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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2109

03/25/2015 Authored by Rarick, Swedzinski, Poppe and Lillie
The bill was read for the first time and referred to the Committee on Agriculture Finance

1.1 A bill for an act
1.2 relating to capital investment; establishing a program for grants to counties and
1.3 county agricultural societies for fairground improvements; appropriating money;
1.4 authorizing the sale and issuance of state bonds; proposing coding for new law in
1.5 Minnesota Statutes, chapter 38.

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

1.7 Section 1. [38.275] STATE GRANTS FOR COUNTY FAIRGROUND
1.8 IMPROVEMENTS.

1.9 Subdivision 1. Accounts established; no cancellation. Two county fairground
1.10 capital improvements grant accounts are created, one in the general fund and one in the
1.11 bond proceeds fund. Money in the accounts is appropriated to the commissioner of
1.12 agriculture to make grants under this section. Appropriations to these accounts are not
1.13 subject to section 16A.642, but remain available for grants.

1.14 Subd. 2. Definitions. For the purposes of this section, the following terms have
1.15 the meaning given them:

1.16 (1) "Capital improvement" means predesign, design, construction, renovation,
1.17 and related site preparation and furnishing and equipping of improvements to land and
1.18 buildings, but does not mean acquisition of land or interest in land.

1.19 (2) "Commissioner" means the commissioner of agriculture.

1.20 Subd. 3. Capital improvements grant program. The commissioner shall develop
1.21 a capital improvement program to make grants to county agricultural societies and
1.22 counties for county fairground capital improvements. Among any other criteria that the
1.23 commissioner determines are relevant and useful to distribution of available grant funds,
1.24 the program must:

2.1 (1) give priority to improvements that address health, safety, and accessibility
 2.2 needs; and

2.3 (2) distribute grants in an equitable manner statewide.

2.4 Subd. 4. **Application.** A county agricultural society or county may apply for a grant
 2.5 in the manner and at the time required by the commissioner. In addition to any other
 2.6 information the commissioner requires, the application must:

2.7 (1) identify the owner of the county fairground and the proposed capital
 2.8 improvements;

2.9 (2) identify the capital improvements that will be made and provide information
 2.10 supporting the eligibility for a grant under this section;

2.11 (3) include the predesign and design, if completed, of the proposed capital
 2.12 improvements;

2.13 (4) identify the estimated total project costs and the amount requested;

2.14 (5) describe the nonstate contribution to the project; and

2.15 (6) provide information on how the grantee will operate and maintain the
 2.16 improvements made.

2.17 The commissioner, in consultation with the commissioner of management and budget,
 2.18 shall determine whether any particular project is eligible for funding from money in the
 2.19 account in the bond proceeds fund.

2.20 Subd. 5. **Maximum grant amount; nonstate contribution.** The maximum grant
 2.21 amount a county or county agricultural society may receive is \$..... A grant may be for
 2.22 no more than 50 percent of project costs.

2.23 Subd. 6. **Grant cancellation.** If, five years after entering into a grant agreement
 2.24 for a project, the commissioner determines that the project has not proceeded in a timely
 2.25 manner and is unlikely to be completed, then the commissioner must cancel the grant
 2.26 and require the grantee to return all grant money awarded for that project. Grant money
 2.27 returned to the commissioner is appropriated to the commissioner to make additional
 2.28 grants under this section.

2.29 Subd. 7. **Reporting.** The commissioner must report on the grant program by
 2.30 February 15 of each year to the legislative committees with jurisdiction over agriculture
 2.31 finance and capital investment and as provided in section 3.195. The commissioner's
 2.32 report must include information on the grants awarded, capital improvements financed,
 2.33 and other matters the commissioner determines are relevant to the program.

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

3.1 **Sec. 2. COUNTY FAIRGROUND IMPROVEMENTS.**

3.2 Subdivision 1. **Appropriation.** (a) \$..... is appropriated from the bond proceeds
3.3 fund to the commissioner of agriculture for grants under Minnesota Statutes, section 38.275.

3.4 (b) \$..... is appropriated from the general fund to the commissioner of agriculture
3.5 for grants under Minnesota Statutes, section 38.275.

3.6 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the
3.7 bond proceeds fund, the commissioner of management and budget shall sell and issue
3.8 bonds of the state in an amount up to \$..... in the manner, upon the terms, and with
3.9 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
3.10 Minnesota Constitution, article XI, sections 4 to 7.

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