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State of Minnesota

Printed Page No. 402

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 4404

04/12/2018 Authored by Urdahl
The bill was read for the first time and referred to the Committee on Capital Investment
05/08/2018 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
05/10/2018 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

1.1 A bill for an act
1.2 relating to capital investment; authorizing spending to acquire and better public
1.3 land and buildings and other improvements of a capital nature with certain
1.4 conditions; modifying previous appropriations; establishing new programs and
1.5 modifying existing programs; authorizing the sale and issuance of state bonds;
1.6 appropriating money; amending Minnesota Statutes 2016, sections 16A.86,
1.7 subdivision 4; 16B.335, subdivision 1; 16B.35, by adding a subdivision; 462A.37,
1.8 subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2017 Supplement,
1.9 sections 219.016, subdivision 4; 222.49; 326B.124; 446A.073, subdivision 1;
1.10 462A.37, subdivision 5; Laws 2009, chapter 93, article 1, section 14, subdivision
1.11 3, as amended; Laws 2014, chapter 294, article 1, sections 5, subdivision 3; 21,
1.12 subdivision 12, as amended; 22, subdivision 5; Laws 2014, chapter 295, section
1.13 9; Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 3,
1.14 as amended; Laws 2017, First Special Session chapter 8, article 1, sections 6,
1.15 subdivision 6; 15, subdivisions 3, 6, 11, 13; 16, subdivision 7; 17, subdivision 9;
1.16 19, subdivision 3; 20, subdivision 21; 21, subdivision 8; 23, subdivision 3; 27;
1.17 proposing coding for new law in Minnesota Statutes, chapters 174; 446A.

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

1.19 ARTICLE 1

1.20 APPROPRIATIONS

1.21 Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

1.22 The sums shown in the column under "Appropriations" are appropriated from the bond
1.23 proceeds fund, or another named fund, to the state agencies or officials indicated, to be
1.24 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by
1.25 the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public
1.26 land and buildings and other public improvements of a capital nature, or as authorized by
1.27 the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless
1.28 otherwise specified, money appropriated in this act:

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

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

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

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

2.12 **APPROPRIATIONS**

2.13 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.14 **Subdivision 1. Total Appropriation** **\$ 78,533,000**

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

2.18 **Subd. 2. Higher Education Asset Preservation**
 2.19 **and Replacement (HEAPR)** **40,000,000**

2.20 To be spent in accordance with Minnesota
 2.21 Statutes, section 135A.046.

2.22 **Subd. 3. Greater Minnesota Academic Renewal** **10,533,000**

2.23 To modernize existing teaching, learning, and
 2.24 research spaces on the Crookston, Duluth, and
 2.25 Morris campuses, including:

2.26 (1) to predesign, design, renovate, furnish, and
 2.27 equip campus teaching and learning spaces in
 2.28 Dowell Hall and Owen Hall on the Crookston
 2.29 campus;

2.30 (2) to predesign, design, renovate, furnish, and
 2.31 equip campus teaching and learning spaces in

3.1 A.B. Anderson Hall on the Duluth campus;
 3.2 and
 3.3 (3) to predesign, design, renovate, furnish, and
 3.4 equip campus teaching and learning spaces in
 3.5 the Humanities Building and Blakely Hall on
 3.6 the Morris campus.

3.7 **Subd. 4. Pillsbury Hall Renewal** 24,000,000

3.8 To predesign, design, renovate, furnish, and
 3.9 equip historic Pillsbury Hall on the Twin
 3.10 Cities campus.

3.11 **Subd. 5. Glensheen Renewal** 4,000,000

3.12 To predesign, design, and renovate the
 3.13 Historic Glensheen Estate including but not
 3.14 limited to the main house; the site structures,
 3.15 terraces, and garden walls; and the carriage
 3.16 house. This appropriation is not available until
 3.17 the commissioner of management and budget
 3.18 determines that an equal amount is committed
 3.19 from other sources.

3.20 **Subd. 6. University Share**

3.21 Except for the appropriations for HEAPR and
 3.22 Glensheen renewal, the appropriations in this
 3.23 section are intended to cover approximately
 3.24 two-thirds of the cost of each project. The
 3.25 remaining costs must be paid from university
 3.26 sources.

3.27 **Subd. 7. Unspent Appropriations**

3.28 Upon substantial completion of a project
 3.29 authorized in this section and after written
 3.30 notice to the commissioner of management
 3.31 and budget, the Board of Regents must use
 3.32 any money remaining in the appropriation for
 3.33 that project for HEAPR under Minnesota
 3.34 Statutes, section 135A.046. The Board of

4.1 Regents must report by February 1 of each
 4.2 even-numbered year to the chairs of the house
 4.3 of representatives and senate committees with
 4.4 jurisdiction over capital investment and higher
 4.5 education finance, and to the chairs of the
 4.6 house of representatives Ways and Means
 4.7 Committee and the senate Finance Committee,
 4.8 on how the remaining money has been
 4.9 allocated or spent.

4.10 **Sec. 3. MINNESOTA STATE COLLEGES AND**
 4.11 **UNIVERSITIES**

4.12 **Subdivision 1. Total Appropriation** **\$ 122,858,000**

4.13 To the Board of Trustees of the Minnesota
 4.14 State Colleges and Universities for the
 4.15 purposes specified in this section.

4.16 **Subd. 2. Higher Education Asset Preservation**
 4.17 **and Replacement (HEAPR)** **40,000,000**

4.18 To be spent in accordance with Minnesota
 4.19 Statutes, section 135A.046.

4.20 **Subd. 3. Anoka-Ramsey Community College,**
 4.21 **Coon Rapids** **569,000**

4.22 To design the renovation of the business and
 4.23 nursing building on the Coon Rapids campus.

4.24 **Subd. 4. Bemidji State University** **22,512,000**

4.25 To demolish and replace Hagg Sauer Hall with
 4.26 the Academic Learning Center Building; and
 4.27 to design, renovate, and equip A.C. Clark
 4.28 Library, Bangsberg Hall, Bensen Hall,
 4.29 Bridgeman Hall, and Sattgast Hall.

4.30 **Subd. 5. Century College** **6,362,000**

4.31 To design, renovate, and equip the
 4.32 Engineering and Applied Technology Center,
 4.33 welding lab, fabrication lab, auto disassembly,

- 5.1 and related student support and university
 5.2 partnership space on the east campus.
- 5.3 **Subd. 6. Inver Hills Community College** 698,000
- 5.4 To design the renovation of the Technology
 5.5 and Business Center to include the link to
 5.6 Heritage Hall.
- 5.7 **Subd. 7. Minnesota State University, Mankato** 6,478,000
- 5.8 To update design, renovate, renew, equip, and
 5.9 repurpose the spaces in Wissink Hall, Morris
 5.10 Hall, and Wiecking Center vacated when
 5.11 occupants moved to the new Clinical Science
 5.12 Building; and to install a solar array on the
 5.13 roof of the new Clinical Science Building.
- 5.14 **Subd. 8. Minnesota State University, Moorhead** 628,000
- 5.15 To design the renovation of Weld Hall.
- 5.16 **Subd. 9. Normandale Community College** 12,636,000
- 5.17 To design Phases 1 and 2 of the renovation of
 5.18 the College Services Building; and to renovate
 5.19 and equip the first floor of the College
 5.20 Services Building, including site
 5.21 improvements that address ADA compliance
 5.22 and storm water management.
- 5.23 **Subd. 10. Riverland Community College, Albert**
 5.24 **Lea** 10,122,000
- 5.25 To design, renovate, renew, and equip
 5.26 classroom and lab space at the Albert Lea
 5.27 campus; to construct infill in Building C to
 5.28 support auto and diesel labs; and to demolish
 5.29 obsolete child care building.
- 5.30 **Subd. 11. Rochester Community and Technical**
 5.31 **College** 22,853,000
- 5.32 To demolish Plaza and Memorial Halls; to
 5.33 design, renovate, renew, and equip classrooms
 5.34 and labs; to construct an addition adjacent to

6.1 Endicott Hall; to construct a central chiller
6.2 plant; and to demolish the maintenance
6.3 building and child care building.

6.4 **Subd. 12. Debt Service**

6.5 (a) Except as provided in paragraph (b), the
6.6 Board of Trustees shall pay the debt service
6.7 on one-third of the principal amount of state
6.8 bonds sold to finance projects authorized by
6.9 this section. After each sale of general
6.10 obligation bonds, the commissioner of
6.11 management and budget shall notify the board
6.12 of the amounts assessed for each year for the
6.13 life of the bonds.

6.14 (b) The board need not pay debt service on
6.15 bonds sold to finance HEAPR. Where a
6.16 nonstate match is required, the debt service is
6.17 due on a principal amount equal to one-third
6.18 of the total project cost, less the match
6.19 committed before the bonds are sold.

6.20 (c) The commissioner of management and
6.21 budget shall reduce the board's assessment
6.22 each year by one-third of the net income from
6.23 investment of general obligation bond
6.24 proceeds in proportion to the amount of
6.25 principal and interest otherwise required to be
6.26 paid by the board. The board shall pay its
6.27 resulting net assessment to the commissioner
6.28 of management and budget by December 1
6.29 each year. If the board fails to make a payment
6.30 when due, the commissioner of management
6.31 and budget shall reduce allotments for
6.32 appropriations from the general fund otherwise
6.33 available to the board and apply the amount
6.34 of the reduction to cover the missed debt
6.35 service payment. The commissioner of

7.1 management and budget shall credit the
7.2 payments received from the board to the bond
7.3 debt service account in the state bond fund
7.4 each December 1 before money is transferred
7.5 from the general fund under Minnesota
7.6 Statutes, section 16A.641, subdivision 10.

7.7 **Subd. 13. Unspent Appropriations**

7.8 (a) Upon substantial completion of a project
7.9 authorized in this section and after written
7.10 notice to the commissioner of management
7.11 and budget, the board must use any money
7.12 remaining in the appropriation for that project
7.13 for HEAPR under Minnesota Statutes, section
7.14 135A.046. The Board of Trustees must report
7.15 by February 1 of each even-numbered year to
7.16 the chairs of the house of representatives and
7.17 senate committees with jurisdiction over
7.18 capital investment and higher education
7.19 finance, and to the chairs of the house of
7.20 representatives Ways and Means Committee
7.21 and the senate Finance Committee, on how
7.22 the remaining money has been allocated or
7.23 spent.

7.24 (b) The unspent portion of an appropriation
7.25 for a project in this section that is complete is
7.26 available for HEAPR under this subdivision,
7.27 at the same campus as the project for which
7.28 the original appropriation was made and the
7.29 debt service requirement under this section is
7.30 reduced accordingly. Minnesota Statutes,
7.31 section 16A.642, applies from the date of the
7.32 original appropriation to the unspent amount
7.33 transferred.

7.34 **Sec. 4. EDUCATION**

8.1 Subdivision 1. **Total Appropriation** \$ 47,092,000

8.2 To the commissioner of education for the

8.3 purposes specified in this section.

8.4 Subd. 2. **Library Construction Grants** 2,000,000

8.5 For library construction grants under

8.6 Minnesota Statutes, section 134.45.

8.7 Subd. 3. **School Safety Grants** 25,000,000

8.8 (a) A school district may apply for a school

8.9 safety facility grant in the form and manner

8.10 specified by the commissioner of education.

8.11 (b) After consultation with the Department of

8.12 Public Safety's Minnesota School Safety

8.13 Center, the commissioner of education may

8.14 award a school safety facility grant to a school

8.15 district of no more than \$500,000 for each

8.16 qualifying school building. The commissioner

8.17 must prioritize grant applications. At least half

8.18 of the grants must be awarded to school

8.19 districts with administrative offices located

8.20 outside of the seven-county metropolitan area.

8.21 (c) Grants may be used to predesign, design,

8.22 construct, furnish, and equip school facilities

8.23 and includes renovating and expanding

8.24 existing buildings and facilities.

8.25 (d) Before a grant is approved, the district

8.26 must provide documentation acceptable to the

8.27 commissioner of education on how the grant

8.28 will be used.

8.29 (e) No money for construction may be

8.30 distributed by the commissioner of education

8.31 to the recipient school district until bids have

8.32 been received on 100 percent of the

8.33 construction documents and satisfactory

9.1 documentation has been submitted to the
 9.2 commissioner of education indicating the
 9.3 project can be fully completed with money
 9.4 available for the project.

9.5 (f) Grants are available when the
 9.6 commissioner of management and budget
 9.7 determines that sufficient resources have been
 9.8 committed to complete the project, as required
 9.9 by Minnesota Statutes, section 16A.502.

9.10 **Subd. 4. Independent School District No. 38, Red**
 9.11 **Lake**

14,492,000

9.12 (a) From the maximum effort school loan fund
 9.13 for a capital loan to Independent School
 9.14 District No. 38, Red Lake, as provided in
 9.15 Minnesota Statutes, sections 126C.60 to
 9.16 126C.72. This appropriation is for predesign,
 9.17 design, and construction of a connection
 9.18 structure between the Red Lake Early
 9.19 Learning Childhood Center and Red Lake
 9.20 Elementary School; renovations to various
 9.21 classrooms, labs, and support rooms; updating
 9.22 of mechanical systems; and expansion of the
 9.23 cafeteria. Before any capital loan contract is
 9.24 approved under this subdivision, the district
 9.25 must provide documentation acceptable to the
 9.26 commissioner of education on how the capital
 9.27 loan will be used.

9.28 (b) The commissioner of administration may
 9.29 provide project management services to assist
 9.30 the commissioner of education with oversight
 9.31 of the project. No money for construction may
 9.32 be distributed by the commissioner of
 9.33 education to the recipient school district until
 9.34 bids have been received on 100 percent of the
 9.35 construction documents and satisfactory

10.1 documentation has been submitted to the
 10.2 commissioner of education indicating the
 10.3 project can be fully completed with money
 10.4 available for the project.

10.5 (c) Notwithstanding the timelines in Minnesota
 10.6 Statutes, section 126C.69, subdivision 11,
 10.7 Independent School District No. 38, Red Lake,
 10.8 must submit the question authorizing the
 10.9 borrowing of money for the facilities to voters
 10.10 of the district at the first general election
 10.11 following final enactment of this subdivision.

10.12 (d) Notwithstanding Minnesota Statutes,
 10.13 section 126C.69, subdivision 6, the application
 10.14 submitted by Independent School District No.
 10.15 38, Red Lake, on September 1, 2015, shall be
 10.16 considered a sufficient application for this
 10.17 loan. The local portion for this capital loan is
 10.18 \$94,231 under Minnesota Statutes, section
 10.19 126C.69, subdivision 9. This amount shall be
 10.20 disbursed for the approved project prior to the
 10.21 state loan reimbursement payments to the
 10.22 school district.

10.23 **Subd. 5. Atwater-Cosmos-Grove City School**
 10.24 **District; Cosmos Elementary School**
 10.25 **Repurposing**

5,000,000

10.26 For a grant to Independent School District No.
 10.27 2396, Atwater-Cosmos-Grove City Public
 10.28 Schools, to predesign, design, construct,
 10.29 furnish, and equip the renovation and
 10.30 repurposing of the Cosmos elementary school
 10.31 for use by the regional educational program
 10.32 for autistic students, emotionally or
 10.33 behaviorally disturbed students, and other
 10.34 students with specific educational needs.

10.35 **Subd. 6. Warroad School District - Northwest**
 10.36 **Angle School**

600,000

11.1 From the general fund for a grant to
 11.2 Independent School District No. 690, Warroad
 11.3 Public Schools, for demolition and site
 11.4 preparation and to predesign, design,
 11.5 construct, furnish, and equip the renovation
 11.6 and an expansion of the Northwest Angle
 11.7 School. No nonstate match is required.

11.8 **Sec. 5. MINNESOTA STATE ACADEMIES** **\$** **2,000,000**

11.9 To the commissioner of administration for
 11.10 capital asset preservation improvements and
 11.11 betterments on both campuses of the
 11.12 Minnesota State Academies, to be spent in
 11.13 accordance with Minnesota Statutes, section
 11.14 16B.307.

11.15 **Sec. 6. NATURAL RESOURCES**

11.16 **Subdivision 1. Total Appropriation** **\$** **62,750,000**

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

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

11.27 **Subd. 2. Natural Resources Asset Preservation** **30,000,000**

11.28 For the renovation of state-owned facilities
 11.29 and recreational assets operated by the
 11.30 commissioner of natural resources to be spent
 11.31 in accordance with Minnesota Statutes, section
 11.32 84.946. Notwithstanding Minnesota Statutes,
 11.33 section 84.946, the commissioner may use this

12.1 appropriation to replace buildings if,
 12.2 considering the embedded energy in the
 12.3 building, that is the most energy-efficient and
 12.4 carbon-reducing method of renovation.

12.5 **Subd. 3. Flood Hazard Mitigation** 20,000,000

12.6 (a) For the state share of flood hazard
 12.7 mitigation grants for publicly owned capital
 12.8 improvements to prevent or alleviate flood
 12.9 damage under Minnesota Statutes, section
 12.10 103F.161.

12.11 (b) To the extent practical, levee projects shall
 12.12 meet the state standard of three feet above the
 12.13 100-year flood elevation.

12.14 (c) To the extent practicable and consistent
 12.15 with the project, recipients of appropriations
 12.16 for flood control projects in this subdivision
 12.17 shall create wetlands that are eligible for
 12.18 wetland replacement credit to replace wetlands
 12.19 drained or filled as the result of repair,
 12.20 reconstruction, replacement, or rehabilitation
 12.21 of an existing public road under Minnesota
 12.22 Statutes, section 103G.222, subdivision 1,
 12.23 paragraphs (l) and (m).

12.24 (d) Project priorities shall be determined by
 12.25 the commissioner as appropriate and based on
 12.26 need and may include acquisition of properties
 12.27 prone to flooding.

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

12.34 **Subd. 4. Acquisition and Betterment of Buildings** 6,000,000

- 13.1 For acquisition, predesign, design, and
- 13.2 construction to replace existing facilities that
- 13.3 no longer meet the business needs of the
- 13.4 department; for the predesign, design, and
- 13.5 construction of a drill core facility in Hibbing;
- 13.6 and for the design and construction of storage
- 13.7 facilities.
- 13.8 **Subd. 5. State Park and Recreation Area**
- 13.9 **Accessibility** 2,000,000
- 13.10 For the design and construction of
- 13.11 improvements to bring the facilities within
- 13.12 state parks and recreation areas to the
- 13.13 Americans with Disabilities Act standards.
- 13.14 **Subd. 6. Glendalough State Park** 750,000
- 13.15 To construct a Visitor and Trail Center in
- 13.16 Glendalough State Park.
- 13.17 **Subd. 7. Blufflands State Trail** 1,500,000
- 13.18 To acquire land for, construct, and pay
- 13.19 expenses related to an extension of the
- 13.20 Blufflands state trail system from Harmony
- 13.21 to the Iowa border, to include a connection to
- 13.22 Niagara Cave in Fillmore County as
- 13.23 authorized in Minnesota Statutes, section
- 13.24 85.015, subdivision 7.
- 13.25 **Subd. 8. Cohasset - Tioga Recreation Area** 1,000,000
- 13.26 For a grant to the city of Cohasset to design,
- 13.27 engineer, and construct an approximately
- 13.28 25-mile trail system for hiking, running,
- 13.29 mountain biking, and other activities in the
- 13.30 Tioga Recreation Area in Cohasset.
- 13.31 **Subd. 9. Aitkin County - Northwoods ATV Trail** 1,500,000
- 13.32 For a grant to Aitkin County for predesign,
- 13.33 design, acquisition, and development of a trail
- 13.34 to connect the Northwoods ATV trail system

14.1 with the Mille Lacs-Malmo East Loop trail
 14.2 system. The appropriation is not available until
 14.3 the commissioner of management and budget
 14.4 determines that \$150,000 has been committed
 14.5 to the project from nonstate sources.

14.6 **Subd. 10. Unspent Appropriations**

14.7 The unspent portion of an appropriation for a
 14.8 project in this section that is complete, upon
 14.9 written notice to the commissioner of
 14.10 management and budget, is available for asset
 14.11 preservation under Minnesota Statutes, section
 14.12 84.946. Minnesota Statutes, section 16A.642,
 14.13 applies from the date of the original
 14.14 appropriation to the unspent amount
 14.15 transferred.

14.16 **Sec. 7. POLLUTION CONTROL AGENCY**

14.17 **Subdivision 1. Total Appropriation** **\$ 20,300,000**

14.18 To the Pollution Control Agency for the
 14.19 purposes specified in this section.

14.20 **Subd. 2. Waste Disposal Engineering Closed**
 14.21 **Landfill** **6,000,000**

14.22 To design and construct remedial systems,
 14.23 including cleanup and removal of a leaking
 14.24 hazardous waste pit and protection of
 14.25 groundwater, at the Waste Disposal
 14.26 Engineering site in Anoka County in
 14.27 accordance with the closed landfill program
 14.28 under Minnesota Statutes, sections 115B.39
 14.29 to 115B.42.

14.30 **Subd. 3. Lake Redwood Reclamation** **7,300,000**

14.31 For a grant to the Redwood-Cottonwood
 14.32 Rivers Control Area, a joint powers entity, to
 14.33 predesign, design, construct, and equip the
 14.34 reservoir reclamation and enhancement of the

15.1 66-acre Lake Redwood Reservoir, to remove
 15.2 approximately 650,000 cubic yards of
 15.3 sediment and increase its depth from
 15.4 approximately 2.8 feet to 20 feet in order to
 15.5 secure renewable energy capacity of the
 15.6 hydroelectric dam which is impeded by lack
 15.7 of water capacity, reduce the flow of pollutants
 15.8 to the Minnesota River, and increase fish
 15.9 habitat and enhance recreational opportunities.

15.10 **Subd. 4. Clay County - Solid Waste Transfer**
 15.11 **Station**

7,000,000

15.12 For a grant to Clay County under the solid
 15.13 waste capital assistance grants program under
 15.14 Minnesota Statutes, section 115A.54, to
 15.15 construct a new resource recovery campus
 15.16 consisting of a new solid waste transfer station
 15.17 and problem materials facility.
 15.18 Notwithstanding Minnesota Statutes, section
 15.19 115A.54, this appropriation does not require
 15.20 a nonstate contribution, except as required by
 15.21 Minnesota Statutes, section 16A.502.

15.22 **Sec. 8. BOARD OF WATER AND SOIL**
 15.23 **RESOURCES**

15.24 **Subdivision 1. Total Appropriation**

\$ 15,781,000

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

15.27 **Subd. 2. Reinvest in Minnesota (RIM) Reserve**
 15.28 **Program**

10,000,000

15.29 (a) To acquire conservation easements from
 15.30 landowners to preserve, restore, create, and
 15.31 enhance wetlands and associated uplands of
 15.32 prairie and grasslands, and restore and enhance
 15.33 rivers and streams, riparian lands, and
 15.34 associated uplands of prairie and grasslands
 15.35 in order to protect soil and water quality,

16.1 support fish and wildlife habitat, reduce flood
 16.2 damage, and provide other public benefits.

16.3 The provisions of Minnesota Statutes, section
 16.4 103F.515, apply to this program.

16.5 (b) The board shall give priority to leveraging
 16.6 federal money by enrolling targeted new lands
 16.7 or enrolling environmentally sensitive lands
 16.8 that have expiring federal conservation
 16.9 agreements.

16.10 (c) The board is authorized to enter into new
 16.11 agreements and amend past agreements with
 16.12 landowners as required by Minnesota Statutes,
 16.13 section 103F.515, subdivision 5, to allow for
 16.14 restoration.

16.15 (d) Of this appropriation, up to five percent
 16.16 may be used for restoration, rehabilitation, and
 16.17 enhancement.

16.18 **Subd. 3. Local Government Roads Wetland**
 16.19 **Replacement Program**

5,000,000

16.20 To acquire land or permanent easements and
 16.21 to restore, create, enhance, and preserve
 16.22 wetlands to replace those wetlands drained or
 16.23 filled as a result of the repair, reconstruction,
 16.24 replacement, or rehabilitation of existing
 16.25 public roads as required by Minnesota
 16.26 Statutes, section 103G.222, subdivision 1,
 16.27 paragraphs (l) and (m). The board may vary
 16.28 the priority order of Minnesota Statutes,
 16.29 section 103G.222, subdivision 3, paragraph
 16.30 (a), to implement an in-lieu fee agreement
 16.31 approved by the U.S. Army Corps of
 16.32 Engineers under section 404 of the Clean
 16.33 Water Act. The purchase price paid for
 16.34 acquisition of land or perpetual easement must
 16.35 be a fair market value as determined by the

17.1 board. The board may enter into agreements
 17.2 with the federal government, other state
 17.3 agencies, political subdivisions, nonprofit
 17.4 organizations, fee title owners, or other
 17.5 qualified private entities to acquire wetland
 17.6 replacement credits in accordance with
 17.7 Minnesota Rules, chapter 8420.

17.8 **Subd. 4. South St. Paul - Seidl's Lake** 781,000

17.9 For a grant to the city of South St. Paul for
 17.10 capital improvements to improve the water
 17.11 quality of Seidl's Lake. The capital
 17.12 improvements include design, engineering,
 17.13 construction, and equipping of a storm water
 17.14 lift station to discharge excess storm water
 17.15 into the city of South St. Paul's storm sewer
 17.16 system to minimize the fluctuating water
 17.17 levels of the lake. This project would be
 17.18 implemented jointly by the cities of South St.
 17.19 Paul, Inver Grove Heights, and West St. Paul.

17.20 **Sec. 9. RURAL FINANCE AUTHORITY.** **\$ 35,000,000**

17.21 For the purposes set forth in the Minnesota
 17.22 Constitution, article XI, section 5, paragraph
 17.23 (h), to the Rural Finance Authority to purchase
 17.24 participation interests in or to make direct
 17.25 agricultural loans to farmers under Minnesota
 17.26 Statutes, chapter 41B. This appropriation is
 17.27 for the beginning farmer program under
 17.28 Minnesota Statutes, section 41B.039; the loan
 17.29 restructuring program under Minnesota
 17.30 Statutes, section 41B.04; the seller-sponsored
 17.31 program under Minnesota Statutes, section
 17.32 41B.042; the agricultural improvement loan
 17.33 program under Minnesota Statutes, section
 17.34 41B.043; and the livestock expansion loan

18.1 program under Minnesota Statutes, section
 18.2 41B.045. All debt service on bond proceeds
 18.3 used to finance this appropriation must be
 18.4 repaid by the Rural Finance Authority under
 18.5 Minnesota Statutes, section 16A.643. Loan
 18.6 participations must be priced to provide full
 18.7 interest and principal coverage and a reserve
 18.8 for potential losses. Priority for loans must be
 18.9 given first to basic beginning farmer loans,
 18.10 second to seller-sponsored loans, and third to
 18.11 agricultural improvement loans.

18.12 If an appropriation for the same purpose as in
 18.13 this section is enacted more than once in the
 18.14 2018 legislative session, the appropriation
 18.15 must be given effect only once. If the
 18.16 appropriations for the same purpose are for
 18.17 different amounts, the highest of the amounts
 18.18 is the one to be given effect.

18.19 **Sec. 10. MINNESOTA ZOOLOGICAL**
 18.20 **GARDEN**

\$ 10,000,000

18.21 To the Minnesota Zoological Garden Board
 18.22 for capital asset preservation improvements
 18.23 and betterments to infrastructure and exhibits
 18.24 at the Minnesota Zoo, to be spent in
 18.25 accordance with Minnesota Statutes, section
 18.26 16B.307. Notwithstanding the specified uses
 18.27 of money under Minnesota Statutes, section
 18.28 16B.307, the board may use this appropriation
 18.29 to replace buildings that are in poor condition,
 18.30 outdated, and no longer support the work of
 18.31 the Minnesota Zoo and to construct and
 18.32 renovate trails and roads on the Minnesota
 18.33 Zoo site.

18.34 **Sec. 11. ADMINISTRATION**

19.1	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 16,000,000</u>
19.2	<u>To the commissioner of administration for the</u>	
19.3	<u>purposes specified in this section.</u>	
19.4	<u>Subd. 2. Capital Asset Preservation and</u>	
19.5	<u>Replacement Account</u>	<u>5,000,000</u>
19.6	<u>To be spent in accordance with Minnesota</u>	
19.7	<u>Statutes, section 16A.632.</u>	
19.8	<u>Subd. 3. Capitol Complex Monuments and</u>	
19.9	<u>Memorials</u>	<u>1,000,000</u>
19.10	<u>To design and complete repairs to monuments</u>	
19.11	<u>and memorials located on the Capitol complex.</u>	
19.12	<u>Subd. 4. Capitol Complex - Physical Security</u>	
19.13	<u>Upgrades</u>	<u>10,000,000</u>
19.14	<u>To design, construct, and equip upgrades to</u>	
19.15	<u>the physical security elements and systems for</u>	
19.16	<u>one or more of the buildings listed in this</u>	
19.17	<u>subdivision, their attached tunnel systems,</u>	
19.18	<u>their surrounding grounds, and parking</u>	
19.19	<u>facilities as identified in the 2017 Minnesota</u>	
19.20	<u>State Capitol Complex Physical Security</u>	
19.21	<u>Predesign completed by Miller Dunwiddie.</u>	
19.22	<u>Improvements may include but are not limited</u>	
19.23	<u>to design and abatement of asbestos and</u>	
19.24	<u>hazardous materials, the installation of</u>	
19.25	<u>bollards, blast protection, infrastructure</u>	
19.26	<u>security screen walls, door access controls,</u>	
19.27	<u>emergency call stations, security kiosks,</u>	
19.28	<u>locking devices, and traffic control. This</u>	
19.29	<u>appropriation includes money for work</u>	
19.30	<u>associated with one or more of the following</u>	
19.31	<u>buildings: Administration, Centennial,</u>	
19.32	<u>Judicial, Ag/Health Lab, Minnesota History</u>	
19.33	<u>Center, Capitol Complex Power Plant and</u>	
19.34	<u>Shops, Stassen, State Office, and Veterans</u>	
19.35	<u>Service.</u>	

20.1	Sec. 12. <u>MILITARY AFFAIRS</u>	<u>\$</u>	<u>4,450,000</u>
20.2	<u>To the adjutant general to design and renovate</u>		
20.3	<u>existing space at the St. Cloud Readiness</u>		
20.4	<u>Center, including mechanical, electrical,</u>		
20.5	<u>building envelope, energy efficiency, and life</u>		
20.6	<u>safety improvements. The adjutant general</u>		
20.7	<u>may also use this appropriation to construct</u>		
20.8	<u>and equip an expansion of the facility.</u>		
20.9	Sec. 13. <u>PUBLIC SAFETY</u>		
20.10	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>22,500,000</u>
20.11	<u>To the commissioner of public safety for the</u>		
20.12	<u>purposes specified in this section.</u>		
20.13	<u>Subd. 2. East Metro Training Facility - HERO</u>		
20.14	<u>Center</u>		<u>9,900,000</u>
20.15	<u>For a grant to the city of Cottage Grove to</u>		
20.16	<u>construct, furnish, and equip a Health and</u>		
20.17	<u>Emergency Response Occupations (HERO)</u>		
20.18	<u>Center in Cottage Grove.</u>		
20.19	<u>Subd. 3. Dakota County - Regional Public Safety</u>		
20.20	<u>Center</u>		<u>6,600,000</u>
20.21	<u>For a grant to Dakota County to acquire land</u>		
20.22	<u>for and to predesign, design, construct, furnish,</u>		
20.23	<u>and equip the Safety and Mental Health</u>		
20.24	<u>Alternative Response Training (SMART)</u>		
20.25	<u>Center. The center shall serve as a centrally</u>		
20.26	<u>located regional hub and provide training</u>		
20.27	<u>space for the Minnesota Crisis Intervention</u>		
20.28	<u>Team as well as provide a central location for</u>		
20.29	<u>other public safety resources.</u>		
20.30	<u>Subd. 4. Marshall - MERIT Center</u>		<u>6,000,000</u>
20.31	<u>For a grant to the city of Marshall to design,</u>		
20.32	<u>construct, furnish, and equip the driver training</u>		
20.33	<u>and road course expansion of the Minnesota</u>		

21.1 Emergency Response and Industrial Training
 21.2 (MERIT) Center in Marshall.

21.3 Sec. 14. **TRANSPORTATION**

21.4 Subdivision 1. **Total Appropriation** \$ 120,141,000

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

21.7 Subd. 2. **Local Road Improvement Fund Grants** 91,921,000

21.8 From the bond proceeds account in the state
 21.9 transportation fund as provided in Minnesota
 21.10 Statutes, section 174.50, for trunk highway
 21.11 corridor projects under Minnesota Statutes,
 21.12 section 174.52, subdivision 2, for construction
 21.13 and reconstruction of local roads with
 21.14 statewide or regional significance under
 21.15 Minnesota Statutes, section 174.52,
 21.16 subdivision 4, or for grants to counties to assist
 21.17 in paying the costs of rural road safety capital
 21.18 improvement projects on county state-aid
 21.19 highways under Minnesota Statutes, section
 21.20 174.52, subdivision 4a.

21.21 Of this amount, \$13,500,000 is for a grant to
 21.22 the city of Dayton for design, engineering,
 21.23 environmental analysis, property and easement
 21.24 acquisition, construction, and reconstruction
 21.25 of local roads in conjunction with an
 21.26 interchange on marked Interstate Highway 94
 21.27 near Hennepin County State-Aid Highway
 21.28 101, known as Brockton Lane, in Dayton.

21.29 Of this amount, \$6,100,000 is for a grant to
 21.30 the city of Inver Grove Heights to predesign,
 21.31 design, engineer, acquire right-of-way
 21.32 property and temporary and permanent
 21.33 easements, relocate private utilities, inspect,
 21.34 and construct or reconstruct: (1) realignment

22.1 of Dakota County State-Aid Highway 63,
 22.2 known as Argenta Trail, in Inver Grove
 22.3 Heights, from northerly of its intersection with
 22.4 Amana Trail to the anticipated future
 22.5 alignment of 65th Street, then west to the
 22.6 existing Argenta Trail alignment, and in
 22.7 anticipation of the development of an
 22.8 interchange of Argenta Trail and marked
 22.9 Interstate Highway 494; and (2) expansion
 22.10 from two lanes to four lanes of Dakota County
 22.11 State-Aid Highway 26, known as 70th Street
 22.12 West, in Inver Grove Heights, from the border
 22.13 with Eagan to the intersection with Argenta
 22.14 Trail as realigned.

22.15 **Subd. 3. Hennepin County State-Aid Highway**
 22.16 **9 (Rockford Road) and Marked Interstate**
 22.17 **Highway 494**

10,720,000

22.18 \$5,360,000 is from the bond proceeds account
 22.19 in the state transportation fund for a grant to
 22.20 Hennepin County and \$5,360,000 is from the
 22.21 bond proceeds account in the trunk highway
 22.22 fund to design, engineer, construct, and equip
 22.23 the interchange at Hennepin County State-Aid
 22.24 Highway 9 and marked Interstate Highway
 22.25 494, including replacing the County State-Aid
 22.26 Highway 9 bridge over marked Interstate
 22.27 Highway 494 and the ramps connecting
 22.28 County State-Aid Highway 9 and marked
 22.29 Interstate Highway 494.

22.30 **Subd. 4. Ramsey County Regional Railroad**
 22.31 **Authority**

1,000,000

22.32 For a grant to the Ramsey County Regional
 22.33 Railroad Authority for environmental analysis
 22.34 and design of rail grade separation of Union
 22.35 Pacific and Burlington Northern Santa Fe track

- 23.1 between Westminster Junction and Division
- 23.2 Street/Hoffman Interlocking in St. Paul.
- 23.3 **Subd. 5. Trunk Highway 29 - Railroad Grade**
- 23.4 **Separation in Pope County** 10,500,000
- 23.5 From the bond proceeds account in the trunk
- 23.6 highway fund for construction of the
- 23.7 interchange at marked Trunk Highway 55 and
- 23.8 marked Trunk Highway 29 near the city of
- 23.9 Glenwood, including grade separation of the
- 23.10 adjacent rail crossing of marked Trunk
- 23.11 Highway 29.
- 23.12 **Subd. 6. Port Development Assistance** 6,000,000
- 23.13 For grants under Minnesota Statutes, chapter
- 23.14 457A. Any improvements made with the
- 23.15 proceeds of these grants must be publicly
- 23.16 owned.
- 23.17 **Subd. 7. Corridors of Commerce** 145,000,000
- 23.18 From the bond proceeds account in the trunk
- 23.19 highway fund for the corridors of commerce
- 23.20 program under Minnesota Statutes, section
- 23.21 161.088.
- 23.22 The commissioner may use up to 17 percent
- 23.23 of the amount for program delivery.
- 23.24 **Subd. 8. Trunk Highway-Rail Grade Separations** 75,000,000
- 23.25 From the bond proceeds account in the trunk
- 23.26 highway fund for trunk highway-rail grade
- 23.27 separation projects: (1) identified as priority
- 23.28 grade separation recommendations in the final
- 23.29 report on highway-rail grade crossing
- 23.30 improvements submitted under Laws 2014,
- 23.31 chapter 312, article 10, section 10; and (2) for
- 23.32 which trunk highway bond proceeds are a
- 23.33 permissible use.

24.1 If any proceeds under this subdivision remain
 24.2 following a determination by the
 24.3 commissioner that sufficient resources have
 24.4 been committed to complete all eligible
 24.5 projects, the remaining amount is available
 24.6 for the corridors of commerce program under
 24.7 Minnesota Statutes, section 161.088.

24.8 **Subd. 9. Transportation Facilities Capital** 30,000,000

24.9 From the bond proceeds account in the trunk
 24.10 highway fund for the transportation facilities
 24.11 capital program under Minnesota Statutes,
 24.12 section 174.13.

24.13 **Sec. 15. METROPOLITAN COUNCIL**

24.14 **Subdivision 1. Total Appropriation** \$ 20,000,000

24.15 To the Metropolitan Council for the purposes
 24.16 specified in this section.

24.17 **Subd. 2. Metropolitan Regional Parks and Trails**
 24.18 **Capital Improvements** 10,000,000

24.19 For the cost of improvements and betterments
 24.20 of a capital nature and acquisition by the
 24.21 council and local government units of regional
 24.22 recreational open-space lands in accordance
 24.23 with the council's policy plan as provided in
 24.24 Minnesota Statutes, section 473.147. This
 24.25 appropriation must not be used to purchase
 24.26 easements.

24.27 **Subd. 3. Metropolitan Cities Inflow and**
 24.28 **Infiltration Grants** 5,000,000

24.29 For grants to cities within the metropolitan
 24.30 area, as defined in Minnesota Statutes, section
 24.31 473.121, subdivision 2, for capital
 24.32 improvements in municipal wastewater
 24.33 collection systems to reduce the amount of
 24.34 inflow and infiltration to the Metropolitan

25.1 Council's metropolitan sanitary sewer disposal
 25.2 system. Grants from this appropriation are for
 25.3 up to 50 percent of the cost to mitigate inflow
 25.4 and infiltration in the publicly owned
 25.5 municipal wastewater collection systems. To
 25.6 be eligible for a grant, a city must be identified
 25.7 by the council as a contributor of excessive
 25.8 inflow and infiltration in the metropolitan
 25.9 disposal system or have a measured flow rate
 25.10 within 20 percent of its allowable
 25.11 council-determined inflow and infiltration
 25.12 limits. The council must award grants based
 25.13 on applications from cities that identify
 25.14 eligible capital costs and include a timeline
 25.15 for inflow and infiltration mitigation
 25.16 construction, pursuant to guidelines
 25.17 established by the council.

25.18 **Subd. 4. New Hope - 50 Meter Pool** 2,000,000

25.19 For a grant to the city of New Hope to
 25.20 predesign, design, construct, and equip an
 25.21 outdoor 50-meter swimming pool on the civic
 25.22 center campus.

25.23 **Subd. 5. St. Paul - Wakan Tipi Center** 3,000,000

25.24 For a grant to the city of St. Paul to predesign,
 25.25 design, construct, furnish, and equip the
 25.26 Wakan Tipi Center in the Bruce Vento Nature
 25.27 Sanctuary in St. Paul for programs that the
 25.28 city determines meet regional and city park
 25.29 purpose requirements. The city may enter into
 25.30 a lease or management agreement under
 25.31 Minnesota Statutes, section 16A.695, to
 25.32 operate the programs in the center.

25.33 **Sec. 16. HUMAN SERVICES**

25.34 **Subdivision 1. Total Appropriation** **\$ 54,650,000**

26.1 To the commissioner of administration, or
 26.2 other named entity, for the purposes specified
 26.3 in this section.

26.4 **Subd. 2. Asset Preservation** 10,000,000

26.5 For asset preservation improvements and
 26.6 betterments of a capital nature at Department
 26.7 of Human Services facilities statewide, to be
 26.8 spent in accordance with Minnesota Statutes,
 26.9 section 16B.307.

26.10 **Subd. 3. Anoka Metro Regional Treatment**
 26.11 **Center - Roof and HVAC Replacement** 6,750,000

26.12 To predesign, design, engineer, construct, and
 26.13 equip improvements on the Anoka Metro
 26.14 Regional Treatment Center campus, including
 26.15 but not limited to design and abatement of
 26.16 asbestos and hazardous materials, replacement
 26.17 of roofs on residential units, installation of
 26.18 metal wall cladding on the mechanical
 26.19 penthouses, installation of new heating,
 26.20 ventilation, and air conditioning systems, fire
 26.21 sprinkler systems, electrical lighting systems
 26.22 in the Miller Building, and installation of a
 26.23 new heating system in the warehouse building.

26.24 **Subd. 4. Regional Behavioral Health Crisis**
 26.25 **Facility Grants** 25,100,000

26.26 To the commissioner of human services for
 26.27 behavioral health crisis program facilities
 26.28 grants under article 2, section 31.

26.29 **Subd. 5. Minneapolis - The Family Partnership** 10,000,000

26.30 To the commissioner of human services for a
 26.31 grant to the city of Minneapolis to acquire real
 26.32 property, demolish unusable portions of the
 26.33 existing building, renovate some areas of the
 26.34 existing building, construct new space, and to
 26.35 furnish and equip the facility to provide mental

- 27.1 health, early childhood education, and other
- 27.2 services to support children and families.
- 27.3 **Subd. 6. Scott County; Regional Crisis**
- 27.4 **Stabilization and Intensive Residential**
- 27.5 **Treatment Services Facility** 1,900,000
- 27.6 To the commissioner of human services for a
- 27.7 grant to Scott County to design, construct,
- 27.8 furnish, and equip a facility in the city of
- 27.9 Savage to provide regional intensive
- 27.10 residential and treatment services (IRTS) and
- 27.11 residential crisis stabilization subject to
- 27.12 Minnesota Statutes, section 16A.695. This
- 27.13 appropriation shall be used for construction
- 27.14 of a 16-bed facility in conjunction with Guild
- 27.15 Incorporated, a nonprofit organization based
- 27.16 in St. Paul, to maximize the space available
- 27.17 for 16 IRTS and crisis stabilization beds. The
- 27.18 new facility shall provide acute stabilization
- 27.19 and treatment for persons with a primary or
- 27.20 secondary mental health diagnosis in lieu of
- 27.21 inpatient psychiatric hospitalization.
- 27.22 **Subd. 7. White Earth Opiate Treatment Facility** 900,000
- 27.23 From the general fund to the commissioner of
- 27.24 human services for a grant to the tribal council
- 27.25 of the White Earth Nation to refurbish and
- 27.26 equip the White Earth Opiate Treatment
- 27.27 Facility on the White Earth Reservation. The
- 27.28 facility shall treat Native Americans and
- 27.29 provide culturally specific programming to
- 27.30 individuals placed in the treatment center.
- 27.31 **Sec. 17. VETERANS AFFAIRS** \$ 10,000,000
- 27.32 To the commissioner of administration for
- 27.33 asset preservation improvements and
- 27.34 betterments of a capital nature at the veterans
- 27.35 homes in Minneapolis, Hastings, Fergus Falls,

- 28.1 Silver Bay, and Luverne, and the Little Falls
- 28.2 Cemetery, to be spent in accordance with
- 28.3 Minnesota Statutes, section 16B.307.

- 28.4 **Sec. 18. CORRECTIONS**

- 28.5 **Subdivision 1. Total Appropriation** **\$ 24,650,000**
- 28.6 To the commissioner of administration for the
- 28.7 purposes specified in this section.

- 28.8 **Subd. 2. Asset Preservation** **20,000,000**
- 28.9 For asset preservation improvements and
- 28.10 betterments of a capital nature at Minnesota
- 28.11 correctional facilities statewide, to be spent in
- 28.12 accordance with Minnesota Statutes, section
- 28.13 16B.307.

- 28.14 **Subd. 3. Minnesota Correctional Facility - St.**
- 28.15 **Cloud** **2,700,000**
- 28.16 To design and install the second of two interior
- 28.17 fences circling the inside of the existing
- 28.18 granite walls to provide a new secure
- 28.19 perimeter, including appropriate lighting,
- 28.20 cameras, and fence detection systems to
- 28.21 complete the project at the Minnesota
- 28.22 Correctional Facility - St. Cloud.

- 28.23 **Subd. 4. Minnesota Correctional Facility - Moose**
- 28.24 **Lake** **1,950,000**
- 28.25 To predesign, design, construct, furnish, and
- 28.26 equip the renovation and expansion of the
- 28.27 outdated master control center at the
- 28.28 Minnesota Correctional Facility - Moose Lake
- 28.29 to improve security and efficiency. The
- 28.30 renovation includes updating fire alarm panels
- 28.31 and mechanical and electrical systems and
- 28.32 improving visibility of the visiting area.

29.1 **Subd. 5. Unspent Appropriations**

29.2 The unspent portion of an appropriation for a
 29.3 Department of Corrections project in this
 29.4 section that is complete, upon written notice
 29.5 to the commissioner of management and
 29.6 budget, is available for asset preservation
 29.7 under Minnesota Statutes, section 16B.307.
 29.8 Minnesota Statutes, section 16A.642, applies
 29.9 from the date of the original appropriation to
 29.10 the unspent amount transferred.

29.11 **Sec. 19. EMPLOYMENT AND ECONOMIC**
 29.12 **DEVELOPMENT**

29.13 **Subdivision 1. Total Appropriation** **\$ 81,719,000**

29.14 To the commissioner of employment and
 29.15 economic development for the purposes
 29.16 specified in this section.

29.17 **Subd. 2. Greater Minnesota Business**
 29.18 **Development Public Infrastructure Grants** **3,000,000**

29.19 For grants under Minnesota Statutes, section
 29.20 116J.431.

29.21 **Subd. 3. Transportation Economic Development** **4,000,000**

29.22 For grants under Minnesota Statutes, section
 29.23 116J.436.

29.24 **Subd. 4. Innovative Business Development Public**
 29.25 **Infrastructure Grants** **2,000,000**

29.26 For grants under Minnesota Statutes, section
 29.27 116J.435.

29.28 **Subd. 5. Austin - Public TV** **2,850,000**

29.29 For a grant to the city of Austin to acquire land
 29.30 for, and to predesign, design, construct,
 29.31 furnish, and equip a regional public television
 29.32 station in the city of Austin.

29.33 **Subd. 6. Brooklyn Park - Second Harvest** **18,000,000**

30.1 For a grant to the city of Brooklyn Park to
 30.2 acquire land for, and to predesign, design,
 30.3 construct, furnish, and equip a statewide
 30.4 Second Harvest Heartland charitable food
 30.5 warehouse, distribution, and office facility in
 30.6 the city of Brooklyn Park. The city may enter
 30.7 into lease or management agreements under
 30.8 Minnesota Statutes, section 16A.695, for
 30.9 operation of the facility. Amounts expended
 30.10 for this project by nonstate sources since June
 30.11 1, 2016, shall count toward the nonstate match.

30.12 **Subd. 7. Duluth - Steam Plant** 6,900,000

30.13 From the general fund for a grant to the city
 30.14 of Duluth for the same purposes as in Laws
 30.15 2017, First Special Session chapter 8, article
 30.16 1, section 20, subdivision 7, the Duluth
 30.17 municipal district heating facility and systems
 30.18 upgrade.

30.19 **Subd. 8. Hennepin County - Children's Theatre** 1,000,000

30.20 For a grant to Hennepin County to design,
 30.21 renovate, furnish, and equip the Children's
 30.22 Theatre Company's current facility, including
 30.23 improvements to the facility's existing heating,
 30.24 ventilation, and air conditioning system,
 30.25 subject to Minnesota Statutes, section
 30.26 16A.695.

30.27 **Subd. 9. Itasca County - Northern Community**
 30.28 **Radio Infrastructure** 514,000

30.29 For a grant to Itasca County for site
 30.30 preparation, including deconstruction and
 30.31 removal of the old KAXE Northern
 30.32 Community Radio broadcast tower, and to
 30.33 design, construct, and equip a new broadcast
 30.34 tower, transmitter, and transmission building
 30.35 in Trout Lake Township for a 100,000-watt

- 31.1 public radio station to replace the KAXE
- 31.2 Northern Community Radio transmission
- 31.3 plant.
- 31.4 **Subd. 10. Jackson - Memorial Park** 290,000
- 31.5 For a grant to the city of Jackson to complete
- 31.6 phase I of the redevelopment of Memorial
- 31.7 Park, including trails, landscaping, a canoe
- 31.8 launch, and other amenities.
- 31.9 **Subd. 11. Litchfield Opera House** 100,000
- 31.10 From the general fund for a grant to the
- 31.11 Greater Litchfield Opera House Association
- 31.12 to repair and update the electrical capabilities
- 31.13 and interior walls in the Litchfield Opera
- 31.14 House.
- 31.15 **Subd. 12. Minneapolis - Upper Harbor Terminal**
- 31.16 **Redevelopment** 15,000,000
- 31.17 For a grant to the city of Minneapolis, the
- 31.18 Minneapolis Park and Recreation Board, or
- 31.19 both, for predevelopment, predesign, design,
- 31.20 and construction work for site preparation and
- 31.21 for park and public infrastructure
- 31.22 improvements to support an initial phase of
- 31.23 redevelopment of the Upper Harbor Terminal
- 31.24 on the Mississippi River; a site that was
- 31.25 rendered inoperable for barging by the federal
- 31.26 closure of the Upper St. Anthony Falls Lock.
- 31.27 **Subd. 13. Pipestone County** 500,000
- 31.28 For a grant to Pipestone County to predesign,
- 31.29 design, construct, furnish, and equip a dental
- 31.30 care facility in Pipestone County. The county
- 31.31 may enter into an agreement under Minnesota
- 31.32 Statutes, section 16A.695, for operation of the
- 31.33 dental clinic.

32.1	<u>Subd. 14. Polk County - North Country Food</u>	
32.2	<u>Bank</u>	<u>3,000,000</u>
32.3	<u>For a grant to Polk County to predesign,</u>	
32.4	<u>design, construct, renovate, furnish, and equip</u>	
32.5	<u>a regional charitable food warehouse,</u>	
32.6	<u>distribution, and office facility in the city of</u>	
32.7	<u>Crookston, subject to Minnesota Statutes,</u>	
32.8	<u>section 16A.695. The value of land purchased</u>	
32.9	<u>or acquired by the county after January 1,</u>	
32.10	<u>2013, for this facility shall count toward the</u>	
32.11	<u>nonstate match.</u>	
32.12	<u>Subd. 15. Silver Bay - Black Beach Campground</u>	<u>1,765,000</u>
32.13	<u>For a grant to the city of Silver Bay to</u>	
32.14	<u>predesign, design, construct, furnish, and</u>	
32.15	<u>equip a campground adjacent to the Black</u>	
32.16	<u>Beach recreational beach in Silver Bay,</u>	
32.17	<u>including camping sites; electrical, water, and</u>	
32.18	<u>sewer infrastructure; a playground; a pavilion;</u>	
32.19	<u>lavatory vaults; a shower and lavatory</u>	
32.20	<u>building; and a main office building. This</u>	
32.21	<u>appropriation may also be used to design,</u>	
32.22	<u>construct, and equip a walking trail from the</u>	
32.23	<u>campground to the Black Beach recreational</u>	
32.24	<u>site. The nonstate contribution may be made</u>	
32.25	<u>in-kind. In-kind contributions may include site</u>	
32.26	<u>preparation, whether begun before or after the</u>	
32.27	<u>effective date of this section.</u>	
32.28	<u>Subd. 16. St. Paul - Conway Recreation Center</u>	<u>4,500,000</u>
32.29	<u>For a grant to the city of St. Paul to complete</u>	
32.30	<u>the construction of playing fields and</u>	
32.31	<u>expansion of facilities at the Conway</u>	
32.32	<u>Community Recreation Center, including the</u>	
32.33	<u>renovation of and addition to the existing</u>	
32.34	<u>structure at the field location, site remediation,</u>	
32.35	<u>design and site improvements, construction</u>	

- 33.1 of seasonal dome infrastructure, and
- 33.2 construction of four turf athletic fields. The
- 33.3 district may enter into a lease management
- 33.4 agreement under Minnesota Statutes, section
- 33.5 16A.695, for operation of the facility.
- 33.6 **Subd. 17. St. Paul - Humanities Center** 2,700,000
- 33.7 For a grant to the city of St. Paul for asset
- 33.8 preservation of the Minnesota Humanities
- 33.9 Center's main facility, including capital
- 33.10 improvements for building envelope,
- 33.11 foundation, and structural integrity, and for
- 33.12 mechanical systems upgrades, including
- 33.13 heating, ventilation, and cooling, subject to
- 33.14 Minnesota Statutes, section 16A.695.
- 33.15 **Subd. 18. St. Paul - Minnesota Museum of**
- 33.16 **American Art** 2,500,000
- 33.17 For a grant to the St. Paul Port Authority to
- 33.18 acquire, design, construct, furnish, and equip
- 33.19 the Minnesota Museum of American Art in
- 33.20 the historic Pioneer Endicott Building. This
- 33.21 appropriation is in addition to the amount
- 33.22 appropriated by Laws 2017, First Special
- 33.23 Session chapter 8, article 1, section 20,
- 33.24 subdivision 21, and is available in accordance
- 33.25 with the requirements of that subdivision. This
- 33.26 appropriation may be used as needed for the
- 33.27 costs of the project, including but not limited
- 33.28 to secure loading dock, art restoration, and
- 33.29 exhibit preparation areas.
- 33.30 **Subd. 19. Wabasha - National Eagle Center and**
- 33.31 **Wabasha Rivertown Resurgence** 8,100,000
- 33.32 For a grant to the city of Wabasha to acquire
- 33.33 land, predesign, design, renovate, construct,
- 33.34 furnish, and equip the National Eagle Center
- 33.35 in order to expand program and exhibit space,

- 34.1 increase aviary space for eagles, and for
- 34.2 improvements to the riverfront in Wabasha
- 34.3 for infrastructure, large vessel landing areas
- 34.4 and docks, and public access and program
- 34.5 areas.
- 34.6 **Subd. 20. Waite Park - Quarry Redevelopment** 5,000,000
- 34.7 For a grant to the city of Waite Park to
- 34.8 redevelop a former quarry site located off
- 34.9 Parkway Drive and 17th Avenue South as a
- 34.10 regional park and to predesign, design,
- 34.11 construct, furnish, and equip a public open-air
- 34.12 stage and related facilities. The city may enter
- 34.13 into one or more lease or management
- 34.14 agreements for operation of the open-air stage
- 34.15 and related facilities, subject to Minnesota
- 34.16 Statutes, section 16A.695.

- 34.17 **Sec. 20. PUBLIC FACILITIES AUTHORITY**
- 34.18 **Subdivision 1. Total Appropriation** **\$ 120,000,000**
- 34.19 To the Public Facilities Authority for the
- 34.20 purposes specified in this section.
- 34.21 **Subd. 2. State Match for Federal Grants** 20,000,000
- 34.22 To match federal grants for the clean water
- 34.23 revolving fund under Minnesota Statutes,
- 34.24 section 446A.07, and the drinking water
- 34.25 revolving fund under Minnesota Statutes,
- 34.26 section 446A.081. This appropriation must be
- 34.27 used for qualified capital projects.
- 34.28 **Subd. 3. Water Infrastructure Funding Program** 55,000,000
- 34.29 (a) For grants to eligible municipalities under
- 34.30 the water infrastructure funding program under
- 34.31 Minnesota Statutes, section 446A.072.
- 34.32 (b) \$30,000,000 is for wastewater projects
- 34.33 listed on the Pollution Control Agency's

35.1 project priority list in the fundable range under
 35.2 the clean water revolving fund program. Of
 35.3 this amount, and in addition to any other grant
 35.4 under the program, \$3,000,000 is for a grant
 35.5 to the city of Windom to design, construct,
 35.6 and equip capital improvements to renovate
 35.7 and upgrade the municipal wastewater
 35.8 treatment facility, and \$2,000,000 is for a grant
 35.9 to the city of Albertville to design and
 35.10 construct wastewater infrastructure
 35.11 improvements.

35.12 (c) \$25,000,000 is for drinking water projects
 35.13 listed on the commissioner of health's project
 35.14 priority list in the fundable range under the
 35.15 drinking water revolving fund program.

35.16 (d) After all eligible projects under paragraph
 35.17 (b) or (c) have been funded, the Public
 35.18 Facilities Authority may transfer any
 35.19 remaining, uncommitted money to eligible
 35.20 projects under a program defined in paragraph
 35.21 (b) or (c) based on that program's project
 35.22 priority list.

35.23 (e) Notwithstanding Minnesota Statutes,
 35.24 section 446A.072, subdivision 5a, paragraph
 35.25 (b), the Western Lake Superior Sanitary
 35.26 District is eligible for a grant to predesign,
 35.27 design, construct, furnish, and equip a
 35.28 combined heat and power system.

35.29 **Subd. 4. Point Source Implementation Grants**
 35.30 **Program**

45,000,000

35.31 For grants to eligible municipalities under the
 35.32 point source implementation grants program
 35.33 under Minnesota Statutes, section 446A.073.
 35.34 This appropriation must be used for qualified
 35.35 capital projects.

36.1 **Sec. 21. MINNESOTA HOUSING FINANCE**
 36.2 **AGENCY**

\$ 6,700,000

36.3 For transfer to the housing development fund
 36.4 to finance the costs of rehabilitation to
 36.5 preserve public housing under Minnesota
 36.6 Statutes, section 462A.202, subdivision 3a.
 36.7 For purposes of this section, "public housing"
 36.8 means housing for low-income persons and
 36.9 households financed by the federal
 36.10 government and owned and operated by the
 36.11 public housing authorities and agencies formed
 36.12 by cities and counties. Public housing
 36.13 authorities receiving a public housing
 36.14 assessment composite score of 80 or above or
 36.15 an equivalent designation are eligible to
 36.16 receive funding. Priority must be given to
 36.17 proposals that maximize federal or local
 36.18 resources to finance the capital costs. The
 36.19 priority in Minnesota Statutes, section
 36.20 462A.202, subdivision 3a, for projects to
 36.21 increase the supply of affordable housing and
 36.22 the restrictions of Minnesota Statutes, section
 36.23 462A.202, subdivision 7, do not apply to this
 36.24 appropriation.

36.25 **Sec. 22. MINNESOTA HISTORICAL**
 36.26 **SOCIETY**

36.27 **Subdivision 1. Total Appropriation**

\$ 40,000,000

36.28 To the Minnesota Historical Society for the
 36.29 purposes specified in this section.

36.30 **Subd. 2. Historic Sites Asset Preservation**

10,000,000

36.31 For capital improvements and betterments at
 36.32 state historic sites, buildings, landscaping at
 36.33 historic buildings, exhibits, markers, and
 36.34 monuments, to be spent in accordance with
 36.35 Minnesota Statutes, section 16B.307. The

37.1 society shall determine project priorities as
 37.2 appropriate based on need.

37.3 **Subd. 3. Historic Fort Snelling** 30,000,000

37.4 To demolish the existing visitor center and to
 37.5 renovate, construct, furnish, and equip
 37.6 facilities, including landscaping and
 37.7 wayfinding, to support visitor services and
 37.8 history programs at Historic Fort Snelling.

37.9 **Sec. 23. BOND SALE EXPENSES**

37.10 **Subdivision 1. Total Appropriation** **\$ 910,000**

37.11 To the commissioner of management and
 37.12 budget for the purposes specified in this
 37.13 section.

37.14 **Subd. 2. Bond Proceeds Fund** 890,000

37.15 From the bond proceeds fund for bond sale
 37.16 expenses under Minnesota Statutes, section
 37.17 16A.641, subdivision 8.

37.18 **Subd. 3. Trunk Highway Fund** 270,000

37.19 From the bond proceeds account in the trunk
 37.20 highway fund for bond sale expenses under
 37.21 Minnesota Statutes, sections 16A.641,
 37.22 subdivision 8, and 167.50, subdivision 4.

37.23 **Sec. 24. BOND SALE AUTHORIZATION.**

37.24 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this act from
 37.25 the bond proceeds fund, the commissioner of management and budget shall sell and issue
 37.26 bonds of the state in an amount up to \$779,882,000 in the manner, upon the terms, and with
 37.27 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
 37.28 Minnesota Constitution, article XI, sections 4 to 7.

37.29 Subd. 2. Transportation fund. To provide the money appropriated in this act from the
 37.30 state transportation fund, the commissioner of management and budget shall sell and issue
 37.31 bonds of the state in an amount up to \$97,281,000 in the manner, upon the terms, and with

38.1 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
38.2 Minnesota Constitution, article XI, sections 4 to 7.

38.3 Subd. 3. **Maximum effort school loan fund.** To provide the money appropriated in this
38.4 act from the maximum effort school loan fund, the commissioner of management and budget
38.5 shall sell and issue bonds of the state in an amount up to \$14,492,000 in the manner, upon
38.6 the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675,
38.7 and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds,
38.8 except accrued interest and any premium received on the sale of the bonds, must be credited
38.9 to a bond proceeds account in the maximum effort school loan fund.

38.10 Subd. 4. **Trunk highway fund.** To provide the money appropriated in this article from
38.11 the bond proceeds account in the trunk highway fund, the commissioner of management
38.12 and budget shall sell and issue bonds of the state in an amount up to \$266,130,000 in the
38.13 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
38.14 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times
38.15 and in the amounts requested by the commissioner of transportation. The proceeds of the
38.16 bonds, except accrued interest and any premium received from the sale of the bonds, must
38.17 be deposited in the bond proceeds account in the trunk highway fund.

38.18 **Sec. 25. CANCELLATION.**

38.19 The uncommitted and unobligated amount of the appropriation from the bond proceeds
38.20 fund in Laws 2011, First Special Session chapter 12, section 18, subdivision 4, for the
38.21 transportation improvements within the Lindau Lane corridor in Bloomington, estimated
38.22 to be \$4,035,839, is canceled, and the bond sale authorization in Laws 2011, First Special
38.23 Session chapter 12, section 23, subdivision 1, is reduced by the same amount.

38.24 **Sec. 26.** Laws 2017, First Special Session chapter 8, article 1, section 27, is amended to
38.25 read:

38.26 **Sec. 27. BOND SALE SCHEDULE.**

38.27 The commissioner of management and budget shall schedule the sale of state general
38.28 obligation bonds so that, during the biennium ending June 30, 2019, no more than
38.29 ~~\$1,555,301,000~~ \$1,138,524,000 will need to be transferred from the general fund to the
38.30 state bond fund to pay principal and interest due and to become due on outstanding state
38.31 general obligation bonds. During the biennium, before each sale of state general obligation
38.32 bonds, the commissioner of management and budget shall calculate the amount of debt
38.33 service payments needed on bonds previously issued and shall estimate the amount of debt

39.1 service payments that will be needed on the bonds scheduled to be sold. The commissioner
39.2 shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set
39.3 by this section. The amount needed to make the debt service payments is appropriated from
39.4 the general fund as provided in Minnesota Statutes, section 16A.641.

39.5 Sec. 27. **EFFECTIVE DATE.**

39.6 Except as otherwise provided, this article is effective the day following final enactment.

39.7 **ARTICLE 2**

39.8 **MISCELLANEOUS**

39.9 Section 1. Minnesota Statutes 2016, section 16A.86, subdivision 4, is amended to read:

39.10 Subd. 4. **Funding.** (a) The state share of a project covered by this section must be no
39.11 more than half the total cost of the project, including predesign, design, construction,
39.12 furnishings, and equipment, except as provided in paragraph (b) or (c). This subdivision
39.13 does not apply to a project proposed by a school district or other school organization.

39.14 (b) The state share may be more than half the total cost of a project if the project is
39.15 deemed needed as a result of a disaster or to prevent a disaster or is located in a political
39.16 subdivision with a very low average net tax capacity.

39.17 (c) Nothing in this section prevents the governor from recommending, or the legislature
39.18 from considering or funding, projects that do not meet the deadline in subdivision 2 or ~~the~~
39.19 ~~criteria in this subdivision or subdivision 3~~ a state share that is greater than half the total
39.20 cost of the project when the governor or the legislature determines that there is a compelling
39.21 reason for the recommendation or funding.

39.22 Sec. 2. Minnesota Statutes 2016, section 16B.335, subdivision 1, is amended to read:

39.23 Subdivision 1. **Construction and major remodeling.** (a) The commissioner, or any
39.24 other recipient to whom an appropriation is made to acquire or better public lands or buildings
39.25 or other public improvements of a capital nature, must not prepare final plans and
39.26 specifications for any construction, major remodeling, or land acquisition in anticipation
39.27 of which the appropriation was made until the agency that will use the project has presented
39.28 the program plan and cost estimates for all elements necessary to complete the project to
39.29 the chair of the senate Finance Committee and the chair of the house of representatives
39.30 Ways and Means Committee and the chairs have made their recommendations, and the
39.31 chair and ranking minority member of the senate Capital Investment Committee and the

40.1 chair and ranking minority member of the house of representatives Capital Investment
40.2 Committee are notified. "Construction or major remodeling" means construction of a new
40.3 building, a substantial addition to an existing building, or a substantial change to the interior
40.4 configuration of an existing building. The presentation must note any significant changes
40.5 in the work that will be done, or in its cost, since the appropriation for the project was
40.6 enacted or from the predesign submittal. The program plans and estimates must be presented
40.7 for review at least two weeks before a recommendation is needed. The recommendations
40.8 are advisory only. Failure or refusal to make a recommendation is considered a negative
40.9 recommendation. The chairs and ranking minority members of the senate Finance and
40.10 Capital Investment Committees and the house of representatives Capital Investment and
40.11 Ways and Means Committees must also be notified whenever there is a substantial change
40.12 in a construction or major remodeling project, or in its cost.

40.13 (b) Capital projects exempt from the requirements of this subdivision include demolition
40.14 or decommissioning of state assets, hazardous material projects, utility infrastructure projects,
40.15 environmental testing, parking lots, parking structures, park and ride facilities, bus rapid
40.16 transit stations, light rail lines, passenger rail projects, freight rail projects, exterior lighting,
40.17 fencing, highway rest areas, truck stations, storage facilities not consisting primarily of
40.18 offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields,
40.19 dams, floodwater retention systems, water access sites, harbors, sewer separation projects,
40.20 water and wastewater facilities, port development projects for which the commissioner of
40.21 transportation has entered into an assistance agreement under section 457A.04, ice centers,
40.22 a local government project with a construction cost of less than \$1,500,000, or any other
40.23 capital project with a construction cost of less than \$750,000.

40.24 Sec. 3. Minnesota Statutes 2016, section 16B.35, is amended by adding a subdivision to
40.25 read:

40.26 Subd. 1c. **PFA excluded.** Notwithstanding subdivision 1, an appropriation to the Public
40.27 Facilities Authority, and project financing provided by the authority from the appropriation,
40.28 may not include an amount to acquire works of art.

40.29 Sec. 4. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.

40.30 Subdivision 1. **Program established.** (a) A transportation facilities capital program is
40.31 established to prioritize among eligible projects that:

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

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

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

41.3 (b) Projects under the transportation facilities capital program may be funded by proceeds
41.4 from the sale of trunk highway bonds or from other funds appropriated for the purposes of
41.5 this section.

41.6 Subd. 2. **Accounts.** (a) A transportation facilities capital account is established in the
41.7 trunk highway fund. The account consists of all money made available from the trunk
41.8 highway fund for the purposes of this section and any other money donated, allotted,
41.9 transferred, or otherwise provided to the account by law. Money in the account is appropriated
41.10 to the commissioner for the purposes specified and consistent with the standards and criteria
41.11 set forth in this section.

41.12 (b) A transportation facilities capital account is established in the bond proceeds account
41.13 of the trunk highway fund. The account consists of trunk highway bond proceeds appropriated
41.14 to the commissioner for the transportation facilities capital program. Money in the account
41.15 may only be expended on trunk highway purposes, which includes the purposes in this
41.16 section.

41.17 Subd. 3. **Standards.** (a) The legislature finds that many projects for preservation and
41.18 replacement of portions of existing capital assets constitute the construction, improvement,
41.19 and maintenance of the public highway system within the meaning of the Minnesota
41.20 Constitution, article XIV, section 11, and capital expenditures under generally accepted
41.21 accounting principles as applied to public expenditures. Projects can be financed more
41.22 efficiently and economically under the program than by direct appropriations for specific
41.23 projects.

41.24 (b) When allocating funding under this section, the commissioner must review the
41.25 projects deemed eligible under subdivision 4 and prioritize allocations using the criteria in
41.26 subdivision 5. Money allocated to a specific project in an appropriation or other law must
41.27 be allocated as provided by the law.

41.28 Subd. 4. **Eligible expenditures; limitations.** (a) A project is eligible under this section
41.29 only if it is a capital expenditure on a capital building asset owned or to be owned by the
41.30 state within the meaning of generally accepted accounting principles as applied to public
41.31 expenditures.

41.32 (b) Capital budget expenditures that are eligible under this section include but are not
41.33 limited to: (1) acquisition of land and buildings; and (2) the predesign, engineering,
41.34 construction, furnishing, and equipping of district headquarter buildings, truck stations, salt

42.1 storage or other unheated storage buildings, deicing and anti-icing facilities, fuel dispensing
42.2 facilities, highway rest areas, and vehicle weigh and inspection stations.

42.3 Subd. 5. **Criteria for priorities.** When prioritizing funding allocation among projects
42.4 eligible under subdivision 4, the commissioner must consider:

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

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

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

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

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

42.12 Sec. 5. Minnesota Statutes 2017 Supplement, section 219.016, subdivision 4, is amended
42.13 to read:

42.14 Subd. 4. **Eligible project.** (a) A project is eligible for a grant from the account in the
42.15 bond proceeds fund if the project is for the acquisition or betterment of public land, buildings,
42.16 and other public improvements of a capital nature within the meaning of the Minnesota
42.17 Constitution, article XI, section 5, clause (a) or (i), including capital costs associated with
42.18 hazardous materials rail safety projects on public highway-rail grade crossings. Qualifying
42.19 capital costs include but are not limited to upgrades to existing protection systems, the
42.20 closing of crossings and necessary roadwork, ~~and~~ reconstruction of at-grade crossings to
42.21 full grade separations, and associated relocation of publicly owned utilities.

42.22 (b) A project is eligible for a grant from the account in the special revenue fund if it is
42.23 for purposes described in paragraph (a) or other capital facility improvement purposes that
42.24 support the purposes for which this grant program is established, including capital costs
42.25 associated with planning, engineering, administration, and construction of public highway-rail
42.26 grade crossing improvements on rail corridors transporting crude oil and other hazardous
42.27 materials. Improvements may include upgrades to existing protection systems, the closing
42.28 of crossings and necessary roadwork, ~~and~~ reconstruction of at-grade crossings to full grade
42.29 separations, and associated relocation of publicly owned utilities.

43.1 Sec. 6. Minnesota Statutes 2017 Supplement, section 222.49, is amended to read:

43.2 **222.49 RAIL SERVICE IMPROVEMENT ~~ACCOUNT~~ ACCOUNTS;**
 43.3 **APPROPRIATION.**

43.4 ~~The~~ (a) A rail service improvement account is created in the special revenue fund in the
 43.5 state treasury. The account consists of funds as provided by law, and any other money
 43.6 donated, allotted, transferred, or otherwise provided to the account, excluding bond proceeds
 43.7 as authorized by article XI, section 5, clause (i), of the Minnesota Constitution. All money
 43.8 so deposited is appropriated to the department for expenditure for rail service improvement
 43.9 in accordance with applicable state and federal law. This appropriation shall not lapse but
 43.10 shall be available until the purpose for which it was appropriated has been accomplished.

43.11 (b) A rail service improvement account is created in the bond proceeds fund. The account
 43.12 consists of state bond proceeds appropriated to the commissioner. Money in the account
 43.13 may only be expended for the purposes specified in section 222.50 that are permitted under
 43.14 the Minnesota Constitution, article XI, section 5, clause (a) or (i).

43.15 **EFFECTIVE DATE.** Notwithstanding the order of enactment, this section does not
 43.16 take effect if Minnesota Statutes 2017 Supplement, section 222.49, is repealed by another
 43.17 law enacted in the 2018 regular session.

43.18 Sec. 7. Minnesota Statutes 2017 Supplement, section 326B.124, is amended to read:

43.19 **326B.124 EXEMPTIONS.**

43.20 (a) The commissioner may exempt a part of a historic building occupied by the state
 43.21 from the state or another building, fire, safety, or other code if the exemption is necessary
 43.22 to preserve the historic or esthetic character of the building or to prevent theft, vandalism,
 43.23 terrorism, or another crime. When the commissioner grants an exemption, the commissioner
 43.24 shall consider providing equivalent protection. A certificate of occupancy may not be denied
 43.25 because of an exemption under this section.

43.26 (b) The house of representatives and senate chambers located in the State Capitol are
 43.27 exempt from any State Building Code and State Fire Code requirements pertaining to: (1)
 43.28 door locks; (2) exit sign placement at exit access doors; and ~~(2)~~ (3) occupancy limit signs.
 43.29 The house of representatives and senate may install door locks within their chambers in the
 43.30 State Capitol that meet their needs. The house of representatives and senate may install exit
 43.31 and occupancy limit signs within the house of representatives and senate chambers located
 43.32 in the State Capitol that are minimal in size and historic in appearance as appropriate for
 43.33 each chamber. Any door lock or sign installed by the house of representatives or the senate

44.1 under the authority provided in this paragraph is not subject to the approval of the
44.2 commissioner.

44.3 Sec. 8. Minnesota Statutes 2017 Supplement, section 446A.073, subdivision 1, is amended
44.4 to read:

44.5 Subdivision 1. **Program established.** When money is appropriated for grants under this
44.6 program, the authority shall award grants up to a maximum of ~~\$7,000,000~~ \$9,000,000 to
44.7 governmental units to cover 80 percent of the cost of water infrastructure projects made
44.8 necessary by:

44.9 (1) a wasteload reduction prescribed under a total maximum daily load plan required by
44.10 section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);

44.11 (2) a phosphorus concentration or mass limit which requires discharging one milligram
44.12 per liter or less at permitted design flow which is incorporated into a permit issued by the
44.13 Pollution Control Agency;

44.14 (3) any other water quality-based effluent limit established under section 115.03,
44.15 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the Pollution
44.16 Control Agency that exceeds secondary treatment limits; or

44.17 (4) a total nitrogen concentration or mass limit that requires discharging ten milligrams
44.18 per liter or less at permitted design flow.

44.19 Sec. 9. **[446A.076] ESTIMATED FUNDING NEEDS.**

44.20 By February 1 each year, the Public Facilities Authority must submit to the legislative
44.21 committees with jurisdiction over capital investment and environment and natural resources
44.22 finance an estimate of the amount necessary to fund grants under sections 446A.072 and
44.23 446A.073.

44.24 Sec. 10. Minnesota Statutes 2016, section 462A.37, subdivision 1, is amended to read:

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

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

44.28 (c) "Community land trust" means an entity that meets the requirements of section
44.29 462A.31, subdivisions 1 and 2.

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

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

45.7 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter
45.8 that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the Internal
45.9 Revenue Code, finance qualified residential rental projects within the meaning of Section
45.10 142(d) of the Internal Revenue Code, or are tax-exempt bonds that are not private activity
45.11 bonds, within the meaning of Section 141(a) of the Internal Revenue Code, for the purpose
45.12 of financing or refinancing affordable housing authorized under this chapter.

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

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

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

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

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

45.24 ~~(h)~~ (j) "Supportive housing" means housing that is not time-limited and provides or
45.25 coordinates with linkages to services necessary for residents to maintain housing stability
45.26 and maximize opportunities for education and employment.

45.27 **EFFECTIVE DATE.** This section is effective the day following final enactment for
45.28 bonds authorized in 2018 and thereafter.

45.29 Sec. 11. Minnesota Statutes 2016, section 462A.37, subdivision 2, is amended to read:

45.30 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate
45.31 principal amount of housing infrastructure bonds in one or more series to which the payment
45.32 made under this section may be pledged. The housing infrastructure bonds authorized in

46.1 this subdivision may be issued to fund loans, or for the purposes of clause (6), grants or
46.2 loans, on terms and conditions the agency deems appropriate, made for one or more of the
46.3 following purposes:

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

46.6 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
46.7 housing to be used for affordable rental housing and the costs of new construction of rental
46.8 housing on abandoned or foreclosed property where the existing structures will be demolished
46.9 or removed;

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

46.13 (4) to finance the costs of acquisition and rehabilitation of federally assisted rental
46.14 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
46.15 of federally assisted rental housing, including providing funds to refund, in whole or in part,
46.16 outstanding bonds previously issued by the agency or another government unit to finance
46.17 or refinance such costs;

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

46.20 (6) to finance improvements in manufactured home parks owned by entities eligible
46.21 under section 462A.2035, subdivision 1, including adding or improving infrastructure, storm
46.22 shelters, and community facilities.

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

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

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

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

47.1 (1) demonstrate a commitment to maintaining the housing financed as affordable to
47.2 seniors;

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

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

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

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

47.13 To the extent practicable, the agency shall balance the loans made between projects in the
47.14 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
47.15 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
47.16 made between projects in counties or cities with a population of 20,000 or less, as established
47.17 by the most recent decennial census, and projects in counties or cities with populations in
47.18 excess of 20,000.

47.19 **EFFECTIVE DATE.** This section is effective the day following final enactment for
47.20 bonds authorized in 2018 and thereafter.

47.21 Sec. 12. Minnesota Statutes 2016, section 462A.37, is amended by adding a subdivision
47.22 to read:

47.23 **Subd. 2d. Additional authorization.** In addition to the amount authorized in subdivisions
47.24 2, 2a, 2b, and 2c, the agency may issue up to \$50,000,000 in housing infrastructure bonds
47.25 in one or more series to which the payments under this section may be pledged.

47.26 Sec. 13. Minnesota Statutes 2017 Supplement, section 462A.37, subdivision 5, is amended
47.27 to read:

47.28 **Subd. 5. Additional appropriation.** (a) The agency must certify annually to the
47.29 commissioner of management and budget the actual amount of annual debt service on each
47.30 series of bonds issued under subdivisions 2a, 2b, ~~and 2c,~~ and 2d.

48.1 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
 48.2 bonds issued under subdivision 2a remain outstanding, the commissioner of management
 48.3 and budget must transfer to the housing infrastructure bond account established under section
 48.4 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000
 48.5 annually. The amounts necessary to make the transfers are appropriated from the general
 48.6 fund to the commissioner of management and budget.

48.7 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
 48.8 bonds issued under subdivision 2b remain outstanding, the commissioner of management
 48.9 and budget must transfer to the housing infrastructure bond account established under section
 48.10 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
 48.11 annually. The amounts necessary to make the transfers are appropriated from the general
 48.12 fund to the commissioner of management and budget.

48.13 (d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure
 48.14 bonds issued under subdivision 2c remain outstanding, the commissioner of management
 48.15 and budget must transfer to the housing infrastructure bond account established under section
 48.16 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
 48.17 annually. The amounts necessary to make the transfers are appropriated from the general
 48.18 fund to the commissioner of management and budget.

48.19 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
 48.20 bonds issued under subdivision 2d remain outstanding, the commissioner of management
 48.21 and budget must transfer to the housing infrastructure bond account established under section
 48.22 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,000,000
 48.23 in fiscal year 2021 and \$4,000,000 annually each year thereafter. The amounts necessary
 48.24 to make the transfers are appropriated from the general fund to the commissioner of
 48.25 management and budget.

48.26 (f) The agency may pledge to the payment of the housing infrastructure bonds the
 48.27 payments to be made by the state under this section.

48.28 Sec. 14. Laws 2009, chapter 93, article 1, section 14, subdivision 3, as amended by Laws
 48.29 2011, First Special Session chapter 12, section 37, is amended to read:

48.30 Subd. 3. **Veterans Cemeteries** 1,500,000

48.31 Of this amount, up to \$500,000 is to acquire
 48.32 land located in southeastern, southwestern,
 48.33 and northeastern Minnesota for publicly

49.1 owned veterans cemeteries, to be operated by
 49.2 the commissioner of veterans affairs. The
 49.3 commissioner also must seek donations of
 49.4 land for the cemeteries. The balance of the
 49.5 appropriation is to predesign and design the
 49.6 cemeteries. Federal reimbursement of design
 49.7 costs for each cemetery must be deposited in
 49.8 the state treasury ~~and credited to a special~~
 49.9 ~~account~~ and is appropriated to the
 49.10 commissioner of veterans affairs to design the
 49.11 remaining cemeteries. Following completion
 49.12 of ~~all~~ design of the legislatively authorized
 49.13 Minnesota state veterans cemeteries in
 49.14 Redwood, St. Louis, and Fillmore Counties,
 49.15 final federal reimbursement of predesign and
 49.16 design costs is appropriated to the
 49.17 commissioner for asset preservation of
 49.18 veterans homes statewide, to be spent in
 49.19 accordance with Minnesota Statutes, section
 49.20 16B.307. Federal reimbursement may be
 49.21 sought for each cemetery and must be spent
 49.22 to acquire land for, to predesign and design
 49.23 additional cemeteries, or for asset preservation
 49.24 as provided in this subdivision.
 49.25 Notwithstanding Minnesota Statutes, section
 49.26 16A.642, the bond sale authorization and
 49.27 appropriation of bond proceeds for this project
 49.28 are available until December 31, 2022.

49.29 Sec. 15. Laws 2014, chapter 294, article 1, section 5, subdivision 3, is amended to read:

49.30 Subd. 3. **New Residence Hall** 10,654,000

49.31 To complete the design of and perform
 49.32 asbestos and hazardous materials abatement
 49.33 and demolition of Frechette Hall and to design,
 49.34 construct, furnish, and equip a new ~~boys'~~
 49.35 dormitory on the Minnesota State Academy

50.1 for the Deaf campus. The unspent portion of
 50.2 this appropriation after the project has been
 50.3 substantially completed, upon written notice
 50.4 to the commissioner of management and
 50.5 budget, is available for asset preservation
 50.6 under Minnesota Statutes, section 16B.307.
 50.7 Minnesota Statutes, section 16A.642, applies
 50.8 from the date of the original appropriation to
 50.9 the unspent amount transferred.

50.10 Sec. 16. Laws 2014, chapter 294, article 1, section 21, subdivision 12, as amended by
 50.11 Laws 2015, First Special Session chapter 5, article 3, section 19, and Laws 2017, First
 50.12 Special Session chapter 8, article 2, section 30, is amended to read:

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

330,000

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

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

50.32 (c) The appropriation under this subdivision
 50.33 may also be used toward the renovation and

51.1 expansion of the Brian Coyle Community
51.2 Center.

51.3 (d) Notwithstanding any limitation in
51.4 paragraphs (a) to (c), the appropriation under
51.5 this subdivision may be used by the
51.6 Minneapolis Park and Recreation Board for
51.7 capital costs of any recreation project or
51.8 facility in the Cedar Riverside neighborhood.

51.9 (e) Notwithstanding Minnesota Statutes,
51.10 section 16A.642, the bond sale authorization
51.11 and appropriation of bond proceeds for the
51.12 project in this subdivision are available until
51.13 June 30, 2020.

51.14 Sec. 17. Laws 2014, chapter 294, article 1, section 22, subdivision 5, is amended to read:

51.15 Subd. 5. **City of Rice Lake ~~Township~~ - Water**
51.16 **Main Replacement** 1,168,000

51.17 For a grant to the city of Rice Lake ~~Township~~
51.18 ~~in St. Louis County~~ to design and construct a
51.19 replacement water main and related public
51.20 infrastructure on East Calvary Road and
51.21 Kolstad, Austin, Milwaukee, Mather, and
51.22 Chicago Avenues in the city of Rice Lake
51.23 ~~Township~~. This appropriation is not available
51.24 until the commissioner of management and
51.25 budget determines that at least an equal
51.26 amount is committed to the project from
51.27 nonstate sources. This appropriation is
51.28 available until June 30, 2020.

51.29 Sec. 18. Laws 2014, chapter 295, section 9, is amended to read:

51.30 Sec. 9. **CORRECTIONS** \$ 18,000,000

51.31 To the commissioner of administration to
51.32 design, construct, furnish, and equip phase
51.33 one of a new health services unit, a new

52.1 service corridor and security station leading
 52.2 to the unit, and a mechanical building to serve
 52.3 the new health unit and associated utility
 52.4 infrastructure systems and site work; and to
 52.5 design phase two consisting of new intake,
 52.6 warehouse, and loading dock buildings
 52.7 associated utility infrastructure systems and
 52.8 sitework and all associated repurposing,
 52.9 including asbestos and hazardous materials
 52.10 abatement of interior spaces that were formally
 52.11 used for the occupancies being moved to the
 52.12 new phase one and two buildings at the
 52.13 Minnesota Correctional Facility in St. Cloud.
 52.14 Any unspent portion of this appropriation not
 52.15 needed to complete this work, upon written
 52.16 notice to the commissioner of management
 52.17 and budget, may be used for the purposes
 52.18 described in Laws 2017, First Special Session
 52.19 chapter 8, article 1, section 19, subdivision 3,
 52.20 as amended in section 27, and notwithstanding
 52.21 Minnesota Statutes, section 16A.642, is
 52.22 available until December 31, 2020.

52.23 Sec. 19. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 3,
 52.24 as amended by Laws 2017, First Special Session chapter 8, article 2, section 31, is amended
 52.25 to read:

52.26 **Subd. 3. Local Road Improvement Fund Grants** 8,910,000

52.27 (a) From the bond proceeds account in the
 52.28 state transportation fund as provided in
 52.29 Minnesota Statutes, section 174.50, for
 52.30 construction and reconstruction of local roads
 52.31 with statewide or regional significance under
 52.32 Minnesota Statutes, section 174.52,
 52.33 subdivision 4, or for grants to counties to assist
 52.34 in paying the costs of rural road safety capital
 52.35 improvement projects on county state-aid

53.1 highways under Minnesota Statutes, section
 53.2 174.52, subdivision 4a.

53.3 (b) This appropriation includes \$850,000 for
 53.4 a grant to the city of Sandstone for predesign,
 53.5 design, engineering, and construction of a road
 53.6 extending south off of marked Trunk Highway
 53.7 23 across from Lundorff Drive to the airport
 53.8 area, and including a bridge over Skunk Creek
 53.9 in Sandstone, in order to facilitate repurposing
 53.10 of an area of the airport into a business park.
 53.11 This appropriation is not available until the
 53.12 commissioner of management and budget
 53.13 determines that sufficient resources to
 53.14 complete the project are committed to it from
 53.15 other sources, including any funds made
 53.16 available from the commissioner of
 53.17 transportation.

53.18 (c) This appropriation includes \$3,770,000 for
 53.19 a grant to Kandiyohi County for predesign,
 53.20 design, right-of-way acquisition, engineering,
 53.21 construction, and reconstruction of local roads
 53.22 in conjunction with the Willmar Wye project
 53.23 as well as to ~~re-establish~~ reestablish the local
 53.24 road network on the southwest side of
 53.25 Willmar.

53.26 Sec. 20. Laws 2017, First Special Session chapter 8, article 1, section 6, subdivision 6, is
 53.27 amended to read:

53.28	Subd. 6. State Trail, Recreation Area, and Park	18,698,000
53.29	Acquisition and Development	<u>18,048,000</u>

53.30 (a) \$2,590,000 is for the Glacial Lakes Trail,
 53.31 to complete an approximately 6-1/4 mile trail
 53.32 connection between New London and Sibley
 53.33 State Park, and repair of the bicycle trail in
 53.34 Sibley State Park.

54.1 (b) \$3,300,000 is to design, develop, and
54.2 complete the Heartland State Trail from
54.3 Detroit Lakes to Frazee and, to the extent there
54.4 is sufficient money, for work on the spur from
54.5 Park Rapids to Itasca State Park.

54.6 (c) \$3,600,000 is for acquisition and
54.7 development in the Cuyuna Country State
54.8 Recreation Area, including the Cuyuna
54.9 Mountain Bike System.

54.10 (d) \$1,600,000 is to construct, furnish, and
54.11 equip a multiuse state trail connection between
54.12 the city of Little Falls and the Soo Line Trails
54.13 as part of the Camp Ripley/Veterans State
54.14 Trail in Morrison County. The trail connection
54.15 may include separated segments to
54.16 accommodate recreational vehicles separately
54.17 from nonmotorized vehicles and pedestrians.

54.18 (e) \$3,500,000 is for continued development
54.19 of Lake Vermilion-Soudan Underground Mine
54.20 State Park recreational facilities.

54.21 (f) \$328,000 is for design and acquisition of
54.22 the Mill Towns State Trail from Faribault to
54.23 Northfield.

54.24 (g) \$3,130,000 is for acquisition and
54.25 development of the Gitchi-Gami State Trail,
54.26 from Grand Marais to Cascade State Park, and
54.27 through the town of Tofte.

54.28 (h) The commissioner may allocate money
54.29 not needed to complete a project listed in this
54.30 subdivision to another project listed in this
54.31 subdivision that needs additional money to be
54.32 completed. For any project listed in this
54.33 subdivision that the commissioner determines
54.34 is not ready to proceed, the commissioner may

55.1 reallocate that project's money to another
 55.2 project described in this subdivision or other
 55.3 state trail, recreation area, or park
 55.4 infrastructure. The chairs of the house of
 55.5 representatives and senate committees with
 55.6 jurisdiction over environment and natural
 55.7 resources and legislators from the affected
 55.8 legislative districts must be notified of any
 55.9 changes.

55.10 Sec. 21. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,
 55.11 is amended to read:

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

55.13 (a) From the bond proceeds account in the
 55.14 state transportation fund as provided in
 55.15 Minnesota Statutes, section 174.50, for trunk
 55.16 highway corridor projects under Minnesota
 55.17 Statutes, section 174.52, subdivision 2, for
 55.18 construction and reconstruction of local roads
 55.19 with statewide or regional significance under
 55.20 Minnesota Statutes, section 174.52,
 55.21 subdivision 4, or for grants to counties to assist
 55.22 in paying the costs of rural road safety capital
 55.23 improvement projects on county state-aid
 55.24 highways under Minnesota Statutes, section
 55.25 174.52, subdivision 4a.

55.26 (b) Of this amount, \$9,000,000 is for a grant
 55.27 to Anoka County to ~~realign and make~~
 55.28 ~~associated improvements to~~ design, acquire
 55.29 land for, engineer, and construct improvements
 55.30 to, including the realignment of County
 55.31 State-Aid Highway 23 (Lake Drive), County
 55.32 State-Aid Highway 54 (West Freeway Drive),
 55.33 and to Hornsby Street in the city of Columbus
 55.34 to support the overall interchange project.

56.1 (c) Of this amount, \$3,246,000 is for a grant
56.2 to the city of Blaine to predesign, design, and
56.3 reconstruct 105th Avenue in the vicinity of
56.4 the National Sports Center in Blaine. The
56.5 reconstruction will include changing the street
56.6 from five lanes to four lanes with median, turn
56.7 lanes, sidewalk, trail, landscaping, lighting,
56.8 and consolidation of access driveways. This
56.9 appropriation is not available until the
56.10 commissioner of management and budget
56.11 determines that at least \$3,000,000 is
56.12 committed to the project from sources
56.13 available to the city, including municipal state
56.14 aid and county turnback funds.

56.15 (d) Of this amount, \$25,000,000 is for a grant
56.16 to Hennepin County, the city of Minneapolis,
56.17 or both, for design, right-of-way acquisition,
56.18 engineering, and construction of public
56.19 improvements related to the Interstate
56.20 Highway 35W and Lake Street access project
56.21 and related improvements within the Interstate
56.22 Highway 35W corridor, notwithstanding any
56.23 provision of Minnesota Statutes, section
56.24 174.52, or rule to the contrary. This
56.25 appropriation is not available until the
56.26 commissioner of management and budget
56.27 determines that an amount sufficient to
56.28 complete this portion of the Interstate
56.29 Highway 35W and Lake Street access project
56.30 has been committed to this portion of the
56.31 project.

56.32 (e) Of this amount, \$10,500,000 is for a grant
56.33 to Carver County for environmental analysis
56.34 and to acquire right-of-way access, predesign,
56.35 design, engineer, and construct an interchange

57.1 at marked Trunk Highway 212 and Carver
57.2 County Road 44 in the city of Chaska,
57.3 including a new bridge and ramps, to support
57.4 the development of approximately 400 acres
57.5 of property in the city of Chaska's
57.6 comprehensive plan.

57.7 (f) Of this amount, \$700,000 is for a grant to
57.8 Redwood County for improvements to Nobles
57.9 Avenue, including paving, as the main access
57.10 road to a new State Veterans Cemetery to be
57.11 located in Paxton Township.

57.12 (g) Of this amount, \$1,000,000 is for a grant
57.13 to the town of Appleton in Swift County for
57.14 upgrades to an existing township road to
57.15 provide for a paved, ten-ton capacity township
57.16 road extending between marked Trunk
57.17 Highways 7 and 119.

57.18 (h) Of this amount, \$20,500,000 is for a grant
57.19 to Ramsey County for preliminary and final
57.20 design, right-of-way acquisition, engineering,
57.21 contract administration, and construction of
57.22 public improvements related to the
57.23 construction of the interchange of marked
57.24 Interstate Highway 694 and Rice Street,
57.25 Ramsey County State-Aid Highway 49, in
57.26 Ramsey County.

57.27 (i) Of this amount, \$11,300,000 is for a grant
57.28 to Hennepin County for preliminary and final
57.29 design, engineering, environmental analysis,
57.30 right-of-way acquisition, construction, and
57.31 reconstruction of local roads related to the (1)
57.32 realignment at the intersections of marked U.S.
57.33 Highway 12 with Hennepin County State-Aid
57.34 Highway 92; (2) realignment and safety
57.35 improvements at the intersection of marked

58.1 U.S. Highway 12 with Hennepin County
58.2 State-Aid Highway 90; and (3) safety median
58.3 improvements from the interchange with
58.4 Wayzata Boulevard in Wayzata to
58.5 approximately one-half mile east of the
58.6 interchange of marked U.S. Highway 12 with
58.7 Hennepin County State-Aid Highway 6.

58.8 (j) Of this amount, \$1,000,000 is for a grant
58.9 to the city of Inver Grove Heights for
58.10 preliminary design, design, engineering, and
58.11 reconstruction of Broderick Boulevard
58.12 between 80th Street and Concord Boulevard
58.13 abutting Trunk Highway 52 and Inver Hills
58.14 Community College in Inver Grove Heights.
58.15 The project includes replacement or renovation
58.16 of public infrastructure, including water lines,
58.17 sanitary sewers, storm water sewers, and other
58.18 public utilities. This appropriation does not
58.19 require a nonstate contribution.

58.20 (k) Of this amount, \$2,350,000 is for a grant
58.21 to McLeod County to acquire land or interests
58.22 in land and to design and construct a new
58.23 urban street extension of County State-Aid
58.24 Highway (CSAH) 15, including railroad
58.25 crossing, storm water, and drainage
58.26 improvements.

58.27 (l) Of this amount, \$6,000,000 is for a grant
58.28 to the city of Baxter for 50 percent of total
58.29 project cost for the acquisition of land or
58.30 interests in land, environmental analysis and
58.31 environmental cleanup, predesign, design,
58.32 engineering, and construction of improvements
58.33 to Cypress Drive, including expansion to a
58.34 four-lane divided urban roadway, between
58.35 Excelsior Road and College Road.

59.1 Sec. 22. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 6,
 59.2 is amended to read:

59.3 **Subd. 6. Rail Service Improvement** 1,000,000

59.4 For freight rail service improvement economic
 59.5 development grants under Minnesota Statutes,
 59.6 section ~~222.50~~ 222.505.

59.7 **EFFECTIVE DATE.** This section is effective the day after the freight rail economic
 59.8 development program under Minnesota Statutes, section 222.505, if enacted, is effective.

59.9 Sec. 23. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 11,
 59.10 is amended to read:

59.11 **Subd. 11. Grand Rapids - Pedestrian Bridge** 750,000

59.12 For a grant to the city of Grand Rapids to
 59.13 design ~~the construction of~~ and construct a
 59.14 bridge over the Mississippi River for
 59.15 pedestrian and bicycle use to provide a safe
 59.16 alternative route to the existing marked Trunk
 59.17 Highway 169 vehicle bridge, and to serve as
 59.18 a connection to existing trail systems on each
 59.19 side of the river. This appropriation is not
 59.20 available until the commissioner determines
 59.21 that at least an equal amount has been
 59.22 committed to the project from nonstate
 59.23 sources.

59.24 Sec. 24. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 13,
 59.25 is amended to read:

59.26 **Subd. 13. Eden Prairie - Rail Grade Crossings** 1,400,000

59.27 For a grant to the city of Eden Prairie to (1)
 59.28 design, construct, and equip new passive and
 59.29 active rail grade crossing ~~warning~~ safety
 59.30 devices, including associated road and
 59.31 pathway improvements, at existing and
 59.32 proposed highway-rail grade crossings; and
 59.33 pathway-rail grade crossings; or (2) replace

60.1 existing highway-rail grade crossings. Upon
 60.2 request by the city of Eden Prairie, the
 60.3 commissioner of transportation must provide
 60.4 reasonable technical assistance regarding
 60.5 highway-rail grade crossing project
 60.6 development and the establishment of rail
 60.7 quiet zones.

60.8 Sec. 25. Laws 2017, First Special Session chapter 8, article 1, section 16, subdivision 7,
 60.9 is amended to read:

60.10 **Subd. 7. White Bear Lake Multiuse Trails** 255,000

60.11 To develop a multiuse pedestrian and bicycle
 60.12 path around White Bear Lake. Of this amount,
 60.13 ~~\$130,000~~ \$141,000 is for a grant to the city of
 60.14 White Bear Lake to construct, furnish, and
 60.15 equip a multiuse trail for pedestrians and
 60.16 bicycles on Old White Bear Avenue between
 60.17 Lion's Park and South Shore Boulevard/Hazel
 60.18 and for engineering for a multiuse trail for
 60.19 pedestrians and bicycles in proximity to
 60.20 Highway 96 from Pacific Avenue to the
 60.21 western border of the town of White Bear;
 60.22 \$11,000 is for a grant to the town of White
 60.23 Bear for engineering for a multiuse trail for
 60.24 pedestrians and bicycles in proximity to
 60.25 Highway 96 in the town of White Bear;
 60.26 \$38,000 is for grants to the cities of
 60.27 Mahtomedi and Dellwood for preliminary
 60.28 engineering of a multiuse trail for pedestrians
 60.29 and bicycles near White Bear Lake in the cities
 60.30 of Mahtomedi and Dellwood to be located
 60.31 within the right-of-way to marked Trunk
 60.32 Highway 244; \$15,000 is for a grant to the
 60.33 city of Mahtomedi for preliminary engineering
 60.34 for a multiuse trail for pedestrians and bicycles
 60.35 near White Bear Lake within the right-of-way

61.1 to Birchwood Road in the city of Mahtomedi
 61.2 and Hall Avenue in the city of Birchwood;
 61.3 and \$50,000 is for a grant to Ramsey County
 61.4 for preliminary engineering of a multiuse trail
 61.5 for pedestrians and bicycles to South Shore
 61.6 Boulevard between White Bear Avenue and
 61.7 Trunk Highway 120.

61.8 Sec. 26. Laws 2017, First Special Session chapter 8, article 1, section 17, subdivision 9,
 61.9 is amended to read:

61.10 **Subd. 9. Minneapolis - The Family Partnership** 1,600,000

61.11 From the general fund to the commissioner of
 61.12 human services for a grant to the Family
 61.13 Partnership in Minneapolis to predesign and
 61.14 design a facility to provide mental health, early
 61.15 childhood education, and other services to
 61.16 support children and families. ~~This~~
 61.17 ~~appropriation is not available until at least an~~
 61.18 ~~equal amount of money is committed from~~
 61.19 ~~nonstate sources. A nonstate contribution is~~
 61.20 not required. Any unspent portion of this
 61.21 appropriation remaining after predesign and
 61.22 design are completed, upon written notice to
 61.23 the commissioner of management and budget,
 61.24 is available for the purposes of article 1,
 61.25 section 16, subdivision 5.

61.26 Sec. 27. Laws 2017, First Special Session chapter 8, article 1, section 19, subdivision 3,
 61.27 is amended to read:

61.28 **Subd. 3. Minnesota Correctional Facility - St.**
 61.29 **Cloud** 19,000,000

61.30 ~~To construct and equip a new intake unit and~~
 61.31 ~~a loading dock with a secure connection to a~~
 61.32 ~~new central warehouse at the St. Cloud~~
 61.33 ~~correctional facility. To design and complete~~
 61.34 hazardous materials abatement, site

62.1 improvements, and utility infrastructure work,
 62.2 to rent and set up temporary laundry facilities,
 62.3 and to renovate, construct, furnish, and equip
 62.4 the second phase of the two-phase project
 62.5 including building additions, infill of an
 62.6 interior courtyard, and renovation of existing
 62.7 areas to provide improved laundry, property,
 62.8 intake, vehicle sally port, storage, and loading
 62.9 dock areas and security at the St. Cloud
 62.10 correctional facility.

62.11 The unspent amount of this appropriation after
 62.12 the projects described in this subdivision are
 62.13 completed may, upon written notice to the
 62.14 commissioner of management and budget, be
 62.15 used for asset preservation under Minnesota
 62.16 Statutes, section 16B.307, at Minnesota
 62.17 Correctional Facility – St. Cloud.

62.18 Sec. 28. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21,
 62.19 is amended to read:

62.20 **Subd. 21. St. Paul - Minnesota Museum of**
 62.21 **American Art** 6,000,000

62.22 For a grant to the St. Paul Port Authority to
 62.23 acquire, design, construct, furnish, and equip
 62.24 new museum galleries and an art study facility
 62.25 for the Minnesota Museum of American Art.
 62.26 This facility provides space to celebrate the
 62.27 legacy of Minnesota art and artists and is part
 62.28 of the restoration of the historic Pioneer
 62.29 Endicott Building, and a part of a multiphase
 62.30 project, of which only the museum galleries
 62.31 and art study facility constructed with this
 62.32 appropriation shall be state bond financed
 62.33 property subject to Minnesota Statutes, section
 62.34 16A.695. This appropriation is not available

63.1 until the commissioner of management and
63.2 budget has determined that:

63.3 (1) at least an amount equal to this
63.4 appropriation has been committed or
63.5 previously expended for design, construction,
63.6 and furnishing of the adjacent Minnesota
63.7 Museum of American Art Center for
63.8 Creativity facilities, which are not subject to
63.9 Minnesota Statutes, section 16A.695, with
63.10 funds from nonstate sources; and

63.11 (2) sufficient other state and nonstate funds
63.12 are available, if funds beyond this
63.13 appropriation are required, to complete the
63.14 museum galleries and art study facility.

63.15 Funds invested in the Minnesota Museum of
63.16 American Art Center for Creativity facilities
63.17 by an investor receiving an assignment of state
63.18 historic tax credits as provided in Minnesota
63.19 Statutes, section 290.0681, are nonstate funds
63.20 for purposes of this requirement. Only
63.21 expenditures made after January 1, 2012, shall
63.22 qualify for the required match. Due to the
63.23 integrated nature of the overall development,
63.24 public bidding shall not be required.

63.25 Sec. 29. Laws 2017, First Special Session chapter 8, article 1, section 21, subdivision 8,
63.26 is amended to read:

63.27 **Subd. 8. Dennison - Sewage Treatment System**
63.28 **Improvements**

726,000

63.29 For a grant to the city of Dennison to
63.30 predesign, design, and construct a new lift
63.31 station and make sewage pond improvements,
63.32 including any civil, structural, plumbing, or
63.33 electrical work needed on site. This

64.1 appropriation does not require a nonstate
64.2 contribution.

64.3 Sec. 30. Laws 2017, First Special Session chapter 8, article 1, section 23, subdivision 3,
64.4 is amended to read:

64.5 **Subd. 3. Historic Fort Snelling** 4,000,000

64.6 To design facilities to support visitor services
64.7 and history programs at Historic Fort Snelling.

64.8 Upon completion of design, the unspent
64.9 portion of this appropriation is available for
64.10 the next phase of the project, to demolish the
64.11 existing visitor center, and to renovate,
64.12 construct, furnish, and equip a new visitor
64.13 center at Historic Fort Snelling.

64.14 Sec. 31. **BEHAVIORAL HEALTH CRISIS FACILITIES GRANTS.**

64.15 Subdivision 1. Commissioner. "Commissioner" means the commissioner of human
64.16 services.

64.17 Subd. 2. Eligible applicant. "Eligible applicant" or "applicant" means a statutory or
64.18 home rule charter city, county, housing and redevelopment authority, publicly owned
64.19 hospital, or other public entity otherwise eligible to receive state general obligation bond
64.20 proceeds that is designated to apply for a behavioral health crisis program facilities grant
64.21 by the local mental health authority, established under Minnesota Statutes, section 245.466,
64.22 or on behalf of a regional consortium of organizations that serve individuals with mental
64.23 illness or a substance use disorder.

64.24 Subd. 3. Eligible project. "Eligible project" or "project" means the acquisition or
64.25 betterment of public land, buildings, and other public improvements of a capital nature
64.26 within the meaning of the Minnesota Constitution, article XI, section 5, clause (a). It includes
64.27 acquisition of land or interest in land, predesign, design, renovation, construction, furnishing,
64.28 and equipping facilities in which to provide behavioral health crisis programs and services.

64.29 Subd. 4. Project criteria. For purposes of this section, "behavioral health crisis facilities"
64.30 or "facility" means a facility whose purpose is to provide mental health or substance use
64.31 disorder services. Proceeds may be up to 100 percent of project costs, up to \$5,000,000 per
64.32 project. Priority must be given to proposals that:

- 65.1 (1) demonstrate a need for the program in the region;
- 65.2 (2) provide a detailed service plan, including the services that will be provided and to
65.3 whom, and staffing requirements;
- 65.4 (3) provide an estimated cost of operating the program;
- 65.5 (4) verify financial sustainability by detailing sufficient funding sources and the capacity
65.6 to obtain third-party payments for services provided, including private insurance and federal
65.7 Medicaid and Medicare financial participation;
- 65.8 (5) demonstrate an ability and willingness to build on existing resources in the
65.9 community; and
- 65.10 (6) agree to a comprehensive evaluation of services and financial viability by the
65.11 commissioner.

65.12 Subd. 5. **Report.** The commissioner shall report to the legislative committees with
65.13 jurisdiction over mental health issues and capital investment. The report is due by February
65.14 15 of each odd-numbered year and must include information on the projects funded and the
65.15 programs and services provided in those facilities.

65.16 **Sec. 32. APPROPRIATION; ANALYZING COSTS AND RATEPAYER IMPACTS**
65.17 **OF WATER QUALITY REGULATIONS.**

65.18 (a) \$500,000 in fiscal year 2020 and \$500,000 in fiscal year 2021 are appropriated from
65.19 the general fund to the commissioner of administration for a grant to any Minnesota higher
65.20 education institution or municipal joint powers organization under Minnesota Statutes,
65.21 section 471.59, established prior to January 1, 2018, to review water quality regulations and
65.22 national pollutant discharge elimination system permits. The municipal joint powers
65.23 organization must be composed of at least 20 cities or sanitary districts located outside the
65.24 seven-county metropolitan area as defined under Minnesota Statutes, section 473.121,
65.25 subdivision 2, and must have experience in reviewing water quality regulations and permits.
65.26 The grant is subject to Minnesota Statutes, section 16B.98. The grantee may select the water
65.27 quality regulations and permits to be reviewed, but must give preference to reviewing any
65.28 draft NPDES permit that has new effluent limit requirements for a publicly owned wastewater
65.29 treatment facility outside the seven-county metropolitan area. Any permit review must
65.30 analyze the technical accuracy of the permit, the costs to the permittee to comply with the
65.31 permit, the impact on business and residential rates, the water quality benefit of permit
65.32 compliance, and the anticipated funding for the permittee from federal and state sources.
65.33 This appropriation is available until expended.

66.1 (b) Upon completion of the permit review, the grantee must provide a copy of the review
66.2 to the permittee and the commissioner of the Pollution Control Agency. The grantee must
66.3 also submit a report summarizing its findings in each permit review performed in the previous
66.4 calendar year to the chairs and ranking minority members of the legislative committees with
66.5 jurisdiction over capital investment, environmental finance and policy, and job growth.

66.6 Sec. 33. **EFFECTIVE DATE.**

66.7 Except as otherwise provided, this article is effective the day following final enactment.

APPENDIX
Article locations in HF4404-2

ARTICLE 1 APPROPRIATIONS..... Page.Ln 1.19
ARTICLE 2 MISCELLANEOUS..... Page.Ln 39.7