>electrical, plumbing, and HVAC systems</u>	
55.15	<u>throughout the property; and general</u>	
55.16	<u>improvements to the buildings and land that</u>	
55.17	<u>are known as the Chatfield Center for the Arts,</u>	
55.18	<u>currently owned by the economic development</u>	
55.19	<u>authority.</u>	
55.20	<b><u>Subd. 12. Crookston; Colborn Property</u></b>	
55.21	<b><u>Development</u></b>	<b><u>895,000</u></b>
55.22	<u>For a grant to the city of Crookston for</u>	
55.23	<u>development of the southern end of the city</u>	
55.24	<u>limits commonly known as the Colborn</u>	
55.25	<u>Property. This appropriation includes money</u>	
55.26	<u>for construction of roads and storm water</u>	
55.27	<u>infrastructure, for site preparation, and for</u>	
55.28	<u>other improvements of publicly owned</u>	
55.29	<u>infrastructure.</u>	
55.30	<b><u>Subd. 13. Deephaven; Northome Avenue Bridge</u></b>	<b><u>750,000</u></b>
55.31	<u>For a grant to the city of Deephaven to</u>	
55.32	<u>predesign, design, construct, furnish, and</u>	
55.33	<u>equip a bridge to carry Northome Avenue over</u>	
55.34	<u>a pedestrian and bike trail in the city of</u>	
55.35	<u>Deephaven.</u>	

56.1	<b><u>Subd. 14. Duluth; Seawall and Surface</u></b>	
56.2	<b><u>Improvements</u></b>	<b><u>13,500,000</u></b>
56.3	<u>For a grant to the city of Duluth to predesign,</u>	
56.4	<u>design, construct, furnish, and equip seawall</u>	
56.5	<u>and lakewalk infrastructure with related</u>	
56.6	<u>surface improvements, including a boardwalk</u>	
56.7	<u>and bike trails, public gathering spaces, and</u>	
56.8	<u>loading areas, along the shore of Lake</u>	
56.9	<u>Superior in the city of Duluth. This</u>	
56.10	<u>appropriation may also be used for demolition</u>	
56.11	<u>and removal of existing seawall and lakewalk</u>	
56.12	<u>structures.</u>	
56.13	<b><u>Subd. 15. Duluth; Lake Superior Zoo</u></b>	<b><u>204,000</u></b>
56.14	<u>For a grant to the city of Duluth to predesign</u>	
56.15	<u>and design the renovation or replacement of</u>	
56.16	<u>the Main Building at the Lake Superior Zoo.</u>	
56.17	<b><u>Subd. 16. Ellsworth; City Hall and Public Works</u></b>	
56.18	<b><u>Shop</u></b>	<b><u>1,000,000</u></b>
56.19	<u>For a grant to the city of Ellsworth to prepare</u>	
56.20	<u>the site, predesign, design, construct, furnish,</u>	
56.21	<u>and equip a city hall with a multipurpose room</u>	
56.22	<u>and a public works shop, to replace the city</u>	
56.23	<u>hall and public works buildings destroyed by</u>	
56.24	<u>fire in January 2019.</u>	
56.25	<b><u>Subd. 17. Eveleth; Buildings Renovation</u></b>	<b><u>1,000,000</u></b>
56.26	<u>For a grant to the city of Eveleth to predesign,</u>	
56.27	<u>design, construct, renovate, and equip capital</u>	
56.28	<u>improvements and betterments to the city</u>	
56.29	<u>hall/police station, the Carnegie library, the</u>	
56.30	<u>fire/ambulance hall, the Hippodrome ice arena,</u>	
56.31	<u>and the city auditorium. The improvements</u>	
56.32	<u>include renovation or replacement of HVAC</u>	
56.33	<u>systems, roof replacement, installation of</u>	
56.34	<u>carbon monoxide and nitrogen dioxide</u>	
56.35	<u>detection systems, exterior masonry</u>	



- 57.1 restoration, and renovation of public  
 57.2 restrooms.
- 57.3 **Subd. 18. Fergus Falls; Riverfront Corridor** 1,000,000
- 57.4 For a grant to the city of Fergus Falls for  
 57.5 construction of a downtown riverfront corridor  
 57.6 improvement project including an  
 57.7 amphitheater, river market, public arts space,  
 57.8 interactive water components, and related  
 57.9 publicly owned infrastructure and amenities.
- 57.10 **Subd. 19. Grand Rapids; IRA Civic Center** 5,000,000
- 57.11 For a grant to the city of Grand Rapids for the  
 57.12 design, construction, and equipping of capital  
 57.13 improvements to the IRA Civic Center. This  
 57.14 appropriation includes money for replacement  
 57.15 of the truss/roof structure, replacement of the  
 57.16 facility's existing ice-making system, and other  
 57.17 improvements and betterments of a capital  
 57.18 nature for health, safety, and Americans with  
 57.19 Disabilities Act (ADA) compliance.
- 57.20 **Subd. 20. Hastings; City Hall** 2,000,000
- 57.21 For a grant to the city of Hastings for repairs,  
 57.22 construction, and other capital improvements  
 57.23 necessary for renovation of the historic City  
 57.24 Hall in Hastings. This appropriation includes  
 57.25 money for repairs of the dome and roofing,  
 57.26 HVAC improvements, repairs to the interior  
 57.27 walls and exterior masonry of the building,  
 57.28 site regrading, and project management.
- 57.29 **Subd. 21. Hennepin County; Avivo** 1,700,000
- 57.30 For a grant to Hennepin County for Phase 1  
 57.31 of the Avivo regional career and employment  
 57.32 center project in Minneapolis, subject to  
 57.33 Minnesota Statutes, section 16A.695. Phase  
 57.34 1 includes geotechnical and environmental

- 58.1 investigation, demolition, and site work;  
 58.2 predesign and design of the renovation and  
 58.3 expansion of a building; and predesign and  
 58.4 design for the replacement of or improvements  
 58.5 to building systems on the Avivo campus,  
 58.6 including HVAC, mechanical, electrical, and  
 58.7 accessibility improvements.
- 58.8 **Subd. 22. Hibbing; Mine View "Window to the**  
 58.9 **World"** 1,300,000
- 58.10 For a grant to the city of Hibbing to construct  
 58.11 the mine view "Windows to the World"  
 58.12 facility on the Susquehanna mine dump.
- 58.13 **Subd. 23. Litchfield; Wellness Center** 5,000,000
- 58.14 (a) For a grant to the city of Litchfield to  
 58.15 acquire land for and to predesign, design,  
 58.16 construct, furnish, and equip a community  
 58.17 wellness/recreation center that will include a  
 58.18 gymnasium and general fitness spaces, a  
 58.19 dedicated walking section, a community room,  
 58.20 and any locker rooms and mechanical  
 58.21 equipment needed for future additions to the  
 58.22 facility.
- 58.23 (b) This appropriation is not available until  
 58.24 the commissioner of employment and  
 58.25 economic development has determined that  
 58.26 the school district and the city have entered  
 58.27 into an agreement that addresses the city's and  
 58.28 school district's relative contributions to the  
 58.29 project and the operations and use of the  
 58.30 facilities. The city may enter into a lease or  
 58.31 management agreement with the school  
 58.32 district.
- 58.33 **Subd. 24. Minneapolis; Central City Storm**  
 58.34 **Tunnel** 8,500,000

59.1 For a grant to the city of Minneapolis for  
 59.2 design and construction necessary to expand  
 59.3 the Central City Storm Tunnel in Minneapolis.

59.4 **Subd. 25. Minneapolis; Outdoor Performance**  
 59.5 **Venue**

12,500,000

59.6 (a) For a grant to the city of Minneapolis to  
 59.7 predesign, design, construct, furnish, and  
 59.8 equip a new outdoor music performance venue  
 59.9 on the Upper Harbor site along the Mississippi  
 59.10 River in North Minneapolis. The venue will  
 59.11 accommodate approximately 7,000 to 10,000  
 59.12 people in a combination of temporary seating  
 59.13 or standing room. A portion of the venue will  
 59.14 be designed to allow it to be enclosed for  
 59.15 smaller events on a year-round basis.

59.16 (b) The city may operate the outdoor music  
 59.17 venue directly or enter into a lease or  
 59.18 management agreement with a for-profit or a  
 59.19 nonprofit operator, subject to Minnesota  
 59.20 Statutes, section 16A.695. The lease or  
 59.21 management agreement must provide for a  
 59.22 program of free use of the venue that will  
 59.23 benefit the adjacent North Minneapolis  
 59.24 community and that will be curated and  
 59.25 controlled by a North Minneapolis  
 59.26 community-based partner.

59.27 (c) The city of Minneapolis contract with the  
 59.28 developer of the project or the lease or  
 59.29 management agreement, or both, must identify  
 59.30 community benefits from the development,  
 59.31 construction, management, operation, and  
 59.32 maintenance of the venue intended to benefit  
 59.33 the adjacent communities, including benefits  
 59.34 related to procurement, employment,

- 60.1 sustainability, and other commitments from  
 60.2 the operator of the venue.
- 60.3 **Subd. 26. New Ulm; German Park**  
 60.4 **Amphitheater** 300,000
- 60.5 For a grant to the city of New Ulm to design,  
 60.6 acquire, install, furnish, and equip a capital  
 60.7 improvement permanent shade structure  
 60.8 system for the German Park amphitheater,  
 60.9 compliant with the Americans with Disabilities  
 60.10 Act.
- 60.11 **Subd. 27. Orono; Big Island Park** 300,000
- 60.12 For a grant to the city of Orono to predesign,  
 60.13 design, construct, furnish, and equip  
 60.14 improvements at Big Island Park, including a  
 60.15 picnic area, trails and trail gates, restrooms,  
 60.16 permanent seating, and interpretive panels.
- 60.17 **Subd. 28. Pipestone County; Dental Facility** 250,000
- 60.18 For a grant to Pipestone County to predesign,  
 60.19 design, construct, furnish, and equip a dental  
 60.20 care facility in Pipestone County. This  
 60.21 appropriation is in addition to the  
 60.22 appropriation for the same purpose in Laws  
 60.23 2018, chapter 214, article 1, section 21,  
 60.24 subdivision 18. This project is not subject to  
 60.25 the requirements of Minnesota Statutes,  
 60.26 section 16B.325.
- 60.27 **Subd. 29. Plymouth; Plymouth Creek Center** 5,000,000
- 60.28 For a grant to the city of Plymouth to  
 60.29 predesign, design, construct, furnish, and  
 60.30 equip the renovation and expansion of the  
 60.31 Plymouth Creek Center.
- 60.32 **Subd. 30. Proctor; Salt Shed** 500,000

- 61.1 For a grant to the city of Proctor to predesign,  
 61.2 design, and construct a salt shed to replace the  
 61.3 condemned salt shed on the river front.
- 61.4 **Subd. 31. Roseville; Guidant John Rose OVAL** 3,900,000
- 61.5 For a grant to the city of Roseville to  
 61.6 predesign, design, construct, furnish, and  
 61.7 equip the renovation of the Guidant John Rose  
 61.8 Minnesota OVAL. The project includes the  
 61.9 building, building systems, and facilities.
- 61.10 **Subd. 32. Steele County; Fairgrounds Electrical**  
 61.11 **Improvements** 750,000
- 61.12 For a grant to Steele County to construct  
 61.13 underground electrical infrastructure at the  
 61.14 Steele County Fairgrounds.
- 61.15 **Subd. 33. St. Cloud; Municipal Athletic**  
 61.16 **Complex** 10,000,000
- 61.17 For a grant to the city of St. Cloud to design,  
 61.18 construct, furnish, and equip improvements  
 61.19 to the municipal athletic complex to serve as  
 61.20 a regional sport facility. This appropriation  
 61.21 includes money to renovate and expand the  
 61.22 Municipal Athletic Facility, to demolish the  
 61.23 grandstand at Dick Putz field, and to design,  
 61.24 construct, furnish and equip a new grandstand  
 61.25 at Dick Putz Field. This appropriation may  
 61.26 not be used to acquire and install artificial turf  
 61.27 or to construct the west lobby.
- 61.28 **Subd. 34. St. Joseph; Jacob Wetterling**  
 61.29 **Recreation Center** 1,050,000
- 61.30 For a grant to the city of St. Joseph for Phase  
 61.31 1 of the St. Joseph Community Center project.  
 61.32 Phase 1 is to predesign and design a recreation  
 61.33 center as an addition to the former school  
 61.34 building purchased by the city to be  
 61.35 repurposed as a community center.

62.1	<b><u>Subd. 35. St. Louis County; Heritage and Arts</u></b>	
62.2	<b><u>Center</u></b>	<b><u>1,500,000</u></b>
62.3	<u>For a grant to St. Louis County for asset</u>	
62.4	<u>preservation of the St. Louis County Heritage</u>	
62.5	<u>and Arts Center, also known as the Depot, in</u>	
62.6	<u>Duluth. The project includes improvements</u>	
62.7	<u>to the life-safety elements of the building and</u>	
62.8	<u>to restore exterior building envelope integrity.</u>	
62.9	<b><u>Subd. 36. St. Paul; Humanities Center</u></b>	<b><u>750,000</u></b>
62.10	<u>For a grant to the city of St. Paul for asset</u>	
62.11	<u>preservation of the Minnesota Humanities</u>	
62.12	<u>Center's main facility, including capital</u>	
62.13	<u>improvements for building envelope,</u>	
62.14	<u>foundation, and structural integrity; and for</u>	
62.15	<u>mechanical systems upgrades, including</u>	
62.16	<u>heating, ventilation, and cooling, subject to</u>	
62.17	<u>Minnesota Statutes, section 16A.695. This</u>	
62.18	<u>appropriation is added to the appropriation in</u>	
62.19	<u>Laws 2018, chapter 214, article 1, section 21,</u>	
62.20	<u>subdivision 25.</u>	
62.21	<b><u>Subd. 37. St. Paul; Playwrights' Center</u></b>	<b><u>850,000</u></b>
62.22	<u>For a grant to the city of St. Paul to predesign</u>	
62.23	<u>and design the playwrights center facility in</u>	
62.24	<u>St. Paul for use as a comprehensive play</u>	
62.25	<u>development program and workshop facility.</u>	
62.26	<b><u>Subd. 38. St. Paul; Victoria Theater</u></b>	<b><u>1,000,000</u></b>
62.27	<u>For a grant to the city of St. Paul to acquire</u>	
62.28	<u>property located at 825 University Avenue</u>	
62.29	<u>West, and to predesign, design, construct,</u>	
62.30	<u>furnish, and equip the renovation of the</u>	
62.31	<u>historic Victoria Theater, to serve as a regional</u>	
62.32	<u>multicultural community and event center.</u>	
62.33	<u>This appropriation includes money for:</u>	
62.34	<u>demolition work; improvements to or</u>	

63.1 replacement of the mechanical, electrical,  
 63.2 plumbing, heating, ventilating, and air  
 63.3 conditioning systems; repairs to the existing  
 63.4 roof and exterior enclosure; site  
 63.5 improvements; construction or renovation of  
 63.6 interior spaces; and other improvements of a  
 63.7 capital nature. The city of St. Paul may enter  
 63.8 into a lease or management agreement with a  
 63.9 nonprofit organization for this facility under  
 63.10 Minnesota Statutes, section 16A.695.

63.11 **Subd. 39. St. Paul; Hmong Cultural Plaza,**  
 63.12 **Phalen Regional Park**

300,000

63.13 (a) For a grant to city of St. Paul for  
 63.14 construction of Phase II of the Saint Paul -  
 63.15 Changsha China Friendship Garden, at the  
 63.16 Hmong Cultural Plaza, in Phalen Regional  
 63.17 Park.

63.18 (b) In implementing the project, the city, or  
 63.19 any entity with which the city contracts for  
 63.20 implementation of the project, must hire and  
 63.21 retain for the life of the project residents of  
 63.22 the adjacent communities in living wage jobs,  
 63.23 improve environmental conditions of the  
 63.24 project site, use clean and efficient energy  
 63.25 sources, and work with Hmong cultural leaders  
 63.26 and artists to ensure that traditional Hmong  
 63.27 landscaping and building practices are used  
 63.28 to help tell the story of the Minnesota Hmong  
 63.29 experience.

63.30 **Subd. 40. Wadena; Access Road**

1,300,000

63.31 For a grant to the city of Wadena to acquire a  
 63.32 permanent easement for and to predesign,  
 63.33 design, engineer, and construct an access road  
 63.34 just northeast of 11th Street Northwest in

- 64.1 Wadena, going from marked Trunk Highway  
 64.2 10 to the new hospital complex.
- 64.3 **Subd. 41. Western Lake Superior Sanitary**  
 64.4 **District; Engine Generators** 6,750,000
- 64.5 For a grant to the Sanitary Board of the  
 64.6 Western Lake Superior Sanitary District to  
 64.7 design and construct engine generators as part  
 64.8 of the combined heat and power system to  
 64.9 capture and process heat and generate  
 64.10 electricity for use at the Western Lake  
 64.11 Superior Sanitary District wastewater  
 64.12 treatment facilities.
- 64.13 **Subd. 42. Willernie; Public Infrastructure** 160,000
- 64.14 For a grant to the city of Willernie to replace  
 64.15 the roof of the city hall, and, if any money is  
 64.16 remaining, for capital improvements in  
 64.17 conjunction with the Washington County road  
 64.18 12 project, including replacing and extending  
 64.19 the sidewalk, replacement of a water main,  
 64.20 and moving or removing a retaining wall.
- 64.21 **Subd. 43. Wright County; Dental Care Facility** 1,400,000
- 64.22 For a grant to Wright County to predesign,  
 64.23 design, construct, furnish, and equip a dental  
 64.24 care facility. The dental care facility will be  
 64.25 constructed in a building constructed for this  
 64.26 purpose by the county on the Wright County  
 64.27 Government Center campus in the city of  
 64.28 Buffalo. The county may enter into an  
 64.29 agreement under Minnesota Statutes, section  
 64.30 16A.695, for operation of the dental clinic.
- 64.31 **Sec. 22. PUBLIC FACILITIES AUTHORITY**
- 64.32 **Subdivision 1. Total Appropriation** **\$ 254,410,000**
- 64.33 To the Public Facilities Authority for the  
 64.34 purposes specified in this section.



65.1	<b><u>Subd. 2. State Match for Federal Grants to State</u></b>	
65.2	<b><u>Revolving Loan Programs</u></b>	<u>25,000,000</u>
65.3	<u>To match federal capitalization grants for the</u>	
65.4	<u>clean water revolving fund under Minnesota</u>	
65.5	<u>Statutes, section 446A.07, and the drinking</u>	
65.6	<u>water revolving fund under Minnesota</u>	
65.7	<u>Statutes, section 446A.081. This appropriation</u>	
65.8	<u>must be used for qualified capital projects.</u>	
65.9	<b><u>Subd. 3. Water Infrastructure Funding Program</u></b>	<u>55,494,000</u>
65.10	<u>(a) For grants to eligible municipalities under</u>	
65.11	<u>the water infrastructure funding program under</u>	
65.12	<u>Minnesota Statutes, section 446A.072.</u>	
65.13	<u>(b) \$33,296,000 is for wastewater projects</u>	
65.14	<u>listed on the Pollution Control Agency's</u>	
65.15	<u>project priority list in the fundable range under</u>	
65.16	<u>the clean water revolving fund program.</u>	
65.17	<u>(c) \$22,198,000 is for drinking water projects</u>	
65.18	<u>listed on the commissioner of health's project</u>	
65.19	<u>priority list in the fundable range under the</u>	
65.20	<u>drinking water revolving fund program.</u>	
65.21	<u>(d) After all eligible projects under paragraph</u>	
65.22	<u>(b) or (c) have been funded in a fiscal year,</u>	
65.23	<u>the Public Facilities Authority may transfer</u>	
65.24	<u>any remaining, uncommitted money to eligible</u>	
65.25	<u>projects under a program defined in paragraph</u>	
65.26	<u>(b) or (c) based on that program's project</u>	
65.27	<u>priority list.</u>	
65.28	<b><u>Subd. 4. Point Source Implementation Grants</u></b>	
65.29	<b><u>Program</u></b>	<u>44,553,000</u>
65.30	<u>For grants to eligible municipalities under the</u>	
65.31	<u>point source implementation grants program</u>	
65.32	<u>under Minnesota Statutes, section 446A.073.</u>	
65.33	<u>This appropriation must be used for qualified</u>	
65.34	<u>capital projects.</u>	

66.1	<b><u>Subd. 5. Albertville; Wastewater Treatment</u></b>	
66.2	<b><u>System Improvements</u></b>	<b><u>2,500,000</u></b>
66.3	<u>For a grant to the city of Albertville to design</u>	
66.4	<u>and construct wastewater infrastructure</u>	
66.5	<u>improvements related to nonnative species</u>	
66.6	<u>control.</u>	
66.7	<b><u>Subd. 6. Arden Hills; Water Main</u></b>	<b><u>500,000</u></b>
66.8	<u>For a grant to the city of Arden Hills to install</u>	
66.9	<u>a water main extending along Lexington</u>	
66.10	<u>Avenue, from County Road E to marked</u>	
66.11	<u>Interstate Highway 694.</u>	
66.12	<b><u>Subd. 7. Aurora; East Range Joint Powers</u></b>	
66.13	<b><u>Board; Water System</u></b>	<b><u>5,000,000</u></b>
66.14	<u>For a grant to the city of Aurora, Hoyt Lakes,</u>	
66.15	<u>or Biwabik, or the Town of White for the East</u>	
66.16	<u>Mesabi Joint Water System, to acquire land</u>	
66.17	<u>or a permanent interest in land, design,</u>	
66.18	<u>engineer, construct, furnish, and equip a</u>	
66.19	<u>comprehensive municipally owned cooperative</u>	
66.20	<u>joint drinking water system in the political</u>	
66.21	<u>subdivisions that are part of the East Range</u>	
66.22	<u>Joint Powers Board.</u>	
66.23	<b><u>Subd. 8. Austin; Wastewater Treatment Plant</u></b>	<b><u>7,450,000</u></b>
66.24	<u>For a grant to the city of Austin to design and</u>	
66.25	<u>engineer improvements for upgrades to the</u>	
66.26	<u>city's wastewater treatment facility.</u>	
66.27	<b><u>Subd. 9. Bemidji; Water Treatment Plant</u></b>	<b><u>10,194,000</u></b>
66.28	<u>For a grant to the city of Bemidji to predesign,</u>	
66.29	<u>design, construct, furnish, and equip upgrades</u>	
66.30	<u>to the city's water treatment plant including</u>	
66.31	<u>the addition of a filtration system to remove</u>	
66.32	<u>perfluoroalkyl substances from the city's</u>	
66.33	<u>drinking water.</u>	

67.1	<b><u>Subd. 10. Buhl; Water Infrastructure</u></b>	<b><u>1,500,000</u></b>
67.2	<u>For a grant to the city of Buhl to predesign,</u>	
67.3	<u>design, and construct wastewater, clean water,</u>	
67.4	<u>and storm sewer infrastructure in the city of</u>	
67.5	<u>Buhl.</u>	
67.6	<b><u>Subd. 11. Deer River; Water and Wastewater</u></b>	
67.7	<b><u>Systems</u></b>	<b><u>4,000,000</u></b>
67.8	<u>For a grant to the city of Deer River to design,</u>	
67.9	<u>engineer, and construct improvements and</u>	
67.10	<u>additions to the city's wastewater collection</u>	
67.11	<u>and treatment system, including construction</u>	
67.12	<u>of a stabilization pond, and replacement and</u>	
67.13	<u>expansion of storm sewer lines, sanitary sewer</u>	
67.14	<u>lines, and water lines in the city of Deer River.</u>	
67.15	<b><u>Subd. 12. East Itasca Joint Sewer Board;</u></b>	
67.16	<b><u>Regional Wastewater System</u></b>	<b><u>750,000</u></b>
67.17	<u>For a grant to the city of Nashwauk for</u>	
67.18	<u>preliminary and final engineering of a regional</u>	
67.19	<u>wastewater treatment system located in the</u>	
67.20	<u>city of Nashwauk to serve the communities</u>	
67.21	<u>represented by the East Itasca Joint Sewer</u>	
67.22	<u>Board and other communities.</u>	
67.23	<b><u>Subd. 13. Floodwood; Stabilization Ponds</u></b>	<b><u>2,000,000</u></b>
67.24	<u>For a grant to the city of Floodwood for</u>	
67.25	<u>predesign, design, engineering, and</u>	
67.26	<u>construction and expansion of stabilization</u>	
67.27	<u>ponds.</u>	
67.28	<b><u>Subd. 14. Foley; Wastewater Infrastructure</u></b>	<b><u>3,000,000</u></b>
67.29	<u>For a grant to the city of Foley to predesign,</u>	
67.30	<u>design, construct, and equip wastewater</u>	
67.31	<u>infrastructure improvements, which may also</u>	
67.32	<u>include acquisition of real property needed for</u>	
67.33	<u>the wastewater infrastructure improvements.</u>	

68.1	<b><u>Subd. 15. Lincoln-Pipestone Rural Water</u></b>	
68.2	<b><u>System</u></b>	<u>5,500,000</u>
68.3	<u>For a grant to the Lincoln-Pipestone Rural</u>	
68.4	<u>Water System to predesign and design water</u>	
68.5	<u>source development in its service area,</u>	
68.6	<u>including new wells, a water softening</u>	
68.7	<u>treatment plant (lime softening plant), and new</u>	
68.8	<u>water distribution pipes.</u>	
68.9	<b><u>Subd. 16. Mahnomen; Water Infrastructure</u></b>	<u>650,000</u>
68.10	<u>For a grant under Minnesota Statutes, section</u>	
68.11	<u>446A.07, to the city of Mahnomen for</u>	
68.12	<u>improvements to the city's water infrastructure.</u>	
68.13	<u>This grant is not subject to the project priority</u>	
68.14	<u>list set forth in Minnesota Statutes, section</u>	
68.15	<u>446A.07, subdivision 4.</u>	
68.16	<b><u>Subd. 17. Mahnomen; Drinking Water</u></b>	
68.17	<b><u>Infrastructure</u></b>	<u>1,250,000</u>
68.18	<u>For a grant under Minnesota Statutes, section</u>	
68.19	<u>446A.081, to the city of Mahnomen for the</u>	
68.20	<u>city's drinking water infrastructure. This grant</u>	
68.21	<u>is not subject to the project priority list set</u>	
68.22	<u>forth in Minnesota Statutes, section 446A.081,</u>	
68.23	<u>subdivision 5.</u>	
68.24	<b><u>Subd. 18. Melrose; Wastewater Treatment</u></b>	
68.25	<b><u>Facility</u></b>	<u>3,500,000</u>
68.26	<u>For a grant to the city of Melrose to design,</u>	
68.27	<u>construct, and equip improvements to the</u>	
68.28	<u>municipal wastewater treatment facility to</u>	
68.29	<u>expand the capacity of the facility and replace</u>	
68.30	<u>facility infrastructure and components that</u>	
68.31	<u>have reached the end of their useful life. This</u>	
68.32	<u>appropriation includes money for a new</u>	
68.33	<u>preliminary treatment system with new</u>	
68.34	<u>screening and pumping and for a new clarifier.</u>	
68.35	<b><u>Subd. 19. Mendota; Water Infrastructure</u></b>	<u>650,000</u>

- 69.1 For a grant to the city of Mendota to  
 69.2 predesign, design, engineer, and construct the  
 69.3 extension of the water main throughout the  
 69.4 city of Mendota to allow residents to connect  
 69.5 with the Saint Paul Regional Water Services  
 69.6 system.
- 69.7 **Subd. 20. Newport; Inflow and Infiltration** 2,000,000
- 69.8 For a grant to the city of Newport to design  
 69.9 and construct capital improvements to the  
 69.10 publicly owned portions of the city's  
 69.11 wastewater infrastructure to reduce or  
 69.12 eliminate inflow and infiltration.
- 69.13 **Subd. 21. Oronoco; Regional Wastewater System**  
 69.14 **Infrastructure Grant** 24,027,000
- 69.15 (a) Of this amount, \$1,350,000 is for a grant  
 69.16 to the city of Oronoco to acquire land and  
 69.17 easements, design, and engineer a wastewater  
 69.18 collection, conveyance, and treatment system  
 69.19 and associated water distribution  
 69.20 improvements to serve the city of Oronoco  
 69.21 and the region including the Oronoco Estates  
 69.22 Manufactured Home Community. Any amount  
 69.23 remaining after completion of design,  
 69.24 engineering, and acquisition may be applied  
 69.25 to the purposes described in subdivision 2.
- 69.26 (b) Of this amount, \$22,677,000 is for a grant  
 69.27 to the city of Oronoco to construct and provide  
 69.28 construction-related engineering for a  
 69.29 wastewater collection, conveyance, and  
 69.30 treatment system and associated water  
 69.31 distribution improvements to serve the city of  
 69.32 Oronoco and the region including the Oronoco  
 69.33 Estates Manufactured Home Community.
- 69.34 **Subd. 22. Randolph; Wastewater Infrastructure** 13,000,000

70.1 For a grant to the city of Randolph to acquire  
 70.2 land, predesign, environmental review, design,  
 70.3 construct, install, furnish, and equip a  
 70.4 wastewater collection system and treatment  
 70.5 system, including wastewater stabilization  
 70.6 ponds and spray irrigation fields, in and within  
 70.7 one and one-half miles of the city of Randolph.

70.8 **Subd. 23. Red Rock Rural Water System** 5,500,000

70.9 For a grant to the Red Rock Rural Water  
 70.10 System to design, construct, furnish, and equip  
 70.11 a new water treatment plant, a new water  
 70.12 tower, and installation of approximately 110  
 70.13 miles of ten-inch through two-inch water main,  
 70.14 and other improvements to infrastructure  
 70.15 required for an expansion of the Red Rock  
 70.16 Rural Water System, to be built and located  
 70.17 in Murray and Cottonwood Counties.

70.18 **Subd. 24. Rice Lake; Sewer, Water, and Utilities**  
 70.19 **Extension** 1,000,000

70.20 For a grant to the city of Rice Lake to acquire  
 70.21 land, predesign, design, construct, furnish, and  
 70.22 equip an extension of clean water, sanitary  
 70.23 sewer, storm sewer, and utilities to a  
 70.24 commercial and industrial park on North Rice  
 70.25 Lake Road in Rice Lake.

70.26 **Subd. 25. Royalton; Clean Water and Storm**  
 70.27 **Sewer Infrastructure** 900,000

70.28 For a grant to the city of Royalton to design,  
 70.29 engineer, and construct publicly owned  
 70.30 infrastructure in conjunction with  
 70.31 reconstruction of marked U.S. Highway 10 in  
 70.32 Royalton. This appropriation includes money  
 70.33 for replacement of and upgrades to the water  
 70.34 main and other municipal clean drinking water

71.1	<u>infrastructure and the storm sewer drainage</u>	
71.2	<u>system.</u>	
71.3	<b><u>Subd. 26. South Haven; Wells</u></b>	<b><u>1,700,000</u></b>
71.4	<u>For a grant to the city of South Haven to</u>	
71.5	<u>acquire land, predesign, design, construct,</u>	
71.6	<u>furnish, and equip two new wells in Wright</u>	
71.7	<u>County.</u>	
71.8	<b><u>Subd. 27. South St. Paul; Concord Street Public</u></b>	
71.9	<b><u>Utilities</u></b>	<b><u>2,000,000</u></b>
71.10	<u>For a grant to the city of South St. Paul to</u>	
71.11	<u>predesign, design, construct, and install</u>	
71.12	<u>sanitary sewer, water main, and storm sewer</u>	
71.13	<u>improvements, including removal of replaced</u>	
71.14	<u>infrastructure as necessary, in the Concord</u>	
71.15	<u>Street corridor in conjunction with the</u>	
71.16	<u>reconstruction and renovation of the street.</u>	
71.17	<b><u>Subd. 28. Spring Park; City Utilities</u></b>	<b><u>1,500,000</u></b>
71.18	<u>For a grant to the city of Spring Park for</u>	
71.19	<u>improvements to the city's water and sewer</u>	
71.20	<u>system in the northwest area of the city on</u>	
71.21	<u>West Arm Drive.</u>	
71.22	<b><u>Subd. 29. Two Harbors; Wastewater Treatment</u></b>	
71.23	<b><u>Plant</u></b>	<b><u>10,750,000</u></b>
71.24	<u>For a grant to the city of Two Harbors to</u>	
71.25	<u>predesign, design, construct, furnish, and</u>	
71.26	<u>equip improvements to the wastewater</u>	
71.27	<u>treatment facility in the city of Two Harbors,</u>	
71.28	<u>including a new activated sludge biological</u>	
71.29	<u>treatment system and mercury removal</u>	
71.30	<u>improvements, new aeration basins, final</u>	
71.31	<u>clarifiers, biosolids treatment units, mercury</u>	
71.32	<u>filter backwash supply tank, operations and</u>	
71.33	<u>controls building, and associated electrical and</u>	
71.34	<u>controls equipment.</u>	

72.1	<b><u>Subd. 30. Twin Lakes Township; Water</u></b>		
72.2	<b><u>Infrastructure</u></b>		<u>7,500,000</u>
72.3	<u>For a grant to Twin Lakes Township for the</u>		
72.4	<u>design and construction of a water distribution</u>		
72.5	<u>system, support facilities, and related water</u>		
72.6	<u>improvements, including a water main</u>		
72.7	<u>extension from the city of Carlton, along</u>		
72.8	<u>marked Trunk Highway 210 in Carlton</u>		
72.9	<u>County.</u>		
72.10	<b><u>Subd. 31. Vernon Center; Water Infrastructure</u></b>		
72.11	<b><u>Improvements</u></b>		<u>7,984,000</u>
72.12	<u>For a grant to the city of Vernon Center to</u>		
72.13	<u>predesign, design, construct, furnish, and</u>		
72.14	<u>equip water infrastructure improvements,</u>		
72.15	<u>including refurbishing a water tower, and</u>		
72.16	<u>replacement of wastewater collection, water</u>		
72.17	<u>distribution systems, storm sewer system</u>		
72.18	<u>improvements, and related local road</u>		
72.19	<u>improvements.</u>		
72.20	<b><u>Subd. 32. Waldorf; Water Infrastructure</u></b>		
72.21	<b><u>Improvements</u></b>		<u>858,000</u>
72.22	<u>For a grant to the city of Waldorf to complete</u>		
72.23	<u>the construction of water, wastewater, street,</u>		
72.24	<u>and storm sewer improvements.</u>		
72.25	<b><u>Subd. 33. West St. Paul; Lift Stations</u></b>		<u>2,200,000</u>
72.26	<u>For a grant to the city of West St. Paul for</u>		
72.27	<u>upgrades to lift stations 1 and 2.</u>		
72.28	<b><u>Sec. 23. MINNESOTA HOUSING FINANCE</u></b>		
72.29	<b><u>AGENCY</u></b>	<b><u>\$</u></b>	<b><u>16,000,000</u></b>
72.30	<u>To the Minnesota Housing Finance Agency</u>		
72.31	<u>for transfer to the housing development fund</u>		
72.32	<u>to finance the costs of rehabilitation to</u>		
72.33	<u>preserve public housing under Minnesota</u>		
72.34	<u>Statutes, section 462A.202, subdivision 3a.</u>		
72.35	<u>For purposes of this section, "public housing"</u>		



73.1 means housing for low-income persons and  
 73.2 households financed by the federal  
 73.3 government and publicly owned. Priority may  
 73.4 be given to proposals that maximize nonstate  
 73.5 resources to finance the capital costs and  
 73.6 requests that prioritize health, safety, and  
 73.7 energy improvements. The priority in  
 73.8 Minnesota Statutes, section 462A.202,  
 73.9 subdivision 3a, for projects to increase the  
 73.10 supply of affordable housing and the  
 73.11 restrictions of Minnesota Statutes, section  
 73.12 462A.202, subdivision 7, do not apply to this  
 73.13 appropriation.

73.14 **Sec. 24. MINNESOTA HISTORICAL**  
 73.15 **SOCIETY**

73.16 **Subdivision 1. Total Appropriation** **\$ 3,100,000**

73.17 To the Minnesota Historical Society for the  
 73.18 purposes specified in this section.

73.19 **Subd. 2. Historic Sites Asset Preservation** **2,350,000**

73.20 For capital improvements and betterments at  
 73.21 state historic sites, buildings, landscaping at  
 73.22 historic buildings, exhibits, markers, and  
 73.23 monuments, to be spent in accordance with  
 73.24 Minnesota Statutes, section 16B.307. The  
 73.25 society shall determine project priorities as  
 73.26 appropriate based on need.

73.27 **Subd. 3. County and Local Preservation Grants** **750,000**

73.28 For grants to county and local jurisdictions as  
 73.29 matching money for historic preservation  
 73.30 projects of a capital nature, as provided in  
 73.31 Minnesota Statutes, section 138.0525.

73.32 **Sec. 25. BOND SALE EXPENSES**

73.33 **Subdivision 1. Total Appropriation** **\$ 1,363,000**

74.1 To the commissioner of management and  
 74.2 budget for the purposes specified in this  
 74.3 section.

74.4 **Subd. 2. Bond Proceeds Fund** 1,363,000

74.5 From the bond proceeds fund for bond sale  
 74.6 expenses under Minnesota Statutes, section  
 74.7 16A.641, subdivision 8.

74.8 **Sec. 26. BOND SALE AUTHORIZATION.**

74.9 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this act from  
 74.10 the bond proceeds fund, the commissioner of management and budget shall sell and issue  
 74.11 bonds of the state in an amount up to \$1,120,671,000 in the manner, upon the terms, and  
 74.12 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the  
 74.13 Minnesota Constitution, article XI, sections 4 to 7.

74.14 Subd. 2. Transportation fund. To provide the money appropriated in this act from the  
 74.15 bond proceeds account in the state transportation fund, the commissioner of management  
 74.16 and budget shall sell and issue bonds of the state in an amount up to \$242,959,000 in the  
 74.17 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections  
 74.18 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

74.19 **Sec. 27. CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

74.20 (a) The amounts of the general obligation bond proceeds appropriations and trunk  
 74.21 highway bond proceeds appropriations listed in the cancellation report submitted to the  
 74.22 legislature in January 2020, pursuant to Minnesota Statutes, section 16A.642, are canceled  
 74.23 on the effective date of this section. The corresponding bond sale authorizations are reduced  
 74.24 by the same amounts. If an appropriation in this section is canceled more than once, the  
 74.25 cancellation must be given effect only once.

74.26 (b) The unobligated amount remaining from the appropriation in Laws 2018, chapter  
 74.27 214, article 1, section 21, subdivision 27, is canceled. The bond sale authorization in Laws  
 74.28 2018, chapter 214, article 1, section 26, subdivision 1, is reduced by the same amount.

74.29 **Sec. 28. BOND SALE SCHEDULE.**

74.30 The commissioner of management and budget shall schedule the sale of state general  
 74.31 obligation bonds so that, during the biennium ending June 30, 2021, no more than

75.1 \$1,139,311,000 will need to be transferred from the general fund to the state bond fund to  
 75.2 pay principal and interest due and to become due on outstanding state general obligation  
 75.3 bonds. During the biennium, before each sale of state general obligation bonds, the  
 75.4 commissioner of management and budget shall calculate the amount of debt service payments  
 75.5 needed on bonds previously issued and shall estimate the amount of debt service payments  
 75.6 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the  
 75.7 amount of bonds scheduled to be sold so as to remain within the limit set by this section.  
 75.8 The amount needed to make the debt service payments is appropriated from the general  
 75.9 fund as provided in Minnesota Statutes, section 16A.641.

75.10 **Sec. 29. EFFECTIVE DATE.**

75.11 This article is effective the day following final enactment.

75.12 **ARTICLE 2**  
 75.13 **TRUNK HIGHWAY BONDS**

75.14 **Section 1. BOND APPROPRIATIONS.**

75.15 The sums shown in the column under "Appropriations" are appropriated from the bond  
 75.16 proceeds account in the trunk highway fund to the state agencies or officials indicated, to  
 75.17 be spent for public purposes. Appropriations of bond proceeds must be spent as authorized  
 75.18 by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money  
 75.19 appropriated in this article for a capital program or project may be used to pay state agency  
 75.20 staff costs that are attributed directly to the capital program or project in accordance with  
 75.21 accounting policies adopted by the commissioner of management and budget.

75.22 **SUMMARY**

75.23	<u>Department of Transportation</u>	<u>\$ 300,000,000</u>
75.24	<u>Department of Management and Budget</u>	<u>300,000</u>
75.25	<b><u>TOTAL</u></b>	<b><u>\$ 300,300,000</u></b>

75.26 **APPROPRIATIONS**

75.27 **Sec. 2. DEPARTMENT OF**  
 75.28 **TRANSPORTATION**

75.29 **Subdivision 1. State Road Construction** **\$ 84,000,000**

75.30 (a) From the bond proceeds account in the  
 75.31 trunk highway fund for the environmental  
 75.32 analysis, predesign, design, engineering,

76.1 construction, reconstruction, and improvement  
76.2 of trunk highways, including design-build  
76.3 contracts, internal department costs associated  
76.4 with delivering the construction program,  
76.5 consultant usage to support these activities,  
76.6 and the cost of payments to landowners for  
76.7 lands acquired for highway rights-of-way. The  
76.8 amount under this subdivision must be  
76.9 allocated to maintain regional balance  
76.10 throughout the state. The commissioner may  
76.11 use up to 17 percent of this amount for  
76.12 program delivery.

76.13 (b) This appropriation is primarily for keeping  
76.14 projects in the State Transportation  
76.15 Improvement Program on schedule due to  
76.16 reduced revenues from the COVID-19  
76.17 pandemic. If the appropriation is not needed  
76.18 for keeping projects on schedule, it is available  
76.19 for other trunk highway construction,  
76.20 reconstruction and improvement projects  
76.21 identified through the Capital Highway  
76.22 Investment Plan.

76.23 (c) Projects to construct, reconstruct, or  
76.24 improve trunk highways from this  
76.25 appropriation will follow eligible investment  
76.26 priorities identified in the State Highway  
76.27 Investment Plan, and may include pavements,  
76.28 bridges, culverts, flood mitigation, traveler  
76.29 safety, greater Minnesota mobility and Twin  
76.30 Cities mobility, freight, bicycle and pedestrian  
76.31 infrastructure, regional and community  
76.32 investment priorities, interchange construction  
76.33 or reconstruction, and lane additions, in  
76.34 addition to the associated installation of safety

- 77.1 barriers, lighting, signage, noise mitigation
- 77.2 measures, and retaining walls.
- 77.3 **Subd. 2. Railroad Grade Separations** **110,000,000**
- 77.4 From the bond proceeds account in the trunk
- 77.5 highway fund to construct rail safety projects
- 77.6 at highway-railroad grade crossings in
- 77.7 accordance with Minnesota Statutes, section
- 77.8 219.016.
- 77.9 **Subd. 3. Project Development** **25,000,000**
- 77.10 From the bond proceeds account in the trunk
- 77.11 highway fund for environmental analysis,
- 77.12 predesign, design and engineering and
- 77.13 right-of-way acquisition for regional and
- 77.14 community investment priority projects on the
- 77.15 trunk highway system identified in the State
- 77.16 Highway Investment Plan to prepare the
- 77.17 projects for construction and application for
- 77.18 federal grants or other funding opportunities.
- 77.19 In consultation with the commissioner of
- 77.20 Minnesota Management and Budget, the
- 77.21 commissioner of transportation is authorized
- 77.22 to use funds from this appropriation on
- 77.23 existing bond-eligible trunk highway projects
- 77.24 within the State Transportation Improvement
- 77.25 Program.
- 77.26 **Subd. 4. Flood Mitigation** **23,000,000**
- 77.27 From the bond proceeds account in the trunk
- 77.28 highway fund for reconstruction of trunk
- 77.29 highways that experience frequent flooding
- 77.30 in Sibley County and Le Sueur County, to
- 77.31 modify the elevation of the roadways and
- 77.32 reduce closures due to river flooding, for
- 77.33 portions of the projects that are eligible for
- 77.34 trunk highway bond proceeds.

78.1 **Subd. 5. Facilities Capital Program** **58,000,000**

78.2 From the bond proceeds account in the trunk  
 78.3 highway fund for the transportation facilities  
 78.4 capital improvement program under Minnesota  
 78.5 Statutes, section 174.13.

78.6 **Sec. 3. BOND SALE EXPENSES** **\$ 300,000**

78.7 This appropriation is to the commissioner of  
 78.8 management and budget for bond sale  
 78.9 expenses under Minnesota Statutes, sections  
 78.10 16A.641, subdivision 8, and 167.50,  
 78.11 subdivision 4.

78.12 **Sec. 4. BOND SALE AUTHORIZATION.**

78.13 To provide the money appropriated in this article from the bond proceeds account in the  
 78.14 trunk highway fund, the commissioner of management and budget shall sell and issue bonds  
 78.15 of the state in an amount up to \$300,300,000 in the manner, upon the terms, and with the  
 78.16 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota  
 78.17 Constitution, article XIV, section 11, at the times and in the amounts requested by the  
 78.18 commissioner of transportation. The proceeds of the bonds, except accrued interest and any  
 78.19 premium received from the sale of the bonds, must be deposited in the bond proceeds account  
 78.20 in the trunk highway fund.

78.21 **Sec. 5. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**

78.22 Subdivision 1. Establishment; accounts. (a) A transportation facilities capital program  
 78.23 is established to prioritize among eligible projects that:

78.24 (1) support the programmatic mission of the department;

78.25 (2) extend the useful life of existing buildings; or

78.26 (3) renovate or construct facilities to meet the department's current and future operational  
 78.27 needs.

78.28 (b) Projects under the transportation facilities capital program are funded by proceeds  
 78.29 from the sale of trunk highway bonds or from other funds appropriated for the purposes of  
 78.30 this section.

78.31 (c) A transportation facilities capital account is established in the trunk highway fund.  
 78.32 The account consists of all money appropriated from the trunk highway fund for the purposes

79.1 of this section and any other money donated, allotted, transferred, or otherwise provided to  
 79.2 the account by law. Money in the account is appropriated to the commissioner for the  
 79.3 purposes specified and consistent with the standards and criteria set forth in this section.

79.4 (d) A transportation facilities capital account is established in the bond proceeds account  
 79.5 of the trunk highway fund. The account consists of trunk highway bond proceeds appropriated  
 79.6 to the commissioner. Money in the account may only be expended on trunk highway  
 79.7 purposes, which includes the purposes in this section.

79.8 Subd. 2. **Standards.** Article XIV of the Minnesota Constitution states that the trunk  
 79.9 highway fund may be used for the purposes of constructing, improving, and maintaining  
 79.10 the trunk highway system in the state. When allocating funding under this section, the  
 79.11 commissioner must review the projects deemed eligible under subdivision 3 and prioritize  
 79.12 allocations using the criteria in subdivision 4. Money allocated to a specific project in an  
 79.13 act of appropriation or other law must be allocated as provided by the law.

79.14 Subd. 3. **Eligible expenditures.** A project is eligible under this section only if it involves  
 79.15 the construction, improvement, or maintenance of a capital building asset that is part of the  
 79.16 state trunk highway system. These capital building assets include but are not limited to  
 79.17 district headquarter buildings, truck stations, salt storage or other unheated storage buildings,  
 79.18 deicing and anti-icing facilities, fuel dispensing facilities, highway rest areas, and vehicle  
 79.19 weigh and inspection stations.

79.20 Subd. 4. **Criteria for priorities.** When prioritizing funding allocation among projects  
 79.21 eligible under subdivision 3, the commissioner must consider:

79.22 (1) whether a project ensures the effective and efficient condition and operation of the  
 79.23 facility;

79.24 (2) the urgency in ensuring the safe use of existing buildings;

79.25 (3) the project's total life-cycle cost;

79.26 (4) additional criteria for priorities otherwise specified in state law, statute, or rule that  
 79.27 applies to a category listed in the act making an appropriation for the program; and

79.28 (5) any other criteria the commissioner deems necessary.

79.29 Sec. 6. **EFFECTIVE DATE.**

79.30 This article is effective the day after enactment.

ARTICLE 3

EQUITY APPROPRIATIONS

Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

The sums shown in the column under "Appropriations" are appropriated from the general fund in fiscal year 2021 to the state agencies or officials indicated, to be spent for public purposes. These are one-time appropriations. Money appropriated in this article is available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

APPROPRIATIONS

Sec. 2. AGRICULTURE

Subdivision 1. Total Appropriation \$ 2,250,000

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

Subd. 2. Hmong American Farmers Association 2,000,000

For a grant to the Hmong American Farmers Association to purchase approximately 155 acres in Dakota County that the association has leased since 2014, including buildings and improvements on the property.

Subd. 3. Regenerative Alliance 250,000

(a) For a grant to the Regenerative Agriculture Alliance to predesign a poultry processing plant and an associated industrial park aimed at creating new, value-added economic opportunities for local farmers in southeastern Minnesota.

(b) By March 1, 2022, the Regenerative Agriculture Alliance in collaboration with the commissioner of agriculture, must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance on the progress, development, and implementation of the poultry processing plant and industrial



81.1	<u>park design and their potential to open new</u>		
81.2	<u>market opportunities for local and emerging</u>		
81.3	<u>farmers.</u>		
81.4	<b>Sec. 3. <u>METROPOLITAN COUNCIL</u></b>		<b><u>5,125,000</u></b>
81.5	<u>To the Metropolitan Council for a grant to the</u>		
81.6	<u>Minneapolis Park and Recreation Board to</u>		
81.7	<u>predesign, design, construct, renovate, furnish,</u>		
81.8	<u>and equip the first phase of the North</u>		
81.9	<u>Commons Improvement Project, focused on</u>		
81.10	<u>the creation of the field house component of</u>		
81.11	<u>a new recreation center building and the first</u>		
81.12	<u>phase of other community-oriented activity</u>		
81.13	<u>and meeting spaces conceptualized for the</u>		
81.14	<u>building.</u>		
81.15	<b>Sec. 4. <u>HUMAN SERVICES</u></b>		<b><u>5,575,000</u></b>
81.16	<u>To the commissioner of human services for a</u>		
81.17	<u>grant to the Red Lake Band of Chippewa</u>		
81.18	<u>Indians to predesign, design, construct,</u>		
81.19	<u>furnish, and equip a family and child services</u>		
81.20	<u>building.</u>		
81.21	<b>Sec. 5. <u>EMPLOYMENT AND ECONOMIC</u></b>		
81.22	<b><u>DEVELOPMENT</u></b>		
81.23	<b>Subdivision 1. <u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>17,050,000</u></b>
81.24	<u>To the commissioner of employment and</u>		
81.25	<u>economic development for the purposes</u>		
81.26	<u>specified in this section.</u>		
81.27	<b>Subd. 2. <u>Minneapolis American Indian Center</u></b>		<b><u>2,600,000</u></b>
81.28	<u>For a grant to the Minneapolis American</u>		
81.29	<u>Indian Center for the same purposes and</u>		
81.30	<u>subject to the same requirements as Laws</u>		
81.31	<u>2018, chapter 214, article 1, section 21,</u>		
81.32	<u>subdivision 17.</u>		
81.33	<b>Subd. 3. <u>Indigenous Peoples Task Force,</u></b>		
81.34	<b><u>Minneapolis</u></b>		<b><u>2,000,000</u></b>

- 82.1 For a grant to the Indigenous Peoples Task  
 82.2 Force to design, construct, furnish, and equip  
 82.3 the Mikwanedun Audisookon Center in  
 82.4 Minneapolis.
- 82.5 **Subd. 4. International Institute of Minnesota** 3,000,000
- 82.6 For a grant to the International Institute of  
 82.7 Minnesota to remediate contaminated soil, and  
 82.8 to construct, furnish, and equip an expansion  
 82.9 of its facilities.
- 82.10 **Subd. 5. Juxtaposition Arts, Minneapolis** 1,000,000
- 82.11 For a grant to Juxtaposition Arts in  
 82.12 Minneapolis to acquire property adjacent to  
 82.13 its current location to accommodate the growth  
 82.14 in its youth art and enterprise programs and  
 82.15 complete architectural due diligence for  
 82.16 expansion.
- 82.17 **Subd. 6. Cultural Wellness Center, Minneapolis** 250,000
- 82.18 For a grant to the Cultural Wellness Center to  
 82.19 predesign and design the renovation of  
 82.20 Dreamland on 38th in Minneapolis to create  
 82.21 a workspace for African-American  
 82.22 entrepreneurs to start and expand small  
 82.23 businesses and to host community gatherings  
 82.24 and events.
- 82.25 **Subd. 7. Baldwin Square, Minneapolis** 1,000,000
- 82.26 For a grant to the city of Minneapolis to  
 82.27 construct, furnish, and equip the renovation  
 82.28 of blighted property located at 4146 Fremont  
 82.29 Avenue North, for redevelopment as retail,  
 82.30 restaurant, and other commercial space to be  
 82.31 known as Baldwin Square. This appropriation  
 82.32 includes money for roof replacement,  
 82.33 abatement of asbestos and other hazardous  
 82.34 materials, replacement of mechanical systems

- 83.1 including the electrical, plumbing, and heating,  
 83.2 ventilation and air-conditioning (HVAC), and  
 83.3 other improvements and betterments of a  
 83.4 capital nature.
- 83.5 **Subd. 8. Native American Community Clinic,**  
 83.6 **Minneapolis** 3,800,000
- 83.7 For a grant to the Native American  
 83.8 Community Clinic in Minneapolis to purchase  
 83.9 the building in which the clinic is located.
- 83.10 **Subd. 9. Northwest American Indian Center,**  
 83.11 **Bemidji** 2,000,000
- 83.12 For a grant to the Northwest Indian  
 83.13 Community Development Center to purchase  
 83.14 the building in which they currently operate  
 83.15 in the city of Bemidji.
- 83.16 **Subd. 10. Victoria Theater, St. Paul** 1,400,000
- 83.17 For a grant to the city of St. Paul to acquire  
 83.18 property located at 825 University Avenue  
 83.19 West, and to predesign, design, construct,  
 83.20 furnish, and equip the renovation of the  
 83.21 historic Victoria Theater, to serve as a regional  
 83.22 multicultural community and event center.
- 83.23 This appropriation includes money for:  
 83.24 demolition work; improvements to or  
 83.25 replacement of the mechanical, electrical,  
 83.26 plumbing, heating, ventilating, and air  
 83.27 conditioning systems; repairs to the existing  
 83.28 roof and exterior enclosure; site  
 83.29 improvements; construction or renovation of  
 83.30 interior spaces; and other improvements of a  
 83.31 capital nature.
- 83.32 **Sec. 6. EFFECTIVE DATE.**
- 83.33 This article is effective the day following final enactment.

## ARTICLE 4

## APPROPRIATION BONDS

Section 1. [16A.963] ELECTRIC VEHICLE INFRASTRUCTURE APPROPRIATION BONDS.

Subdivision 1. Definitions. (a) The definitions in this subdivision apply to this section.

(b) "Appropriation bond" or "bond" means a bond, note, or other similar instrument of the state payable during a biennium from one or more of the following sources:

(1) money appropriated by law from the general fund in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (a);

(2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

(3) payments received for that purpose under agreements and ancillary arrangements described in subdivision 2, paragraph (d); and

(4) investment earnings on amounts in clauses (1) to (3).

(c) "Debt service" means the amount payable in any biennium of principal, premium, if any, and interest on appropriation bonds, and the fees, charges, and expenses related to the bonds.

Subd. 2. Authorization to issue appropriation bonds. (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including for the purposes of financing the cost of acquiring and installing electric vehicle charging infrastructure on publicly owned property. Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the commissioner of administration under subdivision 7, not to exceed \$2,000,000 net of costs of issuance, for the purposes as provided under this subdivision, and to pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (d).

(b) Proceeds of the appropriation bonds must be credited to a special appropriation electric vehicle infrastructure bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

(c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term

85.1 on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of  
85.2 each issue and series thereof shall be dated and bear interest, and may be includable in or  
85.3 excludable from the gross income of the owners for federal income tax purposes.

85.4 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time  
85.5 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter  
85.6 into agreements and ancillary arrangements relating to the appropriation bonds, including  
85.7 but not limited to trust indentures, grant agreements, lease or use agreements, operating  
85.8 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,  
85.9 letter of credit agreements, insurance policies, guaranty agreements, reimbursement  
85.10 agreements, indexing agreements, or interest exchange agreements. Any payments made  
85.11 or received according to the agreement or ancillary arrangement shall be made from or  
85.12 deposited as provided in the agreement or ancillary arrangement. The determination of the  
85.13 commissioner, included in an interest exchange agreement, that the agreement relates to an  
85.14 appropriation bond, shall be conclusive.

85.15 (e) The commissioner may enter into written agreements or contracts relating to the  
85.16 continuing disclosure of information necessary to comply with or facilitate the issuance of  
85.17 appropriation bonds in accordance with federal securities laws, rules, and regulations,  
85.18 including Securities and Exchange Commission rules and regulations in Code of Federal  
85.19 Regulations, title 17, section 240.15c 2-12. An agreement may be in the form of covenants  
85.20 with purchasers and holders of appropriation bonds set forth in the order or resolution  
85.21 authorizing the issuance of the appropriation bonds, or a separate document authorized by  
85.22 the order or resolution.

85.23 (f) The appropriation bonds are not subject to chapter 16C.

85.24 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,  
85.25 notes, or other similar instruments, and in the manner provided in section 16A.672. In the  
85.26 event that any provision of section 16A.672 conflicts with this section, this section shall  
85.27 control.

85.28 (b) Every appropriation bond shall include a conspicuous statement of the limitation  
85.29 established in subdivision 6.

85.30 (c) Appropriation bonds may be sold at either public or private sale upon such terms as  
85.31 the commissioner shall determine are not inconsistent with this section and may be sold at  
85.32 any price or percentage of par value. Any bid received may be rejected.

85.33 (d) Appropriation bonds must bear interest at a fixed or variable rate.

86.1 (e) Notwithstanding any other law, appropriation bonds issued under this section shall  
86.2 be fully negotiable.

86.3 Subd. 4. Refunding bonds. The commissioner may issue appropriation bonds for the  
86.4 purpose of refunding any appropriation bonds then outstanding, including the payment of  
86.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption  
86.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any  
86.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or  
86.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the  
86.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding  
86.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,  
86.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be  
86.12 invested and reinvested in obligations that are authorized investments under section 11A.24.  
86.13 The income earned or realized on the investment may also be applied to the payment of the  
86.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation  
86.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been  
86.16 fully satisfied, any balance of the proceeds and any investment income may be returned to  
86.17 the general fund or, if applicable, the special appropriation electric vehicle infrastructure  
86.18 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this  
86.19 subdivision must be prepared, executed, delivered, and secured by appropriations in the  
86.20 same manner as the appropriation bonds to be refunded.

86.21 Subd. 5. Appropriation bonds as legal investments. Any of the following entities may  
86.22 legally invest any sinking funds, money, or other funds belonging to them or under their  
86.23 control in any appropriation bonds issued under this section:

86.24 (1) the state, the investment board, public officers, municipal corporations, political  
86.25 subdivisions, and public bodies;

86.26 (2) banks and bankers, savings and loan associations, credit unions, trust companies,  
86.27 savings banks and institutions, investment companies, insurance companies, insurance  
86.28 associations, and other persons carrying on a banking or insurance business; and

86.29 (3) personal representatives, guardians, trustees, and other fiduciaries.

86.30 Subd. 6. No full faith and credit; state not required to make appropriations. The  
86.31 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing  
86.32 powers of the state are not pledged to the payment of the appropriation bonds or to any  
86.33 payment that the state agrees to make under this section. Appropriation bonds shall not be  
86.34 obligations paid directly, in whole or in part, from a tax of statewide application on any

87.1 class of property, income, transaction, or privilege. Appropriation bonds shall be payable  
 87.2 in each fiscal year only from amounts that the legislature may appropriate for debt service  
 87.3 for any fiscal year, provided that nothing in this section shall be construed to require the  
 87.4 state to appropriate money sufficient to make debt service payments with respect to the  
 87.5 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no  
 87.6 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the  
 87.7 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date  
 87.8 of final payment of the principal of and interest on the appropriation bonds.

87.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under  
 87.10 subdivision 2, paragraph (a), and interest credited to the special appropriation electric vehicle  
 87.11 infrastructure bond proceeds fund are appropriated as follows:

87.12 (1) to the commissioner of administration to design, install, and equip electrical  
 87.13 infrastructure and electric vehicle charging stations on state-owned property as specified in  
 87.14 subdivision 2, paragraph (a); and

87.15 (2) to the commissioner for debt service on the bonds including capitalized interest,  
 87.16 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds, and  
 87.17 payments under any agreements entered into under subdivision 2, paragraph (d), as permitted  
 87.18 by state and federal law.

87.19 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to  
 87.20 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),  
 87.21 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,  
 87.22 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,  
 87.23 for deposit into the bond payments account established for such purpose in the special  
 87.24 appropriation electric vehicle infrastructure bond proceeds fund. The appropriation is  
 87.25 available beginning in fiscal year 2021 and remains available through fiscal year 2042.

87.26 Subd. 9. **Waiver of immunity.** The waiver of immunity by the state provided for by  
 87.27 section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary  
 87.28 contracts to which the commissioner is a party.

87.29 Sec. 2. **[16A.964] PUBLIC TELEVISION EQUIPMENT APPROPRIATION BONDS.**

87.30 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

87.31 (b) "Appropriation bond" or "bond" means a bond, note, or other similar instrument of  
 87.32 the state payable during a biennium from one or more of the following sources:

88.1 (1) money appropriated by law from the general fund in any biennium for debt service  
 88.2 due with respect to obligations described in subdivision 2, paragraph (a);

88.3 (2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

88.4 (3) payments received for that purpose under agreements and ancillary arrangements  
 88.5 described in subdivision 2, paragraph (d); and

88.6 (4) investment earnings on amounts in clauses (1) to (3).

88.7 (c) "Debt service" means the amount payable in any biennium of principal, premium, if  
 88.8 any, and interest on appropriation bonds, and the fees, charges, and expenses related to the  
 88.9 bonds.

88.10 (d) "Equipment" means the physical infrastructure and hardware used for the production,  
 88.11 dissemination, interconnection, and transmission of digital media content, the useful life of  
 88.12 which may range from seven to 40 years.

88.13 (e) "Public station" has the meaning given in section 129D.12, subdivision 2.

88.14 **Subd. 2. Authorization to issue appropriation bonds.** (a) Subject to the limitations of  
 88.15 this subdivision, the commissioner may sell and issue appropriation bonds of the state under  
 88.16 this section for public purposes as provided by law, including for the purposes of financing  
 88.17 the cost of various items of capital equipment necessary to the ongoing operations of public  
 88.18 stations. Appropriation bonds may be sold and issued in amounts that, in the opinion of the  
 88.19 commissioner, are necessary to provide sufficient money to the commissioner of  
 88.20 administration under subdivision 7, not to exceed \$15,000,000 net of costs of issuance, for  
 88.21 the purposes as provided under this subdivision, and to pay debt service including capitalized  
 88.22 interest, costs of issuance, costs of credit enhancement, or make payments under other  
 88.23 agreements entered into under paragraph (d). Notwithstanding section 129D.155, any money  
 88.24 repaid to the commissioner of administration upon a sale or other disposition of equipment  
 88.25 acquired under this section shall be transferred to the commissioner and applied toward  
 88.26 principal and interest on outstanding bonds.

88.27 (b) Proceeds of the appropriation bonds must be credited to a special appropriation public  
 88.28 television equipment bond proceeds fund in the state treasury. All income from investment  
 88.29 of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner  
 88.30 for the payment of principal and interest on the appropriation bonds.

88.31 (c) Appropriation bonds may be issued in one or more issues or series on the terms and  
 88.32 conditions the commissioner determines to be in the best interests of the state, but the term  
 88.33 on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of



89.1 each issue and series thereof shall be dated and bear interest, and may be includable in or  
89.2 excludable from the gross income of the owners for federal income tax purposes.

89.3 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time  
89.4 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter  
89.5 into agreements and ancillary arrangements relating to the appropriation bonds, including  
89.6 but not limited to trust indentures, grant agreements, lease or use agreements, operating  
89.7 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,  
89.8 letter of credit agreements, insurance policies, guaranty agreements, reimbursement  
89.9 agreements, indexing agreements, or interest exchange agreements. Any payments made  
89.10 or received according to the agreement or ancillary arrangement shall be made from or  
89.11 deposited as provided in the agreement or ancillary arrangement. The determination of the  
89.12 commissioner, included in an interest exchange agreement, that the agreement relates to an  
89.13 appropriation bond, shall be conclusive.

89.14 (e) The commissioner may enter into written agreements or contracts relating to the  
89.15 continuing disclosure of information necessary to comply with or facilitate the issuance of  
89.16 appropriation bonds in accordance with federal securities laws, rules, and regulations,  
89.17 including Securities and Exchange Commission rules and regulations in Code of Federal  
89.18 Regulations, title 17, section 240.15c 2-12. An agreement may be in the form of covenants  
89.19 with purchasers and holders of appropriation bonds set forth in the order or resolution  
89.20 authorizing the issuance of the appropriation bonds, or a separate document authorized by  
89.21 the order or resolution.

89.22 (f) The appropriation bonds are not subject to chapter 16C.

89.23 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,  
89.24 notes, or other similar instruments, and in the manner provided in section 16A.672. In the  
89.25 event that any provision of section 16A.672 conflicts with this section, this section shall  
89.26 control.

89.27 (b) Every appropriation bond shall include a conspicuous statement of the limitation  
89.28 established in subdivision 6.

89.29 (c) Appropriation bonds may be sold at either public or private sale upon such terms as  
89.30 the commissioner shall determine are not inconsistent with this section and may be sold at  
89.31 any price or percentage of par value. Any bid received may be rejected.

89.32 (d) Appropriation bonds must bear interest at a fixed or variable rate.

90.1 (e) Notwithstanding any other law, appropriation bonds issued under this section shall  
90.2 be fully negotiable.

90.3 Subd. 4. Refunding bonds. The commissioner may issue appropriation bonds for the  
90.4 purpose of refunding any appropriation bonds then outstanding, including the payment of  
90.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption  
90.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any  
90.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or  
90.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the  
90.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding  
90.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,  
90.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be  
90.12 invested and reinvested in obligations that are authorized investments under section 11A.24.  
90.13 The income earned or realized on the investment may also be applied to the payment of the  
90.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation  
90.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been  
90.16 fully satisfied, any balance of the proceeds and any investment income may be returned to  
90.17 the general fund or, if applicable, the special appropriation public television equipment  
90.18 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this  
90.19 subdivision must be prepared, executed, delivered, and secured by appropriations in the  
90.20 same manner as the appropriation bonds to be refunded.

90.21 Subd. 5. Appropriation bonds as legal investments. Any of the following entities may  
90.22 legally invest any sinking funds, money, or other funds belonging to them or under their  
90.23 control in any appropriation bonds issued under this section:

90.24 (1) the state, the investment board, public officers, municipal corporations, political  
90.25 subdivisions, and public bodies;

90.26 (2) banks and bankers, savings and loan associations, credit unions, trust companies,  
90.27 savings banks and institutions, investment companies, insurance companies, insurance  
90.28 associations, and other persons carrying on a banking or insurance business; and

90.29 (3) personal representatives, guardians, trustees, and other fiduciaries.

90.30 Subd. 6. No full faith and credit; state not required to make appropriations. The  
90.31 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing  
90.32 powers of the state are not pledged to the payment of the appropriation bonds or to any  
90.33 payment that the state agrees to make under this section. Appropriation bonds shall not be  
90.34 obligations paid directly, in whole or in part, from a tax of statewide application on any

91.1 class of property, income, transaction, or privilege. Appropriation bonds shall be payable  
 91.2 in each fiscal year only from amounts that the legislature may appropriate for debt service  
 91.3 for any fiscal year, provided that nothing in this section shall be construed to require the  
 91.4 state to appropriate money sufficient to make debt service payments with respect to the  
 91.5 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no  
 91.6 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the  
 91.7 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date  
 91.8 of final payment of the principal of and interest on the appropriation bonds.

91.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under  
 91.10 subdivision 2, paragraph (a), and interest credited to the special appropriation public  
 91.11 television equipment bond proceeds fund are appropriated as follows:

91.12 (1) to the commissioner of administration for equipment grants to public stations under  
 91.13 section 129D.15 and as further specified in subdivision 2, paragraph (a), which grants must  
 91.14 be allocated two-sevenths to Twin Cities PBS, one-seventh to KSMQ public television in  
 91.15 Austin, one-seventh to Pioneer public television in Granite Falls, one-seventh to Lakeland  
 91.16 PBS in Bemidji, one-seventh to Prairie Public in Fargo/Moorhead, and one-seventh to  
 91.17 WDSE public television in Duluth; and

91.18 (2) to the commissioner for debt service on the bonds including capitalized interest,  
 91.19 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds, and  
 91.20 payments under any agreements entered into under subdivision 2, paragraph (d), as permitted  
 91.21 by state and federal law.

91.22 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to  
 91.23 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),  
 91.24 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,  
 91.25 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,  
 91.26 for deposit into the bond payments account established for such purpose in the special  
 91.27 appropriation public television equipment bond proceeds fund. The appropriation is available  
 91.28 beginning in fiscal year 2021 and remains available through fiscal year 2042.

91.29 Subd. 9. **Waiver of immunity.** The waiver of immunity by the state provided for by  
 91.30 section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary  
 91.31 contracts to which the commissioner is a party.

91.32 Sec. 3. **[16A.966] RESPONSE TO RELEASES APPROPRIATION BONDS.**

91.33 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

92.1 (b) "Appropriation bond" or "bond" means a bond, note, or other similar instrument of  
 92.2 the state payable during a biennium from one or more of the following sources:

92.3 (1) money appropriated by law from the general fund in any biennium for debt service  
 92.4 due with respect to obligations described in subdivision 2, paragraph (a);

92.5 (2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

92.6 (3) payments received for that purpose under agreements and ancillary arrangements  
 92.7 described in subdivision 2, paragraph (d); and

92.8 (4) investment earnings on amounts in clauses (1) to (3).

92.9 (c) "Debt service" means the amount payable in any biennium of principal, premium, if  
 92.10 any, and interest on appropriation bonds, and the fees, charges, and expenses related to the  
 92.11 bonds.

92.12 Subd. 2. Authorization to issue appropriation bonds. (a) Subject to the limitations of  
 92.13 this subdivision, the commissioner may sell and issue appropriation bonds of the state under  
 92.14 this section for public purposes as provided by law, including for the purposes of financing  
 92.15 the cost of implementing removal or remedial actions permitted under section 115B.17 and  
 92.16 further subject to the conditions in chapter 115B to address risks to human health and the  
 92.17 environment at contaminated sites. Appropriation bonds may be sold and issued in amounts  
 92.18 that, in the opinion of the commissioner, are necessary to provide sufficient money to the  
 92.19 commissioner of the Pollution Control Agency under subdivision 7, not to exceed  
 92.20 \$30,400,000 net of costs of issuance, for the purposes as provided under this subdivision,  
 92.21 and to pay debt service including capitalized interest, costs of issuance, costs of credit  
 92.22 enhancement, or make payments under other agreements entered into under paragraph (d).  
 92.23 Notwithstanding section 115B.17, subdivision 6 or 16, any money recovered in a civil action  
 92.24 or any money received from the disposition of property acquired for a response action and  
 92.25 financed with bonds under this section shall be transferred to the commissioner and applied  
 92.26 toward principal and interest on outstanding bonds.

92.27 (b) Proceeds of the appropriation bonds must be credited to a special appropriation state  
 92.28 response to releases bond proceeds fund in the state treasury. All income from investment  
 92.29 of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner  
 92.30 for the payment of principal and interest on the appropriation bonds.

92.31 (c) Appropriation bonds may be issued in one or more issues or series on the terms and  
 92.32 conditions the commissioner determines to be in the best interests of the state, but the term  
 92.33 on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of

93.1 each issue and series thereof shall be dated and bear interest, and may be includable in or  
 93.2 excludable from the gross income of the owners for federal income tax purposes.

93.3 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time  
 93.4 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter  
 93.5 into agreements and ancillary arrangements relating to the appropriation bonds, including  
 93.6 but not limited to trust indentures, grant agreements, lease or use agreements, operating  
 93.7 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,  
 93.8 letter of credit agreements, insurance policies, guaranty agreements, reimbursement  
 93.9 agreements, indexing agreements, or interest exchange agreements. Any payments made  
 93.10 or received according to the agreement or ancillary arrangement shall be made from or  
 93.11 deposited as provided in the agreement or ancillary arrangement. The determination of the  
 93.12 commissioner included in an interest exchange agreement that the agreement relates to an  
 93.13 appropriation bond shall be conclusive.

93.14 (e) The commissioner may enter into written agreements or contracts relating to the  
 93.15 continuing disclosure of information necessary to comply with or facilitate the issuance of  
 93.16 appropriation bonds in accordance with federal securities laws, rules, and regulations,  
 93.17 including Securities and Exchange Commission rules and regulations in Code of Federal  
 93.18 Regulations, title 17, section 240.15c 2-12. An agreement may be in the form of covenants  
 93.19 with purchasers and holders of appropriation bonds set forth in the order or resolution  
 93.20 authorizing the issuance of the appropriation bonds, or a separate document authorized by  
 93.21 the order or resolution.

93.22 (f) The appropriation bonds are not subject to chapter 16C.

93.23 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,  
 93.24 notes, or other similar instruments, and in the manner provided in section 16A.672. In the  
 93.25 event that any provision of section 16A.672 conflicts with this section, this section shall  
 93.26 control.

93.27 (b) Every appropriation bond shall include a conspicuous statement of the limitation  
 93.28 established in subdivision 6.

93.29 (c) Appropriation bonds may be sold at either public or private sale upon such terms as  
 93.30 the commissioner shall determine are not inconsistent with this section and may be sold at  
 93.31 any price or percentage of par value. Any bid received may be rejected.

93.32 (d) Appropriation bonds must bear interest at a fixed or variable rate.

94.1 (e) Notwithstanding any other law, appropriation bonds issued under this section shall  
 94.2 be fully negotiable.

94.3 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the  
 94.4 purpose of refunding any appropriation bonds then outstanding, including the payment of  
 94.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption  
 94.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any  
 94.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or  
 94.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the  
 94.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding  
 94.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,  
 94.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be  
 94.12 invested and reinvested in obligations that are authorized investments under section 11A.24.  
 94.13 The income earned or realized on the investment may also be applied to the payment of the  
 94.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation  
 94.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been  
 94.16 fully satisfied, any balance of the proceeds and any investment income may be returned to  
 94.17 the general fund or, if applicable, the special appropriation state response to releases bond  
 94.18 proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision  
 94.19 must be prepared, executed, delivered, and secured by appropriations in the same manner  
 94.20 as the appropriation bonds to be refunded.

94.21 Subd. 5. **Appropriation bonds as legal investments.** Any of the following entities may  
 94.22 legally invest any sinking funds, money, or other funds belonging to them or under their  
 94.23 control in any appropriation bonds issued under this section:

94.24 (1) the state, the investment board, public officers, municipal corporations, political  
 94.25 subdivisions, and public bodies;

94.26 (2) banks and bankers, savings and loan associations, credit unions, trust companies,  
 94.27 savings banks and institutions, investment companies, insurance companies, insurance  
 94.28 associations, and other persons carrying on a banking or insurance business; and

94.29 (3) personal representatives, guardians, trustees, and other fiduciaries.

94.30 Subd. 6. **No full faith and credit; state not required to make appropriations.** The  
 94.31 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing  
 94.32 powers of the state are not pledged to the payment of the appropriation bonds or to any  
 94.33 payment that the state agrees to make under this section. Appropriation bonds shall not be  
 94.34 obligations paid directly, in whole or in part, from a tax of statewide application on any

95.1 class of property, income, transaction, or privilege. Appropriation bonds shall be payable  
 95.2 in each fiscal year only from amounts that the legislature may appropriate for debt service  
 95.3 for any fiscal year, provided that nothing in this section shall be construed to require the  
 95.4 state to appropriate money sufficient to make debt service payments with respect to the  
 95.5 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no  
 95.6 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the  
 95.7 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date  
 95.8 of final payment of the principal of and interest on the appropriation bonds.

95.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under  
 95.10 subdivision 2, paragraph (a), and interest credited to the special appropriation state response  
 95.11 to releases bond proceeds fund are appropriated as follows:

95.12 (1) to the commissioner of the Pollution Control Agency for removal and remedial  
 95.13 actions as specified in subdivision 2, paragraph (a), at the following sites: the Esko  
 95.14 Groundwater Contamination Superfund site; the city of Duluth Dump #1 Superfund site;  
 95.15 the Perham Arsenic site; and the Precision Plating State Superfund site; and

95.16 (2) to the commissioner for debt service on the bonds including capitalized interest,  
 95.17 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds, and  
 95.18 payments under any agreements entered into under subdivision 2, paragraph (d), as permitted  
 95.19 by state and federal law.

95.20 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to  
 95.21 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),  
 95.22 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,  
 95.23 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,  
 95.24 for deposit into the bond payments account established for such purpose in the special  
 95.25 appropriation state response to releases bond proceeds fund. The appropriation is available  
 95.26 beginning in fiscal year 2021 and remains available through fiscal year 2042.

95.27 Subd. 9. **Waiver of immunity.** The waiver of immunity by the state provided for under  
 95.28 section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary  
 95.29 contracts to which the commissioner is a party.

95.30 Sec. 4. Minnesota Statutes 2018, section 462A.37, subdivision 1, is amended to read:

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

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

96.1 (c) "Community land trust" means an entity that meets the requirements of section  
96.2 462A.31, subdivisions 1 and 2.

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

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

96.9 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter  
96.10 that:

96.11 (1) are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the Internal  
96.12 Revenue Code;

96.13 (2) finance qualified residential rental projects within the meaning of Section 142(d) of  
96.14 the Internal Revenue Code;

96.15 (3) finance the construction or rehabilitation of single family houses that qualify for  
96.16 mortgage financing within the meaning of Section 143 of the Internal Revenue Code; or

96.17 (4) are tax-exempt bonds that are not private activity bonds, within the meaning of  
96.18 Section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing  
96.19 affordable housing authorized under this chapter.

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

96.21 (h) "Senior" means a person 55 years of age or older with an annual income not greater  
96.22 than 50 percent of:

96.23 (1) the metropolitan area median income for persons in the metropolitan area; or

96.24 (2) the statewide median income for persons outside the metropolitan area.

96.25 (i) "Senior housing" means housing intended and operated for occupancy by at least one  
96.26 senior per unit with at least 80 percent of the units occupied by at least one senior per unit,  
96.27 and for which there is publication of, and adherence to, policies and procedures that  
96.28 demonstrate an intent by the owner or manager to provide housing for seniors. Senior  
96.29 housing may be developed in conjunction with and as a distinct portion of mixed-income  
96.30 senior housing developments that use a variety of public or private financing sources.



97.1 (j) "Supportive housing" means housing that is not time-limited and provides or  
 97.2 coordinates with linkages to services necessary for residents to maintain housing stability  
 97.3 and maximize opportunities for education and employment.

97.4 Sec. 5. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 2, is amended  
 97.5 to read:

97.6 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate  
 97.7 principal amount of housing infrastructure bonds in one or more series to which the payment  
 97.8 made under this section may be pledged. The housing infrastructure bonds authorized in  
 97.9 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on  
 97.10 terms and conditions the agency deems appropriate, made for one or more of the following  
 97.11 purposes:

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

97.14 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned  
 97.15 housing to be used for affordable rental housing and the costs of new construction of rental  
 97.16 housing on abandoned or foreclosed property where the existing structures will be demolished  
 97.17 or removed;

97.18 (3) to finance that portion of the costs of acquisition of property that is attributable to  
 97.19 the land to be leased by community land trusts to low- and moderate-income homebuyers;

97.20 (4) to finance the acquisition, improvement, and infrastructure of manufactured home  
 97.21 parks under section 462A.2035, subdivision 1b;

97.22 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction  
 97.23 of senior housing; ~~and~~

97.24 (6) to finance the costs of acquisition and rehabilitation of federally assisted rental  
 97.25 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation  
 97.26 of federally assisted rental housing, including providing funds to refund, in whole or in part,  
 97.27 outstanding bonds previously issued by the agency or another government unit to finance  
 97.28 or refinance such costs;

97.29 (7) to finance costs of acquisition and construction of multifamily rental housing for  
 97.30 households with incomes at or below 50 percent of area median income. Among comparable  
 97.31 proposals, the agency must give priority to requests for projects that serve households at  
 97.32 the lowest incomes; and

98.1 (8) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction  
98.2 of single family housing.

98.3 (b) Among comparable proposals for permanent supportive housing, preference shall  
98.4 be given to permanent supportive housing for veterans and other individuals or families  
98.5 who:

98.6 (1) either have been without a permanent residence for at least 12 months or at least four  
98.7 times in the last three years; or

98.8 (2) are at significant risk of lacking a permanent residence for 12 months or at least four  
98.9 times in the last three years.

98.10 (c) Among comparable proposals for senior housing, the agency must give priority to  
98.11 requests for projects that:

98.12 (1) demonstrate a commitment to maintaining the housing financed as affordable to  
98.13 seniors;

98.14 (2) leverage other sources of funding to finance the project, including the use of  
98.15 low-income housing tax credits;

98.16 (3) provide access to services to residents and demonstrate the ability to increase physical  
98.17 supports and support services as residents age and experience increasing levels of disability;

98.18 (4) provide a service plan containing the elements of clause (3) reviewed by the housing  
98.19 authority, economic development authority, public housing authority, or community  
98.20 development agency that has an area of operation for the jurisdiction in which the project  
98.21 is located; and

98.22 (5) include households with incomes that do not exceed 30 percent of the median  
98.23 household income for the metropolitan area.

98.24 To the extent practicable, the agency shall balance the loans made between projects in the  
98.25 metropolitan area and projects outside the metropolitan area. Of the loans made to projects  
98.26 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans  
98.27 made between projects in counties or cities with a population of 20,000 or less, as established  
98.28 by the most recent decennial census, and projects in counties or cities with populations in  
98.29 excess of 20,000.

99.1 Sec. 6. Minnesota Statutes 2018, section 462A.37, is amended by adding a subdivision to  
99.2 read:

99.3 Subd. 2g. **Additional authorization.** In addition to the amount authorized in subdivisions  
99.4 2 to 2f, the agency may issue up to \$100,000,000 in housing infrastructure bonds in one or  
99.5 more series to which the payments under this section may be pledged.

99.6 Sec. 7. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 5, is amended  
99.7 to read:

99.8 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the  
99.9 commissioner of management and budget the actual amount of annual debt service on each  
99.10 series of bonds issued under ~~subdivisions 2a to 2f~~ this section.

99.11 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure  
99.12 bonds issued under subdivision 2a remain outstanding, the commissioner of management  
99.13 and budget must transfer to the housing infrastructure bond account established under section  
99.14 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000  
99.15 annually. The amounts necessary to make the transfers are appropriated from the general  
99.16 fund to the commissioner of management and budget.

99.17 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure  
99.18 bonds issued under subdivision 2b remain outstanding, the commissioner of management  
99.19 and budget must transfer to the housing infrastructure bond account established under section  
99.20 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000  
99.21 annually. The amounts necessary to make the transfers are appropriated from the general  
99.22 fund to the commissioner of management and budget.

99.23 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure  
99.24 bonds issued under subdivision 2c remain outstanding, the commissioner of management  
99.25 and budget must transfer to the housing infrastructure bond account established under section  
99.26 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000  
99.27 annually. The amounts necessary to make the transfers are appropriated from the general  
99.28 fund to the commissioner of management and budget.

99.29 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure  
99.30 bonds issued under subdivision 2d remain outstanding, the commissioner of management  
99.31 and budget must transfer to the housing infrastructure bond account established under section  
99.32 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary

100.1 to make the transfers are appropriated from the general fund to the commissioner of  
100.2 management and budget.

100.3 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure  
100.4 bonds issued under subdivision 2e remain outstanding, the commissioner of management  
100.5 and budget must transfer to the housing infrastructure bond account established under section  
100.6 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary  
100.7 to make the transfers are appropriated from the general fund to the commissioner of  
100.8 management and budget.

100.9 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure  
100.10 bonds issued under subdivision 2f remain outstanding, the commissioner of management  
100.11 and budget must transfer to the housing infrastructure bond account established under section  
100.12 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary  
100.13 to make the transfers are appropriated from the general fund to the commissioner of  
100.14 management and budget.

100.15 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure  
100.16 bonds issued under subdivision 2g remain outstanding, the commissioner of management  
100.17 and budget must transfer to the housing infrastructure bond account established under section  
100.18 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary  
100.19 to make the transfers are appropriated from the general fund to the commissioner of  
100.20 management and budget.

100.21 (i) The agency may pledge to the payment of the housing infrastructure bonds the  
100.22 payments to be made by the state under this section.

100.23 Sec. 8. **EFFECTIVE DATE.**

100.24 This article is effective the day following final enactment.

100.25

## ARTICLE 5

100.26

### MISCELLANEOUS

100.27 Section 1. Minnesota Statutes 2018, section 16A.641, is amended by adding a subdivision  
100.28 to read:

100.29 Subd. 4c. **Negotiated sales authority.** Notwithstanding the public sale requirements of  
100.30 subdivision 4 and section 16A.66, subdivision 2, the commissioner may sell bonds, including  
100.31 refunding bonds, at negotiated sale.

101.1 Sec. 2. Minnesota Statutes 2019 Supplement, section 16A.968, subdivision 3, is amended  
101.2 to read:

101.3 Subd. 3. **Appropriation bonds authorization.** (a) Appropriation bonds may be sold  
101.4 and issued in amounts that, in the opinion of the commissioner, are necessary to provide  
101.5 sufficient funds to the commissioner of employment and economic development under  
101.6 subdivision 8, not to exceed \$97,720,000 net of costs of issuance, for the purposes as  
101.7 provided under this subdivision, and pay debt service including capitalized interest, costs  
101.8 of issuance, costs of credit enhancement, or make payments under other agreements entered  
101.9 into under subdivision 2, paragraph (d). Notwithstanding section 16A.642, this authorization  
101.10 is available until December 31, 2027.

101.11 (b) The bonds authorized by this subdivision are for the purposes of financing public  
101.12 infrastructure projects authorized and approved by the city of Duluth under sections 469.50  
101.13 to 469.54. No bonds shall be sold under this subdivision until: (1) there has been a request  
101.14 pursuant to subdivision 2, paragraph (a); and (2) for any parking structure the requirements  
101.15 in section 469.54, subdivisions 2 and 3, paragraph (a), have been met. Upon certification  
101.16 of the required qualified expenditures under section 469.54, subdivision 3, paragraph (a),  
101.17 by a medical business entity, bonds may be sold for a parking structure or structures  
101.18 benefiting that medical business entity, notwithstanding the status of certified qualified  
101.19 expenditures for another medical business entity.

101.20 Sec. 3. Minnesota Statutes 2018, section 16B.86, is amended to read:

101.21 **16B.86 PRODUCTIVITY BUILDING EFFICIENCY REVOLVING LOAN**  
101.22 **ACCOUNT.**

101.23 The ~~productivity building efficiency revolving loan account is a special an~~ account in  
101.24 the ~~state treasury special revenue fund~~. Money in the account is appropriated to the  
101.25 commissioner of administration to make loans to finance agency projects that will result in  
101.26 either ~~reduced energy savings or other operating costs or increased revenues, or both, cost~~  
101.27 reductions for a state agency.

101.28 Sec. 4. Minnesota Statutes 2018, section 16B.87, is amended to read:

101.29 **16B.87 AWARD AND REPAYMENT OF PRODUCTIVITY BUILDING**  
101.30 **EFFICIENCY LOANS.**

101.31 Subdivision 1. **Committee.** The Productivity Building Efficiency Revolving Loan  
101.32 Committee consists of the commissioners of administration, management and budget, and

102.1 ~~revenue~~ Pollution Control Agency. The commissioner of administration serves as chair of  
 102.2 the committee. The members serve without compensation or reimbursement for expenses.

102.3 Subd. 2. **Award and terms of loans.** An agency shall apply for a loan on a form provided  
 102.4 by the commissioner of administration. The committee shall review applications for loans  
 102.5 and shall award a loan based upon criteria adopted by the committee. The committee shall  
 102.6 determine the amount, interest, and other terms of the loan. The time for repayment of a  
 102.7 loan may not exceed ~~five~~ seven years.

102.8 Subd. 3. **Repayment.** An agency receiving a loan under this section shall repay the loan  
 102.9 according to the terms of the loan agreement. The principal and interest must be paid to the  
 102.10 commissioner of administration who shall deposit it in the ~~productivity~~ building efficiency  
 102.11 revolving loan fund account.

102.12 Sec. 5. Minnesota Statutes 2018, section 41B.025, is amended by adding a subdivision to  
 102.13 read:

102.14 Subd. 9. **Report.** The authority shall submit quarterly reports to the governor and the  
 102.15 legislative committees and divisions with jurisdiction over agriculture and capital investment  
 102.16 that provide an estimate of when funding for the authority's state bond-financed loan  
 102.17 programs is projected to be exhausted.

102.18 Sec. 6. Minnesota Statutes 2018, section 115A.0716, is amended to read:

102.19 **115A.0716 ENVIRONMENTAL ASSISTANCE GRANT AND LOAN PROGRAM**  
 102.20 **PROGRAMS.**

102.21 Subdivision 1. **Environmental assistance grants.** (a) The commissioner may make  
 102.22 grants to any person for the purpose of researching, developing, and implementing projects  
 102.23 or practices related to collection, processing, recycling, reuse, resource recovery, source  
 102.24 reduction, and prevention of waste, hazardous substances, toxic pollutants, and problem  
 102.25 materials; the development or implementation of pollution prevention projects or practices;  
 102.26 the collection, recovery, processing, purchasing, or market development of recyclable  
 102.27 materials or compost; resource conservation; and for environmental education.

102.28 (b) In making grants under paragraph (a), the ~~agency~~ commissioner may give priority  
 102.29 to projects or practices that have broad application in the state and are consistent with the  
 102.30 policies established under sections 115A.02 and 115D.02.

102.31 (c) The commissioner shall adopt rules to administer the grant program.

102.32 (d) For the purposes of this section:

103.1 (1) "pollution prevention" has the meaning given it in section 115D.03;

103.2 (2) "toxic pollutant" has the meaning given it in section 115D.03; and

103.3 (3) "hazardous substance" has the meaning given it in section 115D.03.

103.4 Subd. 2. **Loans.** (a) The commissioner may make loans, or participate in loans, for capital  
103.5 costs or improvements related to any of the activities listed in subdivision 1.

103.6 (b) The commissioner may work with financial institutions or other financial assistance  
103.7 providers in participating in loans under this section. The commissioner may contract with  
103.8 financial institutions or other financial assistance providers for loan processing and/or  
103.9 administration.

103.10 (c) The commissioner may also make grants, as authorized in subdivision 1, to enable  
103.11 persons to receive loans from financial institutions or to reduce interest payments for those  
103.12 loans.

103.13 (d) In making loans, the agency may give priority to projects or practices that have broad  
103.14 application in the state and are consistent with the policies established under sections 115A.02  
103.15 and 115D.02.

103.16 (e) The commissioner shall adopt rules to administer the loan program.

103.17 Subd. 3. **Revolving account.** All repayments of loans awarded under this section,  
103.18 including principal and interest, must be credited to the environmental fund. Money deposited  
103.19 in the fund under this section is annually appropriated to the commissioner for loans for  
103.20 purposes identified in subdivisions 1 and 2.

103.21 Subd. 4. **Sustainable communities and climate resiliency grants.** (a) The commissioner  
103.22 may make grants to local governments for the purpose of building sustainable and resilient  
103.23 storm water infrastructure projects to mitigate flood risks and impacts of extreme weather  
103.24 events. Grants awarded under this subdivision are intended to cover up to 75 percent of the  
103.25 eligible costs of a storm water infrastructure project and may not exceed \$4,000,000 per  
103.26 project.

103.27 (b) In awarding a grant under this subdivision, preference shall be given to projects that:

103.28 (1) address inadequate storm water infrastructure;

103.29 (2) reduce incidences of community flooding during extreme weather events;

103.30 (3) address aging and undersized storm water sewers;

103.31 (4) reduce the impact on water treatment systems;

104.1 (5) incorporate green infrastructure and low-impact development storm water practices;  
 104.2 and

104.3 (6) demonstrate nonstate financial participation in the project.

104.4 (c) For the purposes of this subdivision, "storm water infrastructure" means a publicly  
 104.5 owned conveyance or system of conveyances including roads with drainage systems,  
 104.6 municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains  
 104.7 designed or used for collecting or conveying storm water.

104.8 **Sec. 7. [116J.417] GREATER MINNESOTA CHILD CARE FACILITY CAPITAL**  
 104.9 **GRANT PROGRAM.**

104.10 Subdivision 1. **Purpose.** The purpose of the greater Minnesota child care facility capital  
 104.11 grant program established in this section is to keep or enhance jobs, increase the tax base,  
 104.12 or expand or create new economic development in the area in which the grants are made,  
 104.13 by providing facilities for the child care necessary to support workers and their families.

104.14 Subd. 2. **Creation of accounts.** Two greater Minnesota child care facility capital grant  
 104.15 accounts are created. One account is created in the special revenue fund and one in the bond  
 104.16 proceeds fund. Money in the accounts is appropriated to the commissioner to make grants  
 104.17 under this section. Money in the greater Minnesota child care facility capital grant accounts  
 104.18 is available until encumbered or spent subject to section 16A.642.

104.19 Subd. 3. **Eligible applicant.** (a) A city, county, or school district, or a joint powers board  
 104.20 established by two or more cities, counties, or school districts is eligible to apply for and  
 104.21 receive a grant from either greater Minnesota child care facility capital grant account  
 104.22 established in this section.

104.23 (b) A private child care provider licensed as a child care center or to provide in-home  
 104.24 family child care is eligible to apply for and receive a grant from the greater Minnesota  
 104.25 child care facility capital grant account in the general fund.

104.26 (c) An applicant must be located outside of the metropolitan area as defined in section  
 104.27 473.121, subdivision 2.

104.28 Subd. 4. **Local government authority.** A city, county, or school district may own a  
 104.29 child care facility and operate a child care facility program that meets the requirements for  
 104.30 state licensing under Minnesota Rules, chapter 9503. A city, county, or school district may  
 104.31 enter into a lease or management agreement with one or more licensed child care providers  
 104.32 to operate a child care program in a facility owned by the city, county, or school district. A



105.1 lease or management agreement for state bond-financed property is subject to section  
 105.2 16A.695.

105.3 Subd. 5. **Eligible project.** (a) A grant may be used to acquire land or an interest in land,  
 105.4 predesign, design, renovate, construct, furnish, and equip facilities in which to provide child  
 105.5 care or for other child care facility improvements that support the purposes for which this  
 105.6 grant program is established. Money from the account in the general fund may also be used  
 105.7 to upgrade or expand existing nonprofit child care facilities for purposes of meeting state  
 105.8 requirements.

105.9 (b) All projects must increase child care capacity in the community that is served by the  
 105.10 provider and meet all state requirements for child care facilities or programs.

105.11 Subd. 6. **Grants.** (a) The commissioner shall make grants to eligible applicants to provide  
 105.12 up to 50 percent of the capital costs of eligible child care facility capital projects. An eligible  
 105.13 applicant receiving a grant must provide for the remainder of the costs of the project, either  
 105.14 in cash or in kind. In-kind contributions may include the cost of project elements made  
 105.15 before or after the grant award is made.

105.16 (b) The commissioner may also distribute money from the general fund account through  
 105.17 a regional organization within the meaning of section 15.75 to provide grants to eligible  
 105.18 applicants based on the manner of application and criteria established by the commissioner.

105.19 (c) If the commissioner awards a grant for less than 50 percent of the project cost, the  
 105.20 commissioner must provide the applicant and the chairs and ranking minority members of  
 105.21 the senate and house of representatives committees with jurisdiction over economic  
 105.22 development finance a written explanation for awarding less than 50 percent.

105.23 Subd. 7. **Application; criteria.** The commissioner must develop forms and procedures  
 105.24 for soliciting and reviewing applications for grants under this section. An applicant shall  
 105.25 apply for a grant in the manner and at the times the commissioner shall determine. At a  
 105.26 minimum, an application must include:

105.27 (1) evidence of the need for improved, expanded, or new child care facilities in the area;

105.28 (2) a description of the new or expanded facility or other improvements to be made;

105.29 (3) a description of the specific state requirements making improvements necessary, if  
 105.30 applicable;

105.31 (4) estimated costs of the capital project and the sources of funding to complete it;

105.32 (5) estimated costs of the expanded services and the sources of funding to provide them;

106.1 (6) the applicant's analysis of the expected economic benefits to the area in which the  
 106.2 project would be located;

106.3 (7) the feasibility study that shows the financial and operational sustainability of the  
 106.4 project funded;

106.5 (8) the average number of children provided care by the applicant during the year prior  
 106.6 to the application, if any, and the expected number of children that could be provided child  
 106.7 care after the proposed project is completed; and

106.8 (9) other information that the commissioner determines is necessary or useful in  
 106.9 evaluating the impact of the proposed project on the local economy.

106.10 Subd. 8. **Maximum grant amount.** Grants must not be awarded for more than \$500,000  
 106.11 per project or more than \$2,000,000 in two years to an applicant for one or more projects  
 106.12 in the same city or county.

106.13 Subd. 9. **Cancellation of grant; return of money.** If the commissioner determines that  
 106.14 a grantee is unable to proceed with an approved project or has not expended or obligated  
 106.15 the grant money within five years of entering into the grant agreement with the commissioner,  
 106.16 the commissioner shall cancel the grant and the money is available for the commissioner  
 106.17 to make other grants under this section. Money made available to the commissioner from  
 106.18 a canceled grant is subject to cancellation under section 16A.642 as if it had been appropriated  
 106.19 to the program in the year in which the grant is canceled.

106.20 Sec. 8. Minnesota Statutes 2018, section 123B.53, subdivision 1, is amended to read:

106.21 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service  
 106.22 revenue of a district is defined as follows:

106.23 (1) the amount needed to produce between five and six percent in excess of the amount  
 106.24 needed to meet when due the principal and interest payments on the obligations of the district  
 106.25 for eligible projects according to subdivision 2, ~~including the amounts necessary for~~  
 106.26 ~~repayment of debt service loans, capital loans, and lease purchase payments under section~~  
 106.27 ~~126C.40, subdivision 2, excluding long-term facilities maintenance levies under section~~  
 106.28 ~~123B.595~~ excluding the amounts listed in paragraph (b), minus

106.29 (2) the amount of debt service excess levy reduction for that school year calculated  
 106.30 according to the procedure established by the commissioner.

106.31 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

106.32 (1) obligations under section 123B.61;

107.1 (2) the part of debt service principal and interest paid from the taconite environmental  
107.2 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of  
107.3 taconite payments from the Iron Range school consolidation and cooperatively operated  
107.4 school account under section 298.28, subdivision 7a;

107.5 (3) ~~obligations issued under Laws 1991, chapter 265, article 5, section 18, as amended~~  
107.6 ~~by Laws 1992, chapter 499, article 5, section 24~~ obligations for long-term facilities  
107.7 maintenance under section 123B.595;

107.8 (4) obligations under section 123B.62; and

107.9 (5) obligations equalized under section 123B.535.

107.10 (c) For purposes of this section, if a preexisting school district reorganized under sections  
107.11 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the  
107.12 preexisting district's bonded indebtedness, or capital loans ~~or debt service loans~~, debt service  
107.13 equalization aid must be computed separately for each of the preexisting districts.

107.14 (d) For purposes of this section, the adjusted net tax capacity determined according to  
107.15 sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property  
107.16 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

107.17 Sec. 9. Minnesota Statutes 2018, section 123B.53, subdivision 4, is amended to read:

107.18 Subd. 4. **Debt service equalization revenue.** (a) The debt service equalization revenue  
107.19 of a district equals the sum of the first tier debt service equalization revenue and the second  
107.20 tier debt service equalization revenue.

107.21 (b) The first tier debt service equalization revenue of a district equals the greater of zero  
107.22 or the eligible debt service revenue minus the amount raised by a levy of 15.74 percent  
107.23 times the adjusted net tax capacity of the district minus the second tier debt service  
107.24 equalization revenue of the district.

107.25 (c) The second tier debt service equalization revenue of a district equals the greater of  
107.26 zero or the eligible debt service revenue, minus the amount raised by a levy of 26.24 percent  
107.27 times the adjusted net tax capacity of the district.

107.28 (d) Notwithstanding paragraphs (b) and (c), for a district with a capital loan under sections  
107.29 126C.60 to 126C.72, the first tier debt equalization revenue equals zero, and the second tier  
107.30 debt equalization revenue equals the portion of the district's eligible debt service levy under  
107.31 subdivision 2 in excess of the district's maximum effort debt service levy under section  
107.32 126C.63, subdivision 8.

108.1 Sec. 10. Minnesota Statutes 2018, section 126C.63, subdivision 8, is amended to read:

108.2 Subd. 8. **Maximum effort debt service levy.** ~~(a)~~ "Maximum effort debt service levy"

108.3 means the lesser of:

108.4 (1) a levy in whichever of the following amounts is applicable:

108.5 ~~(i) in any district receiving a debt service loan for a debt service levy payable in 2002~~  
 108.6 ~~and thereafter, or granted a capital loan after January 1, 2002, a levy in total dollar amount~~  
 108.7 ~~computed at a rate of 33.59 percent of adjusted net tax capacity for taxes payable in 2002~~  
 108.8 ~~and thereafter; or~~

108.9 ~~(ii) in any district receiving a debt service loan for a debt service levy payable in 2001~~  
 108.10 ~~or earlier, or granted a capital loan before January 2, 2002, a levy in a total dollar amount~~  
 108.11 ~~computed at a rate of 29.39 percent of adjusted net tax capacity for taxes payable in 2002~~  
 108.12 ~~and thereafter; or~~

108.13 ~~(2) a levy in any district for which a capital loan was approved prior to August 1, 1981,~~  
 108.14 ~~a levy in a total dollar amount equal to the sum of the amount of the required debt service~~  
 108.15 ~~levy and an amount which when levied annually will in the opinion of the commissioner~~  
 108.16 ~~be sufficient to retire the remaining interest and principal on any outstanding loans from~~  
 108.17 ~~the state within 30 years of the original date when the capital loan was granted.~~

108.18 ~~(b) The board in any district affected by the provisions of paragraph (a), clause (2), may~~  
 108.19 ~~elect instead to determine the amount of its levy according to the provisions of paragraph~~  
 108.20 ~~(a), clause (1). If a district's capital loan is not paid within 30 years because it elects to~~  
 108.21 ~~determine the amount of its levy according to the provisions of paragraph (a), clause (2),~~  
 108.22 ~~the liability of the district for the amount of the difference between the amount it levied~~  
 108.23 ~~under paragraph (a), clause (2), and the amount it would have levied under paragraph (a),~~  
 108.24 ~~clause (1), and for interest on the amount of that difference, must not be satisfied and~~  
 108.25 ~~discharged pursuant to Minnesota Statutes 1988, or an earlier edition of Minnesota Statutes~~  
 108.26 ~~if applicable, section 124.43, subdivision 4.~~

108.27 (2) the unpaid balance on the district's capital loan after deducting the amount to be paid  
 108.28 on the district's capital loan in December of the year in which the levy is certified.

108.29 Sec. 11. Minnesota Statutes 2018, section 126C.66, subdivision 3, is amended to read:

108.30 Subd. 3. **Principal interest Payments.** All payments of principal and interest on debt  
 108.31 service notes or on capital loan contracts, as received by the commissioner, are appropriated  
 108.32 to the loan repayment account.

109.1 Sec. 12. Minnesota Statutes 2018, section 126C.69, as amended by Laws 2019, First  
109.2 Special Session chapter 10, article 3, section 40, is amended to read:

109.3 **126C.69 CAPITAL GRANTS AND LOANS.**

109.4 Subdivision 1. **Capital grant and loan requests and uses.** Capital grants and loans are  
109.5 available only to qualifying districts. Capital grants and loans must not be used for the  
109.6 construction of swimming pools, ice arenas, athletic facilities, auditoriums, bus garages, or  
109.7 heating system improvements. Proceeds of the grants and loans may be used only for sites  
109.8 for education facilities and for acquiring, bettering, furnishing, or equipping education  
109.9 facilities. Contracts must be entered into within 18 months after the date on which each  
109.10 grant and loan is ~~granted~~ approved. For purposes of this section, "education facilities"  
109.11 includes space for Head Start programs and social service programs.

109.12 Subd. 2. **Capital ~~loans~~ grant and loan eligibility.** Beginning July 1, ~~1999~~ 2020, a  
109.13 district is not eligible for a capital grant and loan unless the district's estimated net debt tax  
109.14 rate as computed by the commissioner after debt service equalization aid would be more  
109.15 than 41.98 percent of adjusted net tax capacity. The estimate must assume a 20-year maturity  
109.16 schedule for new debt.

109.17 Subd. 3. **District request for review and comment.** A district or a joint powers district  
109.18 that intends to apply for a capital grant and loan must submit a proposal to the commissioner  
109.19 for review and comment according to section 123B.71 by July 1 of an odd-numbered year.  
109.20 The commissioner shall prepare a review and comment on the proposed facility, regardless  
109.21 of the amount of the capital expenditure required to construct the facility. In addition to the  
109.22 information provided under section 123B.71, subdivision 9, the commissioner shall require  
109.23 that predesign packages comparable to those required under section 16B.335 be prepared  
109.24 by the applicant school district. The predesign packages must be sufficient to define the  
109.25 scope, cost, and schedule of the project and must demonstrate that the project has been  
109.26 analyzed according to appropriate space needs standards and also consider the following  
109.27 criteria in determining whether to make a positive review and comment.

109.28 (a) To grant a positive review and comment the commissioner shall determine that all  
109.29 of the following conditions are met:

109.30 (1) the facilities are needed for pupils for whom no adequate facilities exist or will exist;

109.31 (2) there is evidence to indicate that the facilities will have a useful public purpose for  
109.32 at least the term of the bonds;

109.33 (3) no form of cooperation with another district would provide the necessary facilities;

110.1 (4) the facilities are comparable in size and quality to facilities recently constructed in  
110.2 other districts that have similar enrollments;

110.3 (5) the facilities are comparable in size and quality to facilities recently constructed in  
110.4 other districts that are financed without a capital loan;

110.5 (6) the district is projected to have adequate funds in its general operating budget to  
110.6 support a quality education for its students for at least the next five years;

110.7 (7) the current facility poses a threat to the life, health, and safety of pupils, and cannot  
110.8 reasonably be brought into compliance with fire, health, or life safety codes;

110.9 (8) the district has made a good faith effort, as evidenced by its maintenance expenditures,  
110.10 to adequately maintain the existing facility during the previous ten years and to comply  
110.11 with fire, health, and life safety codes and state and federal requirements for accessibility  
110.12 for people with disabilities;

110.13 (9) the district has made a good faith effort to encourage integration of social service  
110.14 programs within the new facility;

110.15 (10) evaluations by boards of adjacent districts have been received; and

110.16 (11) the proposal includes a comprehensive technology plan that assures information  
110.17 access for the students, parents, and community.

110.18 (b) The commissioner may grant a negative review and comment if:

110.19 (1) the state demographer has examined the population of the communities to be served  
110.20 by the facility and determined that the communities have not grown during the previous  
110.21 five years;

110.22 (2) the state demographer determines that the economic and population bases of the  
110.23 communities to be served by the facility are not likely to grow or to remain at a level  
110.24 sufficient, during the next ten years, to ensure use of the entire facility;

110.25 (3) the need for facilities could be met within the district or adjacent districts at a  
110.26 comparable cost by leasing, repairing, remodeling, or sharing existing facilities or by using  
110.27 temporary facilities;

110.28 (4) the district plans do not include cooperation and collaboration with health and human  
110.29 services agencies and other political subdivisions; or

110.30 (5) if the application is for new construction, an existing facility that would meet the  
110.31 district's needs could be purchased at a comparable cost from any other source within the  
110.32 area.

111.1 Subd. 4. **Multiple district proposals; review and comment.** In addition to the  
 111.2 requirements of subdivision 3, the commissioner may use additional requirements to  
 111.3 determine a positive review and comment on projects that are designed to serve more than  
 111.4 one district. These requirements may include:

- 111.5 (1) reducing or increasing the number of districts that plan to use the facility;
- 111.6 (2) location of the facility; and
- 111.7 (3) formation of a joint powers agreement among the participating districts.

111.8 Subd. 5. **Adjacent district comments.** The district must present the proposed project  
 111.9 to the board of each adjacent district at a public meeting of that district. The board of an  
 111.10 adjacent district must make a written evaluation of how the project will affect the future  
 111.11 education and building needs of the adjacent district. The board must submit the evaluation  
 111.12 to the applying district within 30 days of the meeting.

111.13 Subd. 6. **District application for capital grant and loan.** The school board of a district  
 111.14 desiring a capital grant and loan shall adopt a resolution stating the amount proposed to be  
 111.15 ~~borrowed~~ funded, the purpose for which the ~~debt is to be incurred~~ funding is requested, and  
 111.16 an estimate of the dates when the facilities for which the ~~loan~~ funding is requested will be  
 111.17 contracted for and completed. Applications for grants and loans must be accompanied by  
 111.18 a copy of the adopted board resolution and copies of the adjacent district evaluations. The  
 111.19 commissioner shall retain the evaluation as part of a permanent record of the district  
 111.20 submitting the evaluation.

111.21 Applications must be in the form and accompanied by the additional data required by  
 111.22 the commissioner. Applications must be received by the commissioner by September 1 of  
 111.23 an odd-numbered year. A district must resubmit an application each odd-numbered year.  
 111.24 Capital grant and loan applications that do not receive voter approval or are not approved  
 111.25 in law cancel July 1 of the year following application. When an application is received, the  
 111.26 commissioner shall obtain from the commissioner of revenue the information in the Revenue  
 111.27 Department's official records that is required to be used in computing the debt limit of the  
 111.28 district under section 475.53, subdivision 4.

111.29 Subd. 7. **Commissioner review; district proposals.** By November 1 of each  
 111.30 odd-numbered year, the commissioner must review all applications for capital grants and  
 111.31 loans that have received a positive review and comment. When reviewing applications, the  
 111.32 commissioner must consider whether the criteria in subdivision 3 have been met. The  
 111.33 commissioner may not approve an application if all of the required deadlines have not been

112.1 met. The commissioner may either approve or reject an application for a capital grant and  
 112.2 loan.

112.3 Subd. 8. **Commissioner recommendations.** The commissioner shall examine and  
 112.4 consider applications for capital grants and loans that have been approved and promptly  
 112.5 notify any district rejected of the decision.

112.6 The commissioner shall report each capital grant and loan that has been approved by  
 112.7 the commissioner and that has received voter approval to the education committees of the  
 112.8 legislature by January 1 of each even-numbered year. The commissioner must not report a  
 112.9 capital grant and loan that has not received voter approval. The commissioner shall also  
 112.10 report on the money remaining in the capital loan account and, if necessary, request that  
 112.11 another bond issue be authorized.

112.12 Subd. 9. **Grant and loan amount limits.** (a) A grant and loan must not be recommended  
 112.13 for approval for a district exceeding an amount computed as follows:

112.14 (1) the amount requested by the district under subdivision 6;

112.15 (2) plus the aggregate principal amount of general obligation bonds of the district  
 112.16 outstanding on June 30 of the year following the year the application was received, not  
 112.17 exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or 637  
 112.18 percent of its adjusted net tax capacity as most recently determined, whichever is less;

112.19 (3) less the maximum net debt permissible for the district on December 1 of the year  
 112.20 the application is received, under the limitation in section 475.53, subdivision 4, or 637  
 112.21 percent of its adjusted net tax capacity as most recently determined, whichever is less;

112.22 (4) less any amount by which the amount voted exceeds the total cost of the facilities  
 112.23 for which the grant and loan is ~~granted~~ approved.

112.24 (b) The grant and loan may be approved in an amount computed as provided in paragraph  
 112.25 (a), clauses (1) to (3), subject to later reduction according to paragraph (a), clause (4).

112.26 (c) The loan amount equals the lesser of the total grant and loan approved or:

112.27 (1) the product of the maximum effort tax rate times 50 times the district's most recent  
 112.28 adjusted net tax capacity at the time the capital grant and loan is approved under subdivision  
 112.29 10, minus

112.30 (2) the district's capital loan balance outstanding at the time the capital grant and loan  
 112.31 is approved under subdivision 10, minus



113.1 (3) the district's principal and interest balance outstanding for eligible bonds issued for  
 113.2 prior capital projects at the time the capital loan and grant is approved.

113.3 (d) The grant amount equals the difference between the total grant and loan approved  
 113.4 and the loan amount under paragraph (c).

113.5 Subd. 10. **Legislative action.** Each capital grant and loan must be approved in a law.

113.6 If the aggregate amount of the capital grants and loans exceeds the amount that is or can  
 113.7 be made available, the commissioner shall allot the available amount among any number  
 113.8 of qualified applicant districts, according to the commissioner's judgment and discretion,  
 113.9 based upon the districts' respective needs.

113.10 Subd. 11. **District referendum.** After receipt of the review and comment on the project  
 113.11 and before January 1 of the even-numbered year, the question authorizing the borrowing  
 113.12 of money for the facilities must be submitted by the school board to the voters of the district  
 113.13 at a regular or special election. The question submitted must state the total amount to be  
 113.14 borrowed from all sources. Approval of a majority of those voting on the question is sufficient  
 113.15 to authorize the issuance of the obligations on public sale in accordance with chapter 475.  
 113.16 The face of the ballot must include the following statement: "APPROVAL OF THIS  
 113.17 QUESTION DOES NOT GUARANTEE THAT THE SCHOOL DISTRICT WILL  
 113.18 RECEIVE A CAPITAL GRANT AND LOAN FROM THE STATE. THE GRANT AND  
 113.19 LOAN MUST BE APPROVED BY THE STATE LEGISLATURE AND IS DEPENDENT  
 113.20 ON AVAILABLE FUNDING." The district must mail to the commissioner a certificate by  
 113.21 the clerk showing the vote at the election.

113.22 Subd. 12. **Contract.** (a) Each capital grant and loan must be evidenced by a contract  
 113.23 between the district and the state acting through the commissioner. The contract must  
 113.24 obligate the state to reimburse the district, from the maximum effort school loan fund, for  
 113.25 eligible capital expenses for construction of the facility for which the grant and loan is  
 113.26 ~~granted~~ approved, an amount computed as provided in subdivision 9. The commissioner  
 113.27 must receive from the district a certified resolution of the board estimating the costs of  
 113.28 construction and reciting that contracts for construction of the facilities for which the grant  
 113.29 and loan is ~~granted~~ approved have been awarded, that bonds of the district have been issued  
 113.30 and sold or that other district funds have been set aside in the amount necessary to pay all  
 113.31 estimated costs of construction in excess of the amount of the grant and loan, and that all  
 113.32 work, when completed, meets or exceeds standards established in the State Building Code.  
 113.33 The contract must obligate the district to repay the loan out of the excesses of its maximum  
 113.34 effort debt service levy over its required debt service levy, ~~including interest at a rate equal~~

114.1 ~~to the weighted average annual rate payable on Minnesota state school loan bonds issued~~  
 114.2 ~~or reissued for the project. Beginning July 1, 2020, no interest assessments shall be made~~  
 114.3 ~~on capital loan balances.~~

114.4 (b) The district must each year, as long as it is indebted to the state, levy for debt service  
 114.5 (i) the amount of its maximum effort debt service levy or (ii) the amount of its required debt  
 114.6 service levy, whichever is greater, ~~except as the required debt service levy may be reduced~~  
 114.7 ~~by a loan under section 126C.68.~~ The district shall remit payments to the commissioner  
 114.8 according to section 126C.71. The actual debt service levy shall be adjusted under section  
 114.9 477A.09.

114.10 (c) The commissioner shall supervise the collection of outstanding accounts due the  
 114.11 fund and may, by notice to the proper county auditor, require the maximum levy to be made  
 114.12 as required in this subdivision. ~~Interest on capital loans must be paid on December 15 of~~  
 114.13 ~~the year after the year the loan is granted and annually in later years.~~ By September 30, the  
 114.14 commissioner shall notify the county auditor of each county containing taxable property  
 114.15 situated within the district of the amount of the maximum effort debt service levy of the  
 114.16 district for that year. The county auditor or auditors shall extend upon the tax rolls an ad  
 114.17 valorem tax upon all taxable property within the district in the aggregate amount so certified.

114.18 Subd. 13. **Loan forgiveness.** If any capital loan is not paid within 50 years after it is  
 114.19 granted from maximum effort debt service levies in excess of required debt service levies,  
 114.20 the liability of the district on the loan is satisfied and discharged and interest on the loan  
 114.21 ceases.

114.22 Subd. 14. **Participation by county auditor; record of contract; payment of loan.** The  
 114.23 district must file a copy of the capital loan contract with the county auditor of each county  
 114.24 in which any part of the district is situated. The county auditor shall enter the capital loan,  
 114.25 evidenced by the contract, in the auditor's bond register. The commissioner shall keep a  
 114.26 record of each capital grant and loan ~~and~~ contract showing the name and address of the  
 114.27 district, the date of the contract, and the amount of the grant and loan initially approved.  
 114.28 On receipt of the resolution required in subdivision 12 and documentation of expenditures  
 114.29 under the contract, the commissioner shall issue payments, ~~which may be dispersed in~~  
 114.30 ~~accordance with the schedule in the contract~~, on the capital grant and loan account for the  
 114.31 amount that may be disbursed under subdivision 1. ~~Interest on each disbursement of the~~  
 114.32 ~~capital loan amount accrues from the date on which the commissioner of management and~~  
 114.33 ~~budget issues the payment.~~

115.1 Subd. 15. **Bond sale limitations.** (a) A district having an outstanding state loan must  
 115.2 not issue and sell any bonds on the public market, except to refund state loans, unless it  
 115.3 agrees to make the maximum effort debt service levy in each later year at the higher rate  
 115.4 provided in section 126C.63, subdivision 8, and unless it schedules the maturities of the  
 115.5 bonds according to section 475.54, subdivision 2. A district that refunds bonds at a lower  
 115.6 interest rate may continue to make the maximum effort debt service levy in each later year  
 115.7 at the current rate provided in section 126C.63, subdivision 8, if the district can demonstrate  
 115.8 to the commissioner's satisfaction that the district's repayments of the state loan will not be  
 115.9 reduced below the previous year's level. The district must report each sale to the  
 115.10 commissioner.

115.11 (b) For a capital loan issued prior to July 1, 2001, after the district's capital loan has been  
 115.12 outstanding for 30 years, the district must not issue bonds on the public market except to  
 115.13 refund the loan.

115.14 (c) For a capital loan issued on or after July 1, 2001, after the district's capital loan has  
 115.15 been outstanding for 20 years, the district must not issue bonds on the public market except  
 115.16 to refund the loan.

115.17 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

115.18 Sec. 13. Minnesota Statutes 2018, section 126C.71, is amended to read:

115.19 **126C.71 PAYMENT AND APPLICATIONS OF PAYMENT.**

115.20 Subdivision 1. **Payment.** (a) On November 20 of each year, each district having an  
 115.21 outstanding capital loan or debt service loan shall compute the excess amount in the debt  
 115.22 redemption fund. The commissioner shall prescribe the form and calculation to be used in  
 115.23 computing the excess amount. A completed copy of this form shall be sent to the  
 115.24 commissioner before December 1 of each year. The commissioner may recompute the  
 115.25 excess amount and shall promptly notify the district of the recomputed amount.

115.26 ~~(b)~~ On December 15 of each year, the district shall remit to the commissioner, at a  
 115.27 minimum, an amount equal to the greater of:

115.28 (i) the excess amount in the debt redemption fund; or

115.29 (ii) the amount by which the maximum effort debt service levy exceeds the required  
 115.30 debt service levy for that calendar year.

115.31 ~~Any late payments shall be assessed an interest charge using the interest rates specified for~~  
 115.32 ~~the debt service notes and capital loan contracts.~~

116.1 ~~(e)~~ (b) If a payment required under ~~the Maximum Effort School Aid Law~~ paragraph (a)  
 116.2 is not made within 30 days, the commissioner may reduce any subsequent payments due  
 116.3 the district under this chapter and chapters 120B, 122A, 123A, 123B, 124D, 125A, and  
 116.4 127A by the amount due, after providing written notice to the district.

116.5 Subd. 2. **Application of payments.** The commissioner shall apply payments received  
 116.6 under ~~the Maximum Effort School Aid Law and aids withheld according to subdivision 1;~~  
 116.7 ~~paragraph (b), as follows: First, to payment of interest accrued on its notes, if any; second,~~  
 116.8 ~~to interest on its contracts, if any; third, toward principal of its notes, if any; and last, toward~~  
 116.9 the principal of its contracts, if any. While more than ~~one note or more than one~~ contract is  
 116.10 held, priority of payment ~~of interest~~ must be given to the one of earliest date, ~~and after~~  
 116.11 ~~interest accrued on all notes is paid, similar priority shall be given in the application of any~~  
 116.12 ~~remaining amount to the payment of principal. In any year when the receipts from a district~~  
 116.13 ~~are not sufficient to pay the interest accrued on any of its notes or contracts, the deficiency~~  
 116.14 ~~must be added to the principal, and the commissioner shall notify the district and each county~~  
 116.15 ~~auditor concerned of the new amount of principal of the note or contract.~~

116.16 Sec. 14. Minnesota Statutes 2018, section 134.45, subdivision 5, is amended to read:

116.17 Subd. 5. **Qualification; accessibility grants.** A public library jurisdiction may apply  
 116.18 for a grant in an amount up to ~~\$200,000~~ \$450,000 or 50 percent of the approved costs of  
 116.19 removing architectural barriers from a building or site, whichever is less. Grants may be  
 116.20 made only for projects in existing buildings used as a library, or to prepare another existing  
 116.21 building for use as a library. Renovation of an existing building may include an addition to  
 116.22 the building if the additional space is necessary to provide accessibility or if relocating  
 116.23 public spaces to the ground level provides improved overall accessibility. Grants must not  
 116.24 be used to pay part of the cost of meeting accessibility requirements in a new building.

116.25 Sec. 15. Minnesota Statutes 2018, section 137.61, is amended to read:

116.26 **137.61 PURPOSE.**

116.27 Sections 137.61 to 137.65 provide for a biomedical science research funding program  
 116.28 to further the investment in biomedical science research facilities in Minnesota to benefit  
 116.29 the state's economy, advance the biomedical technology industry, benefit human health,  
 116.30 and facilitate research collaboration between the University of Minnesota and other private  
 116.31 and public institutions in this state. Sections 137.61 to 137.65 also provide funding for  
 116.32 design, land acquisition, site preparation, and preconstruction services for the new clinical  
 116.33 research facility on the University of Minnesota's Twin Cities campus.

117.1 Sec. 16. Minnesota Statutes 2018, section 137.62, subdivision 2, is amended to read:

117.2 Subd. 2. **Biomedical science research facility.** "Biomedical science research facility"  
117.3 means a facility located on the campus of the University of Minnesota to be used as a  
117.4 research facility and laboratory for biomedical science and biomedical technology. A hospital  
117.5 licensed under sections 144.50 to 144.56 is not a biomedical science research facility.  
117.6 Biomedical science research facility includes the clinical research facility defined in this  
117.7 section.

117.8 Sec. 17. Minnesota Statutes 2018, section 137.62, is amended by adding a subdivision to  
117.9 read:

117.10 Subd. 2a. **Clinical research facility.** "Clinical research facility" means a facility located  
117.11 on the Twin Cities campus of the University of Minnesota to connect a broad array of clinical  
117.12 research units and activities from across the university, providing a consolidated home for  
117.13 the Clinical Translational Science Institute and related programs that support education,  
117.14 research, clinical training, and patient care.

117.15 Sec. 18. Minnesota Statutes 2018, section 137.63, is amended to read:

117.16 **137.63 BIOMEDICAL SCIENCE RESEARCH FACILITIES FUNDING**  
117.17 **PROGRAM.**

117.18 Subdivision 1. **Program established.** A biomedical science research facilities funding  
117.19 program is established to provide appropriations to the Board of Regents of the University  
117.20 of Minnesota for up to 75 percent of the project costs for each of four projects approved by  
117.21 the Board of Regents under section 137.64, other than the clinical research facility.  
117.22 Appropriations to the Board of Regents for the clinical research facility are for 100 percent  
117.23 of the project costs for design, land acquisition, site preparation, and preconstruction services.

117.24 Subd. 2. **Project requirements.** The Board of Regents of the University of Minnesota,  
117.25 either acting on its own or in collaboration with another private or public entity, must pay  
117.26 at least 25 percent of the project costs for each of four projects, other than the clinical  
117.27 research facility. The board must not use tuition revenue to pay for the university's share  
117.28 of the costs for the projects approved under section 137.64.

118.1 Sec. 19. Minnesota Statutes 2018, section 137.64, is amended to read:

118.2 **137.64 CONDITIONS FOR PAYMENTS TO UNIVERSITY.**

118.3 Subdivision 1. **Certifications.** Before the commissioner may make any payments  
 118.4 authorized in this section to the Board of Regents for a biomedical science research facility  
 118.5 project, the commissioner must certify that the board has, by board resolution, approved  
 118.6 the maximum project cost for the project and complied with the requirements of section  
 118.7 137.63, ~~subdivision 2~~. For each project approved by the board, the board must certify to the  
 118.8 commissioner the amount of the annual payments of principal and interest required to service  
 118.9 each series of bonds issued by the University of Minnesota for the project, and the actual  
 118.10 amount of the state's annual payment to the University of Minnesota under subdivision 2.  
 118.11 The annual payment must not exceed the amount required to pay debt service on the bonds  
 118.12 issued to finance 75 percent of the project costs of biomedical science research facilities  
 118.13 authorized before 2019. The annual payment may additionally be for the amount required  
 118.14 to pay debt service on the bonds issued to finance 100 percent of the costs of the clinical  
 118.15 research facility.

118.16 Subd. 2. **Payments.** On July 15 of each year after the certification under subdivision 1,  
 118.17 but no earlier than July 15, 2009, and for so long thereafter as any bonds issued by the board  
 118.18 ~~for the construction of a project, or any refunding bonds issued under subdivision 7, are~~  
 118.19 outstanding, the state must transfer to the board annual payments as certified under  
 118.20 subdivision 1, up to the maximum amounts in the appropriation schedule under subdivision  
 118.21 3. Payments under this section are to reimburse the Board of Regents for the state's share  
 118.22 of the project costs for the biomedical science research facility projects, provided that the  
 118.23 principal amount of bonds issued by the University of Minnesota to pay the state's share of  
 118.24 the costs must not exceed \$219,000,000.

118.25 Subd. 3. **Appropriations.** Annual appropriations are made from the general fund to the  
 118.26 commissioner of management and budget for transfer to the Board of Regents, as follows:

- 118.27 (1) up to \$850,000 is appropriated in fiscal year 2010;
- 118.28 (2) up to \$3,650,000 is appropriated in fiscal year 2011;
- 118.29 (3) up to \$7,825,000 is appropriated in fiscal year 2012;
- 118.30 (4) up to \$12,100,000 is appropriated in fiscal year 2013;
- 118.31 (5) up to \$14,825,000 is appropriated in fiscal year 2014; ~~and~~

119.1 (6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, ~~up to~~  
119.2 ~~25 years following the certification of the last project by the commissioner.~~ through fiscal  
119.3 year 2020; and

119.4 (7) up to \$13,930,000 is appropriated in fiscal year 2021 and each year thereafter through  
119.5 fiscal year 2039.

119.6 Subd. 4. **Report to legislature.** The Board of Regents must report to the committees of  
119.7 the legislature with responsibility for capital investment by January 15 of each even-numbered  
119.8 year on the biomedical science research facility projects authorized under this section. The  
119.9 report must at a minimum include for each project, the total cost, the number of researchers,  
119.10 research grants, and the amount of debt issued by the board.

119.11 Subd. 5. **Reinvestment.** The Board of Regents must, to the extent permitted under federal  
119.12 law and University of Minnesota policies, place a priority on reducing the state's share of  
119.13 project costs by dedicating a share of the proceeds from any commercialization or licensing  
119.14 revenues attributable to research conducted in the biomedical science facilities to reducing  
119.15 the appropriations needed under subdivision 3.

119.16 Subd. 6. **Services to individuals and firms.** Consistent with its mission and governing  
119.17 policies and the requirements for tax-exempt bonds, the university shall make available  
119.18 laboratory and other services on a fee-for-service basis to individuals and firms in the  
119.19 bioscience industry in Minnesota. The university will not assert patent rights when providing  
119.20 services that do not involve its innovative intellectual contributions.

119.21 Subd. 7. **Refunding of bonds; allocation of savings realized.** (a) The board may issue  
119.22 bonds in one or more series to refund bonds that were issued for a project before January  
119.23 1, 2019, if refunding is determined by the board to be in the best interest of the university.  
119.24 The principal amount of bonds issued in each refunding must not exceed the amount  
119.25 necessary to defease the associated bonds outstanding immediately prior to refunding. The  
119.26 amount of the state's annual payment to the university required for the debt service on the  
119.27 refunded bonds, or original bonds if not yet refunded, or a combination of the two, shall be  
119.28 up to the maximum annual appropriation under subdivision 3 for all series.

119.29 (b) The amount of the annual appropriation under subdivision 3 that is not needed to  
119.30 pay the annual debt service under paragraph (a) is appropriated to the Board of Regents of  
119.31 the University of Minnesota to pay the annual debt service amount on bonds issued by the  
119.32 university to pay the costs of design, land acquisition, site preparation, and preconstruction  
119.33 services of the clinical research facility.

120.1 (c) In any year that the state general fund appropriation authorized in this section exceeds  
120.2 the amount needed to pay debt service on bonds issued by the university for purposes  
120.3 specified in sections 137.61 to 137.65, the excess amount is canceled to the state general  
120.4 fund.

120.5 Sec. 20. [240A.20] PROMOTING CONSTRUCTION AND RENOVATION OF  
120.6 PUBLIC SKATE PARKS THROUGHOUT THE STATE.

120.7 Subdivision 1. **Definition.** For purposes of this section, "skate" means wheeled,  
120.8 nonmotorized recreation, including skateboarding, roller blading, and roller skating, and  
120.9 not including cycling or biking.

120.10 Subd. 2. **Promotion of public skate parks.** The Minnesota Amateur Sports Commission  
120.11 shall:

120.12 (1) develop new statewide public skate parks; and

120.13 (2) provide matching grants to local units of government for public skate parks based  
120.14 on the criteria in this section.

120.15 Subd. 3. **Criteria for grants to local units of government for public skate parks.** (a)  
120.16 The commission shall administer a site selection process for the skate parks. The commission  
120.17 shall invite proposals from cities or counties or consortia of cities. A proposal for a skate  
120.18 park must include matching contributions including in-kind contributions of land, access  
120.19 roadways and access roadway improvements, and necessary utility services, landscaping,  
120.20 and parking.

120.21 (b) The location for all proposed facilities must be in areas of maximum demonstrated  
120.22 interest and must maximize accessibility to an arterial highway, transit, or pedestrian or  
120.23 bike path.

120.24 (c) To the extent possible, all proposed facilities must be dispersed equitably, must be  
120.25 located to maximize potential for full utilization, must accommodate noncompetitive family  
120.26 and community skating for all ages, and must encourage use of skate parks by a diverse  
120.27 population.

120.28 (d) The commission will give priority to proposals that come from more than one local  
120.29 government unit.

120.30 (e) The commission may also use the money to upgrade, rehabilitate, or renovate current  
120.31 facilities.



121.1 (f) To the extent possible, 50 percent of all grants must be awarded to communities in  
 121.2 greater Minnesota.

121.3 (g) A grant awarded under subdivision 2, clause (2), may not exceed \$250,000 unless  
 121.4 the grantee demonstrates that the facility will have a regional or statewide draw. A grant  
 121.5 awarded under subdivision 2, clause (2), may be for up to \$750,000 for a skate park with  
 121.6 regional impact. A grant awarded under subdivision 2, clause (2), may be for up to  
 121.7 \$2,000,000 for a skate park with statewide draw.

121.8 (h) In selecting projects to be awarded grants under this section, the commission must  
 121.9 give priority to those projects that are designed by experts in the field of skate park design  
 121.10 and are to be constructed by professionals with experience in the construction of skate parks.

121.11 (i) To be eligible for a grant under this section, a local government must have engaged  
 121.12 or must commit to engage youth in the planning, design, and programming for the skate  
 121.13 park.

121.14 Subd. 4. **Technical assistance.** To the extent possible, the commission shall provide  
 121.15 technical assistance on skate park planning, design, and operation to communities.

121.16 Subd. 5. **Agreements with local governments and cooperative purchasing**  
 121.17 agreements. (a) The Minnesota Amateur Sports Commission may enter into agreements  
 121.18 with local units of government and provide financial assistance in the form of grants for the  
 121.19 construction of skate parks that, in the determination of the commission, conform to its  
 121.20 criteria.

121.21 (b) The commission may enter into cooperative purchasing agreements under section  
 121.22 471.59 with local governments to purchase skate park equipment and services through state  
 121.23 contracts. The cooperative skate park equipment purchasing revolving fund is a separate  
 121.24 account in the state treasury. The commission may charge a fee to cover the commission's  
 121.25 administrative expenses to government units that have joint or cooperative purchasing  
 121.26 agreements with the state under section 471.59. The fees collected must be deposited in the  
 121.27 revolving fund established by this subdivision. Money in the fund is appropriated to the  
 121.28 commission to administer the programs and services covered by this subdivision.

121.29 Sec. 21. Minnesota Statutes 2018, section 363A.36, is amended by adding a subdivision  
 121.30 to read:

121.31 Subd. 1a. **Scope of application; state capital funding.** (a) An agency or political  
 121.32 subdivision that uses state money to pay for part or all of a capital project is subject to and  
 121.33 must comply with the restrictions in subdivision 1, for contracts exceeding \$100,000.

122.1 (b) For the purposes of this subdivision, the following terms have the meanings given  
 122.2 them:

122.3 (1) "agency" means a state board, commission, authority, department, or other agency  
 122.4 of the executive branch of state government; the Minnesota Historical Society; the Minnesota  
 122.5 State Colleges and Universities; or the University of Minnesota;

122.6 (2) "capital project" means the acquisition and betterment of land and buildings and  
 122.7 other public improvements in the state, including acquisition of real property or an interest  
 122.8 in real property, predesign, design, engineering, site preparation and related environmental  
 122.9 work, renovation, construction, furnishing, and equipping;

122.10 (3) "political subdivision" means a county, home rule charter or statutory city, town,  
 122.11 school district, metropolitan or regional agency, public corporation established in law, or  
 122.12 other special or limited purpose district created or authorized by law; and

122.13 (4) "state money" means the proceeds of state general obligation bonds issued under  
 122.14 article XI, section 5, clause (a), of the Minnesota Constitution.

122.15 (c) This subdivision applies to a capital project or discrete phase of a capital project for  
 122.16 which state money has been appropriated on or after January 1, 2022.

122.17 Sec. 22. Minnesota Statutes 2018, section 363A.44, subdivision 1, is amended to read:

122.18 Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan Council,  
 122.19 or an agency subject to section 473.143, subdivision 1, shall execute a contract for goods  
 122.20 or services or an agreement for goods or services in excess of \$500,000 with a business that  
 122.21 has 40 or more full-time employees in this state or a state where the business has its primary  
 122.22 place of business on a single day during the prior 12 months, unless the business has an  
 122.23 equal pay certificate or it has certified in writing that it is exempt. A certificate is valid for  
 122.24 four years.

122.25 (b) An agency or political subdivision that uses state money to pay for part or all of a  
 122.26 capital project is subject to and must comply with the restrictions in this section for contracts  
 122.27 exceeding \$500,000. For purposes of this subdivision, "agency," "political subdivision,"  
 122.28 "capital project," and "state money" have the meanings given in section 363A.36, subdivision  
 122.29 1a. This paragraph applies to a capital project or discrete phase of a capital project for which  
 122.30 state money has been appropriated on or after January 1, 2022.

122.31 ~~(b)~~ (c) This section does not apply to a business with respect to a specific contract if the  
 122.32 commissioner of administration determines that application of this section would cause  
 122.33 undue hardship to the contracting entity. This section does not apply to a contract to provide

123.1 goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I,  
 123.2 256L, and 268A, with a business that has a license, certification, registration, provider  
 123.3 agreement, or provider enrollment contract that is prerequisite to providing those goods and  
 123.4 services. This section does not apply to contracts entered into by the State Board of  
 123.5 Investment for investment options under section 352.965, subdivision 4.

123.6 Sec. 23. Minnesota Statutes 2018, section 473.4052, subdivision 4, is amended to read:

123.7 Subd. 4. **Application.** The liability limits under subdivision 2 and the insurance  
 123.8 requirements under subdivision 3 apply only for that segment of a light rail transit line or  
 123.9 line extension in which the project formally entered the engineering phase of the Federal  
 123.10 Transit Administration's "New Starts" capital investment grant program between August 1,  
 123.11 2016, and ~~December 31, 2016~~ February 1, 2017.

123.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 123.13 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 123.14 Scott, and Washington.

123.15 Sec. 24. Laws 2008, chapter 179, section 18, subdivision 3, as amended by Laws 2011,  
 123.16 First Special Session chapter 12, section 32, and Laws 2012, chapter 293, section 41, is  
 123.17 amended to read:

123.18 Subd. 3. **Systemwide Campus Redevelopment,**  
 123.19 **Reuse, or Demolition** 3,400,000

123.20 (a) To demolish surplus, nonfunctional, or  
 123.21 deteriorated facilities and infrastructure or to  
 123.22 renovate surplus, nonfunctional, or  
 123.23 deteriorated facilities and infrastructure at  
 123.24 Department of Human Services campuses.  
 123.25 These projects must facilitate the  
 123.26 redevelopment or reuse of these campuses  
 123.27 consistent with redevelopment plan concepts  
 123.28 developed and approved under Laws 2003,  
 123.29 First Special Session chapter 14, article 6,  
 123.30 section 64, subdivision 2. If a surplus campus  
 123.31 is sold or transferred to a local unit of  
 123.32 government, unspent portions of this  
 123.33 appropriation may be granted to that local unit

124.1 of government for the purposes stated in this  
 124.2 subdivision. Unspent portions of this  
 124.3 appropriation may be used to design,  
 124.4 construct, furnish, and equip a maintenance  
 124.5 and storage facility to support the maintenance  
 124.6 and operation of the Brainerd campus if the  
 124.7 commissioner determines that it is less  
 124.8 expensive than renovating existing space.  
 124.9 Notwithstanding Minnesota Statutes, section  
 124.10 16A.642, the bond authorization and  
 124.11 appropriation of bond proceeds for this project  
 124.12 are available until December 30, 2014.

124.13 (b) Up to \$125,000 is for preparation and site  
 124.14 development, including demolition of  
 124.15 buildings and infrastructure, to implement the  
 124.16 redevelopment and reuse of the Ah Gwah  
 124.17 Ching Regional Treatment Center. This  
 124.18 amount may be granted to Cass County for  
 124.19 the purposes stated in this subdivision. If the  
 124.20 campus is sold or transferred by Cass County  
 124.21 to the city of Walker, unspent portions of this  
 124.22 appropriation may be granted to the city of  
 124.23 Walker for the purposes stated in this  
 124.24 subdivision. Notwithstanding any requirement  
 124.25 in paragraph (a) or Minnesota Statutes, section  
 124.26 16A.695, Cass County may convey for no  
 124.27 consideration approximately 9.4 acres of the  
 124.28 campus of the former Ah Gwah Ching  
 124.29 Regional Treatment Center to Independent  
 124.30 School District No. 113, Walker Hackensack  
 124.31 Akeley, for school purposes.

124.32 Sec. 25. Laws 2014, chapter 294, article 1, section 7, subdivision 11, as amended by Laws  
 124.33 2017, First Special Session chapter 8, article 2, section 26, is amended to read:

124.34 Subd. 11. **Central Minnesota Regional Parks**

500,000

125.1 For a grant to the city of Sartell to ~~acquire land~~  
 125.2 ~~and develop recreation facilities at Sauk River~~  
 125.3 ~~Regional Park~~ design, engineer, and construct  
 125.4 a trail, including overlooks, fishing platforms,  
 125.5 and pedestrian crossings, along the Mississippi  
 125.6 River as part of improvements to Linear Park  
 125.7 and Sartell Veterans Park in the city of Sartell  
 125.8 ~~and to acquire up to 68 acres of land located~~  
 125.9 ~~along the Sauk River near the confluence of~~  
 125.10 ~~the Mississippi to serve as part of the Central~~  
 125.11 ~~Minnesota Regional Parks and Trails.~~  
 125.12 Notwithstanding Minnesota Statutes, section  
 125.13 16A.642, the bond sale authorization and  
 125.14 appropriation of bond proceeds for this project  
 125.15 are available until ~~June 30, 2020~~ December  
 125.16 31, 2024.

125.17 Sec. 26. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7,  
 125.18 as amended by Laws 2017, First Special Session chapter 8, article 2, section 32, is amended  
 125.19 to read:

125.20 **Subd. 7. Richfield - 77th Street Underpass** 10,000,000

125.21 For a grant to the city of Richfield for  
 125.22 right-of-way acquisition for an extension of  
 125.23 77th Street under marked Trunk Highway  
 125.24 77/Cedar Avenue in the city of Richfield to  
 125.25 provide local and regional access between  
 125.26 Richfield, the Minneapolis/St. Paul  
 125.27 International Airport, the city of Bloomington,  
 125.28 and the Mall of America. After right-of-way  
 125.29 acquisition is completed, the city may use any  
 125.30 remaining money appropriated in this  
 125.31 subdivision for construction of the extension.  
 125.32 Notwithstanding Minnesota Statutes, section  
 125.33 16A.642, the bond sale authorization and  
 125.34 appropriation of bond proceeds for the project

126.1 in this subdivision are available until

126.2 December 31, ~~2021~~ 2024.

126.3 Sec. 27. Laws 2015, First Special Session chapter 5, article 1, section 13, is amended to  
126.4 read:

126.5 **Sec. 13. CORRECTIONS** **\$ 1,200,000**

126.6 To the commissioner of administration for a  
126.7 grant to the Arrowhead Regional Corrections  
126.8 Joint Powers Board to demolish an existing  
126.9 facility and to design, construct, furnish, and  
126.10 equip a replacement food processing facility  
126.11 on the campus of the Northeast Regional  
126.12 Corrections Center, to meet health, safety, and  
126.13 security standards required for compliance  
126.14 with Minnesota Rules, chapter 2911. Nonstate  
126.15 contributions to improvements at the center  
126.16 made before or after the enactment of this  
126.17 subdivision are considered to be a sufficient  
126.18 match, and no further nonstate match is  
126.19 required. Notwithstanding Minnesota Statutes,  
126.20 section 16A.642, the bond sale authorization  
126.21 and appropriation of bond proceeds for the  
126.22 project in this subdivision are available until  
126.23 December 31, 2024.

126.24 Sec. 28. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,  
126.25 as amended by Laws 2018, chapter 214, article 2, section 33, is amended to read:

126.26 **Subd. 3. Local Road Improvement Fund Grants** **115,932,000**

126.27 (a) From the bond proceeds account in the  
126.28 state transportation fund as provided in  
126.29 Minnesota Statutes, section 174.50, for trunk  
126.30 highway corridor projects under Minnesota  
126.31 Statutes, section 174.52, subdivision 2, for  
126.32 construction and reconstruction of local roads  
126.33 with statewide or regional significance under

127.1 Minnesota Statutes, section 174.52,  
127.2 subdivision 4, or for grants to counties to assist  
127.3 in paying the costs of rural road safety capital  
127.4 improvement projects on county state-aid  
127.5 highways under Minnesota Statutes, section  
127.6 174.52, subdivision 4a.

127.7 (b) Of this amount, \$9,000,000 is for a grant  
127.8 to Anoka County to design, acquire land for,  
127.9 engineer, and construct improvements to,  
127.10 including the realignment of County State-Aid  
127.11 Highway 23 (Lake Drive), County State-Aid  
127.12 Highway 54 (West Freeway Drive), West  
127.13 Freeway Drive, and to Hornsby Street in the  
127.14 city of Columbus to support the overall  
127.15 interchange project. Notwithstanding  
127.16 Minnesota Statutes, section 16A.642, the bond  
127.17 sale authorization and appropriation of bond  
127.18 proceeds for the project in this paragraph are  
127.19 available until December 31, 2024.

127.20 (c) Of this amount, \$3,246,000 is for a grant  
127.21 to the city of Blaine to predesign, design, and  
127.22 reconstruct 105th Avenue in the vicinity of  
127.23 the National Sports Center in Blaine. The  
127.24 reconstruction will include changing the street  
127.25 from five lanes to four lanes with median, turn  
127.26 lanes, sidewalk, trail, landscaping, lighting,  
127.27 and consolidation of access driveways. This  
127.28 appropriation is not available until the  
127.29 commissioner of management and budget  
127.30 determines that at least \$3,000,000 is  
127.31 committed to the project from sources  
127.32 available to the city, including municipal state  
127.33 aid and county turnback funds.

127.34 (d) Of this amount, \$25,000,000 is for a grant  
127.35 to Hennepin County, the city of Minneapolis,

128.1 or both, for design, right-of-way acquisition,  
128.2 engineering, and construction of public  
128.3 improvements related to the Interstate  
128.4 Highway 35W and Lake Street access project  
128.5 and related improvements within the Interstate  
128.6 Highway 35W corridor, notwithstanding any  
128.7 provision of Minnesota Statutes, section  
128.8 174.52, or rule to the contrary. This  
128.9 appropriation is not available until the  
128.10 commissioner of management and budget  
128.11 determines that an amount sufficient to  
128.12 complete this portion of the Interstate  
128.13 Highway 35W and Lake Street access project  
128.14 has been committed to this portion of the  
128.15 project.

128.16 (e) Of this amount, \$10,500,000 is for a grant  
128.17 to Carver County for environmental analysis  
128.18 and to acquire right-of-way access, predesign,  
128.19 design, engineer, and construct an interchange  
128.20 at marked Trunk Highway 212 and Carver  
128.21 County Road 44 in the city of Chaska,  
128.22 including a new bridge and ramps, to support  
128.23 the development of approximately 400 acres  
128.24 of property in the city of Chaska's  
128.25 comprehensive plan.

128.26 (f) Of this amount, \$700,000 is for a grant to  
128.27 Redwood County for improvements to Nobles  
128.28 Avenue, including paving, as the main access  
128.29 road to a new State Veterans Cemetery to be  
128.30 located in Paxton Township.

128.31 (g) Of this amount, \$1,000,000 is for a grant  
128.32 to the town of Appleton in Swift County for  
128.33 upgrades to an existing township road to  
128.34 provide for a paved, ten-ton capacity township



129.1 road extending between marked Trunk  
129.2 Highways 7 and 119.

129.3 (h) Of this amount, \$20,500,000 is for a grant  
129.4 to Ramsey County for preliminary and final  
129.5 design, right-of-way acquisition, engineering,  
129.6 contract administration, and construction of  
129.7 public improvements related to the  
129.8 construction of the interchange of marked  
129.9 Interstate Highway 694 and Rice Street,  
129.10 Ramsey County State-Aid Highway 49, in  
129.11 Ramsey County.

129.12 (i) Of this amount, \$11,300,000 is for a grant  
129.13 to Hennepin County for preliminary and final  
129.14 design, engineering, environmental analysis,  
129.15 right-of-way acquisition, construction, and  
129.16 reconstruction of local roads related to the (1)  
129.17 realignment at the intersections of marked U.S.  
129.18 Highway 12 with Hennepin County State-Aid  
129.19 Highway 92; (2) realignment and safety  
129.20 improvements at the intersection of marked  
129.21 U.S. Highway 12 with Hennepin County  
129.22 State-Aid Highway 90; and (3) safety median  
129.23 improvements from the interchange with  
129.24 Wayzata Boulevard in Wayzata to  
129.25 approximately one-half mile east of the  
129.26 interchange of marked U.S. Highway 12 with  
129.27 Hennepin County State-Aid Highway 6.

129.28 (j) Of this amount, \$1,000,000 is for a grant  
129.29 to the city of Inver Grove Heights for  
129.30 preliminary design, design, engineering, and  
129.31 reconstruction of Broderick Boulevard  
129.32 between 80th Street and Concord Boulevard  
129.33 abutting Trunk Highway 52 and Inver Hills  
129.34 Community College in Inver Grove Heights.  
129.35 The project includes replacement or renovation

130.1 of public infrastructure, including water lines,  
 130.2 sanitary sewers, storm water sewers, and other  
 130.3 public utilities. This appropriation does not  
 130.4 require a nonstate contribution.

130.5 (k) Of this amount, \$2,350,000 is for a grant  
 130.6 to McLeod County to acquire land or interests  
 130.7 in land and to design and construct a new  
 130.8 urban street extension of County State-Aid  
 130.9 Highway (CSAH) 15, including railroad  
 130.10 crossing, storm water, and drainage  
 130.11 improvements.

130.12 (l) Of this amount, \$6,000,000 is for a grant  
 130.13 to the city of Baxter for 50 percent of total  
 130.14 project cost for the acquisition of land or  
 130.15 interests in land, environmental analysis and  
 130.16 environmental cleanup, predesign, design,  
 130.17 engineering, and construction of improvements  
 130.18 to Cypress Drive, including expansion to a  
 130.19 four-lane divided urban roadway, between  
 130.20 Excelsior Road and College Road.

130.21 Sec. 29. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 4,  
 130.22 is amended to read:

130.23 **Subd. 4. Rail Grade Separation on Crude Oil**  
 130.24 **Rail Corridors**

71,124,000

130.25 (a) Of this amount, \$42,262,000 is for a grant  
 130.26 to the city of Moorhead for environmental  
 130.27 analysis, design, engineering, removal of an  
 130.28 existing structure, and construction of a rail  
 130.29 grade crossing separation in the vicinity of  
 130.30 21st Street South.

130.31 (b) \$14,100,000 is for a grant to Anoka County  
 130.32 for environmental analysis, design,  
 130.33 engineering, removal of an existing structure,  
 130.34 and construction of a rail grade crossing

131.1 separation at Anoka County State-Aid  
 131.2 Highway 78, known as Hanson Boulevard, in  
 131.3 Coon Rapids. Any unspent portion of the  
 131.4 appropriation under this paragraph may be  
 131.5 used by Anoka County for design costs of  
 131.6 other rail crossings in Anoka County that are  
 131.7 on the commissioner's rail safety priority list.

131.8 (c) Of this amount, \$14,762,000 is for a grant  
 131.9 to the city of Red Wing for acquisition of  
 131.10 right-of-way, environmental analysis, design,  
 131.11 engineering, removal of an existing structure,  
 131.12 and construction of a rail grade crossing  
 131.13 separation at Sturgeon Lake Road.

131.14 Notwithstanding Minnesota Statutes, section  
 131.15 16A.642, the bond sale authorization and  
 131.16 appropriation of bond proceeds for the project  
 131.17 in this paragraph are available until December  
 131.18 31, 2024.

131.19 (d) Any unspent portion of this appropriation  
 131.20 after completion of a project in this  
 131.21 subdivision may be used for grants in  
 131.22 accordance with Minnesota Statutes, section  
 131.23 219.016.

131.24 Sec. 30. Laws 2017, First Special Session chapter 8, article 1, section 18, subdivision 3,  
 131.25 is amended to read:

131.26 **Subd. 3. Minneapolis Veterans Home Truss**  
 131.27 **Bridge Project** 7,851,000

131.28 To design, construct, renovate, and equip the  
 131.29 historic truss bridge on the Minneapolis  
 131.30 Veterans Home campus, including asbestos  
 131.31 and hazardous materials abatement and  
 131.32 associated site work. One-half of the unspent  
 131.33 portion of this appropriation after the project  
 131.34 has been substantially completed, upon written

132.1 notice to the commissioner of management  
 132.2 and budget, is for asset preservation of  
 132.3 veterans homes statewide under Minnesota  
 132.4 Statutes, section 16B.307, and one-half is for  
 132.5 comprehensive campus security and safety  
 132.6 upgrades at the veterans homes statewide,  
 132.7 including predesign and design, acquisition  
 132.8 and installation, construction, furnishing, and  
 132.9 equipping. Notwithstanding Minnesota  
 132.10 Statutes, section 16A.642, the bond sale  
 132.11 authorization and appropriation of bond  
 132.12 proceeds in this subdivision are available until  
 132.13 December 31, 2024.

132.14 Sec. 31. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21,  
 132.15 as amended by Laws 2018, chapter 214, article 2, section 40, is amended to read:

132.16 **Subd. 21. St. Paul - Minnesota Museum of**  
 132.17 **American Art** 6,000,000

132.18 For a grant to the St. Paul Port Authority to  
 132.19 acquire, design, construct, furnish, and equip  
 132.20 new museum galleries and an art study facility  
 132.21 for the Minnesota Museum of American Art.  
 132.22 This facility provides space to celebrate the  
 132.23 legacy of Minnesota art and artists and is part  
 132.24 of the restoration of the historic Pioneer  
 132.25 Endicott Building, and a part of a multiphase  
 132.26 project, of which only the museum galleries  
 132.27 and art study facility constructed with this  
 132.28 appropriation shall be state bond financed  
 132.29 property subject to Minnesota Statutes, section  
 132.30 16A.695. This appropriation is not available  
 132.31 until the commissioner of management and  
 132.32 budget has determined that:

132.33 (1) at least an amount equal to this  
 132.34 appropriation has been committed or  
 132.35 previously expended for design, construction,

133.1 and furnishing of the adjacent Minnesota  
 133.2 Museum of American Art Center for  
 133.3 Creativity facilities, which are not subject to  
 133.4 Minnesota Statutes, section 16A.695, with  
 133.5 funds from nonstate sources; and  
 133.6 (2) sufficient other state and nonstate funds  
 133.7 are available, if funds beyond this  
 133.8 appropriation are required, to complete the  
 133.9 museum galleries and art study facility.

133.10 ~~Funds invested in the Minnesota Museum of~~  
 133.11 ~~American Art Center for Creativity facilities~~  
 133.12 ~~by an investor receiving an assignment of state~~  
 133.13 ~~historic tax credits as provided in Minnesota~~  
 133.14 ~~Statutes, section 290.0681, are nonstate funds~~  
 133.15 ~~for purposes of this requirement. Only~~  
 133.16 expenditures made after January 1, 2012, shall  
 133.17 qualify for the required match. Due to the  
 133.18 integrated nature of the overall development,  
 133.19 public bidding shall not be required.

133.20 Notwithstanding Minnesota Statutes, section  
 133.21 16A.642, the bond sale authorization and  
 133.22 appropriation of bond proceeds for this project  
 133.23 are available until December 31, 2024.

133.24 Sec. 32. Laws 2018, chapter 214, article 1, section 2, subdivision 6, is amended to read:

133.25 Subd. 6. **Glensheen Renewal** 4,000,000

133.26 To replace the boiler and to predesign, design,  
 133.27 and renovate site structures at the Historic  
 133.28 Glensheen Estate including but not limited to  
 133.29 the main house; the site structures, terraces,  
 133.30 and garden walls; and the carriage house. This  
 133.31 appropriation is not available until the  
 133.32 commissioner of management and budget  
 133.33 determines that an equal amount is committed

134.1 ~~from other sources.~~ This appropriation does  
 134.2 not require a nonstate contribution.

134.3 Sec. 33. Laws 2018, chapter 214, article 1, section 7, subdivision 1, is amended to read:

134.4		<b>78,669,000</b>
134.5	<b>Subdivision 1. Total Appropriation</b>	<b>\$ <u>74,309,000</u></b>

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

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

134.16 Sec. 34. Laws 2018, chapter 214, article 1, section 16, subdivision 19, is amended to read:

134.17	<b>Subd. 19. Hennepin County - Railroad Crossing</b>	
134.18	<b>Safety</b>	1,200,000

134.19 For one or more grants to Hennepin County  
 134.20 or the affected city in the county to construct  
 134.21 railroad crossing safety improvements in  
 134.22 Hennepin County. Of this amount, \$350,000  
 134.23 is for crossings at ~~Townline Road~~ and marked  
 134.24 County Road 19 in the city of Loretto; at least  
 134.25 \$450,000 is for crossings at ~~marked Road~~  
 134.26 ~~116/County Road 115~~ and Arrowhead Drive  
 134.27 in the city of Medina; and at least \$400,000 is  
 134.28 for crossings at East Lake Street and Barry  
 134.29 Avenue in the city of Wayzata. Any unspent  
 134.30 portion of this appropriation remaining after  
 134.31 completion of a project listed in this  
 134.32 subdivision, after written notice to the  
 134.33 commissioner of management and budget, is  
 134.34 available for the purposes of this subdivision.

135.1 Sec. 35. Laws 2018, chapter 214, article 1, section 21, subdivision 1, is amended to read:

135.2 **Subdivision 1. Total Appropriation** **~~109,344,000~~**  
 135.3 **\$ 109,085,000**

135.4 To the commissioner of employment and  
 135.5 economic development for the purposes  
 135.6 specified in this section.

135.7 Sec. 36. Laws 2018, chapter 214, article 1, section 21, subdivision 18, is amended to read:

135.8 **Subd. 18. Pipestone County - Dental Facility** 500,000

135.9 For a grant to Pipestone County to predesign,  
 135.10 design, construct, furnish, and equip a dental  
 135.11 care facility in Pipestone County. The county  
 135.12 may enter into an agreement under Minnesota  
 135.13 Statutes, section 16A.695, for operation of the  
 135.14 dental clinic. This project is not subject to the  
 135.15 requirements of Minnesota Statutes, section  
 135.16 16B.325.

135.17 Sec. 37. Laws 2018, chapter 214, article 1, section 21, subdivision 26, is amended to read:

135.18 **Subd. 26. St. Paul - Minnesota Museum of**  
 135.19 **American Art** 2,500,000

135.20 For a grant to the St. Paul Port Authority to  
 135.21 acquire, design, construct, furnish, and equip  
 135.22 the Minnesota Museum of American Art in  
 135.23 the historic Pioneer Endicott Building. This  
 135.24 appropriation is in addition to the amount  
 135.25 appropriated by Laws 2017, First Special  
 135.26 Session chapter 8, article 1, section 20,  
 135.27 subdivision 21, and is available in accordance  
 135.28 with the requirements of that subdivision. This  
 135.29 appropriation may be used as needed for the  
 135.30 costs of the project, including but not limited  
 135.31 to secure loading dock, and art restoration and  
 135.32 exhibit preparation areas.

136.1 Notwithstanding Minnesota Statutes, section  
 136.2 16A.642, the bond sale authorization and  
 136.3 appropriation of bond proceeds for this project  
 136.4 are available until December 31, 2024.

136.5 Sec. 38. Laws 2018, chapter 214, article 1, section 21, subdivision 29, is amended to read:

136.6 **Subd. 29. Wabasha - National Eagle Center and**  
 136.7 **Wabasha Rivertown Resurgence Riverfront**  
 136.8 **Revitalization**

8,000,000

136.9 (a) \$1,500,000 of this appropriation is for a  
 136.10 grant to the city of Wabasha to ~~acquire land,~~  
 136.11 ~~predesign, design, renovate, construct, furnish,~~  
 136.12 ~~and equip~~ the renovation and expansion of the  
 136.13 National Eagle Center in order to expand  
 136.14 program and exhibit space, and increase aviary  
 136.15 space for eagles, and ~~for~~ to design and  
 136.16 construct improvements to the riverfront in  
 136.17 Wabasha for infrastructure, large vessel  
 136.18 landing areas and docks, and public access  
 136.19 and program areas.

136.20 (b) \$2,500,000 of this appropriation is for a  
 136.21 grant to the city of Wabasha to acquire land,  
 136.22 design, renovate, construct, furnish, and equip  
 136.23 the National Eagle Center in order to expand  
 136.24 the program space, gift shop, and exhibit  
 136.25 space, and increase aviary space for eagles. If  
 136.26 the acquisition of land, design, renovation,  
 136.27 construction, furnishing, and equipping of the  
 136.28 National Eagle Center expansion of its  
 136.29 program space, gift shop, exhibit space, and  
 136.30 aviary space is complete, the City of Wabasha  
 136.31 may use any remaining money from this  
 136.32 appropriation toward the renovation of the  
 136.33 historical buildings on Main Street.

136.34 (c) \$4,000,000 of this appropriation is for a  
 136.35 grant to the city of Wabasha to predesign,



137.1 design, construct, renovate, furnish, and equip  
 137.2 the new auditorium, expansion of the Preston  
 137.3 Cook Exhibit, and final renovation of the  
 137.4 historical buildings on Main Street.

137.5 Sec. 39. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2,  
 137.6 as amended by Laws 2020, chapter 116, article 6, section 17, is amended to read:

137.7 Subd. 2. **Debt service equalization aid.** For debt service equalization aid under  
 137.8 Minnesota Statutes, section 123B.53, subdivision 6:

137.9 \$ 20,684,000 ..... 2020

137.10 ~~25,398,000~~

137.11 \$ 25,380,000 ..... 2021

137.12 The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

137.13 The 2021 appropriation includes \$2,043,000 for 2020 and ~~\$23,355,000~~ \$23,337,000 for  
 137.14 2021.

137.15 Sec. 40. **RED LAKE AND NETT LAKE CAPITAL LOANS.**

137.16 (a) Notwithstanding the capital loan contracts issued to Independent School District No.  
 137.17 38, Red Lake, and Independent School District No. 707, Nett Lake, under Minnesota Statutes,  
 137.18 section 126C.69, the capital loan balance outstanding for Independent School District No.  
 137.19 38, Red Lake, as of July 1, 2020, on the capital loan granted on April 27, 2015, is reduced  
 137.20 to \$228,743. The capital loan balance outstanding for Independent School District No. 707,  
 137.21 Nett Lake, as of July 1, 2020, on the capital loan granted on October 24, 2006, is reduced  
 137.22 to \$1,261,384. The capital loan balances on these loans in excess of these amounts are  
 137.23 forgiven.

137.24 (b) All capital loan contracts issued prior to 2015 to Independent School District No.  
 137.25 38, Red Lake, under Minnesota Statutes, section 126C.69, cancel as of July 1, 2020, and  
 137.26 the capital loan balances on these loans are forgiven. The capital loan contract issued prior  
 137.27 to 1995 to Independent School District No. 707, Nett Lake, under Minnesota Statutes,  
 137.28 section 126C.69, cancels as of July 1, 2020, and the capital loan balance on this loan is  
 137.29 forgiven.

137.30 (c) Maximum effort loan aid for Independent School District No. 38, Red Lake, and  
 137.31 Independent School District No. 707, Nett Lake, is the amount the districts would have  
 137.32 received under Minnesota Statutes, section 477A.09, based on the capital loan contracts

138.1 issued under Minnesota Statutes, section 126C.69, without the loan forgiveness granted  
138.2 under paragraphs (a) and (b).

138.3 (d) Notwithstanding any law to the contrary, the maximum effort capital loan authorized  
138.4 in 2018 for Independent School District No. 38, Red Lake, must be repaid as a capital grant  
138.5 and loan according to the provisions of section 12.

138.6 Sec. 41. **LAKE VERMILION-SOUDAN UNDERGROUND MINE STATE PARK;**  
138.7 **SECONDARY UNIT DESIGNATION.**

138.8 The commissioner of natural resources must manage the area within the statutory  
138.9 boundary of Lake Vermilion-Soudan Underground Mine State Park that is located south of  
138.10 State Highway 169 as a secondary unit within the state park, as authorized in Minnesota  
138.11 Statutes, section 86A.08. The secondary unit is designated a state recreation area and must  
138.12 be managed in a manner consistent with Minnesota Statutes, section 86A.05, subdivision  
138.13 3. Within the secondary unit, in addition to other activities authorized in Lake  
138.14 Vermilion-Soudan Underground Mine State Park, the commissioner must permit ingress  
138.15 and egress on designated routes by off-highway vehicles, as defined in Minnesota Statutes,  
138.16 section 84.771, into campgrounds and overnight facilities developed south of State Highway  
138.17 169.

138.18 Sec. 42. **REPEALER.**

138.19 (a) Minnesota Statutes 2018, sections 126C.65, subdivision 2; and 126C.68, subdivisions  
138.20 1, 2, and 4, are repealed.

138.21 (b) Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3, is repealed.

138.22 (c) Minnesota Statutes 2018, section 16A.633, subdivision 4, is repealed.

138.23 Sec. 43. **EFFECTIVE DATE.**

138.24 Except as otherwise provided, this article is effective the day following final enactment.

139.1 **ARTICLE 6**

139.2 **PROPERTY TAXES AND AIDS**

139.3 Section 1. Minnesota Statutes 2019 Supplement, section 126C.17, subdivision 6, is amended  
139.4 to read:

139.5 **Subd. 6. Referendum equalization levy.** (a) A district's referendum equalization levy  
139.6 equals the sum of the first tier referendum equalization levy and the second tier referendum  
139.7 equalization levy.

139.8 (b) A district's first tier referendum equalization levy equals the district's first tier  
139.9 referendum equalization revenue times the lesser of (1) one ¢, (2) the ratio of the district's  
139.10 referendum market value per resident pupil unit to ~~\$567,000~~ \$650,000, or (3) the ratio of  
139.11 the district's referendum market value per adjusted pupil unit to \$650,000.

139.12 (c) A district's second tier referendum equalization levy equals the district's second tier  
139.13 referendum equalization revenue times the lesser of (1) one ¢, (2) the ratio of the district's  
139.14 referendum market value per resident pupil unit to ~~\$290,000~~ \$320,000, or (3) the ratio of  
139.15 the district's referendum market value per adjusted pupil unit to \$320,000.

139.16 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2022 and later.

139.17 Sec. 2. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to  
139.18 read:

139.19 **Subd. 104. Certain property owned by an Indian tribe.** (a) Property is exempt that:

139.20 (1) is located in a county with a population greater than 28,000 but less than 29,000 as  
139.21 of the 2010 federal census;

139.22 (2) was on January 2, 2016, and is for the current assessment owned by a federally  
139.23 recognized Indian tribe or its instrumentality, that is located in Minnesota;

139.24 (3) was on January 2, 2016, erroneously treated as exempt under subdivision 7; and

139.25 (4) is used for the same purpose as the property was used on January 2, 2016.

139.26 (b) For assessment years 2019 and 2020, an exemption application under this subdivision  
139.27 must be filed with the county assessor by August 1, 2020. Property taxes paid on property  
139.28 exempt under this section for taxes payable in 2020 only shall be refunded by the county  
139.29 by September 1, 2020.

139.30 **EFFECTIVE DATE.** This section is effective retroactively from assessment year 2019.

140.1 Sec. 3. Minnesota Statutes 2018, section 272.38, subdivision 1, is amended to read:

140.2 Subdivision 1. **Taxes to be first paid.** (a) No structures, standing timber, minerals, sand,  
140.3 gravel, peat, subsoil, or topsoil shall be removed from any tract of land until all the taxes  
140.4 assessed against such tract and due and payable shall have been fully paid and discharged.  
140.5 When the commissioner of management and budget or the county auditor has reason to  
140.6 believe that any such structure, timber, minerals, sand, gravel, peat, subsoil, or topsoil will  
140.7 be removed from such tract before such taxes shall have been paid, either may direct the  
140.8 county attorney to bring suit in the name of the state to enjoin any and all persons from  
140.9 removing such structure, timber, minerals, sand, gravel, peat, subsoil, or topsoil therefrom  
140.10 until such taxes are paid. No bond shall be required of plaintiff in such suit.

140.11 (b) If the county auditor determines that the removal of a structure is in the public interest,  
140.12 including the health, safety, and well-being of the surrounding area, and that removal will  
140.13 not impair the collection of property taxes, the county auditor may waive the requirements  
140.14 of this subdivision.

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

140.16 Sec. 4. Minnesota Statutes 2018, section 273.13, subdivision 25, is amended to read:

140.17 Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units  
140.18 and used or held for use by the owner or by the tenants or lessees of the owner as a residence  
140.19 for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a  
140.20 also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt  
140.21 under section 272.02, and contiguous property used for hospital purposes, without regard  
140.22 to whether the property has been platted or subdivided. The market value of class 4a property  
140.23 has a classification rate of 1.25 percent.

140.24 (b) Class 4b includes:

140.25 (1) residential real estate containing less than four units, including property rented as a  
140.26 short-term rental property for more than 14 days in the preceding year, that does not qualify  
140.27 as class 4bb, other than seasonal residential recreational property;

140.28 (2) manufactured homes not classified under any other provision;

140.29 (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm  
140.30 classified under subdivision 23, paragraph (b) containing two or three units; and

140.31 (4) unimproved property that is classified residential as determined under subdivision  
140.32 33.

141.1 For the purposes of this paragraph, "short-term rental property" means nonhomestead  
141.2 residential real estate rented for periods of less than 30 consecutive days.

141.3 The market value of class 4b property has a classification rate of 1.25 percent.

141.4 (c) Class 4bb includes:

141.5 (1) nonhomestead residential real estate containing one unit, other than seasonal  
141.6 residential recreational property;

141.7 (2) a single family dwelling, garage, and surrounding one acre of property on a  
141.8 nonhomestead farm classified under subdivision 23, paragraph (b); and

141.9 (3) a condominium-type storage unit having an individual property identification number  
141.10 that is not used for a commercial purpose.

141.11 Class 4bb property has the same classification rates as class 1a property under subdivision  
141.12 22.

141.13 Property that has been classified as seasonal residential recreational property at any time  
141.14 during which it has been owned by the current owner or spouse of the current owner does  
141.15 not qualify for class 4bb.

141.16 (d) Class 4c property includes:

141.17 (1) except as provided in subdivision 22, paragraph (c), real and personal property  
141.18 devoted to commercial temporary and seasonal residential occupancy for recreation purposes,  
141.19 for not more than 250 days in the year preceding the year of assessment. For purposes of  
141.20 this clause, property is devoted to a commercial purpose on a specific day if any portion of  
141.21 the property is used for residential occupancy, and a fee is charged for residential occupancy.  
141.22 Class 4c property under this clause must contain three or more rental units. A "rental unit"  
141.23 is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site  
141.24 equipped with water and electrical hookups for recreational vehicles. A camping pad offered  
141.25 for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c  
141.26 under this clause regardless of the term of the rental agreement, as long as the use of the  
141.27 camping pad does not exceed 250 days. In order for a property to be classified under this  
141.28 clause, either (i) the business located on the property must provide recreational activities,  
141.29 at least 40 percent of the annual gross lodging receipts related to the property must be from  
141.30 business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid  
141.31 bookings by lodging guests during the year must be for periods of at least two consecutive  
141.32 nights; or (B) at least 20 percent of the annual gross receipts must be from charges for  
141.33 providing recreational activities, or (ii) the business must contain 20 or fewer rental units,

142.1 and must be located in a township or a city with a population of 2,500 or less located outside  
142.2 the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion  
142.3 of a state trail administered by the Department of Natural Resources. For purposes of item  
142.4 (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c  
142.5 property also includes commercial use real property used exclusively for recreational  
142.6 purposes in conjunction with other class 4c property classified under this clause and devoted  
142.7 to temporary and seasonal residential occupancy for recreational purposes, up to a total of  
142.8 two acres, provided the property is not devoted to commercial recreational use for more  
142.9 than 250 days in the year preceding the year of assessment and is located within two miles  
142.10 of the class 4c property with which it is used. In order for a property to qualify for  
142.11 classification under this clause, the owner must submit a declaration to the assessor  
142.12 designating the cabins or units occupied for 250 days or less in the year preceding the year  
142.13 of assessment by January 15 of the assessment year. Those cabins or units and a proportionate  
142.14 share of the land on which they are located must be designated class 4c under this clause  
142.15 as otherwise provided. The remainder of the cabins or units and a proportionate share of  
142.16 the land on which they are located will be designated as class 3a. The owner of property  
142.17 desiring designation as class 4c property under this clause must provide guest registers or  
142.18 other records demonstrating that the units for which class 4c designation is sought were not  
142.19 occupied for more than 250 days in the year preceding the assessment if so requested. The  
142.20 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center  
142.21 or meeting room, and (5) other nonresidential facility operated on a commercial basis not  
142.22 directly related to temporary and seasonal residential occupancy for recreation purposes  
142.23 does not qualify for class 4c. For the purposes of this paragraph, "recreational activities"  
142.24 means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country  
142.25 ski equipment; providing marina services, launch services, or guide services; or selling bait  
142.26 and fishing tackle;

142.27 (2) qualified property used as a golf course if:

142.28 (i) it is open to the public on a daily fee basis. It may charge membership fees or dues,  
142.29 but a membership fee may not be required in order to use the property for golfing, and its  
142.30 green fees for golfing must be comparable to green fees typically charged by municipal  
142.31 courses; and

142.32 (ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

142.33 A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with  
142.34 the golf course is classified as class 3a property;

143.1 (3) real property up to a maximum of three acres of land owned and used by a nonprofit  
143.2 community service oriented organization and not used for residential purposes on either a  
143.3 temporary or permanent basis, provided that:

143.4 (i) the property is not used for a revenue-producing activity for more than six days in  
143.5 the calendar year preceding the year of assessment; or

143.6 (ii) the organization makes annual charitable contributions and donations at least equal  
143.7 to the property's previous year's property taxes and the property is allowed to be used for  
143.8 public and community meetings or events for no charge, as appropriate to the size of the  
143.9 facility.

143.10 For purposes of this clause:

143.11 (A) "charitable contributions and donations" has the same meaning as lawful gambling  
143.12 purposes under section 349.12, subdivision 25, excluding those purposes relating to the  
143.13 payment of taxes, assessments, fees, auditing costs, and utility payments;

143.14 (B) "property taxes" excludes the state general tax;

143.15 (C) a "nonprofit community service oriented organization" means any corporation,  
143.16 society, association, foundation, or institution organized and operated exclusively for  
143.17 charitable, religious, fraternal, civic, or educational purposes, and which is exempt from  
143.18 federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal  
143.19 Revenue Code; and

143.20 (D) "revenue-producing activities" shall include but not be limited to property or that  
143.21 portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt  
143.22 liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling  
143.23 alley, a retail store, gambling conducted by organizations licensed under chapter 349, an  
143.24 insurance business, or office or other space leased or rented to a lessee who conducts a  
143.25 for-profit enterprise on the premises.

143.26 Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The  
143.27 use of the property for social events open exclusively to members and their guests for periods  
143.28 of less than 24 hours, when an admission is not charged nor any revenues are received by  
143.29 the organization shall not be considered a revenue-producing activity.

143.30 The organization shall maintain records of its charitable contributions and donations  
143.31 and of public meetings and events held on the property and make them available upon  
143.32 request any time to the assessor to ensure eligibility. An organization meeting the requirement  
143.33 under item (ii) must file an application by May 1 with the assessor for eligibility for the

144.1 current year's assessment. The commissioner shall prescribe a uniform application form  
144.2 and instructions;

144.3 (4) postsecondary student housing of not more than one acre of land that is owned by a  
144.4 nonprofit corporation organized under chapter 317A and is used exclusively by a student  
144.5 cooperative, sorority, or fraternity for on-campus housing or housing located within two  
144.6 miles of the border of a college campus;

144.7 (5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding  
144.8 manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as  
144.9 defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision  
144.10 3a, and (iii) class I manufactured home parks as defined in section 327C.01, subdivision  
144.11 13;

144.12 (6) real property that is actively and exclusively devoted to indoor fitness, health, social,  
144.13 recreational, and related uses, is owned and operated by a not-for-profit corporation, and is  
144.14 located within the metropolitan area as defined in section 473.121, subdivision 2;

144.15 (7) a leased or privately owned noncommercial aircraft storage hangar not exempt under  
144.16 section 272.01, subdivision 2, and the land on which it is located, provided that:

144.17 (i) the land is on an airport owned or operated by a city, town, county, Metropolitan  
144.18 Airports Commission, or group thereof; and

144.19 (ii) the land lease, or any ordinance or signed agreement restricting the use of the leased  
144.20 premise, prohibits commercial activity performed at the hangar.

144.21 If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be  
144.22 filed by the new owner with the assessor of the county where the property is located within  
144.23 60 days of the sale;

144.24 (8) a privately owned noncommercial aircraft storage hangar not exempt under section  
144.25 272.01, subdivision 2, and the land on which it is located, provided that:

144.26 (i) the land abuts a public airport; and

144.27 (ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement  
144.28 restricting the use of the premises, prohibiting commercial use or activity performed at the  
144.29 hangar; and

144.30 (9) residential real estate, a portion of which is used by the owner for homestead purposes,  
144.31 and that is also a place of lodging, if all of the following criteria are met:



145.1 (i) rooms are provided for rent to transient guests that generally stay for periods of 14  
145.2 or fewer days;

145.3 (ii) meals are provided to persons who rent rooms, the cost of which is incorporated in  
145.4 the basic room rate;

145.5 (iii) meals are not provided to the general public except for special events on fewer than  
145.6 seven days in the calendar year preceding the year of the assessment; and

145.7 (iv) the owner is the operator of the property.

145.8 The market value subject to the 4c classification under this clause is limited to five rental  
145.9 units. Any rental units on the property in excess of five, must be valued and assessed as  
145.10 class 3a. The portion of the property used for purposes of a homestead by the owner must  
145.11 be classified as class 1a property under subdivision 22;

145.12 (10) real property up to a maximum of three acres and operated as a restaurant as defined  
145.13 under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under  
145.14 section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to  
145.15 commercial purposes for not more than 250 consecutive days, or receives at least 60 percent  
145.16 of its annual gross receipts from business conducted during four consecutive months. Gross  
145.17 receipts from the sale of alcoholic beverages must be included in determining the property's  
145.18 qualification under item (ii). The property's primary business must be as a restaurant and  
145.19 not as a bar. Gross receipts from gift shop sales located on the premises must be excluded.  
145.20 Owners of real property desiring 4c classification under this clause must submit an annual  
145.21 declaration to the assessor by February 1 of the current assessment year, based on the  
145.22 property's relevant information for the preceding assessment year;

145.23 (11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as  
145.24 a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public  
145.25 and devoted to recreational use for marina services. The marina owner must annually provide  
145.26 evidence to the assessor that it provides services, including lake or river access to the public  
145.27 by means of an access ramp or other facility that is either located on the property of the  
145.28 marina or at a publicly owned site that abuts the property of the marina. No more than 800  
145.29 feet of lakeshore may be included in this classification. Buildings used in conjunction with  
145.30 a marina for marina services, including but not limited to buildings used to provide food  
145.31 and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified  
145.32 as class 3a property; and

145.33 (12) real and personal property devoted to noncommercial temporary and seasonal  
145.34 residential occupancy for recreation purposes.

146.1 Class 4c property has a classification rate of 1.5 percent of market value, except that (i)  
146.2 each parcel of noncommercial seasonal residential recreational property under clause (12)  
146.3 has the same classification rates as class 4bb property, (ii) manufactured home parks assessed  
146.4 under clause (5), item (i), have the same classification rate as class 4b property, the market  
146.5 value of manufactured home parks assessed under clause (5), item (ii), have a classification  
146.6 rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by  
146.7 shareholders in the cooperative corporation or association and a classification rate of one  
146.8 percent if 50 percent or less of the lots are so occupied, and class I manufactured home  
146.9 parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0 percent,  
146.10 (iii) commercial-use seasonal residential recreational property and marina recreational land  
146.11 as described in clause (11), has a classification rate of one percent for the first \$500,000 of  
146.12 market value, and 1.25 percent for the remaining market value, (iv) the market value of  
146.13 property described in clause (4) has a classification rate of one percent, (v) the market value  
146.14 of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent,  
146.15 (vi) that portion of the market value of property in clause (9) qualifying for class 4c property  
146.16 has a classification rate of 1.25 percent, and (vii) property qualifying for classification under  
146.17 clause (3) that is owned or operated by a congressionally chartered veterans organization  
146.18 has a classification rate of one percent. The commissioner of veterans affairs must provide  
146.19 a list of congressionally chartered veterans organizations to the commissioner of revenue  
146.20 by June 30, 2017, and by January 1, 2018, and each year thereafter.

146.21 (e) Class 4d property is qualifying low-income rental housing certified to the assessor  
146.22 by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of  
146.23 the units in the building qualify as low-income rental housing units as certified under section  
146.24 273.128, subdivision 3, only the proportion of qualifying units to the total number of units  
146.25 in the building qualify for class 4d. The remaining portion of the building shall be classified  
146.26 by the assessor based upon its use. Class 4d also includes the same proportion of land as  
146.27 the qualifying low-income rental housing units are to the total units in the building. For all  
146.28 properties qualifying as class 4d, the market value determined by the assessor must be based  
146.29 on the normal approach to value using normal unrestricted rents.

146.30 (f) The first tier of market value of class 4d property has a classification rate of 0.75  
146.31 percent. The remaining value of class 4d property has a classification rate of 0.25 percent.  
146.32 For the purposes of this paragraph, the "first tier of market value of class 4d property" means  
146.33 the market value of each housing unit up to the first tier limit. For the purposes of this  
146.34 paragraph, all class 4d property value must be assigned to individual housing units. The  
146.35 first tier limit is \$100,000 for assessment year 2014. For subsequent years, the limit is

147.1 adjusted each year by the average statewide change in estimated market value of property  
147.2 classified as class 4a and 4d under this section for the previous assessment year, excluding  
147.3 valuation change due to new construction, rounded to the nearest \$1,000, provided, however,  
147.4 that the limit may never be less than \$100,000. Beginning with assessment year 2015, the  
147.5 commissioner of revenue must certify the limit for each assessment year by November 1  
147.6 of the previous year.

147.7 **EFFECTIVE DATE.** Notwithstanding Minnesota Statutes, section 273.01, this section  
147.8 is effective beginning with assessments in 2020 and thereafter.

147.9 Sec. 5. Minnesota Statutes 2019 Supplement, section 273.13, subdivision 34, is amended  
147.10 to read:

147.11 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a  
147.12 portion of the market value of property owned by a veteran and serving as the veteran's  
147.13 homestead under this section is excluded in determining the property's taxable market value  
147.14 if the veteran has a service-connected disability of 70 percent or more as certified by the  
147.15 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,  
147.16 the veteran must have been honorably discharged from the United States armed forces, as  
147.17 indicated by United States Government Form DD214 or other official military discharge  
147.18 papers.

147.19 (b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded,  
147.20 except as provided in clause (2); and

147.21 (2) for a total (100 percent) and permanent disability, \$300,000 of market value is  
147.22 excluded.

147.23 (c) If a veteran with a disability qualifying for a valuation exclusion under paragraph  
147.24 (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the  
147.25 spouse holds the legal or beneficial title to the homestead and permanently resides there,  
147.26 the exclusion shall carry over to the benefit of the veteran's spouse until such time as the  
147.27 spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise  
147.28 provided in paragraph (n). Qualification under this paragraph requires an application under  
147.29 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's  
147.30 marital status, ownership of the property, or use of the property as a permanent residence.

147.31 (d) If the spouse of a member of any branch or unit of the United States armed forces  
147.32 who dies due to a service-connected cause while serving honorably in active service, as  
147.33 indicated on United States Government Form DD1300 or DD2064, holds the legal or

148.1 beneficial title to a homestead and permanently resides there, the spouse is entitled to the  
148.2 benefit described in paragraph (b), clause (2), until such time as the spouse remarries or  
148.3 sells, transfers, or otherwise disposes of the property, except as otherwise provided in  
148.4 paragraph (n).

148.5 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property  
148.6 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary  
148.7 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify  
148.8 for under paragraph (b).

148.9 (f) In the case of an agricultural homestead, only the portion of the property consisting  
148.10 of the house and garage and immediately surrounding one acre of land qualifies for the  
148.11 valuation exclusion under this subdivision.

148.12 (g) A property qualifying for a valuation exclusion under this subdivision is not eligible  
148.13 for the market value exclusion under subdivision 35, or classification under subdivision 22,  
148.14 paragraph (b).

148.15 (h) To qualify for a valuation exclusion under this subdivision a property owner must  
148.16 apply to the assessor by December 15 of the first assessment year for which the exclusion  
148.17 is sought. For an application received after December 15, the exclusion shall become effective  
148.18 for the following assessment year. Except as provided in paragraph (c), the owner of a  
148.19 property that has been accepted for a valuation exclusion must notify the assessor if there  
148.20 is a change in ownership of the property or in the use of the property as a homestead.

148.21 (i) A first-time application by a qualifying spouse for the market value exclusion under  
148.22 paragraph (d) must be made any time within two years of the death of the service member.

148.23 (j) For purposes of this subdivision:

148.24 (1) "active service" has the meaning given in section 190.05;

148.25 (2) "own" means that the person's name is present as an owner on the property deed;

148.26 (3) "primary family caregiver" means a person who is approved by the secretary of the  
148.27 United States Department of Veterans Affairs for assistance as the primary provider of  
148.28 personal care services for an eligible veteran under the Program of Comprehensive Assistance  
148.29 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

148.30 (4) "veteran" has the meaning given the term in section 197.447.

148.31 (k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion  
148.32 under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit

149.1 under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise  
149.2 disposes of the property, except as otherwise provided in paragraph (n), if:

149.3 (1) the spouse files a first-time application within two years of the death of the service  
149.4 member or by June 1, 2019, whichever is later;

149.5 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the  
149.6 homestead and permanently resides there;

149.7 (3) the veteran met the honorable discharge requirements of paragraph (a); and

149.8 (4) the United States Department of Veterans Affairs certifies that:

149.9 (i) the veteran met the total (100 percent) and permanent disability requirement under  
149.10 paragraph (b), clause (2); or

149.11 (ii) the spouse has been awarded dependency and indemnity compensation.

149.12 (l) The purpose of this provision of law providing a level of homestead property tax  
149.13 relief for veterans with a disability, their primary family caregivers, and their surviving  
149.14 spouses is to help ease the burdens of war for those among our state's citizens who bear  
149.15 those burdens most heavily.

149.16 (m) By July 1, the county veterans service officer must certify the disability rating and  
149.17 permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

149.18 (n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds  
149.19 the legal or beneficial title to the property may continue to receive the exclusion for a  
149.20 property other than the property for which the exclusion was initially granted until the spouse  
149.21 remarries or sells, transfers, or otherwise disposes of the property, provided that:

149.22 (1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed  
149.23 under this paragraph;

149.24 (2) the spouse holds the legal or beneficial title to the property for which the continuation  
149.25 of the exclusion is sought under this paragraph, and permanently resides there;

149.26 (3) the estimated market value of the property for which the exclusion is sought under  
149.27 this paragraph is less than or equal to the estimated market value of the property that first  
149.28 received the exclusion, based on the value of each property on the date of the sale of the  
149.29 property that first received the exclusion; and

149.30 (4) the spouse has not previously received the benefit under this paragraph for a property  
149.31 other than the property for which the exclusion is sought.

150.1 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2021.

150.2 Sec. 6. **2019 AID PENALTY FORGIVENESS; ADDITIONAL FILING REQUIRED**  
150.3 **IN 2020.**

150.4 (a) Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the  
150.5 commissioner of revenue shall make a payment of \$9,280 to the city of Sargeant by August  
150.6 31, 2020, to compensate the city for its 2019 aid payment under Minnesota Statutes, section  
150.7 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3.

150.8 (b) The second half of the calendar year 2020 aid payment to the city under Minnesota  
150.9 Statutes, section 477A.013, will be withheld until the state auditor certifies to the  
150.10 commissioner of revenue that the city has complied with all reporting requirements under  
150.11 Minnesota Statutes, section 477A.017, subdivision 3, for calendar years 2018 and 2019.  
150.12 The commissioner of revenue must make the second payment for calendar year 2020 within  
150.13 one month of receiving this certification from the state auditor. If the city has not complied  
150.14 with all reporting requirements under Minnesota Statutes, section 477A.017, subdivision  
150.15 3, for calendar years 2018 and 2019 by December 1, 2020, the city will receive no second  
150.16 half aid payment under Minnesota Statutes, section 477A.013, for calendar year 2020.

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

150.18 Sec. 7. **2019 AID PENALTY FORGIVENESS.**

150.19 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the city of  
150.20 Roosevelt shall receive its aid payment for calendar year 2019 under Minnesota Statutes,  
150.21 section 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision  
150.22 3, provided that the state auditor certifies to the commissioner of revenue that the state  
150.23 auditor received the annual financial reporting form for 2018 from the city as well as all  
150.24 forms, including the financial statement and annual financial reporting form for calendar  
150.25 year 2019 by August 1, 2020. The commissioner of revenue shall make a payment of \$25,410  
150.26 by April 1, 2021.

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

150.28 Sec. 8. **SCHOOL BUILDING EFFICIENCIES; DULUTH SCHOOL DISTRICT.**

150.29 Subdivision 1. **Plan.** (a) Independent School District No. 709, Duluth, must develop a  
150.30 plan to sell Historic Old Central High School to another party. The plan must document the  
150.31 current operating costs of the facility, the expected maintenance costs for the facility over

151.1 the next 20 years, and describe the alternatives for the programs and staff currently located  
151.2 at Historic Old Central High School.

151.3 (b) The plan must also document potential building projects, which may include:

151.4 (1) constructing or acquiring new administrative space;

151.5 (2) adding transportation maintenance and bus storage facilities;

151.6 (3) improving roads and infrastructure; and

151.7 (4) preparing sites for building or demolishing the Duluth Central High School facility  
151.8 constructed in 1971.

151.9 (c) The plan must be submitted by the school board to the commissioner of education  
151.10 after the hearing required in subdivision 2.

151.11 (d) The commissioner must examine the plan, and if the commissioner concludes that  
151.12 the plan will yield financial, student, and staff efficiencies for the district, approve the plan.

151.13 Subd. 2. **Public hearing.** At least 30 days prior to submitting the projects listed in the  
151.14 plan developed under subdivision 1 for review and comment, the school board must hold  
151.15 a public hearing on the plan and the building projects. The school board must allow public  
151.16 testimony on the proposal.

151.17 Subd. 3. **Review and comment.** The district must submit the projects included in the  
151.18 plan to the commissioner of education for review and comment under Minnesota Statutes,  
151.19 section 123B.71.

151.20 Subd. 4. **Bond authorization.** (a) Independent School District No. 709, Duluth, may  
151.21 issue general obligation bonds in an amount not to exceed \$31,500,000 under this section  
151.22 to finance the school facility plan approved by the district and the commissioner of education  
151.23 under subdivision 1. The district must comply with Minnesota Statutes, chapter 475, except  
151.24 Minnesota Statutes, sections 475.58 and 475.59. The authority to issue bonds under this  
151.25 section is in addition to any other bonding authority granted to the district.

151.26 (b) At least 20 days before the issuance of bonds or the final certification of levies under  
151.27 this section, the district must publish notice of the intended projects, the amount of the bonds  
151.28 to be issued, and the total amount of the district's debt.

151.29 (c) The debt service required by the bonds issued is debt service revenue under Minnesota  
151.30 Statutes, section 123B.53.

152.1 Subd. 5. Long-term facilities maintenance revenue. The commissioner of education  
 152.2 must ensure that the district's long-term facilities maintenance plan under Minnesota Statutes,  
 152.3 section 123B.595, reflects the savings outlined in the plan developed in subdivision 1.

152.4 Subd. 6. Report. On February 15 of each even-numbered year, Independent School  
 152.5 District No. 709, Duluth, must submit a report on the outcomes and efficiencies achieved  
 152.6 under this section to the commissioner of education and to the chairs and ranking minority  
 152.7 members of the legislative committees having jurisdiction over education finance.

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

## 152.9 ARTICLE 7

### 152.10 INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES

152.11 Section 1. Minnesota Statutes 2018, section 290.0131, subdivision 10, is amended to read:

152.12 Subd. 10. Section 179 expensing. (a) For property placed in service in taxable years  
 152.13 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent  
 152.14 of the amount by which the deduction allowed under the dollar limits of section 179 of the  
 152.15 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal  
 152.16 Revenue Code, as amended through December 31, 2003, is an addition.

152.17 (b) For purposes of this subdivision, "qualifying depreciable property" means:

152.18 (1) property for which a depreciation deduction is allowed under section 167 of the  
 152.19 Internal Revenue Code; and

152.20 (2) property received as part of an exchange that qualifies for gain or loss recognition  
 152.21 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through  
 152.22 December 16, 2016, but that does not qualify for gain or loss recognition deferral under  
 152.23 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,  
 152.24 2018.

152.25 EFFECTIVE DATE. This section is effective for property placed in service in taxable  
 152.26 years beginning after December 31, 2019, except that for taxpayers with qualifying  
 152.27 depreciable property, this section is effective retroactively and applies to the same tax periods  
 152.28 to which section 13303 of Public Law 115-97 relates.



153.1 Sec. 2. Minnesota Statutes 2018, section 290.0132, is amended by adding a subdivision  
153.2 to read:

153.3 Subd. 30. **Volunteer driver reimbursement.** (a) The amount of mileage reimbursement  
153.4 paid by a charitable organization for work as a volunteer driver is a subtraction. The  
153.5 subtraction is limited to amounts paid per mile by the organization that:

153.6 (1) exceed the mileage rate for use of an automobile in rendering gratuitous services to  
153.7 a charitable organization under section 170(i) of the Internal Revenue Code; and

153.8 (2) do not exceed the standard mileage rate for businesses established under Code of  
153.9 Federal Regulations, title 26, section 1.274-5(j)(2).

153.10 (b) For the purposes of this section, "charitable organization" means an organization  
153.11 eligible for a charitable contribution under section 170(c) of the Internal Revenue Code.

153.12 (c) This section expires for taxable years beginning after December 31, 2029.

153.13 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
153.14 31, 2019, and before January 1, 2030.

153.15 Sec. 3. Minnesota Statutes 2018, section 290.0133, subdivision 12, is amended to read:

153.16 Subd. 12. **Section 179 expensing.** (a) For property placed in service in taxable years  
153.17 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent  
153.18 of the amount by which the deduction allowed under the dollar limits of section 179 of the  
153.19 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal  
153.20 Revenue Code, as amended through December 31, 2003, is an addition.

153.21 (b) For purposes of this subdivision, "qualifying depreciable property" means:

153.22 (1) property for which a depreciation deduction is allowed under section 167 of the  
153.23 Internal Revenue Code; and

153.24 (2) property received as part of an exchange that qualifies for gain or loss recognition  
153.25 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through  
153.26 December 16, 2016, but that does not qualify for gain or loss recognition deferral under  
153.27 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,  
153.28 2018.

153.29 **EFFECTIVE DATE.** This section is effective for property placed in service in taxable  
153.30 years beginning after December 31, 2019, except that for taxpayers with qualifying  
153.31 depreciable property, this section is effective retroactively and applies to the same tax periods  
153.32 to which section 13303 of Public Law 115-97 relates.

154.1 Sec. 4. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:

154.2 Subd. 2. **Credit allowed; refundable; appropriation.** (a) An eligible individual is  
154.3 allowed a credit against the tax due under this chapter.

154.4 (b) The credit for an eligible individual equals the least of:

154.5 (1) eligible loan payments minus ten percent of an amount equal to adjusted gross income  
154.6 in excess of \$10,000, but in no case less than zero;

154.7 (2) the earned income for the taxable year of the eligible individual, if any;

154.8 (3) the sum of:

154.9 (i) the interest portion of eligible loan payments made during the taxable year; and

154.10 (ii) ten percent of the original loan amount of all qualified education loans of the eligible  
154.11 individual; or

154.12 (4) \$500.

154.13 (c) For a part-year resident, the credit must be allocated based on the percentage calculated  
154.14 under section 290.06, subdivision 2c, paragraph (e).

154.15 (d) In the case of a married couple, each spouse is eligible for the credit in this section.

154.16 (e) If the amount of credit which a claimant is eligible to receive under this section  
154.17 exceeds the claimant's tax liability under this chapter, the commissioner shall refund the  
154.18 excess to the claimant.

154.19 (f) An amount sufficient to pay the refunds required by this section is appropriated to  
154.20 the commissioner from the general fund.

154.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
154.22 31, 2020.

154.23 Sec. 5. Minnesota Statutes 2019 Supplement, section 290.993, is amended to read:

154.24 **290.993 SPECIAL LIMITED ADJUSTMENT.**

154.25 (a) For an individual income taxpayer subject to tax under section 290.06, subdivision  
154.26 2c, or a partnership that elects to file a composite return under section 289A.08, subdivision  
154.27 7, for taxable years beginning after December 31, 2017, and before January 1, 2019, the  
154.28 following special rules apply:

155.1 (1) an individual income taxpayer may: (i) take the standard deduction; or (ii) make an  
 155.2 election under section 63(e) of the Internal Revenue Code to itemize, for Minnesota individual  
 155.3 income tax purposes, regardless of the choice made on their federal return; and

155.4 (2) there is an adjustment to tax equal to the difference between the tax calculated under  
 155.5 this chapter using the Internal Revenue Code as amended through December 16, 2016, and  
 155.6 the tax calculated under this chapter using the Internal Revenue Code amended through  
 155.7 December 31, 2018, before the application of credits. The end result must be zero additional  
 155.8 tax due or refund.

155.9 (b) The adjustment in paragraph (a), clause (2), does not apply to any changes due to  
 155.10 sections 11012, 11031, 13101, 13201, 13202, 13203, 13204, 13205, 13207, 13301, 13302,  
 155.11 13303, 13313, 13502, 13503, 13801, 14101, 14102, 14211 through 14215, and 14501 of  
 155.12 Public Law 115-97; and section 40411 of Public Law 115-123.

155.13 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 155.14 after December 31, 2017, and before January 1, 2019.

155.15 Sec. 6. **SECTION 179 EXPENSING; SUBTRACTIONS.**

155.16 No taxpayer with qualifying depreciable property is allowed a subtraction in computing  
 155.17 the taxpayer's net income for that qualifying depreciable property placed in service in taxable  
 155.18 years beginning after December 31, 2017, due to the retroactive exception for qualifying  
 155.19 depreciable property from the additions required under Minnesota Statutes, sections 290.0131,  
 155.20 subdivision 10, and 290.0133, subdivision 12. A taxpayer who claimed a subtraction under  
 155.21 Minnesota Statutes, section 290.0132, subdivision 14, or 290.0134, subdivision 14, for that  
 155.22 qualifying depreciable property must recompute the taxpayer's tax in the year in which the  
 155.23 qualifying depreciable property was placed in service and in each year a subtraction was  
 155.24 claimed.

155.25 **EFFECTIVE DATE.** This section is effective retroactively and applies to the same tax  
 155.26 periods to which section 13303 of Public Law 115-97 relates.

## 155.27 **ARTICLE 8**

### 155.28 **SALES AND USE TAXES**

155.29 Section 1. Minnesota Statutes 2018, section 297A.70, subdivision 13, is amended to read:

155.30 Subd. 13. **Fund-raising sales by or for nonprofit groups.** (a) The following sales by  
 155.31 the specified organizations for fund-raising purposes are exempt, subject to the limitations  
 155.32 listed in paragraph (b):

156.1 (1) all sales made by a nonprofit organization that exists solely for the purpose of  
156.2 providing educational or social activities for young people primarily age 18 and under;

156.3 (2) all sales made by an organization that is a senior citizen group or association of  
156.4 groups if (i) in general it limits membership to persons age 55 or older; (ii) it is organized  
156.5 and operated exclusively for pleasure, recreation, and other nonprofit purposes; and (iii) no  
156.6 part of its net earnings inures to the benefit of any private shareholders;

156.7 (3) the sale or use of tickets or admissions to a golf tournament held in Minnesota if the  
156.8 beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under  
156.9 section 501(c)(3) of the Internal Revenue Code; and

156.10 (4) sales of candy sold for fund-raising purposes by a nonprofit organization that provides  
156.11 educational and social activities primarily for young people age 18 and under.

156.12 (b) The exemptions listed in paragraph (a) are limited in the following manner:

156.13 (1) the exemption under paragraph (a), clauses (1) and (2), applies only to the first  
156.14 \$20,000 of the gross annual receipts of the organization from fund-raising; ~~and~~

156.15 (2) the exemption under paragraph (a), clause (1), does not apply if the sales are derived  
156.16 from admission charges or from activities for which the money must be deposited with the  
156.17 school district treasurer under section 123B.49, subdivision 2, ~~or~~; and

156.18 (3) the exemption under paragraph (a), clause (1), does not apply if the sales are derived  
156.19 from admission charges or from activities for which the money must be recorded in the  
156.20 same manner as other revenues or expenditures of the school district under section 123B.49,  
156.21 subdivision 4, unless the following conditions are both met:

156.22 (i) the sales are made for fund-raising purposes of a club, association, or other  
156.23 organization of elementary or secondary school students organized for the purpose of  
156.24 carrying on sports activities, educational activities, or other extracurricular activities; and

156.25 (ii) the school district reserves revenue raised for extracurricular activities, as provided  
156.26 in section 123B.49, subdivision 4, paragraph (e), and spends the revenue raised by a particular  
156.27 extracurricular activity only for that extracurricular activity.

156.28 (c) Sales of tangible personal property and services are exempt if the entire proceeds,  
156.29 less the necessary expenses for obtaining the property or services, will be contributed to a  
156.30 registered combined charitable organization described in section 43A.50, to be used  
156.31 exclusively for charitable, religious, or educational purposes, and the registered combined  
156.32 charitable organization has given its written permission for the sale. Sales that occur over  
156.33 a period of more than 24 days per year are not exempt under this paragraph.

157.1 (d) For purposes of this subdivision, a club, association, or other organization of  
157.2 elementary or secondary school students organized for the purpose of carrying on sports,  
157.3 educational, or other extracurricular activities is a separate organization from the school  
157.4 district or school for purposes of applying the \$20,000 limit.

157.5 EFFECTIVE DATE. This section is effective for sales and purchases made after the  
157.6 date of final enactment.

157.7 Sec. 2. Minnesota Statutes 2019 Supplement, section 297A.71, subdivision 52, is amended  
157.8 to read:

157.9 Subd. 52. **Construction; certain local government facilities.** (a) Materials and supplies  
157.10 used in and equipment incorporated into the construction, reconstruction, upgrade, expansion,  
157.11 or remodeling of the following local government owned facilities are exempt:

157.12 (1) a new fire station, which includes firefighting, emergency management, public safety  
157.13 training, and other public safety facilities in the city of Monticello if materials, supplies,  
157.14 and equipment are purchased after January 31, 2019, and before January 1, 2022;

157.15 (2) a new fire station, which includes firefighting and public safety training facilities  
157.16 and public safety facilities, in the city of Inver Grove Heights if materials, supplies, and  
157.17 equipment are purchased after June 30, 2018, and before January 1, 2021;

157.18 (3) a fire station and police station, including access roads, lighting, sidewalks, and  
157.19 utility components, on or adjacent to the property on which the fire station or police station  
157.20 are located that are necessary for safe access to and use of those buildings, in the city of  
157.21 Minnetonka if materials, supplies, and equipment are purchased after May 23, 2019, and  
157.22 before January 1, ~~2021~~ 2022;

157.23 (4) the school building in Independent School District No. 414, Minneota, if materials,  
157.24 supplies, and equipment are purchased after January 1, 2018, and before January 1, 2021;

157.25 (5) a fire station in the city of Mendota Heights, if materials, supplies, and equipment  
157.26 are purchased after December 31, 2018, and before January 1, 2021; ~~and~~

157.27 (6) a Dakota County law enforcement collaboration center, also known as the Safety  
157.28 and Mental Health Alternative Response Training (SMART) Center, if materials, supplies,  
157.29 and equipment are purchased after June 30, 2019, and before July 1, 2021;

157.30 (7) a new fire station and emergency management operations center, including on-site  
157.31 infrastructure improvements of parking lot, road access, lighting, sidewalks, and utility

158.1 components in the city of Maplewood if materials, supplies, and equipment are purchased  
 158.2 after September 30, 2020, and before April 1, 2023;

158.3 (8) a new police station, which includes police administration, meeting, training, and  
 158.4 short-term detention facilities in the city of Crystal, if materials, supplies, and equipment  
 158.5 are purchased after December 31, 2020, and before January 1, 2024;

158.6 (9) a new fire station, which includes firefighting, emergency management, public safety  
 158.7 training, and other public safety facilities in the city of Buffalo, if materials, supplies, and  
 158.8 equipment are purchased after April 30, 2020, and before November 1, 2021;

158.9 (10) a new fire station in the city of Grand Rapids, if materials, supplies, and equipment  
 158.10 are purchased after July 31, 2020, and before August 1, 2022;

158.11 (11) a new fire station constructed on the site of a previous fire station in the city of  
 158.12 Bloomington, if materials, supplies, and equipment are purchased after December 31, 2020,  
 158.13 and before January 1, 2023;

158.14 (12) a fire station in the city of St. Peter if materials, supplies, and equipment are  
 158.15 purchased after June 30, 2020, and before March 1, 2022;

158.16 (13) demolition and replacement of the existing Fire Station No. 2 on its existing site  
 158.17 and renovation and expansion of Fire Station No. 3, both in the city of Plymouth, if materials,  
 158.18 supplies, and equipment are purchased after January 1, 2021, and before March 31, 2023;  
 158.19 and

158.20 (14) a regional public safety center and training facility in the city of Virginia for fire  
 158.21 and police departments, emergency medical services, regional emergency services training,  
 158.22 and other regional community needs, if materials, supplies, and equipment are purchased  
 158.23 after May 1, 2021, and before May 1, 2023.

158.24 (b) The tax must be imposed and collected as if the rate under section 297A.62,  
 158.25 subdivision 1, applied and then refunded in the manner provided in section 297A.75.

158.26 (c) The total refund for the project listed in paragraph (a), clause (3), must not exceed  
 158.27 \$850,000.

158.28 **EFFECTIVE DATE.** This section is effective retroactively from May 1, 2020.

158.29 **Sec. 3. STATE HIGH SCHOOL LEAGUE; FUNDING FLEXIBILITY.**

158.30 Notwithstanding Minnesota Statutes, section 128C.24, the Minnesota State High School  
 158.31 League may reduce the transfer of sales tax savings to a nonprofit charitable foundation  
 158.32 created for the purpose of promoting high school extracurricular activities by up to \$500,000

159.1 in total over the 2019-2020 and 2020-2021 school years. Any sales tax savings amounts  
159.2 not transferred must be used for operations of the Minnesota State High School League.

159.3 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
159.4 applies retroactively to sales tax savings in the 2019-2020 and 2020-2021 school years.

## 159.5 **ARTICLE 9**

### 159.6 **PARTNERSHIP AUDITS**

159.7 Section 1. Minnesota Statutes 2018, section 270C.445, subdivision 6, is amended to read:

159.8 **Subd. 6. Enforcement; administrative order; penalties; cease and desist.** (a) The  
159.9 commissioner may impose an administrative penalty of not more than \$1,000 per violation  
159.10 of subdivision 3 or 5, or section 270C.4451, provided that a penalty may not be imposed  
159.11 for any conduct for which a tax preparer penalty is imposed under section 289A.60,  
159.12 subdivision 13. The commissioner may terminate a tax preparer's authority to transmit  
159.13 returns electronically to the state, if the commissioner determines the tax preparer engaged  
159.14 in a pattern and practice of violating this section. Imposition of a penalty under this paragraph  
159.15 is subject to the contested case procedure under chapter 14. The commissioner shall collect  
159.16 the penalty in the same manner as the income tax. There is no right to make a claim for  
159.17 refund under section 289A.50 of the penalty imposed under this paragraph. Penalties imposed  
159.18 under this paragraph are public data.

159.19 (b) In addition to the penalty under paragraph (a), if the commissioner determines that  
159.20 a tax preparer has violated subdivision 3 or 5, or section 270C.4451, the commissioner may  
159.21 issue an administrative order to the tax preparer requiring the tax preparer to cease and  
159.22 desist from committing the violation. The administrative order may include an administrative  
159.23 penalty provided in paragraph (a).

159.24 (c) If the commissioner issues an administrative order under paragraph (b), the  
159.25 commissioner must send the order to the tax preparer addressed to the last known address  
159.26 of the tax preparer.

159.27 (d) A cease and desist order under paragraph (b) must:

159.28 (1) describe the act, conduct, or practice committed and include a reference to the law  
159.29 that the act, conduct, or practice violates; and

159.30 (2) provide notice that the tax preparer may request a hearing as provided in this  
159.31 subdivision.

160.1 (e) Within 30 days after the commissioner issues an administrative order under paragraph  
160.2 (b), the tax preparer may request a hearing to review the commissioner's action. The request  
160.3 for hearing must be made in writing and must be served on the commissioner at the address  
160.4 specified in the order. The hearing request must specifically state the reasons for seeking  
160.5 review of the order. The date on which a request for hearing is served by mail is the postmark  
160.6 date on the envelope in which the request for hearing is mailed.

160.7 (f) If a tax preparer does not timely request a hearing regarding an administrative order  
160.8 issued under paragraph (b), the order becomes a final order of the commissioner and is not  
160.9 subject to review by any court or agency.

160.10 (g) If a tax preparer timely requests a hearing regarding an administrative order issued  
160.11 under paragraph (b), the hearing must be commenced within ten days after the commissioner  
160.12 receives the request for a hearing.

160.13 (h) A hearing timely requested under paragraph (e) is subject to the contested case  
160.14 procedure under chapter 14, as modified by this subdivision. The administrative law judge  
160.15 must issue a report containing findings of fact, conclusions of law, and a recommended  
160.16 order within ten days after the completion of the hearing, the receipt of late-filed exhibits,  
160.17 or the submission of written arguments, whichever is later.

160.18 (i) Within five days of the date of the administrative law judge's report issued under  
160.19 paragraph (h), any party aggrieved by the administrative law judge's report may submit  
160.20 written exceptions and arguments to the commissioner. Within 15 days after receiving the  
160.21 administrative law judge's report, the commissioner must issue an order vacating, modifying,  
160.22 or making final the administrative order.

160.23 (j) The commissioner and the tax preparer requesting a hearing may by agreement  
160.24 lengthen any time periods prescribed in paragraphs (g) to (i).

160.25 (k) An administrative order issued under paragraph (b) is in effect until it is modified  
160.26 or vacated by the commissioner or an appellate court. The administrative hearing provided  
160.27 by paragraphs (e) to (i) and any appellate judicial review as provided in chapter 14 constitute  
160.28 the exclusive remedy for a tax preparer aggrieved by the order.

160.29 (l) The commissioner may impose an administrative penalty, in addition to the penalty  
160.30 under paragraph (a), up to \$5,000 per violation of a cease and desist order issued under  
160.31 paragraph (b). Imposition of a penalty under this paragraph is subject to the contested case  
160.32 procedure under chapter 14. Within 30 days after the commissioner imposes a penalty under  
160.33 this paragraph, the tax preparer assessed the penalty may request a hearing to review the  
160.34 penalty order. The request for hearing must be made in writing and must be served on the



161.1 commissioner at the address specified in the order. The hearing request must specifically  
161.2 state the reasons for seeking review of the order. The cease and desist order issued under  
161.3 paragraph (b) is not subject to review in a proceeding to challenge the penalty order under  
161.4 this paragraph. The date on which a request for hearing is served by mail is the postmark  
161.5 date on the envelope in which the request for hearing is mailed. If the tax preparer does not  
161.6 timely request a hearing, the penalty order becomes a final order of the commissioner and  
161.7 is not subject to review by any court or agency. A penalty imposed by the commissioner  
161.8 under this paragraph may be collected and enforced by the commissioner as an income tax  
161.9 liability. There is no right to make a claim for refund under section 289A.50 of the penalty  
161.10 imposed under this paragraph. A penalty imposed under this paragraph is public data.

161.11 (m) If a tax preparer violates a cease and desist order issued under paragraph (b), the  
161.12 commissioner may terminate the tax preparer's authority to transmit returns electronically  
161.13 to the state. Termination under this paragraph is public data.

161.14 (n) A cease and desist order issued under paragraph (b) is public data when it is a final  
161.15 order.

161.16 (o) Notwithstanding any other law, the commissioner may impose a penalty or take other  
161.17 action under this subdivision against a tax preparer, with respect to a return, within the  
161.18 period to assess tax on that return as provided by ~~section~~ sections 289A.38 to 289A.382.

161.19 (p) Notwithstanding any other law, the imposition of a penalty or any other action against  
161.20 a tax preparer under this subdivision, other than with respect to a return, must be taken by  
161.21 the commissioner within five years of the violation of statute.

161.22 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
161.23 after December 31, 2017, except that for partnerships that make an election under Code of  
161.24 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
161.25 and applies to the same tax periods to which the election relates.

161.26 Sec. 2. Minnesota Statutes 2018, section 289A.31, subdivision 1, is amended to read:

161.27 Subdivision 1. **Individual income, fiduciary income, mining company, corporate**  
161.28 **franchise, and entertainment taxes.** (a) Individual income, fiduciary income, mining  
161.29 company, and corporate franchise taxes, and interest and penalties, must be paid by the  
161.30 taxpayer upon whom the tax is imposed, except in the following cases:

161.31 (1) the tax due from a decedent for that part of the taxable year in which the decedent  
161.32 died during which the decedent was alive and the taxes, interest, and penalty due for the  
161.33 prior years must be paid by the decedent's personal representative, if any. If there is no

162.1 personal representative, the taxes, interest, and penalty must be paid by the transferees, as  
162.2 defined in section 270C.58, subdivision 3, to the extent they receive property from the  
162.3 decedent;

162.4 (2) the tax due from an infant or other incompetent person must be paid by the person's  
162.5 guardian or other person authorized or permitted by law to act for the person;

162.6 (3) the tax due from the estate of a decedent must be paid by the estate's personal  
162.7 representative;

162.8 (4) the tax due from a trust, including those within the definition of a corporation, as  
162.9 defined in section 290.01, subdivision 4, must be paid by a trustee; and

162.10 (5) the tax due from a taxpayer whose business or property is in charge of a receiver,  
162.11 trustee in bankruptcy, assignee, or other conservator, must be paid by the person in charge  
162.12 of the business or property so far as the tax is due to the income from the business or property.

162.13 (b) Entertainment taxes are the joint and several liability of the entertainer and the  
162.14 entertainment entity. The payor is liable to the state for the payment of the tax required to  
162.15 be deducted and withheld under section 290.9201, subdivision 7, and is not liable to the  
162.16 entertainer for the amount of the payment.

162.17 (c) The taxes imposed under sections 289A.35, paragraph (b), 289A.382, subdivision  
162.18 3, and 290.0922 on partnerships are the joint and several liability of the partnership and the  
162.19 general partners.

162.20 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
162.21 after December 31, 2017, except that for partnerships that make an election under Code of  
162.22 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
162.23 and applies to the same tax periods to which the election relates.

162.24 Sec. 3. Minnesota Statutes 2018, section 289A.37, subdivision 2, is amended to read:

162.25 Subd. 2. **Erroneous refunds.** (a) Except as provided in paragraph (b), an erroneous  
162.26 refund occurs when the commissioner issues a payment to a person that exceeds the amount  
162.27 the person is entitled to receive under law. An erroneous refund is considered an  
162.28 underpayment of tax on the date issued.

162.29 (b) To the extent that the amount paid does not exceed the amount claimed by the  
162.30 taxpayer, an erroneous refund does not include the following:

162.31 (1) any amount of a refund or credit paid pursuant to a claim for refund filed by a  
162.32 taxpayer, including but not limited to refunds of claims made under section 290.06,

163.1 subdivision 23; 290.067; 290.0671; 290.0672; 290.0674; 290.0675; 290.0677; 290.068;  
 163.2 290.0681; or 290.0692; or chapter 290A; or

163.3 (2) any amount paid pursuant to a claim for refund of an overpayment of tax filed by a  
 163.4 taxpayer.

163.5 (c) The commissioner may make an assessment to recover an erroneous refund at any  
 163.6 time within two years from the issuance of the erroneous refund. If all or part of the erroneous  
 163.7 refund was induced by fraud or misrepresentation of a material fact, the assessment may  
 163.8 be made at any time.

163.9 (d) Assessments of amounts that are not erroneous refunds under paragraph (b) must be  
 163.10 conducted under ~~section~~ sections 289A.38 to 289A.382.

163.11 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 163.12 after December 31, 2017, except that for partnerships that make an election under Code of  
 163.13 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 163.14 and applies to the same tax periods to which the election relates.

163.15 Sec. 4. Minnesota Statutes 2019 Supplement, section 289A.38, subdivision 7, is amended  
 163.16 to read:

163.17 Subd. 7. **Federal tax changes.** (a) If the amount of income, items of tax preference,  
 163.18 deductions, or credits for any year of a taxpayer, or the wages paid by a taxpayer for any  
 163.19 period, as reported to the Internal Revenue Service is changed or corrected by the  
 163.20 commissioner of Internal Revenue or other officer of the United States or other competent  
 163.21 authority, or where a renegotiation of a contract or subcontract with the United States results  
 163.22 in a change in income, items of tax preference, deductions, credits, or withholding tax, or,  
 163.23 in the case of estate tax, where there are adjustments to the taxable estate, the taxpayer shall  
 163.24 report the ~~change or correction or renegotiation results~~ federal adjustments in writing to the  
 163.25 commissioner. The federal adjustments report must be submitted within 180 days after the  
 163.26 final determination date and must be in the form of either an amended Minnesota estate,  
 163.27 withholding tax, corporate franchise tax, or income tax return conceding the accuracy of  
 163.28 the federal ~~determination~~ adjustment or a letter detailing how the federal ~~determination~~  
 163.29 adjustment is incorrect or does not change the Minnesota tax. An amended Minnesota  
 163.30 income tax return must be accompanied by an amended property tax refund return, if  
 163.31 necessary. A taxpayer filing an amended federal tax return must also file a copy of the  
 163.32 amended return with the commissioner of revenue within 180 days after filing the amended  
 163.33 return.

164.1 (b) ~~For the purposes of paragraph (a), a change or correction includes any case where a~~  
164.2 ~~taxpayer reaches a closing agreement or compromise with the Internal Revenue Service~~  
164.3 ~~under section 7121 or 7122 of the Internal Revenue Code. In the case of a final federal~~  
164.4 ~~adjustment arising from a partnership-level audit or an administrative adjustment request~~  
164.5 ~~filed by a partnership under section 6227 of the Internal Revenue Code, a taxpayer must~~  
164.6 ~~report adjustments as provided for under section 289A.382 and not this section.~~

164.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
164.8 after December 31, 2017, except that for partnerships that make an election under Code of  
164.9 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
164.10 and applies to the same tax periods to which the election relates.

164.11 Sec. 5. Minnesota Statutes 2018, section 289A.38, subdivision 8, is amended to read:

164.12 Subd. 8. **Failure to report change or correction of federal return.** If a taxpayer fails  
164.13 to make a federal adjustments report as required by subdivision 7 or section 289A.382, the  
164.14 commissioner may recompute the tax, including a refund, based on information available  
164.15 to the commissioner. The tax may be recomputed within six years after the federal  
164.16 adjustments report should have been filed, notwithstanding any period of limitations to the  
164.17 contrary.

164.18 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
164.19 after December 31, 2017, except that for partnerships that make an election under Code of  
164.20 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
164.21 and applies to the same tax periods to which the election relates.

164.22 Sec. 6. Minnesota Statutes 2018, section 289A.38, subdivision 9, is amended to read:

164.23 Subd. 9. **Report made of change or correction of federal return.** If a taxpayer is  
164.24 required to make a federal adjustments report under subdivision 7 or section 289A.382, and  
164.25 does report the change or files a copy of the amended return, the commissioner may  
164.26 recompute and reassess the tax due, including a refund (1) within one year after the federal  
164.27 adjustments report or amended return is filed with the commissioner, notwithstanding any  
164.28 period of limitations to the contrary, or (2) within any other applicable period stated in this  
164.29 section, whichever period is longer. The period provided for the carryback of any amount  
164.30 of loss or credit is also extended as provided in this subdivision, notwithstanding any law  
164.31 to the contrary. If the commissioner has completed a field audit of the taxpayer, and, but  
164.32 for this subdivision, the commissioner's time period to adjust the tax has expired, the  
164.33 additional tax due or refund is limited to only those changes that are required to be made

165.1 to the return which relate to the changes made on the federal return. This subdivision does  
165.2 not apply to sales and use tax.

165.3 For purposes of this subdivision and section 289A.42, subdivision 2, a "field audit" is  
165.4 the physical presence of examiners in the taxpayer's or taxpayer's representative's office  
165.5 conducting an examination of the taxpayer with the intention of issuing an assessment or  
165.6 notice of change in tax or which results in the issuing of an assessment or notice of change  
165.7 in tax. The examination may include inspecting a taxpayer's place of business, tangible  
165.8 personal property, equipment, computer systems and facilities, pertinent books, records,  
165.9 papers, vouchers, computer printouts, accounts, and documents.

165.10 A taxpayer may make estimated payments to the commissioner of the tax expected to  
165.11 result from a pending audit by the Internal Revenue Service. The taxpayer may make  
165.12 estimated payments prior to the due date of the federal adjustments report without the  
165.13 taxpayer having to file the report with the commissioner. The commissioner must credit the  
165.14 estimated tax payments against any tax liability of the taxpayer ultimately found to be due  
165.15 to the commissioner. The estimated payments limit the accrual of further statutory interest  
165.16 on that amount. If the estimated tax payments exceed the final tax liability and statutory  
165.17 interest ultimately determined to be due, the taxpayer is entitled to a refund or credit for the  
165.18 excess, provided the taxpayer files a federal adjustments report or claim for refund or credit  
165.19 of tax, no later than one year following the final determination date.

165.20 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
165.21 after December 31, 2017, except that for partnerships that make an election under Code of  
165.22 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
165.23 and applies to the same tax periods to which the election relates.

165.24 Sec. 7. Minnesota Statutes 2018, section 289A.38, subdivision 10, is amended to read:

165.25 Subd. 10. **Incorrect determination of federal adjusted gross income.** Notwithstanding  
165.26 any other provision of this chapter, if a taxpayer whose net income is determined under  
165.27 section 290.01, subdivision 19, omits from income an amount that will under the Internal  
165.28 Revenue Code extend the statute of limitations for the assessment of federal income taxes,  
165.29 or otherwise incorrectly determines the taxpayer's federal adjusted gross income resulting  
165.30 in adjustments by the Internal Revenue Service, then the period of assessment and  
165.31 determination of tax will be that under the Internal Revenue Code. When a change is made  
165.32 to federal income during the extended time provided under this subdivision, the provisions  
165.33 under subdivisions 7 to 9 and section 289A.382 regarding additional extensions apply.

166.1 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
166.2 after December 31, 2017, except that for partnerships that make an election under Code of  
166.3 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
166.4 and applies to the same tax periods to which the election relates.

166.5 Sec. 8. **[289A.381] DEFINITIONS; PARTNERSHIPS; FEDERAL ADJUSTMENTS.**

166.6 Subdivision 1. **Definitions relating to federal adjustments.** Unless otherwise specified,  
166.7 the definitions in this section apply for the purposes of sections 289A.38, subdivisions 7 to  
166.8 9, 289A.381, and 289A.382.

166.9 Subd. 2. **Administrative adjustment request.** "Administrative adjustment request"  
166.10 means an administrative adjustment request filed by a partnership under section 6227 of  
166.11 the Internal Revenue Code.

166.12 Subd. 3. **Audited partnership.** "Audited partnership" means a partnership subject to a  
166.13 federal adjustment resulting from a partnership-level audit.

166.14 Subd. 4. **Corporate partner.** "Corporate partner" means a partner that is subject to tax  
166.15 under section 290.02.

166.16 Subd. 5. **Direct partner.** "Direct partner" means a partner that holds an immediate legal  
166.17 ownership interest in a partnership or pass-through entity.

166.18 Subd. 6. **Exempt partner.** "Exempt partner" means a partner that is exempt from taxes  
166.19 on its net income under section 290.05, subdivision 1.

166.20 Subd. 7. **Federal adjustment.** "Federal adjustment" means any change in an amount  
166.21 calculated under the Internal Revenue Code, whether to income, gross estate, a credit, an  
166.22 item of preference, or any other item that is used by a taxpayer to compute a tax administered  
166.23 under this chapter for the reviewed year whether that change results from action by the  
166.24 Internal Revenue Service or other competent authority, including a partnership-level audit,  
166.25 or from the filing of an amended federal return, federal refund claim, or an administrative  
166.26 adjustment request by the taxpayer.

166.27 Subd. 8. **Federal adjustments report.** "Federal adjustments report" includes a method  
166.28 or form prescribed by the commissioner for use by a taxpayer to report federal adjustments,  
166.29 including an amended Minnesota tax return or a uniform multistate report.

166.30 Subd. 9. **Federal partnership representative.** "Federal partnership representative"  
166.31 means the person the partnership designates for the taxable year as the partnership's

167.1 representative, or the person the Internal Revenue Service has appointed to act as the  
167.2 partnership representative, pursuant to section 6223(a) of the Internal Revenue Code.

167.3 Subd. 10. **Final determination date.** "Final determination date" means:

167.4 (1) for a federal adjustment arising from an audit by the Internal Revenue Service or  
167.5 other competent authority, the first day on which no federal adjustment arising from that  
167.6 audit remains to be finally determined, whether by agreement, or, if appealed or contested,  
167.7 by a final decision with respect to which all rights of appeal have been waived or exhausted;

167.8 (2) for a federal adjustment arising from an audit or other action by the Internal Revenue  
167.9 Service or other competent authority, if the taxpayer filed as a member of a combined report  
167.10 under section 290.17, subdivision 4, the first day on which no related federal adjustments  
167.11 arising from that audit remain to be finally determined as described in clause (1) for the  
167.12 entire combined group;

167.13 (3) for a federal adjustment arising from the filing of an amended federal return, a federal  
167.14 refund claim, or the filing by a partnership of an administrative adjustment request, the date  
167.15 on which the amended return, refund claim, or administrative adjustment request was filed;  
167.16 or

167.17 (4) for agreements required to be signed by the Internal Revenue Service and the taxpayer,  
167.18 the date on which the last party signed the agreement.

167.19 Subd. 11. **Final federal adjustment.** "Final federal adjustment" means a federal  
167.20 adjustment after the final determination date for that federal adjustment has passed.

167.21 Subd. 12. **Indirect partner.** "Indirect partner" means either:

167.22 (1) a partner in a partnership or pass-through entity that itself holds an immediate legal  
167.23 ownership interest in another partnership or pass-through entity; or

167.24 (2) a partner in a partnership or pass-through entity that holds an indirect interest in  
167.25 another partnership or pass-through entity through another indirect partner.

167.26 Subd. 13. **Partner.** "Partner" means a person that holds an interest directly or indirectly  
167.27 in a partnership or other pass-through entity.

167.28 Subd. 14. **Partnership.** "Partnership" has the meaning provided under section 7701(a)(2)  
167.29 of the Internal Revenue Code.

167.30 Subd. 15. **Partnership-level audit.** "Partnership-level audit" means an examination by  
167.31 the Internal Revenue Service at the partnership level pursuant to subtitle F, chapter 63,

168.1 subchapter C, of the Internal Revenue Code, which results in federal adjustments and  
168.2 adjustments to partnership-related items.

168.3 Subd. 16. **Pass-through entity.** "Pass-through entity" means an entity, other than a  
168.4 partnership, that is not subject to the tax imposed under section 290.02. The term pass-through  
168.5 entity includes but is not limited to S corporations, estates, and trusts other than grantor  
168.6 trusts.

168.7 Subd. 17. **Resident partner.** "Resident partner" means an individual, trust, or estate  
168.8 partner who is a resident of Minnesota under section 290.01, subdivision 7, 7a, or 7b, for  
168.9 the relevant tax period.

168.10 Subd. 18. **Reviewed year.** "Reviewed year" means the taxable year of a partnership that  
168.11 is subject to a partnership-level audit from which federal adjustments arise.

168.12 Subd. 19. **Tiered partner.** "Tiered partner" means any partner that is a partnership or  
168.13 pass-through entity.

168.14 Subd. 20. **Unrelated business taxable income.** "Unrelated business taxable income"  
168.15 has the meaning provided under section 512 of the Internal Revenue Code.

168.16 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
168.17 after December 31, 2017, except that for partnerships that make an election under Code of  
168.18 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
168.19 and applies to the same tax periods to which the election relates.

168.20 Sec. 9. **[289A.382] REPORTING AND PAYMENT REQUIREMENTS.**

168.21 Subdivision 1. **State partnership representative.** (a) With respect to an action required  
168.22 or permitted to be taken by a partnership under this section, or in a proceeding under section  
168.23 270C.35 or 271.06, the state partnership representative for the reviewed year shall have the  
168.24 sole authority to act on behalf of the partnership, and its direct partners and indirect partners  
168.25 shall be bound by those actions.

168.26 (b) The state partnership representative for the reviewed year is the partnership's federal  
168.27 partnership representative unless the partnership, in a form and manner prescribed by the  
168.28 commissioner, designates another person as its state partnership representative.

168.29 Subd. 2. **Reporting and payment requirements for partnerships and tiered**  
168.30 **partners.** (a) Unless an audited partnership makes the election in subdivision 3, or for  
168.31 adjustments required to be reported for federal purposes pursuant to section 6225(a)(2) of  
168.32 the Internal Revenue Code, then, for all final federal adjustments the audited partnership



169.1 must comply with paragraph (b) and each direct partner of the audited partnership, other  
169.2 than a tiered partner, must comply with paragraph (c).

169.3 (b) No later than 90 days after the final determination date, the audited partnership must:

169.4 (1) file a completed federal adjustments report, including all partner-level information  
169.5 required under section 289A.12, subdivision 3, with the commissioner;

169.6 (2) notify each of its direct partners of their distributive share of the final federal  
169.7 adjustments;

169.8 (3) file an amended composite report for all direct partners who were included in a  
169.9 composite return under section 289A.08, subdivision 7, in the reviewed year, and pay the  
169.10 additional amount that would have been due had the federal adjustments been reported  
169.11 properly as required; and

169.12 (4) file amended withholding reports for all direct partners who were or should have  
169.13 been subject to nonresident withholding under section 290.92, subdivision 4b, in the reviewed  
169.14 year, and pay the additional amount that would have been due had the federal adjustments  
169.15 been reported properly as required.

169.16 (c) No later than 180 days after the final determination date, each direct partner, other  
169.17 than a tiered partner, that is subject to a tax administered under this chapter, other than the  
169.18 sales tax, must:

169.19 (1) file a federal adjustments report reporting their distributive share of the adjustments  
169.20 reported to them under paragraph (b), clause (2); and

169.21 (2) pay any additional amount of tax due as if the final federal adjustment had been  
169.22 properly reported, plus any penalty and interest due under this chapter, and less any credit  
169.23 for related amounts paid or withheld and remitted on behalf of the direct partner under  
169.24 paragraph (b), clauses (3) and (4).

169.25 Subd. 3. **Election; partnership or tiered partners pay.** (a) An audited partnership may  
169.26 make an election under this subdivision to pay its assessment at the entity level. If an audited  
169.27 partnership makes an election to pay its assessment at the entity level it must:

169.28 (1) no later than 90 days after the final determination date, file a completed federal  
169.29 adjustments report, including the residency information for all individual, trust, and estate  
169.30 direct partners, and information pertaining to all other direct partners as prescribed by the  
169.31 commissioner, and notify the commissioner that it is making the election under this  
169.32 subdivision; and

170.1 (2) no later than 180 days after the final determination date, pay an amount, determined  
170.2 as follows, in lieu of taxes on partners:

170.3 (i) exclude from final federal adjustments the distributive share of these adjustments  
170.4 made to a direct exempt partner that is not unrelated business taxable income;

170.5 (ii) exclude from final federal adjustments the distributive share of these adjustments  
170.6 made to a direct partner that has filed a federal adjustments report and paid the applicable  
170.7 tax, as required under subdivision 2, for the distributive share of adjustments reported on a  
170.8 federal return under section 6225(c) of the Internal Revenue Code;

170.9 (iii) assign and apportion at the partnership level using sections 290.17 to 290.20 the  
170.10 total distributive share of the remaining final federal adjustments for the reviewed year  
170.11 attributed to direct corporate partners and direct exempt partners, multiply the total by the  
170.12 highest tax rate in section 290.06, subdivision 1, for the reviewed year, and calculate interest  
170.13 and penalties as applicable under this chapter;

170.14 (iv) allocate at the partnership level using section 290.17, subdivision 1, the total  
170.15 distributive share of all final federal adjustments attributable to individual resident direct  
170.16 partners for the reviewed year; multiply the total by the highest tax rate in section 290.06,  
170.17 subdivision 2c, for the reviewed year; and calculate interest and penalties as applicable  
170.18 under this chapter;

170.19 (v) assign and apportion at the partnership level using sections 290.17 to 290.20 the total  
170.20 distributive share of the remaining final federal adjustments attributable to nonresident  
170.21 individual direct partners and direct partners who are an estate or a trust for the reviewed  
170.22 year; multiply the total by the highest tax rate in section 290.06, subdivision 2c, for the  
170.23 reviewed year; and calculate interest and penalties as applicable under this chapter;

170.24 (vi) for the total distributive share of the remaining final federal adjustments reported  
170.25 to tiered partners:

170.26 (A) determine the amount of the adjustments that would be assigned using section 290.17,  
170.27 subdivision 2, paragraphs (a) to (d), excluding income or gains from intangible personal  
170.28 property not employed in the business of the recipient of the income or gains if the recipient  
170.29 of the income or gains is a resident of this state or is a resident trust or estate under section  
170.30 290.17, subdivision 2, paragraph (c), or apportioned using sections 290.17, subdivision 3,  
170.31 290.191, and 290.20, and then determine the portion of this amount that would be allocated  
170.32 to this state;

171.1 (B) determine the amount of the adjustments which are of a type which are fully sourced  
 171.2 to the taxpayer's state of residency under section 290.17, subdivision 2, paragraph (e), and  
 171.3 income or gains from intangible personal property not employed in the business of the  
 171.4 recipient of the income or gains if the recipient of the income or gains is a resident of this  
 171.5 state or is a resident trust or estate under section 290.17, subdivision 2, paragraph (c);

171.6 (C) determine the portion of the amount determined in subitem (B) that can be established  
 171.7 to be properly allocable to nonresident indirect partners or other partners not subject to tax  
 171.8 on the adjustments; and

171.9 (D) multiply the total of the amounts determined in subitems (A) and (B) reduced by  
 171.10 the amount determined in subitem (C) by the highest tax rate in section 290.06, subdivision  
 171.11 2c, for the reviewed year, and calculate interest and penalties as applicable under this chapter;  
 171.12 and

171.13 (vii) add the amounts determined in items (iii) to (vi), and pay all applicable taxes,  
 171.14 penalties, and interest to the commissioner.

171.15 (b) An audited partnership may not make an election under this subdivision to report:

171.16 (1) a federal adjustment that results in unitary business income to a corporate partner  
 171.17 required to file as a member of a combined report under section 290.17, subdivision 4; or

171.18 (2) any final federal adjustments resulting from an administrative adjustment request.

171.19 (c) An audited partnership not otherwise subject to any reporting or payment obligation  
 171.20 to this state may not make an election under this subdivision.

171.21 Subd. 4. **Tiered partners and indirect partners.** The direct and indirect partners of an  
 171.22 audited partnership that are tiered partners, and all of the partners of those tiered partners  
 171.23 that are subject to tax under chapter 290 are subject to the reporting and payment  
 171.24 requirements contained in subdivision 2 and the tiered partners are entitled to make the  
 171.25 elections provided in subdivision 3. The tiered partners or their partners shall make required  
 171.26 reports and payments no later than 90 days after the time for filing and furnishing of  
 171.27 statements to tiered partners and their partners as established under section 6226 of the  
 171.28 Internal Revenue Code.

171.29 Subd. 5. **Effects of election by partnership or tiered partner and payment of amount**  
 171.30 due. (a) Unless the commissioner determines otherwise, an election under subdivision 3 is  
 171.31 irrevocable.

171.32 (b) If an audited partnership or tiered partner properly reports and pays an amount  
 171.33 determined in subdivision 3, the amount will be treated as paid in lieu of taxes owed by the

172.1 partnership's direct partners and indirect partners, to the extent applicable, on the same final  
 172.2 federal adjustments. The direct partners or indirect partners of the partnership who are not  
 172.3 resident partners may not take any deduction or credit for this amount or claim a refund of  
 172.4 the amount in this state.

172.5 (c) Nothing in this subdivision precludes resident direct partners from claiming a credit  
 172.6 against taxes paid under section 290.06 on any amounts paid by the audited partnership or  
 172.7 tiered partners on the resident partner's behalf to another state or local tax jurisdiction.

172.8 Subd. 6. **Failure of partnership or tiered partner to report or pay.** Nothing in this  
 172.9 section prevents the commissioner from assessing direct partners or indirect partners for  
 172.10 taxes they owe, using the best information available, in the event that, for any reason, a  
 172.11 partnership or tiered partner fails to timely make any report or payment required by this  
 172.12 section.

172.13 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 172.14 after December 31, 2017, except that for partnerships that make an election under Code of  
 172.15 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 172.16 and applies to the same tax periods to which the election relates.

172.17 Sec. 10. Minnesota Statutes 2018, section 289A.42, is amended to read:

172.18 **289A.42 CONSENT TO EXTEND STATUTE.**

172.19 Subdivision 1. **Extension agreement.** If before the expiration of time prescribed in  
 172.20 sections 289A.38 to 289A.382 and 289A.40 for the assessment of tax or the filing of a claim  
 172.21 for refund, both the commissioner and the taxpayer have consented in writing to the  
 172.22 assessment or filing of a claim for refund after that time, the tax may be assessed or the  
 172.23 claim for refund filed at any time before the expiration of the agreed-upon period. The  
 172.24 period may be extended by later agreements in writing before the expiration of the period  
 172.25 previously agreed upon. The taxpayer and the commissioner may also agree to extend the  
 172.26 period for collection of the tax.

172.27 Subd. 2. **Federal extensions.** When a taxpayer consents to an extension of time for the  
 172.28 assessment of federal withholding or income taxes, the period in which the commissioner  
 172.29 may recompute the tax is also extended, notwithstanding any period of limitations to the  
 172.30 contrary, as follows:

172.31 (1) for the periods provided in ~~section~~ sections 289A.38, subdivisions 8 and 9, and  
 172.32 289A.382, subdivisions 2 and 3;

173.1 (2) for six months following the expiration of the extended federal period of limitations  
 173.2 when no change is made by the federal authority. If no change is made by the federal  
 173.3 authority, and, but for this subdivision, the commissioner's time period to adjust the tax has  
 173.4 expired, and if the commissioner has completed a field audit of the taxpayer, no additional  
 173.5 changes resulting in additional tax due or a refund may be made. For purposes of this  
 173.6 subdivision, "field audit" has the meaning given ~~it~~ in section 289A.38, subdivision 9.

173.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 173.8 after December 31, 2017, except that for partnerships that make an election under Code of  
 173.9 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 173.10 and applies to the same tax periods to which the election relates.

173.11 Sec. 11. Minnesota Statutes 2018, section 289A.60, subdivision 24, is amended to read:

173.12 Subd. 24. **Penalty for failure to notify of federal change.** If a person fails to report to  
 173.13 the commissioner a change or correction of the person's federal return in the manner and  
 173.14 time prescribed in ~~section~~ sections 289A.38, subdivision 7, and 289A.382, there must be  
 173.15 added to the tax an amount equal to ten percent of the amount of any underpayment of  
 173.16 Minnesota tax attributable to the federal change.

173.17 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 173.18 after December 31, 2017, except that for partnerships that make an election under Code of  
 173.19 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 173.20 and applies to the same tax periods to which the election relates.

173.21 Sec. 12. Minnesota Statutes 2018, section 290.31, subdivision 1, is amended to read:

173.22 Subdivision 1. **Partners, not partnership, subject to tax.** Except as provided under  
 173.23 ~~section~~ sections 289A.35, paragraph (b), and 289A.382, subdivision 3, a partnership as such  
 173.24 shall not be subject to the income tax imposed by this chapter, but is subject to the tax  
 173.25 imposed under section 290.0922. Persons carrying on business as partners shall be liable  
 173.26 for income tax only in their separate or individual capacities.

173.27 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 173.28 after December 31, 2017, except that for partnerships that make an election under Code of  
 173.29 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 173.30 and applies to the same tax periods to which the election relates.

174.1 Sec. 13. Minnesota Statutes 2018, section 297F.17, subdivision 6, is amended to read:

174.2 Subd. 6. **Time limit for bad debt refund.** Claims for refund must be filed with the  
174.3 commissioner during the one-year period beginning with the timely filing of the taxpayer's  
174.4 federal income tax return containing the bad debt deduction that is being claimed. Claimants  
174.5 under this subdivision are subject to the notice requirements of ~~section~~ sections 289A.38,  
174.6 subdivision 7, and 289A.382.

174.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
174.8 after December 31, 2017, except that for partnerships that make an election under Code of  
174.9 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
174.10 and applies to the same tax periods to which the election relates.

174.11 Sec. 14. Minnesota Statutes 2018, section 297G.16, subdivision 7, is amended to read:

174.12 Subd. 7. **Time limit for a bad debt deduction.** Claims for refund must be filed with  
174.13 the commissioner within one year of the filing of the taxpayer's income tax return containing  
174.14 the bad debt deduction that is being claimed. Claimants under this subdivision are subject  
174.15 to the notice requirements of ~~section 289A.38, subdivision 7~~ sections 289A.38 to 289A.382.

174.16 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
174.17 after December 31, 2017, except that for partnerships that make an election under Code of  
174.18 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
174.19 and applies to the same tax periods to which the election relates.

174.20 Sec. 15. Minnesota Statutes 2018, section 469.319, subdivision 4, is amended to read:

174.21 Subd. 4. **Repayment procedures.** (a) For the repayment of taxes imposed under chapter  
174.22 290 or 297A or local taxes collected pursuant to section 297A.99, a business must file an  
174.23 amended return with the commissioner of revenue and pay any taxes required to be repaid  
174.24 within 30 days after becoming subject to repayment under this section. The amount required  
174.25 to be repaid is determined by calculating the tax for the period or periods for which repayment  
174.26 is required without regard to the exemptions and credits allowed under section 469.315.

174.27 (b) For the repayment of taxes imposed under chapter 297B, a business must pay any  
174.28 taxes required to be repaid to the motor vehicle registrar, as agent for the commissioner of  
174.29 revenue, within 30 days after becoming subject to repayment under this section.

174.30 (c) For the repayment of property taxes, the county auditor shall prepare a tax statement  
174.31 for the business, applying the applicable tax extension rates for each payable year and  
174.32 provide a copy to the business and to the taxpayer of record. The business must pay the

175.1 taxes to the county treasurer within 30 days after receipt of the tax statement. The business  
175.2 or the taxpayer of record may appeal the valuation and determination of the property tax to  
175.3 the Tax Court within 30 days after receipt of the tax statement.

175.4 (d) The provisions of chapters 270C and 289A relating to the commissioner's authority  
175.5 to audit, assess, and collect the tax and to hear appeals are applicable to the repayment  
175.6 required under paragraphs (a) and (b). The commissioner may impose civil penalties as  
175.7 provided in chapter 289A, and the additional tax and penalties are subject to interest at the  
175.8 rate provided in section 270C.40. The additional tax shall bear interest from 30 days after  
175.9 becoming subject to repayment under this section until the date the tax is paid. Any penalty  
175.10 imposed pursuant to this section shall bear interest from the date provided in section 270C.40,  
175.11 subdivision 3, to the date of payment of the penalty.

175.12 (e) If a property tax is not repaid under paragraph (c), the county treasurer shall add the  
175.13 amount required to be repaid to the property taxes assessed against the property for payment  
175.14 in the year following the year in which the auditor provided the statement under paragraph  
175.15 (c).

175.16 (f) For determining the tax required to be repaid, a reduction of a state or local sales or  
175.17 use tax is deemed to have been received on the date that the good or service was purchased  
175.18 or first put to a taxable use. In the case of an income tax or franchise tax, including the credit  
175.19 payable under section 469.318, a reduction of tax is deemed to have been received for the  
175.20 two most recent tax years that have ended prior to the date that the business became subject  
175.21 to repayment under this section. In the case of a property tax, a reduction of tax is deemed  
175.22 to have been received for the taxes payable in the year that the business became subject to  
175.23 repayment under this section and for the taxes payable in the prior year.

175.24 (g) The commissioner may assess the repayment of taxes under paragraph (d) any time  
175.25 within two years after the business becomes subject to repayment under subdivision 1, or  
175.26 within any period of limitations for the assessment of tax under ~~section~~ sections 289A.38  
175.27 to 289A.382, whichever period is later. The county auditor may send the statement under  
175.28 paragraph (c) any time within three years after the business becomes subject to repayment  
175.29 under subdivision 1.

175.30 (h) A business is not entitled to any income tax or franchise tax benefits, including  
175.31 refundable credits, for any part of the year in which the business becomes subject to  
175.32 repayment under this section nor for any year thereafter. Property is not exempt from tax  
175.33 under section 272.02, subdivision 64, for any taxes payable in the year following the year  
175.34 in which the property became subject to repayment under this section nor for any year

176.1 thereafter. A business is not eligible for any sales tax benefits beginning with goods or  
 176.2 services purchased or first put to a taxable use on the day that the business becomes subject  
 176.3 to repayment under this section.

176.4 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
 176.5 after December 31, 2017, except that for partnerships that make an election under Code of  
 176.6 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively  
 176.7 and applies to the same tax periods to which the election relates.

## 176.8 **ARTICLE 10**

### 176.9 **MISCELLANEOUS TAX CHANGES**

176.10 Section 1. Minnesota Statutes 2018, section 297E.02, subdivision 6, as amended by Laws  
 176.11 2020, chapter 83, article 1, section 76, is amended to read:

176.12 Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under  
 176.13 subdivision 1, a tax is imposed on the combined net receipts of the organization. As used  
 176.14 in this section, "combined net receipts" is the sum of the organization's gross receipts from  
 176.15 lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles,  
 176.16 and paddlewheels, as defined in section 297E.01, subdivision 8, and less the net prizes  
 176.17 actually paid, other than prizes actually paid for paper bingo, raffles, and paddlewheels, for  
 176.18 the fiscal year. The combined net receipts of an organization are subject to a tax computed  
 176.19 according to the following schedule:

176.20	If the combined net receipts	The tax is:
176.21	for the fiscal year are:	
176.22	Not over \$87,500	<del>nine</del> <u>eight</u> percent
176.23	Over \$87,500, but not over	<del>\$7,875</del> <u>\$7,000</u> plus <del>18</del> <u>16</u> percent of
176.24	\$122,500	the amount over \$87,500, but not over
176.25		\$122,500
176.26	Over \$122,500, but not	<del>\$14,175</del> <u>\$12,600</u> plus <del>27</del> <u>24</u> percent
176.27	over \$157,500	of the amount over \$122,500, but not
176.28		over \$157,500
176.29	Over \$157,500	<del>\$23,625</del> <u>\$21,000</u> plus <del>36</del> <u>32</u> percent
176.30		of the amount over \$157,500

176.31 (b) Gross receipts derived from sports-themed tipboards are exempt from taxation under  
 176.32 this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed  
 176.33 tipboard as defined in section 349.12, subdivision 34, under which the winning numbers  
 176.34 are determined by the numerical outcome of a professional sporting event.

176.35 **EFFECTIVE DATE.** This section is effective retroactively for games reported as played  
 176.36 after June 30, 2020.



177.1 Sec. 2. Minnesota Statutes 2018, section 297E.021, subdivision 2, is amended to read:

177.2 Subd. 2. **Determination of revenue increase.** By March 15 of each fiscal year, the  
 177.3 commissioner of management and budget, in consultation with the commissioner, shall  
 177.4 determine the estimated increase in revenues received from taxes imposed under this chapter  
 177.5 over ~~the estimated revenues under the February 2012 state budget forecast for that fiscal~~  
 177.6 ~~year. For fiscal years after fiscal year 2015, the commissioner of management and budget~~  
 177.7 ~~shall use the February 2012 state budget forecast for fiscal year 2015 as the~~ a baseline of:  
 177.8 \$30,500,000 in fiscal years 2021 and thereafter. All calculations under this subdivision must  
 177.9 be made net of estimated refunds of the taxes required to be paid.

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

177.11 Sec. 3. Minnesota Statutes 2018, section 349.15, subdivision 1, is amended to read:

177.12 Subdivision 1. **Expenditure restrictions, requirements, and civil penalties.** (a) Gross  
 177.13 profits from lawful gambling may be expended only for lawful purposes or allowable  
 177.14 expenses as authorized by the membership of the conducting organization at a monthly  
 177.15 meeting of the organization's membership.

177.16 (b) For each 12-month period beginning July 1, a licensed organization will be evaluated  
 177.17 by the board to determine a rating based on the percentage of annual lawful purpose  
 177.18 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),  
 177.19 clauses (8) and (18), when compared to available gross profits total allowable expenses for  
 177.20 the same period. The rating will be used to determine the organization's profitability percent  
 177.21 and is not a rating of the organization's lawful gambling operation. An organization will be  
 177.22 evaluated according to the following criteria:

177.23 (1) an organization ~~that expends 50~~ with a ratio of annual lawful purpose expenditures,  
 177.24 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and  
 177.25 (18), to allowable expenses of 100 percent or more of gross profits on lawful purposes will  
 177.26 receive a five-star rating;

177.27 (2) an organization ~~that expends 40~~ with a ratio of annual lawful purpose expenditures,  
 177.28 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and  
 177.29 (18), to allowable expenses of 80 percent or more but less than 50 100 percent of gross  
 177.30 profits on lawful purposes will receive a four-star rating;

177.31 (3) an organization ~~that expends 30~~ with a ratio of annual lawful purpose expenditures,  
 177.32 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and

178.1 (18), to allowable expenses of 60 percent or more but less than 40 80 percent of gross profits  
 178.2 ~~on lawful purposes~~ will receive a three-star rating;

178.3 (4) an organization that expends 20 with a ratio of annual lawful purpose expenditures,  
 178.4 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and  
 178.5 (18), to allowable expenses of 40 percent or more but less than 30 60 percent of gross profits  
 178.6 ~~on lawful purposes~~ will receive a two-star rating; and

178.7 (5) an organization that expends less than with a ratio of annual lawful purpose  
 178.8 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),  
 178.9 clauses (8) and (18), to allowable expenses of 20 percent of gross profits on lawful purposes  
 178.10 or more but less than 40 percent will receive a one-star rating; and

178.11 (6) an organization with a ratio of annual lawful purpose expenditures, excluding those  
 178.12 defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable  
 178.13 expenses of less than 20 percent will receive a zero-star rating.

178.14 (c) An organization that fails to expend a minimum of 30 20 percent ~~annually of gross~~  
 178.15 ~~profits of its annual total allowable expenses on lawful purposes, or 20 percent annually for~~  
 178.16 ~~organizations that conduct lawful gambling in a location where the primary business is~~  
 178.17 ~~bingo~~ excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8)  
 178.18 and (18), is automatically on probation effective July 1 for a period of one year. The  
 178.19 organization must increase its rating to the required minimum or be subject to sanctions by  
 178.20 the board. If an organization fails to meet the minimum after a one-year probation, the board  
 178.21 may suspend the organization's license or impose a civil penalty as follows:

178.22 (1) in determining any suspension or penalty for a violation of this paragraph, the board  
 178.23 must consider any unique factors or extraordinary circumstances that caused the organization  
 178.24 to not meet the minimum rate of profitability. Unique factors or extraordinary circumstances  
 178.25 include, but are not limited to, the purchase of capital assets necessary to conduct lawful  
 178.26 gambling; road or other construction causing impaired access to the lawful gambling  
 178.27 premises; and flood, tornado, or other catastrophe that had a direct impact on the continuing  
 178.28 lawful gambling operation; and

178.29 (2) notwithstanding section 349.151, subdivision 4, paragraph (a), clause (10), the board  
 178.30 may impose a civil penalty under this subdivision up to \$10,000.

178.31 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

178.32 Sec. 4. Minnesota Statutes 2018, section 349.151, subdivision 4, is amended to read:

178.33 Subd. 4. **Powers and duties.** (a) The board has the following powers and duties:

- 179.1 (1) to regulate lawful gambling to ensure it is conducted in the public interest;
- 179.2 (2) to issue licenses to organizations and gambling managers, and to issue licenses and  
179.3 renewals to distributors, distributor salespersons, manufacturers, and linked bingo game  
179.4 providers;
- 179.5 (3) to collect and deposit fees due under this chapter;
- 179.6 (4) to receive reports required by this chapter and inspect all premises, records, books,  
179.7 and other documents of organizations, distributors, manufacturers, and linked bingo game  
179.8 providers to insure compliance with all applicable laws and rules;
- 179.9 (5) to make rules authorized by this chapter;
- 179.10 (6) to register gambling equipment and issue registration stamps;
- 179.11 (7) to provide by rule for the mandatory posting by organizations conducting lawful  
179.12 gambling of rules of play and the odds and/or house percentage on each form of lawful  
179.13 gambling;
- 179.14 (8) to report annually to the governor and legislature on its activities and on recommended  
179.15 changes in the laws governing gambling, including an annual report that provides: a tabulation  
179.16 of the number of compliance reviews completed; the percentage of organizations reviewed;  
179.17 an average of the number of months between reviews; the number, location, and organization  
179.18 of site inspections; and the number of allegations awaiting investigation by the board;
- 179.19 (9) to report annually to the governor and legislature a financial summary for each  
179.20 licensed organization identifying the gross receipts, prizes paid, allowable expenses, lawful  
179.21 purpose expenditures including charitable contributions and all taxes and fees as per section  
179.22 349.12, subdivision 25, paragraph (a), clauses (8) and (18), and the percentage of annual  
179.23 gross profit used for lawful purposes;
- 179.24 (10) to impose civil penalties of not more than \$1,000 per violation on organizations,  
179.25 distributors, distributor salespersons, manufacturers, linked bingo game providers, and  
179.26 gambling managers for violating or failing to comply with any provision of this chapter,  
179.27 chapter 297E, or any rule or order of the board;
- 179.28 (11) to issue premises permits to organizations licensed to conduct lawful gambling;
- 179.29 (12) to delegate to the director the authority to issue or deny license and premises permit  
179.30 applications and renewals under criteria established by the board;

180.1 (13) to delegate to the director the authority to approve or deny fund loss requests,  
180.2 contribution of gambling funds to another licensed organization, and property expenditure  
180.3 requests under criteria established by the board;

180.4 (14) to suspend or revoke licenses and premises permits of organizations, distributors,  
180.5 distributor salespersons, manufacturers, linked bingo game providers, or gambling managers  
180.6 as provided in this chapter;

180.7 (15) to approve or deny requests from licensees for:

180.8 (i) waivers from fee requirements as provided in section 349.16, subdivision 6; and

180.9 (ii) variances from Gambling Control Board rules under section 14.055; and

180.10 (16) to register employees of organizations licensed to conduct lawful gambling;

180.11 (17) to require fingerprints from persons determined by board rule to be subject to  
180.12 fingerprinting;

180.13 (18) to delegate to a compliance review group of the board the authority to investigate  
180.14 alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

180.15 (19) to order organizations, distributors, distributor salespersons, manufacturers, linked  
180.16 bingo game providers, and gambling managers to take corrective actions; and

180.17 (20) to take all necessary steps to ensure the integrity of and public confidence in lawful  
180.18 gambling.

180.19 (b) The board, or director if authorized to act on behalf of the board, may by citation  
180.20 assess any organization, distributor, distributor salesperson, manufacturer, linked bingo  
180.21 game provider, or gambling manager a civil penalty of not more than \$1,000 per violation  
180.22 for a failure to comply with any provision of this chapter, chapter 297E, or any rule adopted  
180.23 or order issued by the board. Any organization, distributor, distributor salesperson, gambling  
180.24 manager, linked bingo game provider, or manufacturer assessed a civil penalty under this  
180.25 paragraph may request a hearing before the board. Appeals of citations imposing a civil  
180.26 penalty are not subject to the provisions of the Administrative Procedure Act.

180.27 (c) All penalties received by the board must be deposited in the general fund.

180.28 (d) All fees imposed by the board under sections 349.16 to 349.167 must be deposited  
180.29 in the state treasury and credited to a lawful gambling regulation account in the special  
180.30 revenue fund. Receipts in this account are available for the operations of the board up to  
180.31 the amount authorized in biennial appropriations from the legislature.

180.32 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

181.1 Sec. 5. Minnesota Statutes 2018, section 462A.38, as amended by Laws 2019, First Special  
181.2 Session chapter 1, article 6, section 28, is amended to read:

181.3 **462A.38 WORKFORCE AND AFFORDABLE HOMEOWNERSHIP**  
181.4 **DEVELOPMENT PROGRAM.**

181.5 Subdivision 1. **Establishment.** A workforce and affordable homeownership development  
181.6 program is established to award homeownership development grants and loans to cities,  
181.7 tribal governments, nonprofit organizations, cooperatives created under chapter 308A or  
181.8 308B, and community land trusts created for the purposes outlined in section 462A.31,  
181.9 subdivision 1, for development of workforce and affordable homeownership projects. The  
181.10 purpose of the program is to increase the supply of workforce and affordable, owner-occupied  
181.11 multifamily or single-family housing throughout Minnesota.

181.12 Subd. 2. **Use of funds.** (a) Grant funds and loans awarded under this program may be  
181.13 used for:

181.14 (1) development costs;

181.15 (2) rehabilitation;

181.16 (3) land development; and

181.17 (4) residential housing, including storm shelters and related community facilities.

181.18 (b) A project funded through ~~the grant~~ this program shall serve households that meet  
181.19 the income limits as provided in section 462A.33, subdivision 5, unless a project is intended  
181.20 for the purpose outlined in section 462A.02, subdivision 6.

181.21 Subd. 3. **Application.** The commissioner shall develop forms and procedures for soliciting  
181.22 and reviewing applications for grants and loans under this section. The commissioner shall  
181.23 consult with interested stakeholders when developing the guidelines and procedures for the  
181.24 program. In making grants and loans, the commissioner shall establish semiannual application  
181.25 deadlines in which grants and loans will be authorized from all or part of the available  
181.26 appropriations.

181.27 Subd. 4. **Awarding grants and loans.** Among comparable proposals, preference must  
181.28 be given to proposals that include contributions from nonstate resources for the greatest  
181.29 portion of the total development cost.

181.30 Subd. 5. **Statewide program.** The agency shall attempt to make grants and loans in  
181.31 approximately equal amounts to applicants outside and within the metropolitan area, as  
181.32 defined under section 473.121, subdivision 2.

182.1 Subd. 6. **Report.** Beginning January 15, ~~2018~~ 2021, the commissioner must annually  
 182.2 submit a report to the chairs and ranking minority members of the senate and house of  
 182.3 representatives committees having jurisdiction over housing and workforce development  
 182.4 specifying the projects that received grants and loans under this section and the specific  
 182.5 purposes for which the grant or loan funds were used.

182.6 Subd. 7. **Workforce and affordable homeownership development account.** A  
 182.7 workforce and affordable homeownership development account is established in the housing  
 182.8 development fund. Money in the account, including interest, is appropriated to the  
 182.9 commissioner of the Housing Finance Agency for the purposes of this section. The amount  
 182.10 appropriated under this section must supplement traditional sources of funding for this  
 182.11 purpose and must not be used as a substitute or to pay debt service on bonds.

182.12 Subd. 8. **Deposits; funding amount.** (a) In fiscal years 2022 through 2031, an amount  
 182.13 equal to \$4,000,000 of the state's portion of the proceeds derived from the mortgage registry  
 182.14 tax imposed under section 287.035 and the deed tax under section 287.21, is appropriated  
 182.15 from the general fund to the commissioner of the Housing Finance Agency to transfer to  
 182.16 the workforce and affordable homeownership development account in the housing  
 182.17 development fund. The appropriation must be made annually by September 15.

182.18 (b) All loan repayments received under this section are to be deposited into the workforce  
 182.19 and affordable homeownership development account in the housing development fund.

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

182.21 Sec. 6. **ADMINISTRATIVE APPROPRIATION.**

182.22 \$642,000 in fiscal year 2021 is appropriated to the commissioner of revenue to administer  
 182.23 this article. The base for this appropriation is \$571,000 in fiscal year 2022 and \$0 in fiscal  
 182.24 year 2023.

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

182.26 **ARTICLE 11**  
 182.27 **ACCOUNT TRANSFER**

182.28 Section 1. **PREMIUM SECURITY ACCOUNT TRANSFER.**

182.29 The commissioner of management and budget must transfer \$100,000,000 in fiscal year  
 182.30 2021 from the premium security account established in Minnesota Statutes, section 62E.25,  
 182.31 subdivision 1, to the general fund. This is a onetime transfer.

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

**16A.633 CAPITAL FUNDING; MAINTAINING DATA AND REPORTING.**

Subd. 4. **Report on jobs created or retained.** By September 1 of each odd-numbered year, the commissioner must report to legislative committees with jurisdiction over capital investment on the jobs created or retained as a result of capital project funding by the state, whether with state general obligation bond proceeds or other state funding sources, during the previous biennium. Each state agency must provide the commissioner the information necessary, and must require its capital project grantees to provide the information necessary, for the commissioner to make the report. The report must include, but is not limited to, the following information: the number and types of jobs for each project, whether the jobs are new or retained, where the jobs are located, and pay ranges of the jobs. The Board of Regents of the University of Minnesota, the Board of Trustees of the Minnesota State Colleges and Universities, and each state agency receiving an appropriation for a capital project shall collect and provide the information at the time and in the manner required by the commissioner. This subdivision does not apply to Department of Transportation state-aid projects valued less than \$5,000,000.

**126C.65 FUND ESTABLISHED; DIVISION INTO ACCOUNTS.**

Subd. 2. **Debt service loan account.** A debt service loan account must be maintained out of which loans under section 126C.68 must be made. All money appropriated to the fund by section 126C.66 shall be paid into this account initially.

**126C.68 DEBT SERVICE LOANS.**

Subdivision 1. **Qualification; application; award; interest.** Any district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the net debt of the district, and not exceeding the difference between the required and the maximum effort debt service levy in that year. Applications must be filed with the commissioner in each calendar year up to and including July 1. The commissioner shall determine whether the applicant is entitled to a loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. The commissioner shall notify the county auditor of each county in which the district is located that the amount certified is available and appropriated for payment of principal and interest on its outstanding bonds. The auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for that year. Each debt service loan shall bear interest from its date at a rate equal to the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district, but in no event less than 3-1/2 percent per annum on the principal amount from time to time remaining unpaid. Interest is payable on December 15 of the year following that in which the loan is received and annually thereafter.

Subd. 2. **Note.** Each debt service loan must be evidenced by a note executed on behalf of the district by the signatures of its chair or vice-chair and the school district clerk. The note must be dated November 1 of the year in which executed, and must state its principal amount, interest rate, and that it is payable at the commissioner's office. The note must have printed thereon, or the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal. The note must also include a certificate to be executed by the county auditor of each county in which any portion of the district is situated, prior to the delivery of the note, stating that the county auditor has entered the debt service loan evidenced thereby in the auditor's bond register. The notes must be delivered to the commissioner not later than November 15 of the year in which executed. The commissioner shall cause a record to be made and preserved showing the obligor district and the date and principal amount of each note.

Subd. 3. **Payment.** The commissioner shall issue to each district whose note has been so received a payment on the debt service loan account of the maximum effort school loan fund, payable on presentation to the commissioner of management and budget out of any money in such account. The payment shall be issued by the commissioner in sufficient time to coincide with the next date on which the district is obligated to make principal or interest payments on its bonded debt in the ensuing year. Interest must accrue from the date such payment is issued. The proceeds thereof must be used by the district to pay principal or interest on its bonded debt falling due in the ensuing year.

Subd. 4. **Levy.** Each district receiving a debt service loan shall levy for debt service in that year and each year thereafter, until all its debts to the fund are paid, (a) the amount of its maximum effort debt service levy, or (b) the amount of its required debt service levy less the amount of any debt



APPENDIX  
Repealed Minnesota Statutes: 20-9193

service loan in that year, whichever is greater. The district shall remit payments to the commissioner according to section 126C.71. By September 30, the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and said county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified.