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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 622

- 02/05/2015 Authored by Torkelson, Hausman and Moran
The bill was read for the first time and referred to the Committee on Capital Investment
- 04/21/2015 Adoption of Report: Re-referred to the Committee on Ways and Means
- 05/16/2015 Adoption of Report: Placed on the General Register as Amended
Read Second Time
- 05/18/2015 Pursuant to Rule 4.20, returned to the Committee on Ways and Means
- 05/18/2016 Adoption of Report: Placed on the General Register as Amended
Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 8,
re-referred to the Committee on Rules and Legislative Administration
Adoption of Report: Placed on the General Register
Read Second Time
- 05/19/2016 Calendar for the Day
Read Third Time
Bill was not Passed
Bill was laid on the Table
- 05/22/2016 Bill was taken from the Table
Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

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 2014, sections 13.6905, by

1.7 adding a subdivision; 13.7411, by adding a subdivision; 85.34, subdivision 1;

1.8 115E.042; 116J.431, subdivisions 1, 6; 160.18, by adding a subdivision; 174.52,

1.9 subdivision 2; 219.015; 299A.55; 446A.072; 446A.073, as amended; 446A.081,

1.10 subdivision 9; 446A.12, subdivision 1; 462A.37, by adding a subdivision;

1.11 Minnesota Statutes 2015 Supplement, sections 16A.967; 162.145, subdivision

1.12 3; 462A.37, subdivision 5; Laws 2002, chapter 393, section 22, subdivision

1.13 6, as amended; Laws 2012, chapter 293, section 7, subdivision 3; Laws 2014,

1.14 chapter 294, article 1, sections 7, subdivision 15; 17, subdivisions 6, 12; Laws

1.15 2015, First Special Session chapter 5, article 1, sections 10, subdivision 3; 19;

1.16 proposing coding for new law in Minnesota Statutes, chapter 219; repealing

1.17 Minnesota Statutes 2014, section 123A.446.

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

1.23 bond proceeds fund, or another named fund, to the state agencies or officials indicated,

1.24 to be spent for public purposes. Appropriations of bond proceeds must be spent as

1.25 authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire

1.26 and better public land and buildings and other public improvements of a capital nature, or

1.27 as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j),

1.28 or article XIV. Unless otherwise specified, money appropriated in this act for a capital

1.29 program or project may be used to pay state agency staff costs that are attributed directly

2.1 to the capital program or project in accordance with accounting policies adopted by the
 2.2 commissioner of management and budget. Unless otherwise specified, the appropriations
 2.3 in this act are available until the project is completed or abandoned subject to Minnesota
 2.4 Statutes, section 16A.642. Unless otherwise specified in this act, money appropriated in
 2.5 this act for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046,
 2.6 should not be used for projects that can be financed within a reasonable time frame under
 2.7 Minnesota Statutes, section 16B.322 or 16C.144. Unless otherwise specified, general fund
 2.8 appropriations in this act are onetime and are in fiscal year 2017.

2.9 **APPROPRIATIONS**

2.10 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.11 **Subdivision 1. Total Appropriation** **\$ 81,567,000**

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

2.15 **Subd. 2. Higher Education Asset Preservation**
 2.16 **and Replacement (HEAPR)** **50,000,000**

2.17 To be spent in accordance with Minnesota
 2.18 Statutes, section 135A.046.

2.19 **Subd. 3. Chemical Sciences and Advanced**
 2.20 **Materials Science Building** **27,167,000**

2.21 To design, construct, furnish, and equip
 2.22 a new laboratory building on the Duluth
 2.23 campus, including classrooms and research
 2.24 and undergraduate instructional laboratories.

2.25 **Subd. 4. Twin Cities - Plant Growth Research**
 2.26 **Facility** **4,400,000**

2.27 To demolish the existing biological sciences
 2.28 greenhouse and to predesign, design,
 2.29 construct, furnish, and equip a greenhouse
 2.30 to support learning and research on the St.
 2.31 Paul campus.

2.32 **Subd. 5. University Share**

2.33 Except for the appropriation for HEAPR, the
 2.34 appropriations in this section are intended to

3.1 cover approximately two-thirds of the cost of
 3.2 each project. The remaining costs must be
 3.3 paid from university sources.

3.4 **Subd. 6. Unspent Appropriations**

3.5 Upon substantial completion of a project
 3.6 authorized in this section and after written
 3.7 notice to the commissioner of management
 3.8 and budget, the Board of Regents must use
 3.9 any money remaining in the appropriation
 3.10 for that project for HEAPR under Minnesota
 3.11 Statutes, section 135A.046. The Board
 3.12 of Regents must report by February 1 of
 3.13 each even-numbered year to the chairs of
 3.14 the house of representatives and senate
 3.15 committees with jurisdiction over capital
 3.16 investment and higher education finance, and
 3.17 to the chairs of the house of representatives
 3.18 Ways and Means Committee and the senate
 3.19 Finance Committee, on how the remaining
 3.20 money has been allocated or spent.

3.21 **Sec. 3. MINNESOTA STATE COLLEGES**
 3.22 **AND UNIVERSITIES**

3.23 **Subdivision 1. Total Appropriation** **\$ 107,487,000**

3.24 To the Board of Trustees of the Minnesota
 3.25 State Colleges and Universities for the
 3.26 purposes specified in this section.

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

3.29 To be spent in accordance with Minnesota
 3.30 Statutes, section 135A.046.

3.31 **Subd. 3. Hibbing Community College** **9,958,000**

3.32 To demolish Building G and connecting
 3.33 links or portions thereof, and to construct,

4.1 renovate, furnish, and equip buildings, links,
 4.2 and entry spaces on the campus.

4.3 **Subd. 4. Minnesota State Community and**
 4.4 **Technical College**

4.5 **(a) Fergus Falls campus** 978,000

4.6 To design, renovate, furnish, and equip
 4.7 a new Center for Student and Workforce
 4.8 Success (CSWS) that integrates the Regional
 4.9 Workforce Center. The board must enter into
 4.10 a lease agreement with the commissioner of
 4.11 employment and economic development,
 4.12 or partners of the commissioner, for use of
 4.13 the workforce center subject to Minnesota
 4.14 Statutes, section 16A.695. The board must
 4.15 use nonstate money for the remainder of the
 4.16 cost of the renovation.

4.17 **(b) Wadena campus** 820,000

4.18 To design, renovate, furnish, and equip
 4.19 the relocation of the current library to
 4.20 underutilized space and converting the
 4.21 vacated space into a centralized student
 4.22 services center.

4.23 **Subd. 5. Northland Community and Technical**
 4.24 **College, East Grand Forks** 826,000

4.25 To design, renovate, furnish, and equip
 4.26 science and radiological lab space on the
 4.27 East Grand Forks campus.

4.28 **Subd. 6. Riverland Community College, Albert**
 4.29 **Lea** 7,427,000

4.30 To design, construct, furnish, and equip the
 4.31 renovation and expansion of the Trade and
 4.32 Industrial Education Center on the Albert Lea
 4.33 campus of Riverland Community College.

4.34 **Subd. 7. South Central College, North**
 4.35 **Mankato** 8,600,000

5.1 To design, renovate, renew, furnish, and
 5.2 equip laboratory, classroom and office spaces
 5.3 on the North Mankato campus.

5.4 **Subd. 8. St. Cloud State University** 18,572,000

5.5 To construct, renovate, furnish, and
 5.6 equip Eastman Hall for the relocation of
 5.7 consolidated student health services and
 5.8 academic programs.

5.9 **Subd. 9. Winona State University, Education**
 5.10 **Village, Phase 2** 25,306,000

5.11 To complete design, construct, renovate,
 5.12 furnish, and equip Phase 2 of the Education
 5.13 Village project, including the renovation
 5.14 of Cathedral and Wabasha Halls and
 5.15 Wabasha Rec, and remove obsolete portions
 5.16 of Wabasha Rec and the Annex building
 5.17 between Cathedral School and Wabasha Rec.

5.18 **Subd. 10. Debt Service**

5.19 (a) Except as provided in paragraph (b), the
 5.20 Board of Trustees shall pay the debt service
 5.21 on one-third of the principal amount of state
 5.22 bonds sold to finance projects authorized
 5.23 by this section. After each sale of general
 5.24 obligation bonds, the commissioner of
 5.25 management and budget shall notify the
 5.26 board of the amounts assessed for each year
 5.27 for the life of the bonds.

5.28 (b) The board need not pay debt service
 5.29 on bonds sold to finance HEAPR. Where a
 5.30 nonstate match is required, the debt service is
 5.31 due on a principal amount equal to one-third
 5.32 of the total project cost, less the match
 5.33 committed before the bonds are sold.

6.1 (c) The commissioner of management and
6.2 budget shall reduce the board's assessment
6.3 each year by one-third of the net income
6.4 from investment of general obligation bond
6.5 proceeds in proportion to the amount of
6.6 principal and interest otherwise required to
6.7 be paid by the board. The board shall pay its
6.8 resulting net assessment to the commissioner
6.9 of management and budget by December
6.10 1 each year. If the board fails to make
6.11 a payment when due, the commissioner
6.12 of management and budget shall reduce
6.13 allotments for appropriations from the
6.14 general fund otherwise available to the board
6.15 and apply the amount of the reduction to
6.16 cover the missed debt service payment. The
6.17 commissioner of management and budget
6.18 shall credit the payments received from the
6.19 board to the bond debt service account in
6.20 the state bond fund each December 1 before
6.21 money is transferred from the general fund
6.22 under Minnesota Statutes, section 16A.641,
6.23 subdivision 10.

6.24 **Subd. 11. Unspent Appropriations**

6.25 (a) Upon substantial completion of a project
6.26 authorized in this section and after written
6.27 notice to the commissioner of management
6.28 and budget, the board must use any money
6.29 remaining in the appropriation for that
6.30 project for HEAPR under Minnesota
6.31 Statutes, section 135A.046. The Board
6.32 of Trustees must report by February 1 of
6.33 each even-numbered year to the chairs of
6.34 the house of representatives and senate
6.35 committees with jurisdiction over capital
6.36 investment and higher education finance, and

7.1 to the chairs of the house of representatives
 7.2 Ways and Means Committee and the senate
 7.3 Finance Committee, on how the remaining
 7.4 money has been allocated or spent.

7.5 (b) The unspent portion of an appropriation
 7.6 for a project in this section that is complete is
 7.7 available for HEAPR under this subdivision,
 7.8 at the same campus as the project for which
 7.9 the original appropriation was made and the
 7.10 debt service requirement under subdivision
 7.11 10 is reduced accordingly. Minnesota
 7.12 Statutes, section 16A.642, applies from the
 7.13 date of the original appropriation to the
 7.14 unspent amount transferred.

7.15 **Sec. 4. EDUCATION**

7.16 **Subdivision 1. Total Appropriation** **\$ 18,070,000**

7.17 To the commissioner of education for the
 7.18 purposes specified in this section.

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

7.20 For library construction grants under
 7.21 Minnesota Statutes, section 134.45.

7.22 **Subd. 3. Grand Rapids - Myles Reif Center** **500,000**

7.23 From the general fund for a grant to
 7.24 Independent School District No. 318, Grand
 7.25 Rapids, to cover cost overruns for the Myles
 7.26 Reif Center for the Performing Arts project
 7.27 in Grand Rapids. This appropriation is added
 7.28 to and is for the same purposes as the project
 7.29 in Laws 2014, chapter 294, article 1, section
 7.30 21, subdivision 8. This appropriation does
 7.31 not require a nonstate contribution.

7.32 **Subd. 4. Olmsted County - Dyslexia Institute**
 7.33 **of Minnesota** **1,500,000**

8.1 For a grant to Olmsted County to acquire
 8.2 land for, and to predesign, design, construct,
 8.3 furnish, and equip a facility in Olmsted
 8.4 County to support the local, regional, and
 8.5 national literacy work of the Dyslexia
 8.6 Institute of Minnesota, subject to Minnesota
 8.7 Statutes, section 16A.695. This appropriation
 8.8 is not available until the commissioner of
 8.9 management and budget determines that an
 8.10 equal amount is committed from nonstate
 8.11 sources.

8.12 **Subd. 5. Red Lake - Independent School**
 8.13 **District No. 38 Facility Projects**

14,070,000

8.14 (a) This appropriation is from the maximum
 8.15 effort school loan fund for a capital loan
 8.16 to Independent School District No. 38,
 8.17 Red Lake, as provided in Minnesota
 8.18 Statutes, sections 126C.60 to 126C.72.
 8.19 This appropriation is to complete design
 8.20 and construction of a connection structure
 8.21 between the Red Lake Early Learning
 8.22 Childhood Center and Red Lake Elementary
 8.23 School; renovations to various classrooms,
 8.24 labs, and support rooms; updating of
 8.25 mechanical systems; and expansion of the
 8.26 cafeteria. Before any capital loan contract is
 8.27 approved under this subdivision, the district
 8.28 must provide documentation acceptable to
 8.29 the commissioner of education on how the
 8.30 capital loan will be used.

8.31 (b) The commissioner of administration
 8.32 may provide project management services
 8.33 to assist the Department of Education with
 8.34 oversight of the project. No money for
 8.35 construction may be distributed by the
 8.36 commissioner of education to the recipient

9.1 school district until bids have been received
 9.2 on 100 percent of the construction documents
 9.3 and satisfactory documentation has been
 9.4 submitted to the commissioner of education
 9.5 indicating the project can be fully completed
 9.6 with money available for the project.

9.7 (c) Notwithstanding the timelines in
 9.8 Minnesota Statutes, section 126C.69,
 9.9 subdivision 11, Independent School District
 9.10 No. 38, Red Lake, must submit the question
 9.11 authorizing the borrowing of money for the
 9.12 facilities to voters of the district after the first
 9.13 general election after the effective date of
 9.14 this section.

9.15 **Sec. 5. MINNESOTA STATE ACADEMIES**

9.16 **Subdivision 1. Total Appropriation** **\$ 2,050,000**

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

9.19 **Subd. 2. Asset Preservation** **2,000,000**

9.20 For capital asset preservation improvements
 9.21 and betterments on both campuses of the
 9.22 Minnesota State Academies, to be spent in
 9.23 accordance with Minnesota Statutes, section
 9.24 16B.307.

9.25 **Subd. 3. Minnesota State Academies Security**
 9.26 **Corridor** **50,000**

9.27 For predesign for a safety corridor on the
 9.28 Minnesota State Academy for the Deaf
 9.29 campus.

9.30 **Sec. 6. NATURAL RESOURCES**

9.31 **Subdivision 1. Total Appropriation** **\$ 68,211,000**

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

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

10.9 **Subd. 2. Natural Resources Asset Preservation** 25,866,000

10.10 For the renovation of state-owned facilities
 10.11 and recreational assets operated by the
 10.12 commissioner of natural resources to
 10.13 be spent in accordance with Minnesota
 10.14 Statutes, section 84.946. Notwithstanding
 10.15 Minnesota Statutes, section 84.946: (1) the
 10.16 commissioner may use this appropriation
 10.17 to replace buildings if, considering the
 10.18 embedded energy in the building, that is the
 10.19 most energy-efficient and carbon-reducing
 10.20 method of renovation; and (2) this
 10.21 appropriation may be used for projects to
 10.22 remove life safety hazards such as building
 10.23 code violations or structural defects.

10.24 **Subd. 3. Flood Hazard Mitigation** 11,555,000

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

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

10.33 (c) Project priorities shall be determined by
 10.34 the commissioner as appropriate and based
 10.35 on need.

11.1 (d) This appropriation includes funding for
 11.2 the Cedar River Watershed District, and
 11.3 \$750,000 for the city of Browns Valley
 11.4 project and \$1,800,000 for the city of
 11.5 Ortonville project.

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

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

11.18 Subd. 4. **Dam Renovation, Repair, Removal** 9,000,000

11.19 To renovate or remove publicly owned dams.
 11.20 The commissioner shall determine project
 11.21 priorities as appropriate under Minnesota
 11.22 Statutes, sections 103G.511 and 103G.515.

11.23 Of this appropriation:
 11.24 \$500,000 is for emergencies on state-owned
 11.25 dams;

11.26 \$3,600,000 is for a grant to the city of
 11.27 Lanesboro for repair of the Lanesboro dam
 11.28 and notwithstanding the match requirements
 11.29 in Minnesota Statutes, section 103G.511,
 11.30 does not require a nonstate contribution.

11.31 This includes funding for repairs of the
 11.32 hydropower system;
 11.33 \$2,500,000 is for repairs of the Lake Bronson
 11.34 dam;

- 12.1 \$500,000 is for a grant to the city of Pelican
- 12.2 Rapids for engineering work for the Pelican
- 12.3 Rapids dam;
- 12.4 \$200,000 is for a grant to the city of Norway
- 12.5 Lake for engineering work on the Norway
- 12.6 Lake dam;
- 12.7 \$200,000 is for a grant to Yellow Medicine
- 12.8 County for the Canby R-6 impoundment dam;
- 12.9 \$100,000 is for a grant to St. Louis County
- 12.10 for the Little Stone Lake dam; and
- 12.11 \$1,400,000 is for state dams at Brawner,
- 12.12 West Leaf Lake, Collinwood, Grindstone
- 12.13 River, and Sullivan.
- 12.14 If the commissioner determines that a project
- 12.15 is not ready to proceed, this appropriation
- 12.16 may be used for other projects on the
- 12.17 commissioner's priority list.
- 12.18 **Subd. 5. Reforestation and Stand Improvement** 1,000,000
- 12.19 To provide for reforestation and stand
- 12.20 improvement on state forest lands to meet
- 12.21 the reforestation requirements of Minnesota
- 12.22 Statutes, section 89.002, subdivision 2,
- 12.23 including purchasing native seeds and native
- 12.24 seedlings, planting, seeding, site preparation,
- 12.25 and protection on state lands administered
- 12.26 by the commissioner.
- 12.27 **Subd. 6. Trail Development** 11,490,000
- 12.28 \$2,590,000 is for the Glacial Lakes Trail,
- 12.29 to complete an approximately six and
- 12.30 one-quarter mile trail connection between
- 12.31 New London and Sibley State Park, and
- 12.32 repair of the bicycle trail in Sibley State Park.
- 12.33 \$3,600,000 is for acquisition and
- 12.34 development in the Cuyuna Country State

- 13.1 Recreation Area, including the Cuyuna
- 13.2 Mountain Bike System.
- 13.3 \$3,300,000 is to design, develop, and
- 13.4 complete the Heartland State Trail from
- 13.5 Detroit Lakes to Frazee.
- 13.6 \$2,000,000 is for acquisition and
- 13.7 development of the Gitchi-Gami State Trail,
- 13.8 Grand Marais to Cascade State Park, and
- 13.9 through the town of Tofte.
- 13.10 **Subd. 7. Champlin Mill Pond** 3,300,000
- 13.11 For a grant to the city of Champlin to dredge
- 13.12 and remove sediment and for other capital
- 13.13 improvements of the Champlin Mill Pond
- 13.14 necessary to improve water quality, restore
- 13.15 fish habitat, and provide other public benefits.
- 13.16 **Subd. 8. Lake County - Prospectors ATV Trail**
- 13.17 **System** 1,000,000
- 13.18 For a grant to Lake County for construction,
- 13.19 including bridges, of the Prospectors ATV
- 13.20 Trail System linking the communities of
- 13.21 Ely, Babbitt, Embarrass, and Tower; Bear
- 13.22 Head Lake and Lake Vermilion-Soudan
- 13.23 Underground Mine State Parks; the Taconite
- 13.24 State Trail; and the Lake County Regional
- 13.25 ATV Trail System. This appropriation is
- 13.26 not available until the commissioner of
- 13.27 management and budget determines that
- 13.28 an equal amount is committed from other
- 13.29 sources.
- 13.30 **Subd. 9. Unspent Appropriations**
- 13.31 The unspent portion of an appropriation for
- 13.32 a project in this section that is complete,
- 13.33 upon written notice to the commissioner
- 13.34 of management and budget, is available

14.1 for asset preservation under Minnesota
 14.2 Statutes, section 84.946. Minnesota Statutes,
 14.3 section 16A.642, applies from the date of the
 14.4 original appropriation to the unspent amount
 14.5 transferred.

14.6 Sec. 7. **POLLUTION CONTROL AGENCY**

14.7 **Subdivision 1. Total Appropriation** **\$ 21,155,000**

14.8 To the commissioner of the Pollution Control
 14.9 Agency for the purposes specified in this
 14.10 section.

14.11 **Subd. 2. St. Louis River Cleanup** **12,705,000**

14.12 To design and implement contaminated
 14.13 sediment management actions identified in
 14.14 the St. Louis River remedial action plan to
 14.15 restore water quality in the St. Louis River
 14.16 Area of Concern. The agency shall enter
 14.17 into partnership agreements with federal
 14.18 agencies, where possible, to complete this
 14.19 project work by December 31, 2020.

14.20 **Subd. 3. Redwood-Cottonwood Rivers Joint**
 14.21 **Powers - Lake Redwood Reclamation and**
 14.22 **Enhancement Project** **7,800,000**

14.23 For a grant to the Redwood-Cottonwood
 14.24 Rivers control area, a joint powers entity,
 14.25 to predesign, design, construct, and equip
 14.26 the reservoir reclamation and enhancement
 14.27 of the 66-acre Lake Redwood Reservoir, to
 14.28 remove approximately 650,000 cubic yards
 14.29 of sediment and increase its depth from
 14.30 approximately 2.8 feet to approximately 20
 14.31 feet in order to secure renewable energy
 14.32 capacity of the hydroelectric dam which is
 14.33 impeded by lack of water capacity, reduce
 14.34 the flow of pollutants to the Minnesota

- 15.1 River, and increase fish habitat and enhance
- 15.2 recreational opportunities.
- 15.3 **Subd. 4. Closed Landfill Cleanup** 650,000
- 15.4 To design and construct remedial systems and
- 15.5 acquire land at closed landfills throughout the
- 15.6 state in accordance with the closed landfill
- 15.7 program under Minnesota Statutes, sections
- 15.8 115B.39 to 115B.42. The agency must
- 15.9 follow the agency priorities, which includes
- 15.10 a construction project at the waste disposal
- 15.11 engineering (WDE) site in Anoka County.
- 15.12 **Subd. 5. Capital Assistance Program** 9,250,000
- 15.13 (a) This appropriation is for the solid waste
- 15.14 capital assistance grant program under
- 15.15 Minnesota Statutes, section 115A.54.
- 15.16 (b) Of this appropriation, \$9,250,000 is for a
- 15.17 grant to Polk County to complete a regional
- 15.18 integrated solid waste management system.
- 15.19 An additional renewable energy component
- 15.20 shall not be mandated as a requirement of
- 15.21 this project to qualify for funding under this
- 15.22 section.
- 15.23 **Sec. 8. BOARD OF WATER AND SOIL**
- 15.24 **RESOURCES**
- 15.25 **Subdivision 1. Total Appropriation** **\$ 20,000,000**
- 15.26 To the Board of Water and Soil Resources
- 15.27 for the purposes specified in this section.
- 15.28 **Subd. 2. Reinvest in Minnesota (RIM) Reserve**
- 15.29 **Program** 10,000,000
- 15.30 (a) To acquire conservation easements from
- 15.31 landowners to preserve, restore, create, and
- 15.32 enhance wetlands and associated uplands
- 15.33 of prairie and grasslands, and restore and
- 15.34 enhance rivers and streams, riparian lands,

16.1 and associated uplands of prairie and
 16.2 grasslands in order to protect soil and water
 16.3 quality, support fish and wildlife habitat,
 16.4 reduce flood damage, and provide other
 16.5 public benefits. The provisions of Minnesota
 16.6 Statutes, section 103F.515, apply to this
 16.7 program.

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

16.13 (c) The board is authorized to enter into
 16.14 new agreements and amend past agreements
 16.15 with landowners as required by Minnesota
 16.16 Statutes, section 103F.515, subdivision 5, to
 16.17 allow for restoration. Of this appropriation,
 16.18 up to five percent may be used for restoration
 16.19 and enhancement.

16.20 **Subd. 3. Local Government Roads Wetland**
 16.21 **Replacement Program**

5,000,000

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

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

17.9 **Sec. 9. AGRICULTURE**

17.10 **Subdivision 1. Total Appropriations** **\$ 2,824,000**

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

17.13 **Subd. 2. Agriculture Lab** **2,218,000**

17.14 From the general fund for equipment and
 17.15 instruments for the agriculture laboratory.
 17.16 This appropriation is available until June 30,
 17.17 2022.

17.18 **Subd. 3. AURI** **606,000**

17.19 From the general fund for a grant to
 17.20 Agricultural Utilization Research Institute
 17.21 (AURI) for construction of a development
 17.22 kitchen, sensory lab, and safety and security
 17.23 upgrades at AURI's Crookston facility
 17.24 and for communications and information
 17.25 technology upgrades at the Crookston,
 17.26 Marshall, and Waseca facilities.

17.27 **Sec. 10. RURAL FINANCE AUTHORITY** **\$ 35,000,000**

17.28 For the purposes set forth in the Minnesota
 17.29 Constitution, article XI, section 5, paragraph
 17.30 (h), to the Rural Finance Authority to
 17.31 purchase participation interests in or to
 17.32 make direct agricultural loans to farmers
 17.33 under Minnesota Statutes, chapter 41B. This

18.1 appropriation is from the bond proceeds
 18.2 account in the rural finance administration
 18.3 fund and is for the beginning farmer program
 18.4 under Minnesota Statutes, section 41B.039;
 18.5 the loan restructuring program under
 18.6 Minnesota Statutes, section 41B.04; the
 18.7 seller-sponsored program under Minnesota
 18.8 Statutes, section 41B.042; the agricultural
 18.9 improvement loan program under Minnesota
 18.10 Statutes, section 41B.043; and the livestock
 18.11 expansion loan program under Minnesota
 18.12 Statutes, section 41B.045. All debt service
 18.13 on bond proceeds used to finance this
 18.14 appropriation must be repaid by the Rural
 18.15 Finance Authority under Minnesota Statutes,
 18.16 section 16A.643. Loan participations
 18.17 must be priced to provide full interest
 18.18 and principal coverage and a reserve for
 18.19 potential losses. Priority for loans must be
 18.20 given first to basic beginning farmer loans,
 18.21 second to seller-sponsored loans, and third to
 18.22 agricultural improvement loans.

18.23 **Sec. 11. MINNESOTA ZOOLOGICAL**
 18.24 **GARDEN**

18.25 **Subdivision 1. Total Appropriation** **\$ 4,000,000**

18.26 To the Minnesota Zoological Garden Board
 18.27 for the purposes specified in this section.

18.28 **Subd. 2. Asset Preservation** **4,000,000**

18.29 For capital asset preservation improvements
 18.30 and betterments to infrastructure and
 18.31 exhibits at the Minnesota Zoo, to be spent in
 18.32 accordance with Minnesota Statutes, section
 18.33 16B.307. Notwithstanding the specified
 18.34 uses of money under Minnesota Statutes,
 18.35 section 16B.307, the board may use this

19.1 appropriation to replace buildings that are
 19.2 poor in condition, outdated, and no longer
 19.3 support the work of the Minnesota Zoo and
 19.4 to construct and renovate trails and roads on
 19.5 the Minnesota Zoo site.

19.6 Sec. 12. **ADMINISTRATION**

19.7 **Subdivision 1. Total Appropriation** **\$ 26,178,000**

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

19.10 **Subd. 2. Capitol Complex - Physical Security**
 19.11 **Upgrades** **10,500,000**

19.12 For the design, construction, and equipping
 19.13 required to upgrade the physical security
 19.14 elements and systems for the buildings
 19.15 listed below, their attached tunnel systems,
 19.16 and their surrounding grounds, and parking
 19.17 facilities as identified in the 2014 Minnesota
 19.18 State Capitol Complex Physical Security
 19.19 Study conducted by Miller Dunwiddie
 19.20 Architecture. Work includes but is not
 19.21 limited to the installation of bollards, blast
 19.22 protection, infrastructure security screen
 19.23 walls, door access controls, emergency call
 19.24 stations, security kiosks, locking devices,
 19.25 and traffic control. This appropriation
 19.26 includes money for work associated with
 19.27 the following buildings: Administration,
 19.28 Centennial, Judicial, Ag/Health Lab,
 19.29 Minnesota History Center, Minnesota
 19.30 History Center Loading Dock, Capitol
 19.31 Complex Power Plant and Shops, Stassen,
 19.32 State Office, and Veterans Service.

19.33 **Subd. 3. Centennial Parking Ramp** **10,878,000**

20.1 To complete design and for structural repairs
 20.2 to the Centennial parking ramp, including
 20.3 removal of the top deck green space to
 20.4 provide additional parking capacity, repairing
 20.5 damaged post-tension cables, and installation
 20.6 of a deck surface protection coating.

20.7 **Subd. 4. Capital Asset Preservation and**
 20.8 **Replacement Account** 2,500,000

20.9 To be spent in accordance with Minnesota
 20.10 Statutes, section 16A.632.

20.11 **Subd. 5. Capitol Complex Monuments and**
 20.12 **Memorials** 350,000

20.13 To design and complete critical repairs to the
 20.14 Peace Officers and Roy Wilkins memorials
 20.15 located on the Capitol complex.

20.16 **Subd. 6. Granite Falls - Pioneer Public**
 20.17 **Television** 1,950,000

20.18 From the general fund to provide an
 20.19 equipment grant to Pioneer Public Television
 20.20 as part of the station's construction of a
 20.21 new facility in Granite Falls, Minnesota.
 20.22 The money may be used to purchase and
 20.23 install equipment necessary to the station's
 20.24 operation. This appropriation does not
 20.25 require a nonstate contribution.

20.26 **Sec. 13. MN.IT** **\$** **\$1,432,000**

20.27 To the commissioner of administration
 20.28 to predesign, design, construct, renovate,
 20.29 furnish, and equip existing state data
 20.30 center facilities at the Bureau of Criminal
 20.31 Apprehension's Maryland Avenue office
 20.32 building and at the Department of Revenue's
 20.33 Stassen Office Building for the purpose
 20.34 of decommissioning and repurposing into
 20.35 usable space.

21.1	Sec. 14. <u>MILITARY AFFAIRS</u>	<u>\$ 2,500,000</u>
21.2	<u>To the adjutant general for asset preservation</u>	
21.3	<u>improvements and betterments of a capital</u>	
21.4	<u>nature at military affairs facilities statewide,</u>	
21.5	<u>to be spent in accordance with Minnesota</u>	
21.6	<u>Statutes, section 16B.307.</u>	
21.7	Sec. 15. <u>PUBLIC SAFETY</u>	<u>\$ 3,521,000</u>
21.8	<u>To the commissioner of administration to</u>	
21.9	<u>design and construct a joint emergency</u>	
21.10	<u>railroad and pipeline emergency response</u>	
21.11	<u>training facility at Camp Ripley, including</u>	
21.12	<u>the construction of stations and capital</u>	
21.13	<u>infrastructure needed for mock disaster</u>	
21.14	<u>training.</u>	
21.15	Sec. 16. <u>TRANSPORTATION</u>	
21.16	Subdivision 1. <u>Total Appropriation</u>	<u>\$ 281,045,000</u>
21.17	<u>To the commissioner of transportation for the</u>	
21.18	<u>purposes specified in this section.</u>	
21.19	<u>Subd. 2. Local Bridge Replacement and</u>	
21.20	<u>Rehabilitation</u>	<u>149,446,000</u>
21.21	<u>From the bond proceeds account in the state</u>	
21.22	<u>transportation fund to match federal money</u>	
21.23	<u>and to replace or rehabilitate local deficient</u>	
21.24	<u>bridges as provided in Minnesota Statutes,</u>	
21.25	<u>section 174.50.</u>	
21.26	<u>Subd. 3. Local Road Improvement Fund</u>	
21.27	<u>Grants</u>	<u>137,200,000</u>
21.28	<u>(a) From the bond proceeds account in</u>	
21.29	<u>the state transportation fund as provided</u>	
21.30	<u>in Minnesota Statutes, section 174.50, for</u>	
21.31	<u>grants under Minnesota Statutes, section</u>	
21.32	<u>174.52, subdivision 2, for construction and</u>	
21.33	<u>reconstruction of local roads with statewide</u>	

22.1 or regional significance under Minnesota
22.2 Statutes, section 174.52, subdivision 4, or for
22.3 grants to counties to assist in paying the costs
22.4 of rural road safety capital improvement
22.5 projects on county state-aid highways
22.6 under Minnesota Statutes, section 174.52,
22.7 subdivision 4a.

22.8 (b) This appropriation includes money for a
22.9 grant to the city of Baxter for 50 percent of
22.10 total project cost for the acquisition of land
22.11 or interests in land, environmental analysis
22.12 and environmental cleanup, predesign,
22.13 design, engineering, and construction of
22.14 improvements to Cypress Drive, including
22.15 expansion to a four-lane divided urban
22.16 roadway, between Excelsior Road and
22.17 College Road.

22.18 (c) Of this amount, \$1,000,000 is for a grant
22.19 to the town of Appleton in Swift County
22.20 for upgrades to an existing township road
22.21 to provide for a paved, ten-ton capacity
22.22 township road extending between marked
22.23 Trunk Highways 7 and 119.

22.24 (d) Of this amount, \$25,000,000 is for a grant
22.25 to Hennepin County for design, right-of-way
22.26 acquisition, engineering, and construction
22.27 of public improvements related to the
22.28 Interstate Highway 35W and Lake Street
22.29 access project and related improvements
22.30 within the Interstate Highway 35W corridor.
22.31 This appropriation is not available until the
22.32 commissioner of management and budget
22.33 determines that an amount sufficient to
22.34 complete the project has been committed to
22.35 the project.

23.1 (e) Of this amount, \$20,500,000 is for a grant
23.2 to Ramsey County for preliminary and final
23.3 design, environmental documentation, and
23.4 construction of the interchange of marked
23.5 Interstate Highway 694 and Rice Street in
23.6 Ramsey County.

23.7 (f) Of this amount, \$700,000 is for a grant to
23.8 Redwood County for paving Nobles Avenue
23.9 as the main access road to a new State
23.10 Veterans Cemetery to be located in Paxton
23.11 Township.

23.12 (g) Of this amount, \$9,000,000 is for a grant
23.13 to Anoka County to complete the design, land
23.14 acquisition, engineering, and construction
23.15 of County State-Aid Highway 23, known
23.16 as Lake Drive, County State-Aid Highway
23.17 54, known as West Freeway Drive, and to
23.18 Hornsby Street in the city of Columbus to
23.19 support the interchange project as noted in
23.20 paragraph (a).

23.21 (h) Of this amount, \$3,246,000 is for a
23.22 grant to the city of Blaine to predesign,
23.23 design, and reconstruct 105th Avenue in
23.24 the vicinity of the National Sports Center
23.25 in Blaine. The reconstruction will include
23.26 changing the street from five lanes to four
23.27 lanes with median, turn lanes, sidewalk,
23.28 trail, landscaping, lighting, and consolidation
23.29 of access driveways. This appropriation
23.30 is not available until the commissioner of
23.31 management and budget determines that at
23.32 least \$3,000,000 is committed to the project
23.33 from sources available to the city, including
23.34 municipal state aid and county turnback
23.35 funds.

24.1	<u>Subd. 4. Rail Grade Separations</u>	<u>26,749,000</u>
24.2	<u>(a) \$14,762,000 is for a grant to the city</u>	
24.3	<u>of Red Wing for environmental analysis,</u>	
24.4	<u>design, engineering, removal of an existing</u>	
24.5	<u>structure, and construction of a rail grade</u>	
24.6	<u>crossing separation at Sturgeon Lake Road.</u>	
24.7	<u>(b) \$11,987,000 is for a grant to Anoka</u>	
24.8	<u>County for environmental analysis, design,</u>	
24.9	<u>engineering, removal of an existing structure,</u>	
24.10	<u>and construction of a rail grade crossing</u>	
24.11	<u>separation at Anoka County State-Aid</u>	
24.12	<u>Highway 78, known as Hanson Boulevard,</u>	
24.13	<u>in Coon Rapids.</u>	
24.14	<u>Subd. 5. Railroad Warning Devices</u>	<u>1,000,000</u>
24.15	<u>To design, construct, and equip new rail</u>	
24.16	<u>grade crossing warning safety devices at</u>	
24.17	<u>active highway-rail grade crossings, or to</u>	
24.18	<u>replace active highway-rail grade warning</u>	
24.19	<u>safety devices that have reached the end of</u>	
24.20	<u>their useful life.</u>	
24.21	<u>Subd. 6. Minnesota Valley Regional Rail</u>	
24.22	<u>Authority</u>	<u>4,000,000</u>
24.23	<u>For a grant to the Minnesota Valley Regional</u>	
24.24	<u>Rail Authority for the rehabilitation of</u>	
24.25	<u>a portion of the railroad track between</u>	
24.26	<u>Winthrop and Hanley Falls. The grant</u>	
24.27	<u>under this subdivision may also be used for</u>	
24.28	<u>any required environmental documentation</u>	
24.29	<u>and remediation, predesign, design, and</u>	
24.30	<u>rehabilitation or replacement of bridges with</u>	
24.31	<u>new bridges or culverts between Winthrop</u>	
24.32	<u>and Hanley Falls. A grant under this section</u>	
24.33	<u>is in addition to any grant, loan, or loan</u>	
24.34	<u>guarantee for this project made by the</u>	
24.35	<u>commissioner under Minnesota Statutes,</u>	

25.1 sections 222.46 to 222.62. This appropriation
 25.2 is in addition to the appropriations in Laws
 25.3 2006, chapter 258, section 16, subdivision
 25.4 6; Laws 2008, chapter 179, section 16,
 25.5 subdivision 5; Laws 2009, chapter 93, article
 25.6 1, section 11, subdivision 4; Laws 2010,
 25.7 chapter 189, section 15, subdivision 5; and
 25.8 Laws 2015, First Special Session chapter 5,
 25.9 article 1, section 10, subdivision 4.

25.10 **Subd. 7. Hugo - Short Line Railway** 1,100,000

25.11 For a grant to Minnesota Commercial
 25.12 Railway for construction of repairs and
 25.13 other capital improvements to approximately
 25.14 6.5 miles of railroad track described as
 25.15 that portion of the Minnesota Commercial
 25.16 Railway main running lead, between M &
 25.17 D Junction in White Bear Lake and the end
 25.18 of the track in Hugo. This appropriation
 25.19 must be used for the purposes set forth in the
 25.20 Minnesota Constitution, article XI, section
 25.21 5, clause (i), to improve and rehabilitate
 25.22 railroad rights-of-way and other rail facilities,
 25.23 whether public or private. This appropriation
 25.24 does not require a nonstate match.

25.25 **Subd. 8. International Falls-Koochiching**
 25.26 **County Airport Commission** 3,000,000

25.27 (a) From the state airports fund for a grant to
 25.28 the International Falls-Koochiching County
 25.29 Airport Commission for the following
 25.30 improvements to the Falls International
 25.31 Airport:
 25.32 (1) demolition of the existing terminal
 25.33 building;
 25.34 (2) rehabilitation;

26.1 (3) site preparation, including utilities and
 26.2 civil work;
 26.3 (4) design, construction, furnishing, and
 26.4 equipping Phase II of the new terminal
 26.5 building, including a Transportation Safety
 26.6 Administration office, weather office,
 26.7 conference room, circulation corridor, airport
 26.8 administration offices, U.S. Customs and
 26.9 Border Protection storage rooms, offices,
 26.10 restrooms, passenger-processing area,
 26.11 wet-hold room, interview room, search room,
 26.12 precustoms and postcustoms passenger
 26.13 waiting areas, and vestibule; and
 26.14 (5) associated appurtenances of a capital
 26.15 nature.

26.16 (b) After completion of the improvements
 26.17 under paragraph (a), any unspent money
 26.18 from this appropriation may be used by the
 26.19 International Falls-Koochiching County
 26.20 Airport Commission for a commercial
 26.21 airline apron expansion project at the Falls
 26.22 International Airport.

26.23 (c) This appropriation does not require a
 26.24 nonstate contribution or match.

26.25 **Subd. 9. Grand Rapids Pedestrian Bridge** 750,000

26.26 For a grant to the city of Grand Rapids to
 26.27 design the construction of a bridge over the
 26.28 Mississippi River for pedestrian and bicycle
 26.29 use to provide a safe alternative route to
 26.30 the existing marked Trunk Highway 169
 26.31 vehicle bridge, and to serve as a connection
 26.32 to existing trail systems on each side of the
 26.33 river. This appropriation is not available until
 26.34 the commissioner determines that an equal

27.1 amount has been committed to the project
 27.2 from nonstate sources.

27.3 **Subd. 10. Port Development Assistance** 5,000,000

27.4 For grants under Minnesota Statutes, chapter
 27.5 457A. Any improvements made with the
 27.6 proceeds of these grants must be publicly
 27.7 owned.

27.8 **Sec. 17. METROPOLITAN COUNCIL**

27.9 **Subdivision 1. Total Appropriation** **\$ 35,350,000**

27.10 To the Metropolitan Council for the purposes
 27.11 specified in this section.

27.12 **Subd. 2. Metro Orange Line BRT** 12,100,000

27.13 Up to \$12,100,000, but an amount that
 27.14 is no more than ten percent of the total
 27.15 project cost, is for the Metropolitan Council,
 27.16 or for the Metropolitan Council to make
 27.17 grants to political subdivisions, for design,
 27.18 acquisition of right-of-way, engineering, and
 27.19 construction of capital improvements along
 27.20 the I-35W corridor for completion of the
 27.21 Metro Orange Bus Rapid Transit (BRT) Line.

27.22 **Subd. 3. Mall of America Station** 8,750,000

27.23 For design and construction of improvements
 27.24 to the Mall of America Station on the
 27.25 Hiawatha Corridor light rail transit line,
 27.26 subject to Minnesota Statutes, section
 27.27 16A.695. The Metropolitan Council must
 27.28 consult with the city of Bloomington
 27.29 throughout the design and construction
 27.30 process.

27.31 **Subd. 4. Metropolitan Cities Inflow and**
 27.32 **Infiltration Grants** 2,500,000

28.1 For grants to cities within the metropolitan
 28.2 area, as defined in Minnesota Statutes,
 28.3 section 473.121, subdivision 2, for capital
 28.4 improvements in municipal wastewater
 28.5 collection systems to reduce the amount of
 28.6 inflow and infiltration to the Metropolitan
 28.7 Council's metropolitan sanitary sewer
 28.8 disposal system. Grants from this
 28.9 appropriation are for up to 50 percent of the
 28.10 cost to mitigate inflow and infiltration in
 28.11 the publicly owned municipal wastewater
 28.12 collection systems. To be eligible for a grant,
 28.13 a city must be identified by the council
 28.14 as a contributor of excessive inflow and
 28.15 infiltration in the metropolitan disposal
 28.16 system or have a measured flow rate within 20
 28.17 percent of its allowable council-determined
 28.18 inflow and infiltration limits. The council
 28.19 must award grants based on applications
 28.20 from cities that identify eligible capital
 28.21 costs and include a timeline for inflow and
 28.22 infiltration mitigation construction, pursuant
 28.23 to guidelines established by the council.

28.24 Subd. 5. **St. Paul - Como Zoo** 12,000,000

28.25 For a grant to the city of St. Paul for
 28.26 predesign, design, and engineering of Phase I
 28.27 of the renovation of seal and sea lion habitat
 28.28 at the Como Zoo. The renovated habitat
 28.29 will support the zoo education programs.
 28.30 This appropriation is not available until
 28.31 the commissioner of management and
 28.32 budget determines that at least \$1,100,000
 28.33 is committed to the project from nonstate
 28.34 sources.

28.35 Sec. 18. **HEALTH** \$ 2,335,000

29.1 From the general fund in fiscal year 2017 to
 29.2 the commissioner of health for equipment
 29.3 and instruments for the public health
 29.4 laboratory. Notwithstanding Minnesota
 29.5 Statutes, section 16A.642, this appropriation
 29.6 is available until June 30, 2022.

29.7 Sec. 19. **HUMAN SERVICES**

29.8 **Subdivision 1. Total Appropriation** **\$ 72,271,000**

29.9 To the commissioner of administration, or
 29.10 another named agency, for the purposes
 29.11 specified in this section.

29.12 **Subd. 2. Minnesota Security Hospital - St.**
 29.13 **Peter** **57,611,000**

29.14 To complete design, remodel, construct,
 29.15 furnish, and equip the second phase of the
 29.16 two-phase project to remodel existing and to
 29.17 develop new residential, program, activity,
 29.18 and ancillary facilities for the Minnesota
 29.19 Security Hospital on the upper campus of the
 29.20 St. Peter Regional Treatment Center. This
 29.21 does not include construction of a new 48-bed
 29.22 transitional housing unit. This appropriation
 29.23 includes money to: demolish, renovate, and
 29.24 remodel existing space; construct new space;
 29.25 address fire and life safety, and other building
 29.26 code deficiencies; replace or renovate
 29.27 interior finishes; purchase furnishings,
 29.28 fixtures, and equipment; replace or renovate
 29.29 the Minnesota Security Hospital building's
 29.30 HVAC, plumbing, electrical, security, and life
 29.31 safety systems; tuck-point; replace windows
 29.32 and doors; design and abate asbestos and
 29.33 hazardous materials; and complete site work
 29.34 necessary to support the programmed use

30.1 of the facilities on the St. Peter Regional
 30.2 Treatment Center upper campus.

30.3 **Subd. 3. Child and Adolescent Behavioral**
 30.4 **Health Services**

7,530,000

30.5 To purchase land in or near the city of
 30.6 Willmar for, and to predesign, design,
 30.7 construct, furnish, and equip, a 16-bed
 30.8 psychiatric hospital facility of approximately
 30.9 17,500 to 18,000 square feet that will house
 30.10 the Child and Adolescent Behavioral Health
 30.11 Services (CABHS) program. The facility
 30.12 shall include space for single bedrooms,
 30.13 bathing and toilets, dining, living, group and
 30.14 treatment rooms, education space, visitation,
 30.15 clinic/professional staff, operations staff,
 30.16 patient storage, operations storage, food
 30.17 preparation, HVAC/telecommunications/data
 30.18 equipment, a small area for indoor recreation,
 30.19 and a secure outdoor activity space. The
 30.20 property for the facility will provide for staff
 30.21 and visitor parking, outdoor activities, and
 30.22 appropriate side, front, and rear setbacks.

30.23 **Subd. 4. Anoka Metro Regional Treatment**
 30.24 **Center Safety and Security Renovations**

2,250,000

30.25 To provide security upgrades of a capital
 30.26 nature at the Anoka Metro Regional
 30.27 Treatment Center campus, including but
 30.28 not limited to control centers, electronic
 30.29 monitoring and perimeter security
 30.30 equipment, new or updated security fencing,
 30.31 and other building security renovations. This
 30.32 appropriation includes money for: predesign,
 30.33 design, furnishing, fixtures, and equipment;
 30.34 construction of safety and security
 30.35 improvements to courtyards on residential
 30.36 treatment units; securely enclosing the

31.1 nursing station on Unit G; and installing a
 31.2 campus-wide closed-circuit television video
 31.3 security system, a facility-wide personal
 31.4 duress alarm system, a key control system,
 31.5 and an electronic access control system.

31.6 **Subd. 5. Regional Medical Examiner's Facility** 2,680,000

31.7 For a grant to Hennepin County to design an
 31.8 approximately 67,000 square foot regional,
 31.9 state-of-the-art medical examiner's facility.
 31.10 The facility shall: (1) provide forensic
 31.11 death investigation and autopsy services
 31.12 for Dakota, Hennepin, and Scott Counties
 31.13 with the flexibility to accommodate future
 31.14 partner counties and agencies; (2) serve as a
 31.15 teaching facility for the state, on the science
 31.16 of forensic pathology; and (3) be located in
 31.17 the city of Bloomington as a site that best
 31.18 supports access needs for the three founding
 31.19 counties and reasonable scene response times
 31.20 for the geographic service area.

31.21 **Subd. 6. Hennepin County - Perspectives**
 31.22 **Family Center** 600,000

31.23 From the general fund to the commissioner
 31.24 of human services in fiscal year 2017 for a
 31.25 grant to Hennepin County to predesign and
 31.26 design the expansion and renovation of the
 31.27 existing Perspectives Family Center facility
 31.28 in St. Louis Park, subject to Minnesota
 31.29 Statutes, section 16A.695. The expanded
 31.30 and renovated facility must be used to
 31.31 promote the public welfare by providing
 31.32 any or all of the following programs and
 31.33 services: (1) supportive housing programs
 31.34 for homeless women and their children;
 31.35 (2) mental and chemical health programs;

32.1 (3) employment services; (4) academic,
 32.2 social skills, and nutritional programs for
 32.3 homeless and at-risk children; (5) an all-day
 32.4 therapeutic early childhood development
 32.5 program for homeless and at-risk children;
 32.6 and (6) a culturally sensitive safe and
 32.7 nurturing environment for at-risk children
 32.8 to meet with their nonresidential parents.
 32.9 This appropriation is not available until the
 32.10 commissioner of management and budget
 32.11 has determined that at least an equal amount
 32.12 has been expended or committed to the
 32.13 project from nonstate sources. Nonstate
 32.14 money spent on the project since May 1,
 32.15 2015, shall be included in the determination
 32.16 of nonstate commitments to the project.

32.17 **Subd. 7. Minneapolis - The Family Partnership** 1,000,000

32.18 From the general fund for a grant to the
 32.19 Family Partnership in Minneapolis to
 32.20 predesign and design a facility to provide
 32.21 mental health, early childhood education,
 32.22 and other services to support children and
 32.23 families. This appropriation is not available
 32.24 until at least an equal amount of money is
 32.25 committed from nonstate resources. This
 32.26 appropriation is available until the project
 32.27 is completed or abandoned, subject to
 32.28 Minnesota Statutes, section 16A.642.

32.29 **Subd. 8. St. Paul - Dorothy Day Opportunity**
 32.30 **Center** 12,000,000

32.31 For a grant to the city of St. Paul to predesign,
 32.32 design, construct, furnish, and equip an
 32.33 opportunity center to serve as an integrated
 32.34 one-stop delivery system connecting persons
 32.35 at risk of becoming homeless, and persons

33.1 working to move up and out of homelessness,
 33.2 and to provide services that improve
 33.3 their health, income, housing stability, or
 33.4 well-being, subject to Minnesota Statutes,
 33.5 section 16A.695. This appropriation may be
 33.6 used to acquire property for these purposes.
 33.7 This appropriation is not available until the
 33.8 commissioner of management and budget has
 33.9 determined that at least an equal amount has
 33.10 been committed to the project from nonstate
 33.11 sources. This appropriation is in addition to
 33.12 the appropriation in Laws 2014, chapter 294,
 33.13 article 1, section 18, subdivision 9.

33.14 **Sec. 20. VETERANS AFFAIRS** **\$** **5,000,000**

33.15 To the commissioner of administration
 33.16 for asset preservation improvements and
 33.17 betterments of a capital nature at the veterans
 33.18 homes in Minneapolis, Hastings, Fergus
 33.19 Falls, Silver Bay, and Luverne, to be spent in
 33.20 accordance with Minnesota Statutes, section
 33.21 16B.307.

33.22 **Sec. 21. CORRECTIONS**

33.23 **Subdivision 1. Total Appropriation** **\$** **40,900,000**

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

33.26 **Subd. 2. Asset Preservation** **20,000,000**

33.27 For asset preservation improvements and
 33.28 betterments of a capital nature at Minnesota
 33.29 correctional facilities statewide, to be spent
 33.30 in accordance with Minnesota Statutes,
 33.31 section 16B.307.

33.32 **Subd. 3. Minnesota Correctional Facility - St.**
 33.33 **Cloud** **19,000,000**

- 34.1 To construct and equip a new intake unit and
- 34.2 a loading dock with a secure connection to
- 34.3 a new central warehouse at the Minnesota
- 34.4 Correctional Facility – St. Cloud.
- 34.5 **Subd. 4. Minnesota Correctional Facility -**
- 34.6 **Moose Lake** 1,900,000

- 34.7 To expand and renovate the outdated master
- 34.8 control center to improve security and
- 34.9 efficiency at the Minnesota Correctional
- 34.10 Facility - Moose Lake. The renovation
- 34.11 includes updating fire alarm panels and
- 34.12 mechanical and electrical systems and
- 34.13 improving visibility of the visiting area.
- 34.14 **Subd. 5. Unspent Appropriations**
- 34.15 The unspent portion of an appropriation for
- 34.16 a Department of Corrections project in this
- 34.17 section that is complete, upon written notice
- 34.18 to the commissioner of management and
- 34.19 budget, is available for asset preservation
- 34.20 under Minnesota Statutes, section 16B.307.
- 34.21 Minnesota Statutes, section 16A.642, applies
- 34.22 from the date of the original appropriation to
- 34.23 the unspent amount transferred.

- 34.24 **Sec. 22. EMPLOYMENT AND ECONOMIC**
- 34.25 **DEVELOPMENT**
- 34.26 **Subdivision 1. Total Appropriation** **\$ 67,050,000**
- 34.27 To the commissioner of employment and
- 34.28 economic development for the purposes
- 34.29 specified in this section.
- 34.30 **Subd. 2. Transportation Economic**
- 34.31 **Development** 7,000,000
- 34.32 For grants under Minnesota Statutes, section
- 34.33 116J.436.
- 34.34 **Subd. 3. Greater Minnesota Business**
- 34.35 **Development Public Infrastructure Grants** 12,000,000

35.1	<u>For grants under Minnesota Statutes, section</u>	
35.2	<u>116J.431.</u>	
35.3	<u>Subd. 4. Innovative Business Development</u>	
35.4	<u>Public Infrastructure Grants</u>	<u>2,500,000</u>
35.5	<u>For grants under Minnesota Statutes, section</u>	
35.6	<u>116J.435.</u>	
35.7	<u>Subd. 5. Bemidji - Regional Dental Facility</u>	<u>4,500,000</u>
35.8	<u>For a grant to the city of Bemidji to acquire</u>	
35.9	<u>land for and to predesign, design, construct,</u>	
35.10	<u>renovate, furnish, and equip a regional dental</u>	
35.11	<u>facility in Bemidji, subject to Minnesota</u>	
35.12	<u>Statutes, section 16A.695. This appropriation</u>	
35.13	<u>is not available until the commissioner of</u>	
35.14	<u>management and budget has determined that</u>	
35.15	<u>at least \$4,500,000 has been committed to</u>	
35.16	<u>the project from nonstate sources. The value</u>	
35.17	<u>of the land purchased or acquired by the city</u>	
35.18	<u>after January 1, 2016, for this facility shall</u>	
35.19	<u>count toward the nonstate match.</u>	
35.20	<u>Subd. 6. Hennepin County - Hennepin Center</u>	
35.21	<u>for the Arts</u>	<u>5,000,000</u>
35.22	<u>For a grant to Hennepin County for</u>	
35.23	<u>improvements and betterments of a capital</u>	
35.24	<u>nature to renovate the historic Hennepin</u>	
35.25	<u>Center for the Arts, subject to Minnesota</u>	
35.26	<u>Statutes, section 16A.695. This appropriation</u>	
35.27	<u>is available after the commissioner of</u>	
35.28	<u>management and budget determines that</u>	
35.29	<u>\$3,000,000 has been committed to complete</u>	
35.30	<u>the project from nonstate sources.</u>	
35.31	<u>Subd. 7. Litchfield - Phase 2 Power Generation</u>	
35.32	<u>Improvements</u>	<u>3,000,000</u>
35.33	<u>For a grant to the city of Litchfield to</u>	
35.34	<u>design and construct electrical generation</u>	
35.35	<u>improvements in the city of Litchfield</u>	

36.1 to expand the current standby capacity,
 36.2 including replacement of two old generators.
 36.3 This appropriation is not available until the
 36.4 commissioner of management and budget
 36.5 determines that at least an equal amount
 36.6 is committed to the project from nonstate
 36.7 sources.

36.8 Subd. 8. **Madelia** 98,000

36.9 For a grant to the city of Madelia for repair
 36.10 and replacement of a capital nature of public
 36.11 infrastructure damaged by a fire in Madelia
 36.12 in February 2016. This appropriation does
 36.13 not require a nonstate contribution.

36.14 Subd. 9. **Minneapolis - Norway House** 5,000,000

36.15 From the general fund for a grant to
 36.16 the Norway House to acquire land and
 36.17 predesign, design, construct, furnish, and
 36.18 equip a conference and event center at 913
 36.19 East Franklin Avenue and adjacent property
 36.20 in Minneapolis to celebrate the culture of
 36.21 Norway and American Norwegians. This
 36.22 appropriation is not available until at least
 36.23 an equal amount is committed from nonstate
 36.24 sources. Land purchased for this expansion
 36.25 project shall count toward the nonstate match.

36.26 Subd. 10. **Minneapolis - Pioneers and Soldiers**
 36.27 **Cemetery Restoration** 1,029,000

36.28 For a grant to the city of Minneapolis to
 36.29 restore the historic steel and limestone pillar
 36.30 fence along Cedar Avenue and Lake Street,
 36.31 install a new steel fence and pillars along 21st
 36.32 Avenue South, and install a waterproofing
 36.33 system for preservation of the fence and
 36.34 pillars, at the Pioneer and Soldiers Cemetery.
 36.35 This appropriation is available after the

- 37.1 commissioner of management and budget
- 37.2 determines that \$394,000 is committed from
- 37.3 nonstate sources.
- 37.4 **Subd. 11. Red Wing - River Town Renaissance** 4,480,000
- 37.5 For a grant to the city of Red Wing to
- 37.6 complete removal and replacement of
- 37.7 approximately 250 lineal feet of the harbor
- 37.8 retaining wall; to design, construct, furnish,
- 37.9 and equip the renovation of the historic
- 37.10 T.B. Sheldon Performing Arts Theater; and
- 37.11 to design and construct transient riverboat
- 37.12 docking facilities, levee wall extension, and
- 37.13 levee promenade improvements at Levee
- 37.14 Park. This appropriation is not available
- 37.15 until the commissioner of management and
- 37.16 budget determines that an amount sufficient
- 37.17 to complete the project has been committed
- 37.18 from nonstate sources.
- 37.19 **Subd. 12. St. James - Public Infrastructure** 3,443,000
- 37.20 For a grant to the city of St. James. Of
- 37.21 this amount, \$2,193,000 is for engineering,
- 37.22 right-of-way acquisition, and reconstruction
- 37.23 of streets, sidewalks, storm water and
- 37.24 sanitary sewer, water mains, lighting,
- 37.25 utilities, and other capital improvements of
- 37.26 publicly owned infrastructure required for
- 37.27 the reconstruction of marked Trunk Highway
- 37.28 4 in the city of St. James, and \$1,250,000
- 37.29 is to replace the storm sewer drain which
- 37.30 serves St. James Lake and the entire southern
- 37.31 section of the City of St. James.
- 37.32 **Subd. 13. St. Paul - Science Museum of**
- 37.33 **Minnesota Building Preservation** 13,000,000
- 37.34 For a grant to the city of St. Paul for
- 37.35 predesign, design, and construction work

38.1 to replace water-damaged elements of the
 38.2 Science Museum of Minnesota's exterior
 38.3 envelope and some resultant interior damage
 38.4 caused by latent design and construction
 38.5 defects, subject to Minnesota Statutes, section
 38.6 16A.695. This appropriation is not available
 38.7 until the commissioner of management and
 38.8 budget determines that an equal amount has
 38.9 been committed to the project from nonstate
 38.10 sources. Capital costs paid by the Science
 38.11 Museum of Minnesota since January 1, 2014,
 38.12 relating to the water intrusion damage, shall
 38.13 count towards the match requirement.

38.14 **Subd. 14. St. Paul Port Authority - Minnesota**
 38.15 **Museum of American Art**

6,000,000

38.16 For a grant to the St. Paul Port Authority
 38.17 to design, construct, furnish, and equip
 38.18 improvements for the Minnesota Museum
 38.19 of American Art for the historic Pioneer
 38.20 Endicott Building renovation. The project
 38.21 shall include galleries and education
 38.22 facilities, art storage, access to the St. Paul
 38.23 skyway, museum loading, and other capital
 38.24 improvements required for a museum and
 38.25 related education facility. The appropriation
 38.26 shall be available upon a determination by
 38.27 the commissioner that at least \$8,500,000
 38.28 of nonstate funds have been raised for the
 38.29 project and there are sufficient funds to
 38.30 complete the overall project.

38.31 **Sec. 23. PUBLIC FACILITIES AUTHORITY**

38.32 **Subdivision 1. Total Appropriation**

\$ 154,226,000

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

38.35 **Subd. 2. State Match for Federal Grants**

17,000,000

39.1 To match federal grants for the clean water
 39.2 revolving fund under Minnesota Statutes,
 39.3 section 446A.07, and the drinking water
 39.4 revolving fund under Minnesota Statutes,
 39.5 section 446A.081. This appropriation must
 39.6 be used for qualified capital projects.

39.7 **Subd. 3. Water Infrastructure Funding**
 39.8 **Program**

70,000,000

39.9 (a) For grants to eligible municipalities under
 39.10 the water infrastructure funding program
 39.11 under Minnesota Statutes, section 446A.072.

39.12 (b) \$51,500,000 is for wastewater projects
 39.13 listed on the Pollution Control Agency's
 39.14 project priority list in the fundable range
 39.15 under the clean water revolving fund
 39.16 program.

39.17 (c) \$18,500,000 is for drinking water projects
 39.18 listed on the commissioner of health's project
 39.19 priority list in the fundable range under the
 39.20 drinking water revolving fund program.

39.21 (d) After all eligible projects under
 39.22 paragraph (b) or (c) have been funded, the
 39.23 Public Facilities Authority may transfer
 39.24 any remaining, uncommitted money to
 39.25 eligible projects under a program defined in
 39.26 paragraph (b) or (c) based on that program's
 39.27 project priority list.

39.28 **Subd. 4. Point Source Implementation Grants**
 39.29 **Program**

46,500,000

39.30 For grants to eligible municipalities under the
 39.31 point source implementation grants program
 39.32 under Minnesota Statutes, section 446A.073.
 39.33 This appropriation must be used for qualified
 39.34 capital projects.

40.1	<u>Subd. 5. Big Lake Area Sanitary District -</u>	
40.2	<u>Sewer System and Force Main</u>	<u>1,200,000</u>
40.3	<u>For a grant to the Big Lake Area Sanitary</u>	
40.4	<u>District to construct a pressure sewer system</u>	
40.5	<u>and force main to convey sewage to the</u>	
40.6	<u>Western Lake Superior Sanitary District</u>	
40.7	<u>connection in the city of Cloquet. This</u>	
40.8	<u>appropriation is not available until the</u>	
40.9	<u>commissioner of management and budget</u>	
40.10	<u>determines that an equal amount is committed</u>	
40.11	<u>from nonstate sources. This appropriation</u>	
40.12	<u>is in addition to the appropriation in Laws</u>	
40.13	<u>2014, chapter 294, article 1, section 22,</u>	
40.14	<u>subdivision 4.</u>	
40.15	<u>Subd. 6. Dennison - Sewage Treatment System</u>	
40.16	<u>Improvements</u>	<u>726,000</u>
40.17	<u>For a grant to the city of Dennison</u>	
40.18	<u>to predesign, design, and construct a</u>	
40.19	<u>new lift station and make sewage pond</u>	
40.20	<u>improvements. This appropriation does not</u>	
40.21	<u>require a nonstate contribution.</u>	
40.22	<u>Subd. 7. East Grand Forks</u>	<u>5,300,000</u>
40.23	<u>For a grant to the city of East Grand</u>	
40.24	<u>Forks to design and construct wastewater</u>	
40.25	<u>infrastructure improvements interconnecting</u>	
40.26	<u>the wastewater system of East Grand Forks</u>	
40.27	<u>to the wastewater treatment system in Grand</u>	
40.28	<u>Forks, North Dakota. This appropriation</u>	
40.29	<u>may not be used for improvements outside</u>	
40.30	<u>the state. This appropriation is in addition</u>	
40.31	<u>to grants under Minnesota Statutes, section</u>	
40.32	<u>446A.072. A nonstate match is not required.</u>	
40.33	<u>Subd. 8. Koochiching County - Voyageurs</u>	
40.34	<u>National Park Clean Water Project</u>	<u>2,000,000</u>

41.1 (a) For a grant to Koochiching County to
 41.2 acquire land or interests in land, and to design,
 41.3 engineer, construct, and equip sanitary
 41.4 sewage systems and facilities to implement a
 41.5 portion or portions of the Voyageurs National
 41.6 Park clean water project comprehensive
 41.7 plan. This appropriation is available after the
 41.8 commissioner of management and budget
 41.9 determines that \$4,500,000 is committed
 41.10 from nonstate sources.

41.11 (b) This appropriation is in addition to
 41.12 the appropriation in Laws 2014, chapter
 41.13 294, article 1, section 22, subdivision 7.
 41.14 Notwithstanding the match requirement in
 41.15 Laws 2014, chapter 294, article 1, section
 41.16 22, subdivision 7, the nonstate match
 41.17 required for this appropriation and the 2014
 41.18 appropriation for a grant to Koochiching
 41.19 County is 25 percent of the state grant
 41.20 amounts. Any money remaining from this
 41.21 appropriation after completion of the projects
 41.22 in paragraph (a) is available for grants to
 41.23 Koochiching County or St. Louis County to
 41.24 be used for other projects described in the
 41.25 comprehensive plan.

41.26 **Subd. 9. Lilydale - Highway 13 Storm Water**
 41.27 **Conveyance**

140,000

41.28 From the general fund for a grant to the city
 41.29 of Lilydale to design, acquire, construct, and
 41.30 install a storm water sewer and drop structure
 41.31 along Trunk Highway 13 in Lilydale that
 41.32 will be large enough to effectively collect
 41.33 water from springs and storm water runoff
 41.34 from above the road and safely convey the
 41.35 water to below the bluff. The city must
 41.36 coordinate this project with the Department

42.1 of Transportation's Trunk Highway 13
 42.2 project. The appropriation and project also
 42.3 include capital repairs and improvements
 42.4 to existing drainage structures along the
 42.5 Big Rivers Regional Trail at the base of the
 42.6 bluff. This appropriation does not require a
 42.7 nonstate contribution.

42.8 **Subd. 10. Oronoco - Wastewater Collection**
 42.9 **and Treatment Facilities**

500,000

42.10 From the general fund for a grant to the
 42.11 city of Oronoco to commission a study to
 42.12 evaluate options for solving the wastewater
 42.13 infrastructure needs for the region including
 42.14 the city of Oronoco, the city of Pine Island,
 42.15 or the city of Rochester. This appropriation
 42.16 does not require a nonstate match.

42.17 **Sec. 24. MINNESOTA HOUSING FINANCE**
 42.18 **AGENCY**

\$ 10,000,000

42.19 For transfer to the housing development
 42.20 fund to finance the costs of rehabilitation to
 42.21 preserve public housing under Minnesota
 42.22 Statutes, section 462A.202, subdivision
 42.23 3a. For purposes of this section, "public
 42.24 housing" means housing for low-income
 42.25 persons and households financed by the
 42.26 federal government and owned and operated
 42.27 by the public housing authorities and
 42.28 agencies formed by cities and counties.
 42.29 Public housing authorities receiving a public
 42.30 housing assessment composite score of 80
 42.31 or above or an equivalent designation are
 42.32 eligible to receive funding. Priority must be
 42.33 given to proposals that maximize federal or
 42.34 local resources to finance the capital costs.
 42.35 The priority in Minnesota Statutes, section

43.1 462A.202, subdivision 3a, for projects to
 43.2 increase the supply of affordable housing and
 43.3 the restrictions of Minnesota Statutes, section
 43.4 462A.202, subdivision 7, do not apply to this
 43.5 appropriation.

43.6 **Sec. 25. MINNESOTA HISTORICAL**
 43.7 **SOCIETY**

43.8 **Subdivision 1. Total Appropriation** **\$ 2,500,000**

43.9 To the Minnesota Historical Society for the
 43.10 purposes specified in this section.

43.11 **Subd. 2. Historic Sites Asset Preservation** **2,500,000**

43.12 For capital improvements and betterments
 43.13 at state historic sites, buildings, landscaping
 43.14 at historic buildings, exhibits, markers, and
 43.15 monuments, to be spent in accordance with
 43.16 Minnesota Statutes, section 16B.307. The
 43.17 society shall determine project priorities as
 43.18 appropriate based on need.

43.19 **Sec. 26. BOND SALE EXPENSES**

43.20 **Subdivision 1. Total Appropriation** **\$ 1,070,000**

43.21 To the commissioner of management and
 43.22 budget for the purposes specified in this
 43.23 section.

43.24 **Subd. 2. Bond Proceeds Fund** **1,070,000**

43.25 From the bond proceeds fund for bond sale
 43.26 expenses under Minnesota Statutes, section
 43.27 16A.641, subdivision 8.

43.28 **Sec. 27. BOND SALE AUTHORIZATION.**

43.29 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this
 43.30 act from the bond proceeds fund, the commissioner of management and budget shall sell
 43.31 and issue bonds of the state in an amount up to \$1,242,558 in the manner, upon the terms,

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

44.3 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from
44.4 the state transportation fund, the commissioner of management and budget shall sell and
44.5 issue bonds of the state in an amount up to \$231,446,000 in the manner, upon the terms,
44.6 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
44.7 by the Minnesota Constitution, article XI, sections 4 to 7.

44.8 Subd. 3. **Maximum effort school loan fund.** To provide the money appropriated
44.9 in this act from the maximum effort school loan fund, the commissioner of management
44.10 and budget shall sell and issue bonds of the state in an amount up to \$14,070,000 in the
44.11 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
44.12 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

44.13 Sec. 28. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

44.14 (a) The remaining uncommitted appropriations from the bond proceeds fund in Laws
44.15 1990, chapter 610, are canceled and the bond sale authorization in Laws 1990, chapter
44.16 610, article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

44.17 (b) The remaining uncommitted appropriations from the bond proceeds fund in
44.18 Laws 1994, chapter 643, are canceled and the bond sale authorization in Laws 1994,
44.19 chapter 643, section 31, subdivision 1, as amended, is reduced by \$24,480.

44.20 (c) The remaining uncommitted appropriations from the bond proceeds fund in Laws
44.21 1997, Second Special Session chapter 2, are canceled and the bond sale authorization in
44.22 Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by
44.23 \$96,992.

44.24 (d) The remaining uncommitted appropriations from the bond proceeds fund in
44.25 Laws 1999, chapter 240, are canceled and the bond sale authorization in Laws 1999,
44.26 chapter 240, article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

44.27 (e) The remaining uncommitted appropriations from the bond proceeds fund in Laws
44.28 2000, chapter 492, are canceled and the bond sale authorization in Laws 2000, chapter
44.29 492, article 1, section 26, subdivision 1, as amended, is reduced by \$7,933,538.

44.30 (f) The remaining uncommitted appropriations from the bond proceeds fund in Laws
44.31 2002, chapter 393, are canceled and the bond sale authorization in Laws 2002, chapter
44.32 393, section 30, subdivision 1, as amended, is reduced by \$188,471.

44.33 (g) The remaining uncommitted appropriations from the bond proceeds fund in Laws
44.34 2002, First Special Session chapter 1, are canceled and the bond sale authorization in Laws
44.35 2002, First Special Session chapter 1, section 9, subdivision 1, is reduced by \$217,959.

45.1 (h) The remaining uncommitted appropriations from the trunk highway bond
45.2 proceeds fund in Laws 2003, First Special Session chapter 19, article 3, are canceled and
45.3 the bond sale authorization in Laws 2003, First Special Session chapter 19, article 3,
45.4 section 2, is reduced by \$201,530.

45.5 (i) The remaining uncommitted appropriations from the trunk highway bond
45.6 proceeds fund in Laws 2003, First Special Session chapter 19, article 4, are canceled and
45.7 the bond sale authorization in Laws 2003, First Special Session chapter 19, article 4,
45.8 section 4, is reduced by \$326,534.

45.9 (j) The remaining uncommitted appropriations from the bond proceeds fund in Laws
45.10 2005, chapter 20, are canceled and the bond sale authorization in Laws 2005, chapter 20,
45.11 article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

45.12 (k) The \$700,000 appropriation from the bond proceeds fund in Laws 2011, First
45.13 Special Session chapter 12, section 13, subdivision 8, for St. Louis Park noise barriers, is
45.14 canceled and the bond sale authorization in Laws 2011, First Special Session chapter 12,
45.15 section 23, subdivision 1, is reduced by the same amount.

45.16 (l) The \$2,285,000 appropriation from the bond proceeds fund in Laws 2012,
45.17 First Special Session chapter 1, article 1, section 3, subdivision 2, to the commissioner
45.18 of public safety for disaster relief, is canceled and the bond sale authorization in Laws
45.19 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced
45.20 by the same amount.

45.21 (m) \$1,380,000 of the appropriation from the bond proceeds fund in Laws 2012,
45.22 First Special Session chapter 1, article 1, section 6, to the Public Facilities Authority for
45.23 disaster relief, is canceled and the bond sale authorization in Laws 2012, First Special
45.24 Session chapter 1, article 1, section 16, subdivision 1, is reduced by the same amount.

45.25 (n) \$2,335,000 of the appropriation from the bond proceeds fund in Laws 2012, First
45.26 Special Session chapter 1, article 1, section 9, subdivision 2, to the commissioner of
45.27 natural resources for disaster relief, is canceled, and the bond sale authorization in Laws
45.28 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced
45.29 by the same amount.

45.30 (o) The \$300,000 appropriation from the general fund in Laws 2015, First Special
45.31 Session chapter 5, article 1, section 14, subdivision 4, for Eagle's Healing Nest is canceled.

45.32 Sec. 29. Laws 2015, First Special Session chapter 5, article 1, section 19, is amended
45.33 to read:

45.34 Sec. 19. **BOND SALE SCHEDULE.**

46.1 The commissioner of management and budget shall schedule the sale of state
46.2 general obligation bonds so that, during the biennium ending June 30, 2017, no more
46.3 than ~~\$1,267,459,000~~ \$1,242,558,000 will need to be transferred from the general fund to
46.4 the state bond fund to pay principal and interest due and to become due on outstanding
46.5 state general obligation bonds. During the biennium, before each sale of state general
46.6 obligation bonds, the commissioner of management and budget shall calculate the amount
46.7 of debt service payments needed on bonds previously issued and shall estimate the amount
46.8 of debt service payments that will be needed on the bonds scheduled to be sold. The
46.9 commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within
46.10 the limit set by this section. The amount needed to make the debt service payments is
46.11 appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

46.12 Sec. 30. **EFFECTIVE DATE.**

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

46.15 **ARTICLE 2**

46.16 **TRANSPORTATION FINANCE AND POLICY**

46.17 Section 1. **TRANSPORTATION CAPITAL IMPROVEMENT APPROPRIATIONS.**

46.18 (a) The sums shown in the columns marked "Appropriations" are added to the
46.19 appropriations in Laws 2015, chapter 75, article 1, to the commissioner of transportation
46.20 for the purposes specified in this article. The appropriations are from the general fund, or
46.21 another named fund, and are available for the fiscal years indicated for each purpose. The
46.22 figures "2016" and "2017" used in this article mean that the appropriations listed under
46.23 them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively.
46.24 "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium"
46.25 is fiscal years 2016 and 2017.

46.26 (b) Appropriations of bond proceeds must be spent as authorized by the Minnesota
46.27 Constitution, article XI, section 5, paragraph (a), to acquire and better public land and
46.28 buildings and other public improvements of a capital nature, or as authorized by the
46.29 Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless
46.30 otherwise specified, money appropriated in this act for a capital program or project may
46.31 be used to pay state agency staff costs that are attributed directly to the capital program
46.32 or project in accordance with accounting policies adopted by the commissioner of
46.33 management and budget. Unless otherwise specified, the appropriations of bond proceeds

47.1 in this act are available until the project is completed or abandoned subject to Minnesota
 47.2 Statutes, section 16A.642. Unless otherwise specified in this act, money appropriated in
 47.3 this act for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046,
 47.4 should not be used for projects that can be financed within a reasonable time frame under
 47.5 Minnesota Statutes, section 16B.322 or 16C.144.

47.6		<u>APPROPRIATIONS</u>	
47.7		<u>Available for the Year</u>	
47.8		<u>Ending June 30</u>	
47.9		<u>2016</u>	<u>2017</u>

47.10 **Sec. 2. DEPARTMENT OF**
 47.11 **TRANSPORTATION**

47.12	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>20,000,000</u>	<u>\$</u>	<u>410,968,000</u>
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47.13 To the commissioner of transportation for the
 47.14 purposes specified in this section.

47.15	<u>Subd. 2. Corridors of Commerce</u>		<u>-0-</u>		<u>199,500,000</u>
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47.16 This is a onetime appropriation for the
 47.17 corridors of commerce program under
 47.18 Minnesota Statutes, section 161.088,
 47.19 notwithstanding any requirements of that
 47.20 section, for all the following projects, in
 47.21 amounts as determined by the commissioner:

47.22 (1) construction of marked Trunk Highway
 47.23 23 as a four-lane divided highway (i) from
 47.24 the point where marked Trunk Highway
 47.25 23 ceases as a four-lane divided highway
 47.26 near the intersection with Kandiyohi County
 47.27 State-Aid Highway 31, located east of New
 47.28 London, to the point where marked Trunk
 47.29 Highway 23 commences as a four-lane
 47.30 divided highway, located southwest of
 47.31 Paynesville, and (ii) from the point where
 47.32 marked Trunk Highway 23 ceases as a
 47.33 four-lane divided highway, located northeast
 47.34 of Paynesville, to the point where marked
 47.35 Trunk Highway 23 commences as a four-lane

48.1 divided highway, located southwest of
48.2 Richmond, provided that notwithstanding
48.3 Minnesota Statutes, section 16A.28, this
48.4 amount is available for seven years;

48.5 (2) construction and reconstruction of
48.6 marked Trunk Highway 14 as a four-lane
48.7 divided highway, from the interchange with
48.8 marked Interstate Highway 35 near the
48.9 city of Owatonna to the point near the city
48.10 of Dodge Center at which marked Trunk
48.11 Highway 14 constitutes a four-lane divided
48.12 highway, located southeast of the intersection
48.13 with marked Trunk Highway 56;

48.14 (3) right-of-way acquisition and construction
48.15 of an interchange at marked Trunk Highway
48.16 212 and Carver County Road 140 in the city
48.17 of Chaska, to support the development of
48.18 approximately 400 acres of property in the
48.19 city of Chaska's comprehensive plan;

48.20 (4) to add a third travel lane in each direction
48.21 of marked U.S. Highway 10 from the
48.22 interchange with Hanson Boulevard to the
48.23 interchange with Round Lake Boulevard in
48.24 the city of Coon Rapids;

48.25 (5) to acquire land, predesign, design, and
48.26 construct an interchange with related utilities
48.27 at the intersection of marked U.S. Highway
48.28 10, County Road 79, and County State-Aid
48.29 Highway 4, and to construct frontage roads
48.30 on both sides of marked U.S. Highway 10,
48.31 extending from the intersection of marked
48.32 U.S. Highway 10, County Road 79, and
48.33 County State-Aid Highway 4 to 85th Street;

48.34 (6) land acquisition in conjunction with
48.35 project development for expansion of marked

49.1 U.S. Highway 14 to a four-lane divided
 49.2 highway between Nicollet and New Ulm; and
 49.3 (7) a grant to Anoka County to complete
 49.4 preliminary engineering, environmental
 49.5 analysis, and final design for the improvement
 49.6 of marked U.S. Highway 10 and associated
 49.7 improvements.

49.8 **Subd. 3. State and Local Roads** -0- 100,500,000

49.9 This is a onetime appropriation for all
 49.10 of the following purposes, in amounts as
 49.11 determined by the commissioner:

49.12 (1) the transportation economic development
 49.13 program under Minnesota Statutes, section
 49.14 174.12;

49.15 (2) the small cities assistance program under
 49.16 Minnesota Statutes, section 162.145;

49.17 (3) the safe routes to school program under
 49.18 Minnesota Statutes, section 174.40;

49.19 (4) the safety improvement study for the
 49.20 interchange of signed Interstate Highways
 49.21 94, 694, and 494, as provided in this article;

49.22 (5) design, engineering, environmental
 49.23 analysis, and construction of improvements
 49.24 to Cliff Road in the vicinity of marked
 49.25 Interstate Highway 35W;

49.26 (6) grants to the city of Virginia and the city
 49.27 of Virginia Public Utilities Commission to
 49.28 acquire land for and to predesign, design,
 49.29 construct, furnish, and equip relocated
 49.30 public utilities, including sanitary and storm
 49.31 water sewers and water, electrical, and gas
 49.32 utilities, and to demolish and remove old
 49.33 utility infrastructure, all associated with the
 49.34 relocation of marked trunk highway 53,

50.1 provided that a nonstate contribution is not
 50.2 required;

50.3 (7) a grant to the city of Moorhead to
 50.4 construct and complete phase 1 of the
 50.5 grade separated rail crossings project in the
 50.6 vicinity of 21st Street South in the city of
 50.7 Moorhead, and for preliminary engineering
 50.8 and environmental assessment of phase 2, the
 50.9 grade separated rail crossing in the vicinity
 50.10 of 11th Street South in the city of Moorhead,
 50.11 provided that a nonstate contribution is not
 50.12 required;

50.13 (8) town roads under Minnesota Statutes,
 50.14 section 162.081;

50.15 (9) county state-aid highways under
 50.16 Minnesota Statutes, chapter 162; and

50.17 (10) municipal state-aid streets under
 50.18 Minnesota Statutes, chapter 162.

50.19	<u>Subd. 4. State Road Construction</u>	<u>20,000,000</u>	<u>98,833,000</u>
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50.20 This is a onetime appropriation from the trunk
 50.21 highway fund for (1) state road construction;
 50.22 (2) for State Project No. 2514-122, consisting
 50.23 of engineering and reconstruction of the
 50.24 segment of marked U.S. Highway 61 in Red
 50.25 Wing from westerly of Old West Main Street
 50.26 to easterly of Potter Street, which is for trunk
 50.27 highway costs in excess of the engineer's
 50.28 estimate and associated program delivery;
 50.29 and (3) a grant to the city of Cambridge
 50.30 for final design, environmental analysis,
 50.31 right-of-way acquisition, land acquisition,
 50.32 corridor mapping, construction engineering,
 50.33 and construction for the improvement of
 50.34 marked Trunk Highway 95 and associated
 50.35 improvements.

- 51.1 **Subd. 5. Trunk Highway Projects** 62,000,000
- 51.2 For all of the projects specified in
- 51.3 subdivisions 6 to 8, in amounts as determined
- 51.4 by the commissioner.
- 51.5 **Subd. 6. Hennepin County - U.S. Highway 12**
- 51.6 From the bond proceeds account in the
- 51.7 trunk highway fund for projects, including
- 51.8 preliminary and final design, engineering,
- 51.9 environmental analysis, right-of-way
- 51.10 acquisition, construction, and reconstruction
- 51.11 on marked U.S. Highway 12 as follows:
- 51.12 (1) realignment at the intersections with
- 51.13 Hennepin County State-Aid Highway 92;
- 51.14 (2) realignment and safety improvements
- 51.15 at the intersection with Hennepin County
- 51.16 State-Aid Highway 90; and
- 51.17 (3) safety median improvements from the
- 51.18 interchange with Wayzata Boulevard in
- 51.19 Wayzata to approximately one-half mile east
- 51.20 of the interchange with Hennepin County
- 51.21 State-Aid Highway 6.
- 51.22 **Subd. 7. Anoka County - I-35 Interchange in**
- 51.23 **Columbus**
- 51.24 From the bond proceeds account in the
- 51.25 trunk highway fund for a grant to Anoka
- 51.26 County to: (1) complete the design, land
- 51.27 acquisition, engineering, and construction of
- 51.28 an interchange at the intersection of marked
- 51.29 Interstate Highway 35, marked Trunk
- 51.30 Highway 97, and County State-Aid Highway
- 51.31 23, and (2) realign and make associated
- 51.32 improvements to County State-Aid Highway
- 51.33 54, known as West Freeway Drive, in the
- 51.34 city of Columbus.

52.1 Subd. 8. I-94/Brockton Lane Interchange

52.2 From the bond proceeds account in the
 52.3 trunk highway fund for the I-94/Brockton
 52.4 Lane Interchange Project to construct an
 52.5 interchange and auxiliary lanes on marked
 52.6 Interstate Highway 94 east of the Hennepin
 52.7 County State-Aid Highway 101 (Brockton
 52.8 Lane) overpass in the city of Dayton.

52.9 Subd. 9. Trunk Highway Bonds - Debt Service
 52.10 2017

546,000

52.11 From the trunk highway fund for transfer to
 52.12 the state bond fund. If this appropriation is
 52.13 insufficient to make all transfers required
 52.14 in the year for which it is made, the
 52.15 commissioner of management and budget
 52.16 shall transfer the deficiency amount under
 52.17 the statutory open appropriation, and notify
 52.18 the chairs and ranking minority members of
 52.19 the legislative committees with jurisdiction
 52.20 over transportation finance and the chairs of
 52.21 the senate Committee on Finance and the
 52.22 house of representatives Committee on Ways
 52.23 and Means of the amount of the deficiency.
 52.24 Any excess appropriation cancels to the
 52.25 trunk highway fund.

52.26 Subd. 10. Airports

-0-

11,135,000

52.27 This is a onetime appropriation from the state
 52.28 airports fund for the following purposes:
 52.29 (1) \$4,985,000 for a grant to the city
 52.30 of Rochester to design, rehabilitate,
 52.31 demolish, and expand portions of the
 52.32 existing passenger terminal building
 52.33 at the Rochester International Airport,
 52.34 provided that this amount also includes
 52.35 money to remodel, construct, furnish,

53.1 and equip the existing passenger terminal
53.2 building and associated appurtenances
53.3 to meet the United States Customs and
53.4 Border Protection and Transportation
53.5 Security Administration standards for
53.6 safety, security, and processing time to
53.7 accommodate domestic and international
53.8 flights. The capital improvements paid for
53.9 with this appropriation may be used as the
53.10 local contribution required by Minnesota
53.11 Statutes, section 360.305, subdivision 4.
53.12 This appropriation is not available until the
53.13 commissioner of management and budget has
53.14 determined that at least an equal amount has
53.15 been committed to the project from nonstate
53.16 sources. Work that may be completed with
53.17 this appropriation includes but is not limited
53.18 to (i) site preparation including utilities,
53.19 site civil work, testing, and construction
53.20 administration services, (ii) the relocation,
53.21 modification, and addition of airline ticket
53.22 counters, baggage claim devices, public
53.23 spaces, offices, restrooms, support space,
53.24 break rooms, lockers, equipment storage,
53.25 communications, hallways, building
53.26 signage, medical visitor rooms, special needs
53.27 accommodations, hold rooms, secure storage,
53.28 equipment maintenance area, and building
53.29 engineering and technology systems, (iii)
53.30 improvements needed outside the terminal
53.31 to remove, restore, and tie into adjacent
53.32 utilities, sidewalks, driveways, parking lots,
53.33 and aircraft aprons, and (iv) the construction
53.34 of covered exterior equipment storage;
53.35 (2) \$5,900,000 to provide the federal match
53.36 to design and construct runway infrastructure

54.1 at the Duluth International and Sky Harbor
 54.2 Airports in accordance with Minnesota
 54.3 Statutes, section 360.017. For the purposes
 54.4 of this clause, the commissioner may waive
 54.5 the requirements of Minnesota Statutes,
 54.6 section 360.305, subdivision 4, paragraph
 54.7 (b). This appropriation is for costs incurred
 54.8 after March 1, 2016, and is available until
 54.9 and must be encumbered by June 30, 2017.
 54.10 This appropriation is not available until
 54.11 the commissioner of management and
 54.12 budget determines that an equal amount is
 54.13 committed from nonstate sources; and
 54.14 (3) \$250,000 to conduct an air transport
 54.15 optimization planning study for the St.
 54.16 Cloud Regional Airport, which must be
 54.17 comprehensive and market-based, using
 54.18 economic development and air service
 54.19 expertise to research, analyze, and develop
 54.20 models and strategies that maximize the
 54.21 return on investments made to enhance the
 54.22 use and impact of the St. Cloud Regional
 54.23 Airport.

54.24	<u>Subd. 11. Minnesota Rail Service Improvement</u>	<u>-0-</u>	<u>1,000,000</u>
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54.25 This is a onetime appropriation from the
 54.26 rail service improvement account in the
 54.27 special revenue fund to the commissioner of
 54.28 transportation for a grant to the city of Grand
 54.29 Rapids to fund rail planning studies, design,
 54.30 and preliminary engineering relating to the
 54.31 construction of a freight rail line located in
 54.32 the counties of Itasca, St. Louis, and Lake to
 54.33 serve local producers and shippers. The city
 54.34 of Grand Rapids shall collaborate with the
 54.35 Itasca Economic Development Corporation

55.1 and the Itasca County Regional Railroad
55.2 Authority in the activities funded with the
55.3 proceeds of this grant. This appropriation is
55.4 available until June 30, 2019.

55.5 Sec. 3. **BOND SALE AUTHORIZATION.**

55.6 Subdivision 1. **Trunk highway bonds.** To provide the money appropriated in
55.7 this act from the bond proceeds account in the trunk highway fund, the commissioner
55.8 of management and budget shall sell and issue bonds of the state in an amount up to
55.9 \$62,062,000 in the manner, upon the terms, and with the effect prescribed by Minnesota
55.10 Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section
55.11 11, at the times and in the amounts requested by the commissioner of transportation. The
55.12 proceeds of the bonds, except accrued interest and any premium received from the sale of
55.13 the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

55.14 Sec. 4. Minnesota Statutes 2014, section 160.18, is amended by adding a subdivision
55.15 to read:

55.16 Subd. 4. **Appeal process.** (a) Notwithstanding chapter 14 and section 14.386,
55.17 the commissioner shall establish a concise, expedited process through which an owner
55.18 or occupant of property abutting a trunk highway may appeal a denial or revocation of
55.19 an access permit. The owner or occupant must initiate an appeal no later than 30 days
55.20 after the date the commissioner issues written notice of the denial or revocation of an
55.21 access permit. The process must provide the owner or occupant and the Department of
55.22 Transportation the opportunity to present information in support of their positions.

55.23 (b) The hearing must be conducted by an administrative law judge assigned by the
55.24 chief administrative law judge. The administrative law judge shall maintain a transcript of
55.25 the hearing and shall keep a record of all documents and data submitted at the hearing.
55.26 Within 30 days of the conclusion of the hearing, the administrative law judge shall
55.27 transmit to the commissioner the record of the proceedings along with a report and
55.28 recommendation based on the record made in the informal hearing. The commissioner
55.29 shall make a written decision regarding the access permit.

55.30 (c) Section 15.99 does not apply to matters using the appeal process in this
55.31 subdivision.

55.32 Sec. 5. Minnesota Statutes 2015 Supplement, section 162.145, subdivision 3, is
55.33 amended to read:

56.1 Subd. 3. **Administration.** (a) Subject to funds made available by law, the
 56.2 commissioner shall allocate all funds as provided in subdivision 4 ~~and~~. By June 1 of a
 56.3 year in which aid is provided, the commissioner of transportation shall ~~notify~~ certify to the
 56.4 commissioner of revenue the amount to be paid to each eligible city.

56.5 (b) Following notification from the commissioner of transportation, the
 56.6 commissioner of revenue shall distribute the specified funds to cities in the same manner
 56.7 as local government aid under chapter 477A. An appropriation to the commissioner of
 56.8 transportation under this section is available to the commissioner of revenue for the
 56.9 purposes specified in this paragraph.

56.10 (c) Notwithstanding other law to the contrary, in order to receive distributions under
 56.11 this section, a city must conform to the standards in section 477A.017, subdivision 2. A
 56.12 city that receives funds under this section must make and preserve records necessary to
 56.13 show that the funds are spent in compliance with subdivision 4 5.

56.14 **EFFECTIVE DATE.** This section is effective for aids payable in 2016.

56.15 Sec. 6. Minnesota Statutes 2014, section 219.015, is amended to read:

56.16 **219.015 STATE RAIL SAFETY ~~INSPECTOR~~ INSPECTION PROGRAM.**

56.17 Subdivision 1. **Positions established; duties.** (a) The commissioner of transportation
 56.18 shall establish three state rail safety inspector positions ~~in the Office of Freight and~~
 56.19 ~~Commercial Vehicle Operations of the Minnesota Department of Transportation. On or~~
 56.20 ~~after July 1, 2015, and~~ the commissioner may establish a fourth up to six state rail safety
 56.21 ~~inspector position~~ inspection program positions following consultation with railroad
 56.22 companies. The commissioner shall apply to and enter into agreements with the Federal
 56.23 Railroad Administration (FRA) of the United States Department of Transportation
 56.24 to participate in the federal State Rail Safety Participation Program for training and
 56.25 certification of an inspector under authority of United States Code, title 49, sections 20103,
 56.26 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

56.27 (b) A state rail safety inspector ~~shall~~ may inspect mainline track, secondary
 56.28 track, and yard and industry track; inspect railroad right-of-way, including adjacent or
 56.29 intersecting drainage, culverts, bridges, overhead structures, and traffic and other public
 56.30 crossings; inspect yards and physical plants; inspect train equipment; review and enforce
 56.31 safety requirements; review maintenance and repair records; and review railroad security
 56.32 measures.

56.33 (c) A state rail safety inspector may perform, but is not limited to, the duties
 56.34 described in the federal State Rail Safety Participation Program. An inspector may train,

57.1 be certified, and participate in any of the federal State Rail Safety Participation Program
 57.2 disciplines, including: track, signal and train control, motive power and equipment,
 57.3 operating practices compliance, hazardous materials, and highway-rail grade crossings.

57.4 (d) To the extent delegated by the Federal Railroad Administration and authorized
 57.5 by the commissioner, an inspector may issue citations for violations of this chapter, or to
 57.6 ensure railroad employee and public safety and welfare.

57.7 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided
 57.8 in this subdivision, the commissioner shall annually assess railroad companies that are
 57.9 (1) defined as common carriers under section 218.011; (2) classified by federal law
 57.10 or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II
 57.11 Carriers; and (3) operating in this state.

57.12 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail
 57.13 ~~safety inspector inspection~~ program costs in equal proportion between proportionally
 57.14 among carriers based on route miles operated in Minnesota, assessed in equal amounts
 57.15 for 365 days of the calendar year at the time of assessment. The commissioner shall
 57.16 assess include in the assessment calculation all program or additional position start-up
 57.17 or re-establishment costs; all related costs of ~~initiating~~ the state rail safety ~~inspector~~
 57.18 inspection program, including but not limited to inspection, administration, supervision,
 57.19 travel, equipment, and training; and costs of ongoing state rail inspector duties.

57.20 (c) The assessments collected under this subdivision must be deposited in a ~~special~~
 57.21 ~~account in the special revenue fund, to be known as the~~ state rail safety inspection account,
 57.22 which is established in the special revenue fund. The account consists of funds as provided
 57.23 by this subdivision, and any other money donated, allotted, transferred, or otherwise
 57.24 provided to the account. Money in the account is appropriated to the commissioner for
 57.25 the establishment and ongoing responsibilities of the state rail safety ~~inspector~~ inspection
 57.26 program.

57.27 Subd. 3. **Work site safety coaching program.** The commissioner may exempt a
 57.28 common carrier not federally classified as Class I from violations for a period of up to
 57.29 two years if the common carrier applies for participation in a work site safety coaching
 57.30 program, such as the "MNSharp" program administered by the Minnesota Department of
 57.31 Labor and Industry, and the commissioner determines such participation to be preferred
 57.32 enforcement for safety or security violations.

57.33 Subd. 4. **Appeal.** Any person aggrieved by an assessment levied under this section
 57.34 may appeal within 90 days any assessment, violation, or administrative penalty to the
 57.35 Office of Administrative Hearings, with further appeal and review by the district court.

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

58.1 Sec. 7. **INTERSTATE 94 WIRE ROPE SAFETY BARRIERS.**

58.2 The commissioner of transportation must install wire rope safety barriers or another
58.3 equivalent safety device along the center median of the segment of marked Interstate
58.4 Highway 94 between Huron Boulevard and Cretin Avenue that does not currently have a
58.5 concrete median, wire rope safety barrier, or other equivalent safety device installed.

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

58.7 Sec. 8. **TRANSPARENT NOISE BARRIER.**

58.8 The commissioner of transportation must include transparent panels as part of noise
58.9 barrier construction in the area of the interchange at marked Interstate Highway 694 and
58.10 marked Interstate Highway 35E.

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

58.12 Sec. 9. **CORRIDORS OF COMMERCE PROJECT SELECTION.**

58.13 Notwithstanding the requirements of Minnesota Statutes, section 161.088,
58.14 subdivisions 3 to 5, the commissioner of transportation must include that segment of
58.15 marked U.S. Highway 212 from Chaska to Montevideo as an eligible highway in the
58.16 next project solicitation and selection process undertaken for the corridors of commerce
58.17 program under that section.

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

58.19 Sec. 10. **INTERSTATE 94/694/494 INTERCHANGE SAFETY IMPROVEMENT**
58.20 **STUDY.**

58.21 The commissioner of transportation must conduct a safety improvement study for
58.22 the interchange of signed Interstate Highways 94, 694, and 494 in the cities of Woodbury
58.23 and Oakdale. At a minimum, the study must provide specific recommendations to
58.24 improve the safety of the interchange and include cost estimates for each recommended
58.25 improvement. The commissioner must report the findings and recommendations of the
58.26 study to the legislative committees having jurisdiction over transportation policy and
58.27 finance within 180 days after the effective date of this section.

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

59.1 **ARTICLE 3**

59.2 **MISCELLANEOUS**

59.3 Section 1. Minnesota Statutes 2015 Supplement, section 16A.967, is amended to read:

59.4 **16A.967 LEWIS AND CLARK APPROPRIATION BONDS.**

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

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

59.9 (1) money appropriated by law from the general fund in any biennium for debt
59.10 service due with respect to obligations described in ~~subdivision 2, paragraph (e)~~
59.11 subdivisions 2a and 2b;

59.12 (2) proceeds of the sale of obligations described in ~~subdivision 2, paragraph (e)~~
59.13 subdivisions 2a and 2b;

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

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

59.17 (c) "Debt service" means the amount payable in any biennium of principal, premium,
59.18 if any, and interest on appropriation bonds.

59.19 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations
59.20 of this subdivision, the commissioner may sell and issue appropriation bonds of the state
59.21 under this section for public purposes as provided by law, ~~including, in particular, the~~
59.22 ~~financing of the land acquisition, design, engineering, and construction of facilities and~~
59.23 ~~infrastructure necessary to complete the next phase of the Lewis and Clark Regional Water~~
59.24 ~~System project, including completion of the pipeline to Magnolia, extension of the project~~
59.25 ~~to the Lincoln-Pipestone Rural Water System connection near Adrian, and engineering,~~
59.26 ~~design, and easement acquisition for the final phase of the project to Worthington. No~~
59.27 ~~bonds shall be sold until the commissioner determines that a nonstate match of at least~~
59.28 ~~\$9,000,000 is committed to this project phase.~~ Grant agreements entered into under this
59.29 section must provide for reimbursement to the state from any federal money provided for
59.30 the project, consistent with the Lewis and Clark Regional Water System, Inc., agreement.

59.31 (b) The appropriation bonds may be issued and sold only after the commissioner
59.32 determines that the construction and administration for work done on the project will
59.33 comply with (1) all federal requirements and regulations associated with the Lewis and
59.34 Clark Rural Water System Act of 2000, and (2) the cooperative agreement between the
59.35 United States Department of the Interior and the Lewis and Clark Regional Water System,

60.1 Inc. Proceeds of the appropriation bonds must be credited to a special appropriation Lewis
60.2 and Clark bond proceeds fund in the state treasury. All income from investment of the
60.3 bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for
60.4 the payment of principal and interest on the appropriation bonds.

60.5 ~~(e) Appropriation bonds may be sold and issued in amounts that, in the opinion of~~
60.6 ~~the commissioner, are necessary to provide sufficient money, not to exceed \$19,000,000~~
60.7 ~~net of costs of issuance, for the purposes as provided under paragraph (a), and pay debt~~
60.8 ~~service including capitalized interest, costs of issuance, costs of credit enhancement, or~~
60.9 ~~make payments under other agreements entered into under paragraph (e).~~

60.10 ~~(d)~~ (c) Appropriation bonds may be issued in one or more issues or series on the
60.11 terms and conditions the commissioner determines to be in the best interests of the
60.12 state, but the term on any series of appropriation bonds may not exceed 25 years. The
60.13 appropriation bonds of each issue and series thereof shall be dated and bear interest,
60.14 and may be includable in or excludable from the gross income of the owners for federal
60.15 income tax purposes.

60.16 ~~(e)~~ (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at
60.17 any time thereafter, so long as the appropriation bonds are outstanding, the commissioner
60.18 may enter into agreements and ancillary arrangements relating to the appropriation bonds,
60.19 including but not limited to trust indentures, grant agreements, lease or use agreements,
60.20 operating agreements, management agreements, liquidity facilities, remarketing or
60.21 dealer agreements, letter of credit agreements, insurance policies, guaranty agreements,
60.22 reimbursement agreements, indexing agreements, or interest exchange agreements. Any
60.23 payments made or received according to the agreement or ancillary arrangement shall be
60.24 made from or deposited as provided in the agreement or ancillary arrangement. The
60.25 determination of the commissioner included in an interest exchange agreement that the
60.26 agreement relates to an appropriation bond shall be conclusive.

60.27 ~~(f)~~ (e) The commissioner may enter into written agreements or contracts relating
60.28 to the continuing disclosure of information necessary to comply with or facilitate the
60.29 issuance of appropriation bonds in accordance with federal securities laws, rules, and
60.30 regulations, including Securities and Exchange Commission rules and regulations in Code
60.31 of Federal Regulations, title 17, section 240.15c 2-12. An agreement may be in the form
60.32 of covenants with purchasers and holders of appropriation bonds set forth in the order or
60.33 resolution authorizing the issuance of the appropriation bonds, or a separate document
60.34 authorized by the order or resolution.

60.35 ~~(g)~~ (f) The appropriation bonds are not subject to chapter 16C.

61.1 Subd. 2a. **Project authorization.** Appropriation bonds may be sold and issued in
61.2 amounts that, in the opinion of the commissioner, are necessary to provide sufficient
61.3 money to the Public Facilities Authority under subdivision 7, paragraph (a), not to exceed
61.4 \$19,000,000 net of costs of issuance, for the purposes as provided under this subdivision,
61.5 and pay debt service including capitalized interest, costs of issuance, costs of credit
61.6 enhancement, or make payments under other agreements entered into under subdivision 2,
61.7 paragraph (d). The bonds authorized by this subdivision are for the purposes of financing
61.8 the land acquisition, design, engineering, and construction of facilities and infrastructure
61.9 necessary to complete Phase 2 of the Lewis and Clark Regional Water System project,
61.10 including completion of the pipeline to Magnolia; extension of the project to the
61.11 Lincoln-Pipestone Rural Water System connection near Adrian; and engineering, design,
61.12 and easement acquisition for the final phase of the project to Worthington. No bonds shall
61.13 be sold under this subdivision until the commissioner determines that a nonstate match of
61.14 at least \$9,000,000 is committed to this project phase. Upon completion of Phase 2, the
61.15 unspent unencumbered portion of the appropriation in this subdivision is available for
61.16 the purposes of subdivision 2b.

61.17 Subd. 2b. **Additional project authorization.** Appropriation bonds may be sold
61.18 and issued in amounts that, in the opinion of the commissioner, are necessary to provide
61.19 sufficient money to the Public Facilities Authority under subdivision 7, paragraph (b),
61.20 not to exceed \$11,500,000 net of costs of issuance, for the purposes as provided under
61.21 this subdivision, and pay debt service including capitalized interest, costs of issuance,
61.22 costs of credit enhancement, or make payments under other agreements entered into
61.23 under subdivision 2, paragraph (d). The bonds authorized by this subdivision are for
61.24 the purposes of financing the land acquisition, design, engineering, and construction of
61.25 facilities and infrastructure necessary to complete Phase 3 of the Lewis and Clark Regional
61.26 Water System project, including extension of the project from the Lincoln-Pipestone
61.27 Rural Water System connection near Adrian to Worthington, construction of a reservoir
61.28 in Nobles County and a meter building in Worthington, and acquisition and installation
61.29 of a supervisory control and data acquisition (SCADA) system. No bonds shall be sold
61.30 under this subdivision until the commissioner determines that a nonstate match of at least
61.31 \$9,000,000 is committed to the final phase of the project.

61.32 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form
61.33 of bonds, notes, or other similar instruments, and in the manner provided in section
61.34 16A.672. In the event that any provision of section 16A.672 conflicts with this section,
61.35 this section shall control.

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

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

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

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

62.9 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds
62.10 for the purpose of refunding any appropriation bonds then outstanding, including the
62.11 payment of any redemption premiums on the bonds, any interest accrued or to accrue to
62.12 the redemption date, and costs related to the issuance and sale of the refunding bonds. The
62.13 proceeds of any refunding bonds may, in the discretion of the commissioner, be applied
62.14 to the purchase or payment at maturity of the appropriation bonds to be refunded, to the
62.15 redemption of the outstanding appropriation bonds on any redemption date, or to pay
62.16 interest on the refunding bonds and may, pending application, be placed in escrow to be
62.17 applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds,
62.18 pending such use, may be invested and reinvested in obligations that are authorized
62.19 investments under section 11A.24. The income earned or realized on the investment may
62.20 also be applied to the payment of the appropriation bonds to be refunded or interest or
62.21 premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds.
62.22 After the terms of the escrow have been fully satisfied, any balance of the proceeds and
62.23 any investment income may be returned to the general fund or, if applicable, the special
62.24 appropriation Lewis and Clark bond proceeds fund for use in any lawful manner. All
62.25 refunding bonds issued under this subdivision must be prepared, executed, delivered, and
62.26 secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

63.1 Subd. 6. **No full faith and credit; state not required to make appropriations.** The
63.2 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
63.3 powers of the state are not pledged to the payment of the appropriation bonds or to any
63.4 payment that the state agrees to make under this section. Appropriation bonds shall not be
63.5 obligations paid directly, in whole or in part, from a tax of statewide application on any
63.6 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
63.7 in each fiscal year only from amounts that the legislature may appropriate for debt service
63.8 for any fiscal year, provided that nothing in this section shall be construed to require the
63.9 state to appropriate money sufficient to make debt service payments with respect to the
63.10 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall
63.11 no longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
63.12 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
63.13 of final payment of the principal of and interest on the appropriation bonds.

63.14 Subd. 7. **Appropriation of proceeds.** (a) The proceeds of appropriation bonds
63.15 issued under subdivision 2a and interest credited to the special appropriation Lewis and
63.16 Clark bond proceeds fund are appropriated as follows:

63.17 (1) to the ~~commissioner~~ Public Facilities Authority for a grant to the Lewis and
63.18 Clark Joint Powers Board for payment of capital expenses for the purposes provided by as
63.19 specified in subdivision 2, ~~paragraph (a), 2a;~~ and

63.20 (2) to the commissioner for debt service on the bonds including capitalized interest,
63.21 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds and
63.22 payments under any agreements entered into under subdivision 2, paragraph ~~(e)~~ (d), each
63.23 as permitted by state and federal law, ~~and such proceeds may be granted, loaned, or~~
63.24 otherwise provided for the public purposes provided by subdivision 2, paragraph (a).

63.25 (b) The proceeds of appropriation bonds issued under subdivision 2b and interest
63.26 credited to the special appropriation Lewis and Clark bond proceeds fund are appropriated
63.27 as follows:

63.28 (1) to the Public Facilities Authority for a grant to the Lewis and Clark Joint Powers
63.29 Board for payment of capital expenses as specified in subdivision 2b; and

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

63.34 Subd. 8. **Appropriation for debt service and other purposes.** (a) An amount, up
63.35 to \$1,351,000 needed to pay principal and interest on appropriation bonds issued under
63.36 ~~this section~~ subdivision 2a is appropriated each fiscal year from the general fund to the

64.1 commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 64.2 otherwise pursuant to subdivision 6, for deposit into the bond payments account established
 64.3 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 64.4 appropriation is available beginning in fiscal year 2017 and through fiscal year 2038.

64.5 (b) An amount up to \$855,000 needed to pay principal and interest on appropriation
 64.6 bonds issued under subdivision 2b is appropriated each fiscal year from the general fund to
 64.7 the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 64.8 otherwise pursuant to subdivision 6, for deposit into the bond payments account established
 64.9 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 64.10 appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.

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

64.14 Sec. 2. Minnesota Statutes 2014, section 85.34, subdivision 1, is amended to read:

64.15 Subdivision 1. **Upper bluff; lease terms.** The commissioner of natural resources
 64.16 with the approval of the Executive Council may lease for purposes of restoration,
 64.17 preservation, historical, recreational, educational, and commercial use and development,
 64.18 that portion of Fort Snelling State Park known as the upper bluff consisting of officer's
 64.19 row, area J, the polo grounds, the adjacent golf course, and all buildings and improvements
 64.20 located thereon, all lying within an area bounded by Minneapolis-St. Paul International
 64.21 Airport, Trunk Highways numbered 5 and 55, and Bloomington Road. The lease or leases
 64.22 shall be in a form approved by the attorney general and for a term of not to exceed 99
 64.23 years. The lease or leases may provide for the provision of capital improvements or other
 64.24 performance by the tenant or tenants in lieu of all or some of the payments of rent that
 64.25 would otherwise be required. Notwithstanding the continuing ownership of the upper bluff
 64.26 by the state, any lease of one or more buildings improved with state general obligation
 64.27 bond proceeds that exceeds 50 years shall be treated as a sale of the buildings for purposes
 64.28 of section 16A.695, subdivision 3. Any disposition proceeds payable to the commissioner
 64.29 upon execution of any lease relating to state bond financed buildings at the upper bluff
 64.30 shall be applied in accordance with the requirements of section 16A.695, subdivision 3,
 64.31 and used to pay, redeem, or defease state general obligation bonds issued for purposes of
 64.32 improving those buildings. Any lease revenues paid to the commissioner subsequent to
 64.33 the payment, redemption, or defeasance of state general obligation bonds shall be used
 64.34 by the commissioner as further described in this section.

65.1 Sec. 3. Minnesota Statutes 2014, section 116J.431, subdivision 1, is amended to read:

65.2 Subdivision 1. **Grant program established; purpose.** (a) The commissioner shall
65.3 make grants to counties or cities to provide up to 50 percent of the capital costs of public
65.4 infrastructure necessary for an eligible economic development project. The county or city
65.5 receiving a grant must provide for the remainder of the costs of the project, either in cash
65.6 or in kind. In-kind contributions may include the value of site preparation other than the
65.7 public infrastructure needed for the project.

65.8 (b) The purpose of the grants made under this section is to keep or enhance jobs in
65.9 the area, increase the tax base, or to expand or create new economic development.

65.10 (c) In awarding grants under this section, the commissioner must adhere to the
65.11 criteria under subdivision 4.

65.12 (d) If the commissioner awards a grant for less than 50 percent of the project, the
65.13 commissioner shall provide the applicant and the chairs and ranking minority members
65.14 of the senate and house of representatives committees with jurisdiction over economic
65.15 development finance a written explanation of the reason less than 50 percent of the capital
65.16 costs were awarded in the grant.

65.17 Sec. 4. Minnesota Statutes 2014, section 116J.431, subdivision 6, is amended to read:

65.18 Subd. 6. **Maximum grant amount.** A county or city may receive no more than
65.19 ~~\$1,000,000~~ \$2,000,000 in two years for one or more projects.

65.20 Sec. 5. Minnesota Statutes 2014, section 174.52, subdivision 2, is amended to read:

65.21 Subd. 2. ~~Trunk highway corridor projects~~ **Local cost-share assistance account.**
65.22 A ~~trunk highway corridor projects~~ local cost-share assistance account is established in
65.23 the local road improvement fund. Money in the account is annually appropriated to the
65.24 commissioner of transportation for expenditure as specified in this section. Money in the
65.25 account must be used as grants or loans to statutory or home rule charter cities, towns, and
65.26 counties to assist in paying the local share of trunk highway projects that have local costs
65.27 that are directly or partially related to the trunk highway improvement and that are not
65.28 funded or are only partially funded with other state and federal funds. ~~The commissioner~~
65.29 ~~shall determine the amount of the local share of costs eligible for assistance from the~~
65.30 ~~account.~~

65.31 Sec. 6. **[219.016] HAZARDOUS MATERIALS RAIL SAFETY ACCOUNT AND**
65.32 **GRANT PROGRAM.**

66.1 Subdivision 1. **Purpose.** A hazardous materials rail safety program is established for
 66.2 the purpose of reducing the risks associated with transporting hazardous material by rail.

66.3 Subd. 2. **Creation of account.** A hazardous materials rail safety program account is
 66.4 established in the bond proceeds fund. Money in the account may only be used for capital
 66.5 costs associated with planning, engineering, administration, and construction of public
 66.6 highway-rail grade crossing improvements on rail corridors transporting crude oil and
 66.7 other hazardous materials. Improvements may include upgrades to existing protection
 66.8 systems, the closing of crossings and necessary roadwork, and reconstruction of at-grade
 66.9 crossings to full grade separations.

66.10 Subd. 3. **Grants.** The commissioner may approve grants for financial assistance to
 66.11 eligible applicants for capital costs associated with hazardous materials rail safety projects
 66.12 on public highway-rail grade crossings. Qualifying capital costs include, but are not
 66.13 limited to, upgrades to existing protection systems, the closing of crossings and necessary
 66.14 roadwork, and reconstruction of at-grade crossings to full grade separations.

66.15 Subd. 4. **Eligible applicants.** Counties, statutory or home rule charter cities, or
 66.16 towns that are responsible for establishing and maintaining public highway-rail grade
 66.17 crossings on rail corridors transporting crude oil and other hazardous materials may apply
 66.18 to the commissioner for financial assistance for the purposes in this section.

66.19 Subd. 5. **Criteria for grant award.** The commissioner shall consider the following
 66.20 criteria to evaluate applications for a grant award for a hazardous materials rail safety
 66.21 project:

66.22 (1) whether the crossing was identified as a potential candidate for grade separation
 66.23 in MnDOT's crude by rail grade crossing study (Improvements to Highway Grade
 66.24 Crossings and Rail Safety, December 2014);

66.25 (2) roadway traffic volumes and speeds;

66.26 (3) train volumes and speeds;

66.27 (4) adjacent land use;

66.28 (5) crash history;

66.29 (6) use of the crossing by emergency vehicles;

66.30 (7) use of the crossing by vehicles carrying hazardous materials;

66.31 (8) local financial contributions to the project; and

66.32 (9) private financial contributions to the project.

66.33 Sec. 7. Minnesota Statutes 2014, section 446A.072, is amended to read:

66.34 **446A.072 WASTEWATER WATER INFRASTRUCTURE FUNDING**
 66.35 **PROGRAM.**

67.1 Subdivision 1. **Establishment of program.** The authority will establish a
67.2 ~~wastewater~~ water infrastructure funding program to provide supplemental assistance to
67.3 governmental units receiving funding through the clean water revolving fund program, the
67.4 drinking water revolving fund program, or the United States Department of Agriculture
67.5 Rural Economic and Community Development's (USDA/RECD) Water and Waste
67.6 Disposal Loans and Grants program for the predesign, design, and construction of
67.7 municipal wastewater ~~treatment~~ and drinking water systems, including purchase of land
67.8 and easements. The purpose of the program is to assist governmental units demonstrating
67.9 financial need to build cost-effective projects to address existing environmental or public
67.10 health problems. To implement the program, the authority shall establish a ~~wastewater~~
67.11 water infrastructure fund to provide grants ~~and loans~~ for the purposes authorized under
67.12 title VI of the Federal Water Pollution Control Act and the federal Safe Drinking Water
67.13 Act. The fund shall be credited with all investment income from the fund and all
67.14 repayments of loans, grants, and penalties.

67.15 Subd. 3. **Program administration.** (a) The authority shall provide supplemental
67.16 assistance, as provided in subdivision 5a to governmental units:

67.17 (1) whose projects are listed on the Pollution Control Agency's project priority list or
67.18 the commissioner of health's project priority list;

67.19 (2) that demonstrate their projects are a cost-effective solution to an existing
67.20 environmental or public health problem; and

67.21 (3) whose projects are approved by the USDA/RECD or certified by the
67.22 commissioner of the Pollution Control Agency or the commissioner of health.

67.23 (b) For a governmental unit receiving grant funding from the USDA/RECD,
67.24 applications must be made to the USDA/RECD with additional information submitted to
67.25 the authority as required by the authority. Eligible project costs and affordability criteria
67.26 shall be determined by the USDA/RECD.

67.27 (c) For a governmental unit not receiving grant funding from the USDA/RECD,
67.28 application must be made to the authority on forms prescribed by the authority for the
67.29 clean water revolving fund program or the drinking water revolving fund program with
67.30 additional information as required by the authority. In accordance with section 116.182,
67.31 the Pollution Control Agency or the commissioner of health shall:

67.32 (1) calculate the essential project component percentage based on the portion of
67.33 project costs necessary to convey or treat the existing wastewater flows and loadings or,
67.34 for drinking water projects, to provide safe drinking water to meet existing needs, which
67.35 must be multiplied by the total project cost to determine the eligible project cost for the
67.36 program under this section; and

68.1 (2) review and certify approved projects to the authority.

68.2 (d) Each fiscal year the authority shall make funds available for projects based on
 68.3 their ranking on the Pollution Control Agency's project priority list or the commissioner
 68.4 of health's project priority list. The authority shall reserve funds for a project when
 68.5 the applicant receives a funding commitment from the United States Department of
 68.6 Agriculture Rural Development (USDA/RECD) or ~~submits plans and specifications to~~
 68.7 the project is certified by the Pollution Control Agency or the commissioner of health.
 68.8 Funds must be reserved in an amount based on the project cost estimate submitted to the
 68.9 authority ~~prior to the appropriation of the funds and awarded based on the lesser of that~~
 68.10 ~~amount or the as-bid cost~~ when the project is certified or the as-bid cost, whichever is less.

68.11 Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving
 68.12 grant funding from the USDA/RECD, the authority may provide assistance in the form
 68.13 of a grant of up to 65 percent of the eligible grant need determined by USDA/RECD. A
 68.14 governmental unit may not receive a grant under this paragraph for more than ~~\$4,000,000~~
 68.15 \$5,000,000 per project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less,
 68.16 unless specifically approved by law.

68.17 (b) For a governmental unit receiving a loan from the clean water revolving fund
 68.18 under section 446A.07, the authority may provide assistance under this section in the form
 68.19 of a grant if the average annual residential wastewater system cost after completion of the
 68.20 project would otherwise exceed 1.4 percent of the median household income of the project
 68.21 service area. In determining whether the average annual residential wastewater system
 68.22 cost would exceed 1.4 percent, the authority must consider the total costs associated with
 68.23 building, operating, and maintaining the wastewater system, including existing wastewater
 68.24 debt service, debt service on the eligible project cost, and operation and maintenance
 68.25 costs. Debt service costs for the proposed project are calculated based on the maximum
 68.26 loan term permitted for the clean water revolving fund loan under section 446A.07,
 68.27 subdivision 7. The amount of the grant is equal to 80 percent of the amount needed to
 68.28 reduce the average annual residential wastewater system cost to 1.4 percent of median
 68.29 household income in the project service area, to a maximum of ~~\$4,000,000~~ \$5,000,000 per
 68.30 project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less, unless specifically
 68.31 approved by law. The eligible project cost is determined by multiplying the total project
 68.32 costs minus any other grants by the essential project component percentage calculated
 68.33 under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant
 68.34 exceed 80 percent of the eligible project cost.

68.35 (c) For a governmental unit receiving a loan from the drinking water revolving
 68.36 fund under section 446A.081, the authority may provide assistance under this section in

69.1 the form of a grant if the average annual residential drinking water system cost after
 69.2 completion of the project would otherwise exceed 1.2 percent of the median household
 69.3 income of the project service area. In determining whether the average annual residential
 69.4 drinking water system cost would exceed 1.2 percent, the authority must consider the total
 69.5 costs associated with building, operating, and maintaining the drinking water system,
 69.6 including existing drinking water debt service, debt service on the eligible project cost,
 69.7 and operation and maintenance costs. Debt service costs for the proposed project are
 69.8 calculated based on the maximum loan term permitted for the drinking water revolving
 69.9 fund loan under section 446A.081, subdivision 8, paragraph (c). The amount of the grant
 69.10 is equal to 80 percent of the amount needed to reduce the average annual residential
 69.11 drinking water system cost to 1.2 percent of median household income in the project
 69.12 service area, to a maximum of \$5,000,000 per project or \$20,000 per existing connection,
 69.13 whichever is less, unless specifically approved by law. The eligible project cost is
 69.14 determined by multiplying the total project costs minus any other grants by the essential
 69.15 project component percentage calculated under subdivision 3, paragraph (c), clause (1). In
 69.16 no case may the amount of the grant exceed 80 percent of the eligible project cost.

69.17 ~~(e)~~ (d) Notwithstanding the limits in paragraphs (a) ~~and~~ (b), and (c), for a
 69.18 governmental unit receiving supplemental assistance under this section after January 1,
 69.19 2002, if the authority determines that the governmental unit's construction and installation
 69.20 costs are significantly increased due to geological conditions of crystalline bedrock or karst
 69.21 areas and discharge limits that are more stringent than secondary treatment, the maximum
 69.22 award under this section shall not be more than \$25,000 per existing connection.

69.23 ~~Subd. 5b. **Special assessment deferral.** A governmental unit receiving a loan~~
 69.24 ~~under subdivision 5a that levies special assessments to repay the loan under subdivision~~
 69.25 ~~5a or section 446A.07 may defer payment of such assessments under the provisions of~~
 69.26 ~~sections 435.193 to 435.195.~~

69.27 ~~Subd. 6. **Disbursements.** Disbursements of grants or loans awarded under this~~
 69.28 ~~section by the authority to recipients must be made for eligible project costs as incurred by~~
 69.29 ~~the recipients, and must be made by the authority in accordance with the project financing~~
 69.30 ~~agreement and applicable state and federal laws and rules governing the payments.~~

69.31 ~~Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section~~
 69.32 ~~475.54, subdivision 1, this subdivision shall govern the maturities and mandatory sinking~~
 69.33 ~~fund redemptions of the loans under this section. A governmental unit receiving a loan~~
 69.34 ~~under this section shall repay the loan in semiannual payment amounts determined by~~
 69.35 ~~the authority. The payment amount must be based on the average payments on the~~
 69.36 ~~governmental unit's clean water revolving fund loan or, if greater, the minimum amount~~

70.1 ~~required to fully repay the loan by the maturity date. Payments must begin within one year~~
70.2 ~~of the date of the governmental unit's final payment on the clean water revolving fund~~
70.3 ~~loan. The final maturity date of the loan under this section must be no later than 20 years~~
70.4 ~~from the date of the first payment on the loan under this section and no later than 40 years~~
70.5 ~~from the date of the first payment on the clean water revolving fund loan.~~

70.6 Subd. 8. **Eligibility.** A governmental unit is eligible for assistance under this section
70.7 only after applying for grant funding from other sources and funding has been obtained,
70.8 rejected, or the authority has determined that the potential funding is unlikely.

70.9 Subd. 9. **Funding limitation.** Supplemental assistance may not be used to reduce
70.10 the sewer service charges of a significant ~~wastewater contributor~~ industrial user that has a
70.11 separate service charge agreement with the recipient, or a single user that has caused the
70.12 need for the project or whose current or projected ~~flow and load exceed~~ usage exceeds
70.13 one-half of the current wastewater ~~treatment plant's~~ or drinking water system capacity.

70.14 Subd. 11. **Report on needs.** By February 1 of each even-numbered year, the
70.15 authority, in conjunction with the Pollution Control Agency and the commissioner of
70.16 health, shall prepare a report to the Finance Division of the senate Environment and
70.17 Natural Resources Committee and the house of representatives Environment and Natural
70.18 Resources Finance Committee on wastewater and drinking water funding assistance needs
70.19 of governmental units under this section.

70.20 Subd. 12. **System replacement fund.** Each governmental unit receiving a ~~loan or~~
70.21 grant under this section shall establish a system replacement fund and shall annually
70.22 deposit a minimum of \$.50 per 1,000 gallons of flow for major rehabilitation ~~or~~ expansion,
70.23 or replacement of the treatment wastewater or drinking water system, ~~or replacement of~~
70.24 ~~the treatment system at the end of its useful life.~~ Money must remain in the account for the
70.25 life of the corresponding project loan from the authority or USDA/RECD, unless use of
70.26 the fund is approved in writing by the authority for major rehabilitation, expansion, or
70.27 replacement of the ~~treatment~~ wastewater or drinking water system. By March 1 each year
70.28 during the life of the loan, each recipient shall submit a report to the authority regarding
70.29 the amount deposited and the fund balance for the prior calendar year. A recipient is not
70.30 required to maintain a fund balance greater than the amount of the grant received. Failure
70.31 to comply with the requirements of this subdivision shall result in the authority assessing a
70.32 penalty fee to the recipient equal to one percent of the supplemental assistance amount for
70.33 each year of noncompliance. ~~Failure to make the required deposit or pay the penalty fee as~~
70.34 ~~required constitutes a default on the loan.~~

71.1 Subd. 14. **Consistency with land use plans.** A governmental unit applying for a
 71.2 project in an unsewered area shall include in its application to the authority a certification
 71.3 from the county in which the project is located that:

71.4 (1) the project is consistent with the county comprehensive land use plan, if the
 71.5 county has adopted one;

71.6 (2) the project is consistent with the county water plan, if the county has adopted
 71.7 one; and

71.8 (3) the county has adopted specific land use ordinances or controls so as to meet or
 71.9 exceed the requirements of Minnesota Rules, part 7080.0305.

71.10 Sec. 8. Minnesota Statutes 2014, section 446A.073, as amended by Laws 2015, First
 71.11 Special Session chapter 4, article 4, sections 127, 128, and 129, is amended to read:

71.12 **446A.073 POINT SOURCE IMPLEMENTATION GRANTS.**

71.13 Subdivision 1. **Program established.** When money is appropriated for grants
 71.14 under this program, the authority shall award grants up to a maximum of ~~\$3,000,000~~
 71.15 \$7,000,000 to governmental units to cover ~~up to one-half~~ 80 percent of the cost of water
 71.16 infrastructure projects made necessary by:

71.17 (1) a wasteload reduction prescribed under a total maximum daily load plan required
 71.18 by section 303(d) of the federal Clean Water Act, United States Code, title 33, section
 71.19 1313(d);

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

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

71.26 (4) a total nitrogen concentration or mass limit of that requires discharging ten
 71.27 milligrams per liter or less ~~for a land-based treatment system~~ at permitted design flow.

71.28 Subd. 2. **Grant application.** Application for a grant must be made to the authority
 71.29 on forms prescribed by the authority ~~for the total maximum daily load grant program, with~~
 71.30 ~~additional information as required by the authority, including a project schedule and cost~~
 71.31 ~~estimate for the work necessary to comply with the point source wasteload allocation~~
 71.32 requirements listed in subdivision 1. The Pollution Control Agency shall:

71.33 (1) ~~in accordance with section 116.182, calculate the essential project component~~
 71.34 ~~percentage, which must be multiplied by the total project cost to determine the eligible~~
 71.35 ~~project cost; and~~

72.1 (2) review and certify to the authority those projects that have plans and
 72.2 specifications approved under section 115.03, subdivision 1, paragraph (f).

72.3 Subd. 3. **Project priorities.** ~~When money is appropriated for grants under this~~
 72.4 ~~program,~~ The authority shall accept applications under this program during the month of
 72.5 July and reserve money for projects expected to proceed with construction by the end of
 72.6 the fiscal year in the order listed on the Pollution Control Agency's project priority list and
 72.7 in an amount based on the cost estimate submitted to the authority in the grant application
 72.8 or the as-bid costs, whichever is less. Notwithstanding Minnesota Rules, chapter 7077,
 72.9 the Pollution Control Agency may rank a drinking water infrastructure project on the
 72.10 agency's project priority list if the project is necessary to meet an applicable requirement
 72.11 in subdivision 1.

72.12 Subd. 4. **Grant approval.** The authority must make a grant for an eligible project
 72.13 only after:

72.14 (1) the applicant has submitted the as-bid cost for the water infrastructure project;

72.15 (2) the Pollution Control Agency has approved the as-bid costs and certified the
 72.16 grant eligible portion of the project; and

72.17 (3) the authority has determined that the additional financing necessary to complete
 72.18 the project has been committed from other sources.

72.19 Subd. 5. **Grant disbursement.** Disbursement of a grant must be made for eligible
 72.20 project costs as incurred by the governmental unit and in accordance with a project
 72.21 financing agreement and applicable state and federal laws and rules governing the
 72.22 payments.

72.23 Sec. 9. Minnesota Statutes 2014, section 446A.081, subdivision 9, is amended to read:

72.24 Subd. 9. **Other uses of fund.** (a) The drinking water revolving loan fund may be
 72.25 used as provided in the act, including the following uses:

72.26 (1) to buy or refinance the debt obligations, at or below market rates, of public water
 72.27 systems for drinking water systems, where the debt was incurred after the date of enactment
 72.28 of the act, for the purposes of construction of the necessary improvements to comply with
 72.29 the national primary drinking water regulations under the federal Safe Drinking Water Act;

72.30 (2) to purchase or guarantee insurance for local obligations to improve credit market
 72.31 access or reduce interest rates;

72.32 (3) to provide a source of revenue or security for the payment of principal and
 72.33 interest on revenue or general obligation bonds issued by the authority if the bond
 72.34 proceeds are deposited in the fund;

73.1 (4) to provide loans or loan guarantees for similar revolving funds established by a
73.2 governmental unit or state agency;

73.3 (5) to earn interest on fund accounts;

73.4 (6) to pay the reasonable costs incurred by the authority, the Department of
73.5 Employment and Economic Development, and the Department of Health for conducting
73.6 activities as authorized and required under the act up to the limits authorized under the act;

73.7 (7) to develop and administer programs for water system supervision, source water
73.8 protection, and related programs required under the act;

73.9 (8) notwithstanding Minnesota Rules, part 7380.0280, to provide principal
73.10 forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act
73.11 and other federal law, based on the criteria and requirements established for drinking
73.12 water projects under the water infrastructure funding program under section 446A.072;

73.13 (9) to provide loans, principal forgiveness or grants to the extent permitted under the
73.14 federal Safe Drinking Water Act and other federal law to address green infrastructure, water
73.15 or energy efficiency improvements, or other environmentally innovative activities; and

73.16 (10) to provide principal forgiveness, or grants for 50 percent of the project cost up
73.17 to a maximum of \$10,000 for projects needed to comply with national primary drinking
73.18 water standards for an existing community or noncommunity public water system.

73.19 ~~(b) Principal forgiveness or grants under paragraph (a), clause (8), must only be~~
73.20 ~~provided if the average annual residential drinking water system cost after completion of~~
73.21 ~~the project would otherwise exceed 1.2 percent of the median household income in the~~
73.22 ~~project service area. In determining whether the average annual residential drinking~~
73.23 ~~water system cost would exceed 1.2 percent, the authority must consider the total costs~~
73.24 ~~associated with building, operating, and maintaining the drinking water system, including~~
73.25 ~~debt service and operation and maintenance costs. Debt service costs for the proposed~~
73.26 ~~project must be calculated based on the maximum loan term permitted for the drinking~~
73.27 ~~water revolving fund loan under this section. The amount of the principal forgiveness or~~
73.28 ~~grant must be equal to 80 percent of the amount needed to reduce the average annual~~
73.29 ~~residential drinking water system cost to 1.2 percent of median household income in the~~
73.30 ~~project service area, to a maximum of \$4,000,000 or \$15,000 per connection, whichever is~~
73.31 ~~less, and not to exceed 80 percent of the total project cost.~~

73.32 (e) (b) Principal forgiveness or grants provided under paragraph (a), clause (9), may
73.33 not exceed 25 percent of the eligible project costs as determined by the Department of
73.34 Health for project components directly related to green infrastructure, water or energy
73.35 efficiency improvements, or other environmentally innovative activities, up to a maximum
73.36 of \$1,000,000.

74.1 ~~(d) The authority may reduce the percentage of median household income at which a~~
74.2 ~~loan term could extend to 30 years under subdivision 8, paragraph (c), and at which~~
74.3 ~~principal forgiveness or grants could be provided under paragraph (b) if it determines that~~
74.4 ~~the federal money allotted to the state cannot be fully utilized without the reduction. If it~~
74.5 ~~determines that the reduction is necessary to fully utilize the federal money, the authority~~
74.6 ~~must effect the change through its approval of the annual intended use plan.~~

74.7 Sec. 10. Minnesota Statutes 2014, section 446A.12, subdivision 1, is amended to read:

74.8 Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a
74.9 principal amount that the authority determines necessary to provide sufficient funds for
74.10 achieving its purposes, including the making of loans and purchase of securities, the
74.11 payment of interest on bonds of the authority, the establishment of reserves to secure its
74.12 bonds, the payment of fees to a third party providing credit enhancement, and the payment
74.13 of all other expenditures of the authority incident to and necessary or convenient to carry
74.14 out its corporate purposes and powers, but not including the making of grants. Bonds of
74.15 the authority may be issued as bonds or notes or in any other form authorized by law.
74.16 The principal amount of bonds issued and outstanding under this section at any time
74.17 may not exceed ~~\$1,500,000,000~~ \$2,000,000,000, excluding bonds for which refunding
74.18 bonds or crossover refunding bonds have been issued, and excluding any bonds issued
74.19 for the credit enhanced bond program or refunding or crossover refunding bonds issued
74.20 under the program. The principal amount of bonds issued and outstanding under section
74.21 446A.087, may not exceed \$500,000,000, excluding bonds for which refunding bonds or
74.22 crossover refunding bonds have been issued.

74.23 Sec. 11. Minnesota Statutes 2014, section 462A.37, is amended by adding a
74.24 subdivision to read:

74.25 Subd. 2c. **Additional authorization.** In addition to the amount authorized in
74.26 subdivisions 2, 2a, and 2b, the agency may issue up to \$35,000,000 in housing infrastructure
74.27 bonds in one or more series to which the payments under this section may be pledged.

74.28 Sec. 12. Minnesota Statutes 2015 Supplement, section 462A.37, subdivision 5, is
74.29 amended to read:

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

75.1 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
 75.2 bonds issued under subdivision 2a remain outstanding, the commissioner of management
 75.3 and budget must transfer to the housing infrastructure bond account established under
 75.4 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
 75.5 \$6,400,000 annually. The amounts necessary to make the transfers are appropriated from
 75.6 the general fund to the commissioner of management and budget.

75.7 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
 75.8 bonds issued under subdivision 2b remain outstanding, the commissioner of management
 75.9 and budget must transfer to the housing infrastructure bond account established under
 75.10 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
 75.11 \$800,000 annually. The amounts necessary to make the transfers are appropriated from
 75.12 the general fund to the commissioner of management and budget.

75.13 (d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure
 75.14 bonds issued under subdivision 2c remain outstanding, the commissioner of management
 75.15 and budget must transfer to the housing infrastructure bond account established under
 75.16 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
 75.17 \$2,400,000 annually. The amounts necessary to make the transfers are appropriated from
 75.18 the general fund to the commissioner of management and budget.

75.19 ~~(d)~~ (e) The agency may pledge to the payment of the housing infrastructure bonds
 75.20 the payments to be made by the state under this section.

75.21 Sec. 13. Laws 2002, chapter 393, section 22, subdivision 6, as amended by Laws 2005,
 75.22 chapter 20, article 1, section 43, and Laws 2013, chapter 136, section 10, is amended to
 75.23 read:

75.24 **Subd. 6. Fergus Falls Regional Treatment**
 75.25 **Center** 3,000,000

75.26 To design, renovate, construct, furnish,
 75.27 and equip ancillary support and program
 75.28 facilities, including improvements to basic
 75.29 infrastructure, such as sanitary and storm
 75.30 sewer and water lines, public streets,
 75.31 curb, gutter, street lights, or sidewalks, to
 75.32 make improvements for building envelope
 75.33 and structural integrity for the purposes
 75.34 of stabilizing the buildings for sale, for
 75.35 hazardous materials abatement, and for

76.1 demolition of all or portions of surplus,
 76.2 nonfunctional, or deteriorated facilities
 76.3 and infrastructure or to renovate surplus,
 76.4 nonfunctional, or deteriorated facilities and
 76.5 infrastructure to facilitate the redevelopment
 76.6 of the Fergus Falls Regional Treatment
 76.7 Center campus. If the property is sold or
 76.8 transferred to a local unit of government, the
 76.9 unspent portion of this appropriation may be
 76.10 granted to the local unit of government that
 76.11 acquires the campus for the purposes stated
 76.12 in this subdivision.

76.13 Notwithstanding Minnesota Statutes, section
 76.14 16A.642, the bond sale authorization and
 76.15 appropriation of bond proceeds in this
 76.16 subdivision are available until December 31,
 76.17 ~~2016~~ 2018.

76.18 Sec. 14. Laws 2012, chapter 293, section 7, subdivision 3, is amended to read:

76.19 **Subd. 3. Dam Repair, Reconstruction, and**
 76.20 **Removal** 3,000,000

76.21 To renovate or remove publicly owned dams.
 76.22 The commissioner shall determine project
 76.23 priorities as appropriate under Minnesota
 76.24 Statutes, sections 103G.511 and 103G.515.
 76.25 Notwithstanding the match requirements
 76.26 in Minnesota Statutes, section 103G.511,
 76.27 a grant to the city of Lanesboro does not
 76.28 require any nonstate match.

76.29 Sec. 15. Laws 2014, chapter 294, article 1, section 7, subdivision 15, is amended to read:

76.30 **Subd. 15. Grant County Trail Grant** 100,000

76.31 For a grant to Grant County for predesign,
 76.32 acquisition, ~~and~~ or improvements for a trail
 76.33 from the city of Elbow Lake to Pomme de

77.1 Terre Lake. The commissioner of natural
 77.2 resources may allocate any amount not
 77.3 needed to complete this project to state
 77.4 trail acquisition and improvements under
 77.5 Minnesota Statutes, section 85.015.

77.6 Sec. 16. Laws 2014, chapter 294, article 1, section 17, subdivision 6, is amended to read:

77.7 Subd. 6. **Inver Grove Heights - Heritage**
 77.8 **Village Park** 2,000,000

77.9 \$1,500,000 of this appropriation is for a
 77.10 grant to the city of Inver Grove Heights
 77.11 and \$500,000 of this appropriation is for a
 77.12 grant to Dakota County. This appropriation
 77.13 is for public infrastructure improvements
 77.14 and land acquisition in and adjacent to the
 77.15 Heritage Village Park, the Mississippi River
 77.16 Trail, and the Rock Island Swing Bridge.
 77.17 These improvements will include but are
 77.18 not limited to motor vehicle access, utility
 77.19 service, stormwater treatment, and trail and
 77.20 sidewalk connections. This appropriation
 77.21 is not available until the commissioner of
 77.22 management and budget has determined that
 77.23 at least an equal amount has been committed
 77.24 to the project from nonstate sources.

77.25 Sec. 17. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to
 77.26 read:

77.27 Subd. 12. **West St. Paul - ~~North Urban River~~**
 77.28 **to River Regional Trail Bridge Greenway** 2,000,000

77.29 For a grant to the city of West St. Paul to
 77.30 predesign, design, and construct a pedestrian
 77.31 ~~bridge for the North Urban Regional Trail~~
 77.32 ~~as an overpass~~ grade separated crossing of
 77.33 Robert Street in the area near Wentworth
 77.34 Avenue in West St. Paul for the River to River

78.1 Regional Greenway. This appropriation may
 78.2 also be used to acquire property or purchase
 78.3 rights-of-way needed for bridge construction.
 78.4 A nonstate match is not required.

78.5 Sec. 18. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision
 78.6 3, is amended to read:

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

78.9 (a) From the bond proceeds account in
 78.10 the state transportation fund as provided
 78.11 in Minnesota Statutes, section 174.50, for
 78.12 construction and reconstruction of local
 78.13 roads with statewide or regional significance
 78.14 under Minnesota Statutes, section 174.52,
 78.15 subdivision 4, or for grants to counties to
 78.16 assist in paying the costs of rural road safety
 78.17 capital improvement projects on county
 78.18 state-aid highways under Minnesota Statutes,
 78.19 section 174.52, subdivision 4a.

78.20 (b) This appropriation includes \$850,000 for
 78.21 a grant to the city of Sandstone for predesign,
 78.22 design, engineering, and construction of a
 78.23 road extending south off of marked Trunk
 78.24 Highway 23 across from Lundorff Drive
 78.25 to the airport area, and including a bridge
 78.26 over Skunk Creek in Sandstone, in order to
 78.27 facilitate repurposing of an area of the airport
 78.28 into a business park. This appropriation
 78.29 is not available until the commissioner of
 78.30 management and budget determines that
 78.31 sufficient resources to complete the project
 78.32 are committed to it from other sources,
 78.33 including any funds made available from the
 78.34 commissioner of transportation.

79.1 (c) This appropriation includes \$3,770,000
 79.2 for a grant to Kandiyohi County for
 79.3 construction and reconstruction of local
 79.4 roads to facilitate the construction of
 79.5 highway-rail grade separations at ~~U.S.~~
 79.6 ~~Highway 12 and Minnesota Highway 40~~
 79.7 ~~as part of~~ one or more of the following
 79.8 highway-rail intersections associated with
 79.9 the Willmar Wye project: U.S. Highway 12,
 79.10 marked Trunk Highway 40, and Kandiyohi
 79.11 County State-Aid Highway 55.

79.12 **Sec. 19. NATIONAL SPORTS CENTER; LEASE.**

79.13 Notwithstanding Minnesota Statutes, sections 16A.695, 16B.24, and 240A.03,
 79.14 subdivision 6, the Minnesota Amateur Sports Commission may lease for educational
 79.15 purposes that portion of property described as a portion of the property acquired by the
 79.16 commission pursuant to Laws 1987, chapter 400, section 8, subdivision 3, not currently
 79.17 needed for amateur sports purposes to Independent School District No. 16, Spring Lake
 79.18 Park. The lease shall be in a form approved by the attorney general and for a term not
 79.19 to exceed 99 years. The lease may provide for the provision of capital improvements or
 79.20 other performance by the tenant in lieu of all or some of the payments of rent that would
 79.21 otherwise be required. Any lease revenues paid to the commission are appropriated to
 79.22 the commission.

79.23 **Sec. 20. REPORT ON FUTURE OF GLENSHEEN.**

79.24 The Board of Regents of the University of Minnesota must develop a plan for the
 79.25 future of Glensheen, the historic Congdon estate in Duluth, in cooperation and consultation
 79.26 with the city of Duluth, the Minnesota Historical Society, and other interested parties. The
 79.27 plan must address facility ownership, a multiphased asset renewal plan, programmatic
 79.28 operations, and cultural interpretation. The plan must be submitted by January 16, 2017,
 79.29 to the chairs and ranking minority members of the legislative committees with jurisdiction
 79.30 over higher education policy and finance, and capital investment, and as provided in
 79.31 Minnesota Statutes, section 3.195.

79.32 **Sec. 21. COMMISSIONER OF ADMINISTRATION REPORT - FUNDING**
 79.33 **FOR ASSET PRESERVATION.**

80.1 Subdivision 1. **Report.** By November 15, 2016, the commissioner of administration
80.2 shall report to the chairs and ranking minority members of the committees in the senate
80.3 with jurisdiction over finance and capital investment and in the house of representatives
80.4 with jurisdiction over ways and means and capital investment, with recommendations for
80.5 sustainable, reliable, predictable funding for preservation of capital assets owned by
80.6 agencies.

80.7 Subd. 2. **Funding options and approaches.** The report shall assess the feasibility of
80.8 implementing the following options and may include evaluation of other feasible options:

80.9 (1) establishing a standing appropriation from the general fund to pay a portion of
80.10 certified asset preservation needs;

80.11 (2) establishing a standing appropriation from the bond proceeds fund, and
80.12 authorizing the sale of general obligation bonds, to pay a portion of certified asset
80.13 preservation needs;

80.14 (3) dedicating a specified portion of fees collected by agencies to use for asset
80.15 preservation; and

80.16 (4) shifting asset preservation from the capital budget to the operating budget so that
80.17 asset preservation is built into the base budget.

80.18 Evaluations should include a comparison to current law and practice.

80.19 Subd. 3. **Demolition.** The report shall evaluate whether the metrics and process
80.20 used by each agency to recommend demolition of capital assets are comprehensive enough
80.21 to reflect what is in the best interest of the state.

80.22 Subd. 4. **Definition.** "Agencies" as used in this section means all executive branch
80.23 agencies, the Board of Regents of the University of Minnesota, and the Board of Trustees
80.24 of Minnesota State Colleges and Universities.

80.25 Sec. 22. **REPEALER.**

80.26 Minnesota Statutes 2014, section 123A.446, is repealed.

80.27 Sec. 23. **EFFECTIVE DATE.**

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

80.30 **ARTICLE 4**

80.31 **RAIL TRANSPORTATION**

80.32 Section 1. Minnesota Statutes 2014, section 13.6905, is amended by adding a
80.33 subdivision to read:

81.1 Subd. 34. Oil and other hazardous substances transportation data. Certain
 81.2 data on oil and other hazardous substances transportation by railroads are governed by
 81.3 section 219.925, subdivision 7.

81.4 Sec. 2. Minnesota Statutes 2014, section 13.7411, is amended by adding a subdivision
 81.5 to read:

81.6 Subd. 10. Prevention and response plans. Certain data on prevention and response
 81.7 plans are governed by section 115E.042, subdivision 7.

81.8 Sec. 3. Minnesota Statutes 2014, section 115E.042, is amended to read:

81.9 **115E.042 PREPAREDNESS AND RESPONSE FOR CERTAIN RAILROADS.**

81.10 Subdivision 1. **Application.** In addition to the requirements of section 115E.04,
 81.11 a person who owns or operates railroad car rolling stock transporting a unit train must
 81.12 comply with this section.

81.13 Subd. 2. **Training.** (a) Each railroad must offer training to each fire department,
 81.14 and each local organization for emergency management under section 12.25, having
 81.15 jurisdiction along the route of unit trains routes over which oil and other hazardous
 81.16 substances are transported. ~~Initial training under this subdivision must be offered to each~~
 81.17 ~~fire department by June 30, 2016, and Refresher training must be offered to each fire~~
 81.18 ~~department and local organization for emergency management at least once every three~~
 81.19 ~~years thereafter~~ after initial training under this subdivision.

81.20 (b) The training must address ~~the general hazards of oil and hazardous substances,~~
 81.21 ~~techniques to assess hazards to the environment and to the safety of responders and the~~
 81.22 ~~public, factors an incident commander must consider in determining whether to attempt to~~
 81.23 ~~suppress a fire or to evacuate the public and emergency responders from an area, and other~~
 81.24 ~~strategies for initial response by local emergency responders. The training must include~~
 81.25 ~~suggested protocol or practices for local responders to safely accomplish these tasks~~
 81.26 identification of rail cars and their hazardous substance contents, responder safety issues,
 81.27 rail response tactics, public evacuation considerations, environmental contamination
 81.28 response, coordination of railroad response personnel and resources at an incident, and
 81.29 other protocols and practices for safe initial local response.

81.30 Subd. 3. **Emergency response planning; coordination.** ~~Beginning June 30, 2015,~~
 81.31 (a) Each railroad must communicate at least annually with each ~~county or city~~ emergency
 81.32 manager, security qualified safety representatives of railroad employees governed by the
 81.33 Railway Labor Act, and a senior fire department officer of each fire department having

82.1 jurisdiction along the ~~route of a unit train~~ routes over which oil and other hazardous
 82.2 substances are transported, to:

82.3 (1) ensure coordination of emergency response activities between the railroad and
 82.4 local responders;

82.5 (2) upon request, assist emergency managers to identify and assess local rail-specific
 82.6 threats, hazards, and risks; and

82.7 (3) obtain information from emergency managers regarding specific local natural
 82.8 and technical hazards and threats in the local area that may impact rail operations or
 82.9 public safety.

82.10 (b) The coordination under paragraph (a), clauses (2) and (3), must include
 82.11 identification of increased risks and potential special responses due to high population
 82.12 concentration, critical local infrastructure, key facilities, significant venues, or sensitive
 82.13 natural environments.

82.14 (c) The commissioner of public safety shall compile and make available to railroads
 82.15 a listing of emergency managers and fire chiefs, which must include contact information.

82.16 Subd. 4. **Response capabilities; time limits.** (a) Following confirmation of a
 82.17 discharge, a railroad must deliver and deploy sufficient equipment and trained personnel
 82.18 to (1) contain and recover discharged oil or hazardous substances, and (2) to protect the
 82.19 environment and assist local public safety officials.

82.20 (b) Within 15 minutes of the arrival of local emergency responders on the scene of a
 82.21 rail incident involving oil or other hazardous substances, a railroad must assist the incident
 82.22 commander in determining the nature of hazardous substances known to have been released
 82.23 and hazardous substances transported on the train, by providing information that includes
 82.24 the chemical content of the hazardous substances, contact information for the shipper, and
 82.25 instructions for dealing with release of the material. A railroad may provide information
 82.26 through the train orders on board the train, facsimile, or electronic transmission.

82.27 (c) Within one hour of confirmation of a discharge, a railroad must provide a
 82.28 qualified company ~~employee~~ representative to advise the incident commander, help
 82.29 assess the situation, initiate railroad response actions as needed, and provide advice and
 82.30 recommendations to the incident commander regarding the response. The employee may
 82.31 be made available by telephone, and must be authorized to deploy all necessary response
 82.32 resources of the railroad.

82.33 ~~(e)~~ (d) Within three hours of confirmation of a discharge, a railroad must be capable of
 82.34 delivering monitoring equipment and a trained operator to assist in protection of responder
 82.35 and public safety. A plan to ensure delivery of monitoring equipment and an operator to a
 82.36 discharge site must be provided each year to the commissioner of public safety.

83.1 ~~(d)~~ (e) Within three hours of confirmation of a discharge, a railroad must provide (1)
 83.2 qualified personnel at a discharge site to assess the discharge and to advise the incident
 83.3 commander, and (2) resources to assist the incident commander with ongoing public
 83.4 safety and scene stabilization.

83.5 ~~(e)~~ (f) A railroad must be capable of deploying containment boom from land across
 83.6 sewer outfalls, creeks, ditches, and other places where oil or hazardous substances
 83.7 may drain, in order to contain leaked material before it reaches those resources. The
 83.8 arrangement to provide containment boom and staff may be made by:

- 83.9 (1) training and caching equipment with local jurisdictions;
- 83.10 (2) training and caching equipment with a fire mutual-aid group;
- 83.11 (3) means of an industry cooperative or mutual-aid group;
- 83.12 (4) deployment of a contractor;
- 83.13 (5) deployment of a response organization under state contract; or
- 83.14 (6) other dependable means acceptable to the Pollution Control Agency.

83.15 ~~(f)~~ (g) Each arrangement under paragraph ~~(e)~~ (f) must be confirmed each year. Each
 83.16 arrangement must be tested by drill at least once every five years.

83.17 ~~(g)~~ (h) Within eight hours of confirmation of a discharge, a railroad must be capable
 83.18 of delivering and deploying containment boom, boats, oil recovery equipment, trained
 83.19 staff, and all other materials needed to provide:

- 83.20 (1) on-site containment and recovery of a volume of oil equal to ten percent of the
 83.21 calculated worst case discharge at any location along the route; and
- 83.22 (2) protection of listed sensitive areas and potable water intakes within one mile of
 83.23 a discharge site and within eight hours of water travel time downstream in any river
 83.24 or stream that the right-of-way intersects.

83.25 ~~(h)~~ (i) Within 60 hours of confirmation of a discharge, a railroad must be capable of
 83.26 delivering and deploying additional containment boom, boats, oil recovery equipment,
 83.27 trained staff, and all other materials needed to provide containment and recovery of a
 83.28 worst case discharge and to protect listed sensitive areas and potable water intakes at any
 83.29 location along the route.

83.30 Subd. 5. ~~Railroad drills~~ Environmental response exercises. (a) Each railroad
 83.31 must conduct ~~at least one~~ oil containment, recovery, and sensitive area protection ~~drill~~
 83.32 exercises as follows: (1) at least one tabletop exercise every year; and (2) at least one
 83.33 full-scale exercise every three years; Each exercise must be at a location, date, and
 83.34 time and in the manner chosen by the Pollution Control Agency, and attended by safety
 83.35 representatives of railroad employees governed by the Railway Labor Act.

84.1 (b) To the extent feasible, the commissioner of the Pollution Control Agency shall
 84.2 coordinate each exercise with exercises required by federal agencies.

84.3 **Subd. 6. Prevention and response plans; requirements, submission.** (a) ~~By~~
 84.4 ~~June 30, 2015,~~ A railroad shall submit the prevention and response plan ~~required under~~
 84.5 ~~section 115E.04, as necessary to comply with the requirements of this section,~~ to the
 84.6 commissioner of the Pollution Control Agency on a form designated by the commissioner.

84.7 (b) ~~By June 30 of~~ In every third year following a plan submission under this
 84.8 subdivision, or sooner as provided under section 115E.04, subdivision 2, a railroad must
 84.9 update and resubmit the prevention and response plan to the commissioner.

84.10 **Subd. 7. Environmental response plan data.** A prevention and response plan
 84.11 provided under this section is nonpublic data, as defined under section 13.02, subdivision 9.

84.12 Sec. 4. Minnesota Statutes 2014, section 219.015, is amended to read:

84.13 **219.015 STATE RAIL SAFETY INSPECTOR INSPECTION PROGRAM.**

84.14 Subdivision 1. **Positions established; duties.** (a) The commissioner of transportation
 84.15 shall establish three state rail safety inspector positions ~~in the Office of Freight and~~
 84.16 ~~Commercial Vehicle Operations of the Minnesota Department of Transportation. On or~~
 84.17 ~~after July 1, 2015,~~ and the commissioner may establish ~~a fourth~~ up to six state rail safety
 84.18 ~~inspector position~~ inspection program positions following consultation with railroad
 84.19 companies. The commissioner shall apply to and enter into agreements with the Federal
 84.20 Railroad Administration (FRA) of the United States Department of Transportation
 84.21 to participate in the federal State Rail Safety Participation Program for training and
 84.22 certification of an inspector under authority of United States Code, title 49, sections 20103,
 84.23 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

84.24 (b) A state rail safety inspector ~~shall~~ may inspect mainline track, secondary
 84.25 track, and yard and industry track; inspect railroad right-of-way, including adjacent or
 84.26 intersecting drainage, culverts, bridges, overhead structures, and traffic and other public
 84.27 crossings; inspect yards and physical plants; inspect train equipment; review and enforce
 84.28 safety requirements; review maintenance and repair records; and review railroad security
 84.29 measures.

84.30 (c) A state rail safety inspector may perform, but is not limited to, the duties
 84.31 described in the federal State Rail Safety Participation Program. An inspector may train,
 84.32 be certified, and participate in any of the federal State Rail Safety Participation Program
 84.33 disciplines, including: track, signal and train control, motive power and equipment,
 84.34 operating practices compliance, hazardous materials, and highway-rail grade crossings.

85.1 (d) To the extent delegated by the Federal Railroad Administration and authorized
85.2 by the commissioner, an inspector may issue citations for violations of this chapter, or to
85.3 ensure railroad employee and public safety and welfare.

85.4 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided
85.5 in this subdivision, the commissioner shall annually assess railroad companies that are
85.6 (1) defined as common carriers under section 218.011; (2) classified by federal law
85.7 or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II
85.8 Carriers; and (3) operating in this state.

85.9 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail
85.10 safety inspector inspection program costs ~~in equal proportion between~~ proportionally
85.11 among carriers based on route miles operated in Minnesota, ~~assessed in equal amounts~~
85.12 ~~for 365 days of the calendar year~~ at the time of assessment. The commissioner shall
85.13 ~~assess~~ include in the assessment calculation all program or additional position start-up
85.14 ~~or re-establishment costs;~~ all related costs of initiating the state rail safety ~~inspector~~
85.15 inspection program, including but not limited to inspection, administration, supervision,
85.16 travel, equipment, and training; and costs of ongoing state rail inspector duties.

85.17 (c) The assessments collected under this subdivision must be deposited in a ~~special~~
85.18 ~~account in the special revenue fund, to be known as the~~ state rail safety inspection account,
85.19 which is established in the special revenue fund. The account consists of funds as provided
85.20 by this subdivision, and any other money donated, allotted, transferred, or otherwise
85.21 provided to the account. Money in the account is appropriated to the commissioner for
85.22 the establishment and ongoing responsibilities of the state rail safety ~~inspector~~ inspection
85.23 program.

85.24 Subd. 3. **Work site safety coaching program.** The commissioner may exempt a
85.25 common carrier not federally classified as Class I from violations for a period of up to
85.26 two years if the common carrier applies for participation in a work site safety coaching
85.27 program, such as the "MNSharp" program administered by the Minnesota Department of
85.28 Labor and Industry, and the commissioner determines such participation to be preferred
85.29 enforcement for safety or security violations.

85.30 Subd. 4. **Appeal.** Any person aggrieved by an assessment levied under this section
85.31 may appeal within 90 days any assessment, violation, or administrative penalty to the
85.32 Office of Administrative Hearings, with further appeal and review by the district court.

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

85.34 Sec. 5. **[219.925] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS**
85.35 **AND INFORMATION.**

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

86.3 (b) "Emergency manager" means the director of a local organization for emergency
86.4 management under section 12.25.

86.5 (c) "Hazardous substance" has the meaning given in Code of Federal Regulations,
86.6 title 49, section 171.8.

86.7 (d) "Incident commander" means the official who has responsibility, following
86.8 National Incident Management System guidelines, for all aspects of emergency response
86.9 operations at an incident scene, including directing and controlling resources.

86.10 (e) "Oil" has the meaning given in section 115E.01, subdivision 8.

86.11 (f) "Rail carrier" means a railroad company that is:

86.12 (1) defined as a common carrier under section 218.011;

86.13 (2) classified by federal law or regulation as Class I Railroad, Class I Rail Carrier,
86.14 Class II Railroad, Class II Carrier, Class III Railroad, or Class III Carrier; and

86.15 (3) operating in this state.

86.16 Subd. 2. **Traffic review.** Within ten business days of receiving a written request, a
86.17 rail carrier shall provide a traffic review to a requesting emergency manager or fire chief
86.18 having jurisdiction along the routes over which oil and other hazardous substances are
86.19 transported. The traffic review under this subdivision must include information on the
86.20 types and volumes of oil and other hazardous substance transported through the requester's
86.21 jurisdiction during the prior calendar year.

86.22 Subd. 3. **Emergency response planning; information sharing.** Upon written
86.23 request, a rail carrier shall provide to an emergency manager or fire chief having
86.24 jurisdiction along the routes over which oil and other hazardous substances are transported:

86.25 (1) a complete copy of prevention and response plans submitted under section
86.26 115E.042, subdivision 6; and

86.27 (2) a copy of the data and information, including risk assessment information, used
86.28 to develop the rail carrier's route analysis as required under Code of Federal Regulations,
86.29 title 49, section 172.820, or successor requirements.

86.30 Subd. 4. **Emergency response planning; coordination meetings.** (a) Within
86.31 30 days of receiving a written request, a rail carrier must be available to meet with a
86.32 requesting emergency manager or fire chief having jurisdiction along the routes over
86.33 which oil and other hazardous substances are transported, concerning emergency response
86.34 planning and coordination.

86.35 (b) At a meeting held under this subdivision, a rail carrier must provide:

87.1 (1) a review of the rail carrier's emergency response planning and capability,
87.2 including railroad response timelines and resources to provide (i) technical advice and
87.3 recommendations, (ii) trained response personnel, (iii) specialized equipment, and (iv) any
87.4 other available resources to support an incident commander who conducts a public safety
87.5 emergency response under the National Incident Management System; and

87.6 (2) inventory information on emergency response involving oil or other hazardous
87.7 substance, consisting of:

87.8 (i) equipment owned by the rail carrier, including equipment type and location;

87.9 (ii) response personnel of the rail carrier, including contact information and location;

87.10 and

87.11 (iii) resources available to the rail carrier through contractual agreements.

87.12 Subd. 5. **Real-time emergency response information.** (a) The commissioner
87.13 of public safety shall, through the Minnesota Fusion Center, receive and disseminate
87.14 emergency response information as provided under section 7302 of the FAST Act of 2015,
87.15 Public Law 114-94, and federal regulations adopted under that section.

87.16 (b) On and after July 1, 2017, all rail carriers subject to this section shall collectively
87.17 provide to emergency responders, through an Internet-based format, the information on
87.18 transportation of oil and other hazardous substances provided by rail carriers through a
87.19 wireless communications device application on the effective date of this section.

87.20 Subd. 6. **Public safety response exercises.** (a) Each rail carrier must conduct one
87.21 tabletop public safety emergency response exercise in each emergency management region
87.22 in which the rail carrier transports oil and other hazardous substances. The exercises must
87.23 be conducted by July 1, 2017, and July 1 every two years thereafter.

87.24 (b) Each rail carrier must conduct one full-scale exercise every four years.

87.25 (c) In a emergency management region in which more than one rail carrier operates,
87.26 the rail carriers may conduct the exercises jointly or may alternate among rail carriers
87.27 to conduct the exercise.

87.28 (d) To the extent feasible, the rail carriers shall coordinate the exercises among each
87.29 other and with exercises under section 115E.042, subdivision 5.

87.30 Subd. 7. **Transportation and response planning data.** Any data provided under
87.31 subdivisions 3 to 6 to an emergency manager, incident commander, emergency first
87.32 responder, fire chief, or the commissioner of public safety are nonpublic data, as defined
87.33 under section 13.02, subdivision 9.

88.1 Sec. 6. Minnesota Statutes 2014, section 299A.55, is amended to read:

88.2 **299A.55 RAILROAD AND PIPELINE SAFETY INCIDENT**
 88.3 **PREPAREDNESS; OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.**

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

88.6 (b) "Applicable rail carrier" means a railroad company that is subject to an
 88.7 assessment under section 219.015, subdivision 2.

88.8 (c) "Hazardous substance" has the meaning given in ~~section 115B.02, subdivision 8~~
 88.9 Code of Federal Regulations, title 49, section 171.8.

88.10 (d) "Oil" has the meaning given in section 115E.01, subdivision 8.

88.11 (e) "Pipeline company" means any individual, partnership, association, or public
 88.12 or private corporation who owns and operates pipeline facilities and is required to show
 88.13 specific preparedness under section 115E.03, subdivision 2.

88.14 Subd. 2. **Railroad and pipeline safety incident account.** (a) A railroad and
 88.15 pipeline safety incident account is created in the special revenue fund. The account
 88.16 consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or
 88.17 otherwise provided to the account.

88.18 (b) ~~\$104,000~~ An amount necessary for environmental protection activities related to
 88.19 railroad discharge preparedness under section 115E.042 is annually appropriated from the
 88.20 railroad and pipeline safety incident account to the commissioner of the Pollution Control
 88.21 Agency for ~~environmental protection activities related to railroad discharge preparedness~~
 88.22 ~~under chapter 115E~~ those purposes.

88.23 (c) Following the appropriation in paragraph (b), the remaining money in the
 88.24 account is annually appropriated to the commissioner of public safety for the purposes
 88.25 specified in subdivision 3.

88.26 Subd. 3. **Allocation of funds.** (a) Subject to funding appropriated for this
 88.27 subdivision, the commissioner shall provide funds for training and response preparedness
 88.28 related to (1) derailments, discharge incidents, or spills involving trains carrying oil or
 88.29 other hazardous substances, and (2) pipeline discharge incidents or spills involving oil
 88.30 or other hazardous substances.

88.31 (b) The commissioner shall allocate available funds as follows:

88.32 (1) \$100,000 annually for emergency response teams; and

88.33 (2) the remaining amount to the Board of Firefighter Training and Education under
 88.34 section 299N.02 and the Division of Homeland Security and Emergency Management.

88.35 (c) Prior to making allocations under paragraph (b), the commissioner shall consult
 88.36 with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

89.1 (d) The commissioner and the entities identified in paragraph (b), clause (2), shall
89.2 prioritize uses of funds based on:

89.3 (1) firefighter training needs;

89.4 (2) community risk from discharge incidents or spills;

89.5 (3) geographic balance; ~~and~~

89.6 (4) risks to the general public; and

89.7 (5) recommendations of the Fire Service Advisory Committee.

89.8 (e) The following are permissible uses of funds provided under this subdivision:

89.9 (1) training costs, which may include, but are not limited to, training curriculum,
89.10 trainers, trainee overtime salary, other personnel overtime salary, and tuition;

89.11 (2) costs of gear and equipment related to hazardous materials readiness, response,
89.12 and management, which may include, but are not limited to, original purchase,
89.13 maintenance, and replacement;

89.14 (3) supplies related to the uses under clauses (1) and (2); ~~and~~

89.15 (4) emergency preparedness planning and coordination;₂

89.16 (5) public safety emergency response exercises under section 219.925, subdivision
89.17 6; and

89.18 (6) public education and outreach, including but not limited to:

89.19 (i) informing and engaging the public regarding hazards of derailments and
89.20 discharge incidents;

89.21 (ii) assisting in development of evacuation readiness;

89.22 (iii) undertaking public information campaigns; and

89.23 (iv) providing accurate information to the media on likelihood and consequences of
89.24 derailments and discharge incidents.

89.25 (f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline
89.26 safety incident account provided for the purposes under this subdivision, the commissioner
89.27 may retain a balance in the account for budgeting in subsequent fiscal years.

89.28 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess
89.29 \$2,500,000 to railroad and pipeline companies based on the formula specified in paragraph
89.30 (b). The commissioner shall deposit funds collected under this subdivision in the railroad
89.31 and pipeline safety incident account under subdivision 2.

89.32 (b) The assessment for each railroad is 50 percent of the total annual assessment
89.33 amount, divided in equal proportion between applicable rail carriers based on route miles
89.34 operated in Minnesota. The assessment for each pipeline company is 50 percent of the
89.35 total annual assessment amount, divided in equal proportion between companies based

90.1 on the yearly aggregate gallons of oil and hazardous substance transported by pipeline
90.2 in Minnesota.

90.3 (c) The assessments under this subdivision expire July 1, 2017.

90.4 Sec. 7. **REVISOR'S INSTRUCTION.**

90.5 The revisor of statutes shall recodify Minnesota Statutes, section 115E.042,
90.6 subdivision 2, as Minnesota Statutes, section 219.925, subdivision 8, and Minnesota
90.7 Statutes, section 115E.042, subdivision 3, as Minnesota Statutes, section 219.925,
90.8 subdivision 4. The revisor shall correct any cross-references made necessary by this
90.9 recodification.

APPENDIX
Article locations in H0622-3

ARTICLE 1	APPROPRIATIONS	Page.Ln 1.19
ARTICLE 2	TRANSPORTATION FINANCE AND POLICY	Page.Ln 46.15
ARTICLE 3	MISCELLANEOUS	Page.Ln 59.1
ARTICLE 4	RAIL TRANSPORTATION	Page.Ln 80.30

APPENDIX
Repealed Minnesota Statutes: H0622-3

123A.446 STATE BOND AUTHORIZATION.

To provide money for the cooperative secondary facilities grant program, the commissioner of management and budget, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$14,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.